

Senate Briefly

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A photo essay

Retired Judge Robert Schumacher, left, swears in members of the Minnesota Senate during opening day ceremonies, Wed., Jan. 3.
Photo by David J. Oakes



January 5, 2007

Senate Highlights

Senate begins Legislative Session

The 85th Legislative Session began Wed., Jan. 3, as Senators were sworn in by retired Judge Robert H. Schumacher. The first day was primarily ceremonial, with Senators presenting their election certificates and taking the oath of office.

Senators took care of routine business, including passing resolutions providing for parking, postage, committee memberships and committee schedules. Resolutions adopting temporary rules and joint rules were also approved. The Senate named Sen. Lawrence J. Pogemiller (DFL-Mpls.) as majority leader, Sen. David H. Senjem (R-Rochester) as minority leader, Sen. James P. Metzen (DFL-South St. Paul) as president, and Sen. Dennis R. Frederickson (R-New Ulm) as president pro tem. Additionally, Senators elected several officers, including a secretary, two assistant secretaries, an engrossing secretary, a sergeant at arms, an assistant sergeant at arms, and a chaplain.

The leaders of the two caucuses offered brief remarks to kick off the year. The message from the electorate was clear: get your work done well and with style, said Senjem. He said the minority Senators will debate and express their differences, but will leave the chamber in friendship and ready to come back the next day.

Senjem also figuratively offered his hand in friendship and cooperation to Pogemiller. Pogemiller said he wholeheartedly agreed with Senjem's sentiments and looks forward to a productive session. He thanked Senators' families and friends for attending the opening session. Pogemiller acknowledged the presence in the Chamber of three former Senators: Sharon Marko, Becky Lourey and Wendell Anderson, who also served as the state's governor and U.S. Senator.

The Senate for the 85th Legislative Session includes 40 men and 27 women, a record high for female Senators. Senators range in experience from three Senators beginning their ninth terms and 18 beginning their first term. Twenty-two Senators have experience in the other body. The partisan balance of the Senate is 44 DFLers in the majority caucus and 23 Republicans in the minority caucus.

Senate gets down to business

The Senate met briefly, Thurs., Jan. 4, to process bill introductions and take care of other procedural matters. The first bill of the session usually signifies a priority for Senators. This year, S.F. 1, sponsored by Sen. Thomas M. Bakk (DFL-Cook), provides property tax relief for Minnesotans. Nineteen other bills were introduced covering issues from health care to early childhood education to a constitutional amendment permanently funding natural and cultural resources through a sales tax increase.

Opening resolutions adopted

The newly constituted Rules and Administration Committee met for the first time Wed., Jan. 3, to consider a number of opening day resolutions. Majority Leader Lawrence Pogemiller (DFL-Mpls.) said most of the resolutions were routine and needed to start the Legislative Session. One exception, he said was the resolution designating Sen. Dennis Frederickson (R-New Ulm) president pro tem of the Senate. Senate President James Metzen (DFL-South St. Paul) said Frederickson was universally respected by members of the Senate and is a good choice for the position. Minority Leader David Senjem (R-Rochester) said, "I would like to express the appreciation of the caucus for the choice of Senator Frederickson as president pro tem."

Other resolutions the panel approved included the naming of majority and

minority leaders, the adoption of temporary Senate rules, the adoption of temporary joint rules, and the adoption of committee rosters and schedules. Resolutions relating to parking, postage, interns and the notification of the governor and House of Representatives that the Senate is organized were also approved.

Photo essay

The first week of a new Legislative Session is filled with pomp and ceremony. Senators are sworn in, with their family, friends, and supporters looking on proudly. The Capitol was abuzz with activity this year during the first week, as 53 new Legislators took office and most of the 201 Legislators and their staffs settled into new offices. The week ended with Legislators turning over their Chambers to what may be the next generation of lawmakers: participants in the YMCA's annual Youth in Government program. Senate Photographers David J. Oakes and A.J. Olmscheid present some highlights the week's moments in a photo essay on the following pages.

Schedule available online

Next week's schedule is available at <http://www.senate.mn/schedule/schedule.php?ls=85&date=01/08/2007&type=weekly>

Frequently called numbers

Secretary of the Senate	
231 Capitol	(651) 296-2344
Voice mail/order bills	(651) 296-2343
Senate Index	
110 Capitol	(651) 296-2887
Senate Information	
231 Capitol	(651) 296-0504
Toll free	1-888-234-1112
Senate Committee Hotline	(651) 296-8088
Senate Sergeant at Arms	
G-1 Capitol/Chamber	(651) 296-1119
Senate Counsel & Research	
G-17 Capitol	(651) 296-4791
TTY, Senate	(651) 296-0250
Toll free	1-888-234-1216
Legislative Reference Library	
645 State Office Building	(651) 296-3398
Revisor of Statutes	
700 State Office Building	(651) 296-2868
Capitol Information Desk	
1st Floor Capitol	(651) 296-3962
Capitol Historic Site Tours	
B-59 Capitol	(651) 296-2881
Capitol Security	
B-5 Capitol	(651) 296-6741

Senate Briefly is a publication of the Minnesota Senate Publications Office. During the 2007 Legislative Session, each issue reports daily Senate activities between Fridays of each week and provides other information.

The publication is a service of the Minnesota Senate.

It can be made available in alternative formats.

Editor:

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The First Week



Accompanied by his wife, Marj, Sen. Dennis Frederickson (R-New Ulm) acknowledges the applause of fellow Senators following his appointment as Senate President Pro Tem during the Senate's floor session, Wed., Jan. 3.

Photo by David J. Oakes



From left to right, Senators Sharon Erickson Ropes (DFL-Winona), Mary Olson (DFL-Bemidji) and Tony Lourey (DFL-Kerrick) get better acquainted following a Senate floor session, Thurs., Jan. 4.

Photo by David J. Oakes

The First Week



Sen. Ann Rest (DFL-New Hope) shows her grandsons, four-year-old Jonas, left, and Jakob, 12, digital photos she had just taken of them on the Senate floor prior to opening day session, Wed., Jan. 3.

Photo by David J. Oakes



One-year-old Andrew Kertz peers over his mother Jenny's shoulder during the Senate's opening day floor session, Wed., Jan. 3. Andrew is the grandson of Sen. LeRoy Stumpf (DFL-Plummer).

Photo by David J. Oakes

Sen. Chris Gerlach (R-Apple Valley) holds his five-year-old daughter, Erica, on his lap during opening day ceremonies in the Senate Chamber, Wed., Jan. 3.

Photo by A.J. Olmscheid



From left to right, Senators Dan Skogen (DFL-Hewitt), Jim Carlson (DFL-Eagan), John Doll (DFL-Burnsville) and Bill Ingebrigtsen (R-Alexandria) converse in the Senate Chamber following the Thurs., Jan. 4, floor session.

Photo by David J. Oakes

The First Week



Sen. Claire Robling (R-Jordan) greets Shakopee Senior High students in the Capitol Rotunda following their tour of the Capitol, Thurs., Jan. 4.

Photo by David J. Oakes

Albert Lea High School seniors, from left, Jordan Malimanek, Danielle Merfeld and Amanda Nelson look over prom dress catalogues in the Senate Chamber during a break in their YMCA Youth in Government Model Assembly Session on Fri., Jan. 5.

Photo by A.J. Olmscheid



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The relative calm of a Friday afternoon finds a Senate staff member ascending the Capitol's cantilevered staircase to the third floor.

Photo by A.J. Olmscheid



January 12, 2007

Senate Highlights

Seatbelt law cruises through committee, advances to next stop

The Transportation Committee buckled up and got right to work, Thurs., Jan. 11. Members heard S.F. 16, authored by Chair Steve Murphy (DFL-Red Wing), making failure to use a seatbelt a primary offense. Under current law, enforcement officials cannot pull someone over for not wearing a seatbelt and can only ticket non-seatbelt users if they are pulled over for another offense. Twenty-five states currently have primary seatbelt laws.

Representatives of the law enforcement community, medical field and private citizens all testified on behalf of the bill. We know seatbelt use saves lives, said Kathryn Swanson, director of the Office of Traffic Safety, Minnesota Safety Council. In Minnesota, approximately 83 percent of the population currently uses seatbelts and that number is expected to rise by 10 percent if the bill passes, she said. Once primary enforcement of seatbelt laws becomes a primary offense, people realize that this is a serious thing, said Sheriff John Sanner, legislative liaison for the Minnesota Sheriff's Association.

In addition to saving lives, seatbelt use saves taxpayer money, Swanson said. According to one study, crash victims in Minnesota who do not wear seatbelts had

hospital bills 94 percent higher than seatbelt users, Swanson said. Tom Kummrow of Fergus Falls testified about his son's medical bills following a 2006 car crash. Medical bills quickly added up into the hundreds of thousands of dollars and the insurance maxed out; his son had to apply for state medical aid, he said. We're the lucky ones because he survived, but there's no way we're going to be able to pay those bills, the financial impact is huge, Kummrow said.

Another incentive to pass the seatbelt law is that Minnesota will receive \$15 million in federal incentive funds for traffic safety, said Commissioner Michael Campion, Department of Public Safety.

The only opposition to the bill came in a prepared statement from Charles Samuelson of the American Civil Liberties Union of Minnesota. Samuelson expressed concern about the primary seatbelt law being used for racial profiling. Campion said the Department of Public Safety would be open to exploring use of the \$15 million to counteract any profiling issues.

The bill was recommended to pass on a unanimous voice vote and re-referred to the Judiciary Committee.

Federal update approved

A measure conforming Minnesota tax law with recent federal changes gained easy endorsement from members of the Tax Committee at their inaugural meeting, Wed., Jan. 10. S.F. 17, authored by Committee Chair Thomas Bakk (DFL-Cook), was advanced to the full Senate.

The bill updates Minnesota law to reflect changes to federal tax provisions made by three Congressional enactments: the Heroes Earned Retirement Opportunities Act, the Pension Protection Act of 2006, and the Tax Relief and Health Care Act of 2006. All three measures were enacted after the 84th Legislative Session adjourned. Bakk said the bill is needed to avoid requiring thousands of Minnesotans to file amended tax returns this year. We should do this now, to save taxpayers the hassle, he said. Ward Einess, commissioner of the Department of Revenue, agreed, saying the expedited approval of S.F. 17 will maximize taxpayer convenience and minimize confusion.

Without the bill, taxpayers would have to deal with a two-page form and three pages of instructions, rather than have the computations included in the standard tax return form and instructions,

said Jack Mansun of the Dept. of Revenue. The major elements of the update, he said, relate to higher education expenses and teachers' classroom expenses, directly affecting almost 170,000 taxpayers. Mansun said that all Minnesota taxpayers, numbering more than 2 million, are affected indirectly because they would need to examine the adjustment form and instructions to see if they need to file.

A projection prepared by the department indicated the measure reduces general fund revenues by \$24.2 million in FY 2007 and \$885,000 in FY 2008.

Brief session held

Senators held a short session, Mon., Jan. 8, to process routine business, including bill introductions.

Mileage resolution approved

Senators held another brief floor session, Thurs., Jan. 11. The session was primarily devoted to routine business, such as accepting messages from the governor and other body and introducing bills. Senators also approved a resolution that sets the distances for which Senators' travel between the Capitol and their homes is compensated.

MyBills system available

The MyBills personalized bill tracking system is now available. Users can add House and Senate bills to their lists by bill number, subject, or author, and view the legislative status of their bills, with items with significant current floor action highlighted. Users can modify their lists at any time. The MyBills system is available from the Legislative website at: <http://www.house.mn/leg/billslogin.asp>

Educational Videos Available

Three videos, "Discover the Capitol," "Power in the Process: The Anti-Hazing Law," and "Rules, Laws and the Process," can now be accessed through the Legislature's website at <http://www.leg.mn/leg/youth/video.htm> (Requires Real Player.)

These videos are excellent sources of information on the history of the State Capitol, how laws are made in Minnesota and how even the state's youngest citizens can get involved in the legislative process.

For more information contact Senate Media Services at (651) 296-0264.

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Committee update

Commerce and Consumer Protection

Commerce Dept. reviewed

The initial meeting of the Commerce and Consumer Protection Committee, Thurs., Jan. 11, was devoted to an overview of the functions and responsibilities of the Commerce Department. Members, led by Chair Linda Scheid (DFL-Brooklyn Park), heard from Commerce Commissioner Glenn Wilson and three deputy commissioners.

Wilson said the department's mission is to ensure equitable commercial and financial transactions and reliable utility services. The department regulates business activity in over 20 industries, investigates consumer complaints, advocates the public's interest before the Public Utilities Commission, and administers various state programs. We try every day to balance

between business and consumer interests, Wilson said. In the last four years, we have restructured the department and modernized processes to improve efficiency, he said. Wilson said the department has nationally respected experts and committed staff.

The Market Assurance Division, said Deputy Commissioner Patrick Nelson, is responsible for regulating securities, supervising the workers compensation self insurance and assigned risk pool programs, regulating homeowners and automobile insurance products, and investigating consumer complaints. The division also investigates insurance fraud, he said, and licenses a variety of occupations.

Deputy Commissioner Kevin Murphy reviewed the operations of the Financial Examinations Division. The division, he said, supervises and examines state banks, trust companies, credit unions, savings banks, other financial services companies

and consumer credit companies to determine their financial standing and responsiveness to business and consumer credit needs. Murphy said the division also regulates and licenses other financial institutions, including mortgage originators and check cashing operations.

Committee members also received a quick review of the Department's Energy and Telecommunications Division, which is not within the committee's jurisdiction. The division seeks to ensure reliable, affordable and environmentally sound energy supplies are available to utility customers, said Deputy Commissioner Edward Garvey, and seeks to ensure the provision of reliable telecommunications services at reasonable rates, he said.

Wilson briefly discussed a national compact on insurance review, which he said will expedite review of insurance products. The compact was developed by state insurance regulators as a response to proposed federal regulation of insurance, he said. Wilson also discussed concerns interior states have about the possible shifting of insurance costs from high-risk coastal areas to low-risk interior areas.

E-12 Education Budget Division

Overview of E-12 finance for veteran and new Senators

The E-12 Education Budget Division met for the first time, Wed., Jan. 10. After a welcome by Chair LeRoy Stumpf (DFL-Plummer), the Senators had some schooling of their own. Eric Nauman, Senate fiscal analyst, began an overview of E-12 education finance. Stumpf said although he has seen the presentation a number of times, he always learns something new.

The presentation included basic education finance terms and acronyms; a look at the education finance budget; and general education and referendum programs. Senators also learned about the revenue formulas used, including how to calculate school district revenue for students with limited English proficiency and how to calculate revenue for repair and maintenance of facilities.

Panel continues overview

The E-12 Education Budget Division, chaired by Sen. LeRoy Stumpf (DFL-Plummer), met Thurs., Jan. 11, to continue an overview presentation of E-12 educa-



Referring to legislation that would make seat belt violations a primary offense, Stearns County Sheriff John Sanner tells members of the Transportation Budget and Policy Division, Thurs., Jan. 11, that "what this does more than anything is reduce the possibility of death or serious bodily injury."

Photo by David J. Oakes

Committee update

tion finance. Eric Nauman, Senate fiscal analyst, and Shelby McQuay, Senate research analyst, presented information on operating referendums, special education revenue, capital and facility programs, and funding for early childhood education and lifelong learning programs.

Education

Special ed resolution okayed

Members of the Education Committee used their first meeting, Mon., Jan. 8, to approve two bills calling on national lawmakers to improve education policies and funding.

S.F. 13, authored by Committee Chair Charles Wiger (DFL-North St. Paul), calls for the federal government to carry through on its pledge to fund 40 percent of special education costs. The pledge was first made in 1975, with the passage of the Individuals with Disabilities Education Act. However, Wiger noted, the federal government has never borne more than 18 percent of special education costs in Minnesota. Education Commissioner Alice Seagren spoke in support of the measure, saying the federal government needs to increase its financial commitment to special education.

Representatives of several education interest groups also spoke in support of the resolution. Because Congress has held the dollars it appropriates for special education flat in recent years, said Mary Ruprech of Minnesota Administrators for Special Education, the federal contribution has fallen as a percentage of special education costs. She said this underfunding has meant fewer educational options. Minnesota would gain as much as \$633 million annually if the federal government met its

40 percent commitment, said Kirk Schneidawind, Minnesota School Boards Association.

The unique nature of federal legislation does not mean that Congress promised to fund 40 percent, said Sen. Gen Olson (R-Minnetrista), but only that Congress was willing to fund up to that amount. She said the state would be better served if the federal government allowed the state to take full control of education, without imposing a variety of new programs and requirements. However, the bill represents a much-needed call to improve the current system, she said.

The original intent of the federal special education law was to address physically identifiable disorders, said Dr. Karen Effrem of EdWatch. Later legislation added emotional disturbances and mental health disorders, such as attention deficit disorder, she said. Part of the problem with the increase in special education costs is the over-identification of children,

especially children of minority backgrounds, with emotional disturbances and mental health disorders, Effrem said. She said the more recently added categories are responsible for the great bulk of special education students. Effrem said state lawmakers should adopt a wide-ranging approach that includes reducing over-identification and addressing the presence of mercury in childhood vaccines.

The other bill, S.F. 28, also carried by Wiger, requests amendments to the federal No Child Left Behind Act to reconsider Congressional expectations placed on states to reach 100 percent proficiency as measured by adequate yearly progress and to fully fund the requirements of the law.

Both measures were advanced to the full Senate.

World class education profiled

The Education Committee, chaired by Sen. Charles Wiger (DFL-North St. Paul), met at the Science Museum in downtown



Senate Majority Leader Lawrence J. Pogemiller (DFL-Mpls.) chats with Sen. Terri Bonoff (DFL-Minnetonka) on the floor of the Senate during a break in the Thurs., Jan. 11, floor session.

Photo by David J. Oakes



Senators Steve Dille (R-Dassel), left, and Satveer Chaudhary (DFL-Fridley) look over proposed legislation during the Senate floor session, Thurs., Jan. 11.

Photo by David J. Oakes

St. Paul, Wed., Jan. 10, to hear an address on what constitutes a world class education. The address, given by William Schmidt, also focused on how the United States compares with other nations. Schmidt is the former director of TIMSS International Testing and a distinguished professor at Michigan State University.

Energy, Utilities, Technology and Communications

Energy, utilities overviews heard

The inaugural meeting of the Energy, Utilities, Technology and Communications Committee, Thurs., Jan. 11, was devoted to hearing background information on renewable energy, the Minnesota

Public Utilities Commission and energy objective activities. Chair Yvonne Prettner Solon (DFL-Duluth) welcomed members and said the panel will concentrate on energy policy, conservation, energy efficiency and renewable energy for the first half of the Legislative Session. "I think we can all agree it is a vast issue area and a bipartisan issue area," Prettner Solon said.

Senate Counsel John Fuller reviewed the current status of the renewable energy objective law and explained the difficulty of finding the proper balance of economic feasibility and adequate renewable objectives. He also reviewed current law relating to the certificate of need law and the integrated resource planning provisions in the law.

Burl Haar, executive secretary, and Commissioner Phyllis Rhea, vice chair of

the Public Utilities Commission, provided background and structural information about the commission. Members also heard a presentation on the commission's wind integration study. Haar said the commission regulates three industries: electricity, natural gas and local telephone and that the basic mission is to ensure safe, adequate and reliable service at fair and reasonable rates. In addition, Haar said, in 2005, authority over siting or routing of large energy facilities was given to the commission.

Rhea reviewed the commission's actions regarding renewable energy objectives. Members also heard speakers outline the commission's wind integration study and give a presentation on the background of the energy industry's structure and compliance with the renewable energy objective.

Environment and Natural Resources

A History of the Land film viewed

The first meeting of the Environment and Natural Resources Committee was held Mon., Jan. 8, to welcome members and to hear a brief presentation on the PBS series "Minnesota: A History of the Land." Members also viewed the first episode of the series, "Ordering the Land." Chair Satveer Chaudhary (DFL-Fridley) welcomed members and introduced Scott Lanyon, director of the Bell Museum of Natural History, who gave the presentation on the film.

Senators see presentations, film

The Environment and Natural Resources Committee continued its review of the PBS series "Minnesota: A History of the Land," Wed., Jan. 10. Episode II, "Changes in the Land," followed Minnesota's history from open prairies and large forests, through changes brought by farming, hunting and logging. In addition, the committee heard two presentations.

The Department of Natural Resources (DNR) presented the Working Land Initiative. The goal of the initiative is to do more conservation on fewer acres by using all the tools available, said David Schad, director of the Fish and Wildlife Division. Working together with farmers, conservation groups and others, the DNR combines ecological models and geographic information systems to find the

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best places to target their wetland and grassland conservation efforts, said Ray Norrgard, leader of the Wetland Wildlife Program.

Senators also heard a presentation on sustainable agriculture. Sustainable agriculture is difficult to define, but one way to describe it is agriculture that is good for farm and family, good for the community, and good for the environment, said Thom Peterson, director of government relations for the Minnesota Farmers Union. Some areas of environmentally friendly farming include low inputs (no pesticides), grazing cattle instead of feedlots and no till farming, he said.

Environment, Energy and Natural Resources Budget Division

Clean water initiative reviewed

The Environment, Energy and Natural Resources Budget Division met Thurs., Jan. 11, to hear presentations on the "Clean Water Legacy Initiative." Representatives of the Minnesota Pollution Control Agency (MPCA), the Minnesota Board of Water and Soil Resources (BWSR) and

the Dept. of Natural Resources (DNR) gave background information on the initiative. Minnesota has the most surface water of the lower 48 states with more than 12,000 lakes and 92,000 stream and river miles, said Gaylen Reetz, director, MPCA. He said about 40 percent of assessed waters have been found to be impaired, which in turn has an impact on economic development.

He said the federal Clean Water Act requires an assessment of the state's waters, a listing of those that do not meet standards, identification of sources, and the implementation of restoration activities. Reetz said Minnesota's approach to meeting the requirements of the federal act include requiring all levels of government to work together and stressing efficiency, cooperation, and the use of existing programs and resources. In addition, the state's approach includes the use of non-regulatory programs, the use of methods with demonstrated effectiveness in water quality improvement and the protection of waters from becoming impaired.

Reetz said citizen monitoring is a key component of the state's overall monitoring strategy. Currently, he said, there are over 1,100 lake monitors and over 500 active stream monitors.

Funding has been used for measuring total maximum daily loads (TMDL) on 10 lakes and streams to measure pollutants, Reetz said. The TMDL equation provides that the TMDL is equal to the waste load allocation plus the load allocation plus the margin of safety plus the reserve capacity, he said. Implementing strategies to reduce TMDLs include addressing straight-pipe septic systems, reducing nonpoint source runoff and changes in public and private infrastructure, he said. Several case studies were reviewed, before the division, chaired by Sen. Ellen Anderson (DFL-St. Paul), heard testimony from a variety of environmental organizations.

Health and Human Services Budget Division

Veterans issues reviewed

The Health and Human Services Budget Division, chaired by Sen. Linda Berglin (DFL-Mpls.), met Thurs., Jan. 11, to review veterans homes issues and funding. Jeff Johnson, chair, Veterans Home Board, and Larry Greenberg, also of the Veterans Home Board, outlined the budget structure for the agency.

Johnson also introduced the new management team for the Minneapolis Veterans Home and explained the steps being taken to remedy issues brought to light by the most recent inspection. The inspection revealed areas of substandard care in the Minneapolis home. Berglin said she gave credit to the board for stepping up and becoming very involved in resolving the various problems.

Members also heard testimony from representatives of the Minnesota Nurses Association on the issue of substandard care at the Minneapolis Veterans Home.

Health, Housing and Family Security

Health care programs reviewed

A joint meeting of the Health, Housing and Family Security Committee and the Health and Human Services Budget Division was held Wed., Jan. 10. The two panels met with their counterparts from the other body and heard overviews of long-term care programs and of various health care programs, including managed care.



As Sen. Kathy Saltzman (DFL-Woodbury) observes, Gov. Tim Pawlenty examines a medal worn by Stillwater Junior High student and soccer player Mathew Bonine. Mathew and his teammates were greeted by the governor, Thurs., Jan. 11, in recognition of winning their second straight adaptive soccer state championship.

Photo by David J. Oakes

The joint hearing, chaired by Sen. John Marty (DFL-Roseville), Sen. Linda Berglin (DFL-Mpls.) and Rep. Thomas Huntley (DFL-Duluth), heard from Assistant Commissioner Brian Osberg, Dept. of Human Services, on health care administration. He said the department is responsible for managing the state's subsidized health care programs, which serve over 660,000 low-income adults and families, children, the elderly and people with disabilities.

Osberg said Medical Assistance (MA) is a federal-state funded Medicaid program and provides coverage for 483,000 low-income senior citizens, families with children, pregnant woman and people with disabilities. He said families with children and pregnant women are the largest group covered under MA, but that the elderly and people with disabilities,

though being the smallest groups, represent the majority of expenditures. General Assistance Medical Care (GAMC) is 100 percent state funded and provides health coverage for 39,000 low-income Minnesotans who do not qualify for MA or other assistance programs, Osberg said. He said that MinnesotaCare, which was enacted in the early 1990s, serves approximately 142,000 people, including 64,000 children. Osberg said MinnesotaCare enable people to leave welfare and go to work without losing health coverage. He said the program includes the State Children Health Insurance Program, though federal funds are used to support parents and that the program is funded by enrollee premiums, a two percent tax collected by hospitals, physicians and other providers, and state and federal funds. He said there were also several

specialty programs and demonstration projects underway.

Osberg went on to outline the various divisions of the Human Services Department. The divisions include the Health Care Eligibility and Access Division, the Health Care Operations Division, the Health Services and Medical Management Division, the Managed Care Development and Purchasing Division, the Performance Measurement and Quality Improvement Division, and the Health Care Purchasing Division.

Assistant Commissioner Loren Colman, Dept. of Human Services, also gave an overview of long-term care programs, including the history and changes to the programs.

Higher Education Budget and Policy Division

Panel visits campus

Members of the Higher Education Budget and Policy Division met Thurs., Jan. 11, at the Twin Cities campus of the University of Minnesota. Chair Sandra Pappas (DFL-St. Paul) has planned several site visits to acquaint members with a variety of higher education issues.

Rules and Administration

Staff changes okayed

The Rules and Administration Committee, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met briefly Mon., Jan. 8, to consider changes to the temporary and permanent employee rosters. Pogemiller said that he and Minority Leader David Senjem (R-Rochester) were going to take a serious look at the organizational structure and compensation rates of employees over the course of the next six months. Members adopted the changes to both temporary and permanent rosters.

Expenses resolution adopted

Members of the Rules and Administration Committee, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met Wed., Jan. 10, to consider a resolution setting forth the rates of reimbursement for members' expenses. The resolution uses the federal mileage reimbursement rate of \$1.07 per mile for air travel between St. Paul and the member's residence and 48 cents per mile for motor vehicle travel



Sen. Linda Berglin (DFL-Mpls.) holds up a 26-page state health care program application that she hopes will be drastically reduced in size as a result of a comprehensive health care package revealed during a press conference, Wed., Jan. 10. Also appearing in support of the proposed legislation were Senators Ann Lynch (DFL-Rochester) and Paul Koering (R-Fort Ripley).

Photo by David J. Oakes

Committee update

between St. Paul and the member's residence.

The resolution also provides for an amount up to \$96 for per diem, up from \$66 per day, and, for those whose primary residence is more than 50 miles from the Capitol, the resolution provides for an amount of up to \$1,200 per month for housing, up from \$900. In addition, the measure continues the rate for telecommunications reimbursement at up to \$125 per month.

The resolution also requires each member to certify in writing to the Secretary of the Senate the actual travel, living and telecommunications expenses for which the member seeks reimbursement.

Committee members adopted the resolution unanimously.

State and Local Government Operations and Oversight

Panel approves first bill

The State and Local Government Operations and Oversight Committee met for the first time Mon., Jan. 8. Chair Ann Rest (DFL-New Hope) began the meeting by welcoming members and reviewing the jurisdiction of the committee.

Senators quickly moved on to hearing their first bill. S.F. 19, sponsored by Rest,

terminates the Legislative Commission on Metropolitan Government (LCMG). The LCMG is made up of House and Senate members and was established to oversee the Metropolitan Council's operating and capital budgets, work program and capital improvement program. The jurisdiction and accountability should come directly from standing committees, not a third party commission, Rest said. Rest added that the LCMG met only twice in 2005-2006. Judd Schetnan, director of public affairs for the Metropolitan Council, said the Council does not oppose the bill.

The bill was recommended to pass with little discussion and no opposition.

Elections operations discussed

Members of the State and Local Government Operations and Oversight Subcommittee on Elections met with Secretary of State Mark Ritchie, Wed., Jan. 10, to review the Secretary of State's Office's elections activities.

"I have the title of chief election officer, but I do not run the elections," Ritchie said. Local officials run elections, he said, the Secretary's Office provides support by looking at statewide policies, offering legal advice, providing mandated services and handling unusual circumstances. Ritchie said meetings with advocacy groups and local elections

officials have helped develop a general framework for his goals. Large initiatives developed by others are starting to emerge, he said. Programs might include revamping the selection process for election judges, examining online voter registration, providing voting information for underserved populations, simplifying the absentee voting system, improving election processes for military voters, and making voting more accessible for young adults, Ritchie said.

Members of the subcommittee, chaired by Sen. Dan Larson (DFL-Bloomington), discussed a range of election topics with Ritchie. Among the topics was online voting, which Ritchie said some experts have told him may be 20 years away on a national level, partially because of security concerns. The panel also discussed voting by mail and permanent absentee balloting; Ritchie said voting by mail is gaining ground in many western states.

Gaming agencies reviewed

Members of the State and Local Government Operations and Oversight Subcommittee on Gaming used their first meeting, Wed., Jan. 10, to receive an overview of state gaming regulators. The panel, chaired by Sen. Tony Lourey (DFL-Kerrick), heard from the executive directors of the Gambling Control Board, Lottery, and Racing Commission.

Tom Barrett said lawful gaming supervised by the Gambling Control Board covers five types of activities: pull tabs, bingo, paddle wheels, tip boards, and raffles. All lawful gambling under the board's jurisdiction must benefit charitable purposes, he said, and there are over 3,300 sites conducting lawful gambling. Gross sales of charitable gambling totaled over \$1.28 billion in FY 06, Barrett said, with 81 percent returned to players as prizes. He said \$48.367 million of lawful gaming receipts were spent on charitable donations in FY 06. Barrett reviewed the other allowable purposes for gaming receipts, including expenses, taxes and fees, and audit costs.

The State Lottery has 17 years' experience raising money for the state, said Clint Harris. In that time, he said, over \$1.2 billion has been deposited with the state, and over \$3.1 billion has been awarded to players in prizes. Harris described the Lottery as "business in government clothing." We compete with



Sen. Pat Pariseau (R-Farmington) greets students from Northfield Middle School in the Capitol Rotunda following their tour of the Capitol, Fri., Jan. 12.

Photo by A.J. Olmscheid

every other impulse item available in stores, he said, but lottery items remain very popular with Minnesotans. Richard Krueger reviewed the Racing Commission's duties and powers and the operations of the two Class A licensed pari-mutuel racing facilities in the state. Krueger noted that state law permits county fairs to operate Class D pari-mutuel racing, but that the provisions have not been widely used.

State Government Budget Division

Overviews heard

Members of the State Government Budget Division, chaired by Sen. Don Betzold (DFL-Fridley), met Wed., Jan. 10, to hear three overviews.

Administration Commissioner Dana Badgerow reviewed the Drive to Excellence program, which is a cross-departmental comprehensive government reform effort. She said Minnesotans expect government services to be provided faster, better and more efficiently. Drive to Excellence seeks to design a creative response to ongoing budgetary pressures and to handle the demographic reality of a likely massive exodus of talent by 2010 due to retirements, she said. Badgerow said that by reorganizing the "back office" functions of government, resources can be redirected to the state's highest priorities. She reviewed the first eight projects Drive to Excellence has launched, including consolidating construction code responsibilities, taking a cooperative approach to state purchasing, creating a one-stop shop for business and professional licensing, and coordinating management of the state's motor vehicle fleets. Future projects, she said, will include improving workforce development and consolidating human resources activities for small agencies.

The early work of the Office of Enterprise Technology and the outlines of a forthcoming master plan were presented by Chief Information Officer Gopal Khanna. Khanna said the office's plan will likely take 10 years to accomplish. It will include modernizing information technology systems, consolidating infrastructure quickly, and re-engineering business processes to work with a reduced workforce, he said. Khanna said a major goal at the forefront of the office's work is increasing the security of the state's

technology, including addressing the security concerns of consumers and others using online services.

Division members also heard from Kevin Lundeen, Senate fiscal analyst, about the division's jurisdiction. The division has responsibility for numerous state agencies and boards that include 11 percent of the state's employees, he said. Lundeen reviewed the various funds used and the history of statutory and biennial appropriations.

Frequently called numbers

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For daily recorded updates on committee meetings, call the Senate Hotline at 651-296-8088.

Senate Briefly

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Senators and Representatives fill the House Chamber, Wed., Jan. 17, to listen to the State of the State Address.

Photo by A.J. Olmscheid



January 19, 2007

Senate Highlights

Budgeting reform bills advance

Two measures modifying the state's budget forecasting and budget preparation process were approved by members of the Finance Committee, Tues., Jan. 16. Both measures, carried by Chair Richard Cohen (DFL-St. Paul), were forwarded to the full Senate.

S.F. 25 requires the regular budget forecasts to include the impact of inflation on expenditures. S.F. 11 is a more comprehensive package of proposals. It includes the inflation requirement, a requirement that a cash flow forecast be delivered to the Legislature two weeks after the budget forecast, a one-year continuing appropriation at base levels if any of the major budget bills is not enacted before the new fiscal year begins, and provisions requiring the budget to be reported according to generally accepted government accounting principles.

Paul Anton, chief economist at the Wilder Foundation, said including inflation in the forecast is honest budgetary practice. Critics suggest that accounting for inflation in expenditures amounts to putting government on autopilot, he said, but they ignore the fact that the Legislature retains authority to adjust funding levels for programs. Anton also said that the forecast is a very large view of

the state budget and does not attempt to forecast growth levels for specific programs. Just because inflation in a general area is at a certain level does not mean that every program within the area is at that level, he said. Additional benefits of including inflation in the forecast are that it adds urgency to calls to address structural financial issues, Anton said, such as the extreme fluctuation of the state's revenues and the need to increase the state's reserve fund.

Assistant Commissioner James Schowalter, Dept. of Finance, said the state's budget process is a shared venture between the executive and the Legislature. The department seeks to ensure that decision makers have the information they need, he said. Policy makers are generally aware of the presence of inflation and the pressures it places on program, Schowalter said, regardless of whether inflation is included in the forecasts. He also urged committee members to think of the forecasting process as very distinct from the budgeting process.

Seatbelt bill advances

The first meeting of the Judiciary Committee, chaired by Sen. Mee Moua (DFL-St. Paul), revved up Thurs., Jan. 18,

by hearing S.F. 16, a bill dealing with seatbelts. The measure, authored by Sen. Steve Murphy (DFL-Red Wing), makes failure to wear a seatbelt a primary offense.

The current seatbelt law can be confusing for drivers and difficult for officers to enforce, said Chief John Harrington of the St. Paul Police Department. There is a local need for a primary seatbelt law, he added. Katherine Burke Moore, deputy director of the Office of Traffic Safety, Minnesota Department of Public Safety, presented the committee with facts about seatbelt use in Minnesota.

At the author's request, the bill was amended to create an effective date of June 9, 2007, increase the fine from \$20 to \$25, and designate how funds from the fine will be distributed. The bill was recommended to pass as amended and referred to the Committee on Finance.

Short session held

Senators met briefly, Tues., Jan. 16, to handle routine business, including the movement of bills between committees and bill introductions.

LCMG termination greenlighted

The Senate held a short session, Wed., Jan. 17, before adjourning for the Joint

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From left, Minority Leader David Senjem (R-Rochester) and Senators Ray Vandever (R-Forest Lake) and Julianne Ortman (R-Chanhassen) consult during the Senate's Thurs., Jan. 18, floor session.

Photo by David J. Oakes



With his Leica camera in hand, Sen. Don Betzold (DFL-Fridley) listens to the State of the State Address from the House floor, Wed., Jan. 17. Also pictured, at right, is Senate Assistant Majority Leader Tarryl Clark (DFL-St. Cloud).

Photo by A.J. Olmscheid

Convention. Senators used the session to grant preliminary approval to one measure on General Orders.

Under the General Orders procedure, the Senate resolves itself into a Committee of the Whole to debate measures that have been reported out of standing committees. Bills that are approved by the Committee of the Whole are placed on the Senate Calendar where they may be voted on at a future floor session for final passage. The Committee of the Whole may act on measures without a roll call vote; final passage by the Senate proper always requires a roll call vote.

S.F. 19, authored by Sen. Ann Rest (DFL-New Hope), terminates the Legislative Commission on Metropolitan Government. Rest said the measure is an endeavor to reestablish the authority of the legislative committees with jurisdiction over the Metropolitan Council. The bill was granted preliminary approval on a voice vote.

The Committee of the Whole also considered H.F. 8. The bill, carried by Sen. Thomas Bakk (DFL-Cook), updates Minnesota law to reflect changes to federal

tax provisions made by three Congressional enactments: the Heroes Earned Retirement Opportunities Act, the Pension Protection Act of 2006, and the Tax Relief and Health Care Act of 2006. The federal changes were made after the 84th Legislative Session adjourned. Bakk thanked several committee chairs for not requesting the bill, though they could have because the tax changes affect issues under their jurisdiction. Legislators, the agency and the governor have agreed that this proposal should be expedited, he said.

Sen. Julianne Ortman (R-Chanhassen) said lawmakers could provide even more tax relief for Minnesotans. We have a surplus in the budget for the current fiscal year, she said, and can return that money to taxpayers. Ortman offered an amendment providing a refundable \$1,000 tax credit for tuition expenses for postsecondary education, all-day kindergarten, and non-public K-12 education. She said the amendment provides tax relief for 470,000 taxpayers. Bakk said he was disappointed by the amendment, because the bill was advanced by the Tax Committee without any objection. An amendment costing

\$470 million cannot be adequately discussed on the floor, he said, and should be considered in committee where the public can be engaged. Bakk invoked his author's right to progress the bill, delaying its consideration. He indicated he would seek to return the measure to the Tax Committee.

Governor addresses Legislature

Senators and members of the other body met jointly, Wed., Jan. 17, to receive the governor's State of the State message. The governor urged Minnesotans to support military families, especially in light of the recent extension of the National Guard's tour in Iraq. He also focused on better government, better energy, better education and better health care. The governor said spending measures should include clear expectations of results and ways to measure achievement. He called on the Legislature to pass a comprehensive renewable energy plan. His budget proposal for education, the governor said, will include proposals to tie funding increases to performance, increased rigor in course offerings. The education budget proposal will also seek to advance online learning opportunities. The governor unveiled a retooled higher education proposal that offers a scholarship to students who take rigorous, college-level courses while in high school. The governor said his health care proposals are targeted at increasing access while improving quality and lowering costs.

Brief session held

Senators met briefly, Thurs., Jan. 18, to process routine business, including bill introductions. Senators also considered a motion to suspend Senate Rules to consider a resolution, S.R. 24, requiring the entire Senate to vote on reimbursement for expenses. Under Senate Rules, the resolution is automatically referred to the Rules and Administration Committee. Sen. Ray Vandever (R-Forest Lake), the resolution's sponsor, said the entire Senate should discuss the matter. The motion to suspend the rules, made by Vandever, failed, 20-47. Suspending the Senate Rules requires the support of two thirds of the Senate, or 45 Senators.

Committee update

Agriculture and Veterans Budget and Policy Division

Committee focuses on biofuels

The Agriculture and Veterans Budget and Policy Division, chaired by Sen. Jim Vickerman (DFL-Tracy), held an informational meeting on bioenergy and rural economic opportunities Tues., Jan. 16.

Gene Hugoson, commissioner of agriculture, opened the meeting with a brief look at biofuels in Minnesota. The state is considered a national leader in renewable energy, he said. Currently, there are 16 ethanol plants in Minnesota and more are being built, with a potential for 1 billion gallons of ethanol to be produced each year, he added. Ethanol production has created higher prices for corn and is leading to higher prices for soybeans and wheat as well, Hugoson said.

Using corn and soy-based biodiesel cannot solve our transportation fuel needs; we need to work towards better solutions,

said Dr. Robert Elde, dean of the University of Minnesota College of Biological Sciences and chair of the executive committee for the U of M Initiative for Renewable Energy and the Environment (IREE). Elde provided an overview of bioenergy research in Minnesota. Currently at the U of M, there is research into the use of prairie grass for biofuels, Elde said. One benefit of prairie grass is that it can be grown on marginal farmland – land in areas where traditional crops do not grow well, he said.

The Agricultural Utilization Research Institute (AURI) also gave an overview of what is currently happening with biofuels in Minnesota. Biofuel activities in Minnesota include establishing quality assurance in biofuel production, and studying the use of biodiesels in all terrain vehicles and river tow boats, said Rose Patzer, an associate scientist in chemical technologies and processing with AURI.

Minneapolis Vets Home discussed

Members of the Agriculture and Veterans Budget and Policy Division, chaired by Sen. Jim Vickerman (DFL-Tracy), met Thurs., Jan. 18, to consider the Minnesota Health Department's inspection of the Minneapolis Veterans Home and the Veterans Home Board's remedial efforts.

Darcy Miner, director of the Health Department's compliance monitoring division, reviewed the results of the inspection. The inspection revealed more than 30 problems, including failures to conduct comprehensive assessments of residents' needs and failures to develop comprehensive plans for residents' care. The full results of the November 2006 inspection are available online: <http://www.health.state.mn.us/divs/fpc/directory/veteranshome/sl00233015.pdf>

Division members heard from Mary Jo George, Minnesota Nurses Association, and members of the Minneapolis Veterans



Senators Sandy Rummel (DFL-White Bear Lake) and John Marty (DFL-Roseville) use a laptop computer during a Senate floor session, Thurs., Jan. 18.

Photo by David J. Oakes

Home's nursing staff. The nurses said many of the issues identified are a result of understaffing at the home.

Jeff Johnson, chair of the Veterans Homes Board, Charles Cox, interim executive director of the board, and other administrators discussed the steps the board and home are taking to improve patient care and resolve the problems the inspection revealed. The administrators said they are aware of staffing issues, but that resolution may require budget changes or funding increases.

Business, Industry and Jobs

Agencies reviewed

Six state agencies were the focus of a joint meeting of the Business, Industry and Jobs Committee and the Economic Development Budget Division, Wed., Jan. 17. The panels, chaired by Sen. James Metzen (DFL-South St. Paul) and Sen. David Tomassoni (DFL-Chisholm) respectively, have substantially overlapping jurisdictions. Metzen said the joint hearing will allow members of each panel to hear the same material and ask questions to the benefit of members of the other panel.

Commissioner Dan McElroy said the Department of Employment and Economic Development's mission is to support the economic success of individuals, businesses, and communities by improving opportunities for growth. The department's programs promote business recruitment, expansion, and retention, workforce development, international trade, and community development.

The Department of Labor and Industry seeks to ensure Minnesota's work and living environments are equitable, healthy and safe, said Commissioner Scott Brener. The department oversees and administers the workers' compensation system, resolves workers' compensation disputes, and provides vocational rehabilitation services to help injured workers return to work. DOLI also enforces state and federal occupational safety and health standards, conducts educational safety and health seminars, enforces laws governing fair labor standards, child labor, prevailing wages and fee employment agencies, and regulates, supervises and promotes apprenticeship programs.

Commissioner Glenn Wilson reviewed the functions of the Department of Commerce, which is the chief regulator for

the banking, energy, insurance, real estate, residential construction, securities, and telecommunications industries.

Explore Minnesota Tourism promotes and facilitates travel to and within Minnesota, said Director John Edmund. He said the agency is developing a new campaign, slated for a March launch, to increase interest in traveling to Minnesota. Interim Executive Director Thomas Proehl said the Minnesota Arts Board seeks to serve as a leading catalyst for creating a healthy environment for the arts fostering broad public participation in, and support for, the arts in Minnesota. The board promotes artistic excellence, preserves the state's diverse cultural heritage and works with regional arts councils to ensure accessibility to arts activities. The Minnesota Historical Society, said Director Nina Archabal, collects, preserves and tells the story of Minnesota's past through interactive museum exhibits, extensive libraries and collections, 25 historic sites, educational programs and book publishing.

Commerce and Consumer Protection

Wilson re-approved

In a hearing that took less than 30 minutes, members of the Commerce and Consumer Protection Committee voted to recommend the Senate confirm, for the second time, Glenn Wilson as commissioner of the Department of Commerce.

Wilson focused his brief introductory comments on a matter he identified as an issue the department will seek to address in the next four years: financial literacy. Neither consumers nor businesses benefit from under-prepared Minnesotans undertaking financial transactions, he said. Wilson and committee members discussed the many challenges of improving financial literacy and the social and psychological factors that may feed financial illiteracy.

The panel did not reflect to any great extent on the first four years of Wilson's tenure. Wilson had previously discussed the department's accomplishments during an overview hearing. Committee Chair Linda Scheid (DFL-Brooklyn Park) noted that committee members universally respected Wilson and enjoyed a productive working relationship with him and his staff.

Education

Two confirmed, Q Comp heard

The Education Committee, chaired by Sen. Charles Wiger (DFL-St. Paul), began with two confirmations, Wed., Jan. 17. The committee approved the appointment of Alice Seagren as the commissioner of the Department of Education. Seagren has served in this position for the past two years. The committee also approved the appointment of Ardythe Gallant to the Board of the Perpich Center for Arts Education.

The committee spent the rest of the meeting hearing the testimony of representatives from the Department of Education, Education Minnesota, Minnesota Business Partnership and participating school districts on Q Comp, formally known as the alternative teacher professional pay system. After one year, the program has had success and some bumps, said Seagren. LeRoy-Ostrander School District never joined Q Comp because their application was rejected multiple times, even after meeting with representatives from the Department of Education; they finally gave up said Jill Soltau, a teacher in the district. We received inconsistent, mixed messages from the state, she added. Mounds View School District, on the other hand, is having success with the Q Comp program, said Barb Kettering, president of the Mounds View Education Association. Teachers especially like the yearly evaluations by other teachers, she said.

E-12 Education Budget Division

P.S. Minnesota presentation heard

The Tues., Jan. 16, meeting of the E-12 Education Budget Division was devoted to hearing a presentation from a consortium of education groups organized into a group called P.S. Minnesota.

Greg Vandal, representing P.S. Minnesota, said the organizations came together to suggest a new way of funding education in the state. He said a good school funding formula should have a rational link to student needs, be based on research and be supported by data. He said the critical characteristics should target achievement, be sensitive to property wealth differentials, account for student and district differences, permit local discretion, provide resources to meet

Committee update



Senators Bill Ingebrigtsen (R-Alexandria), left, and David Hann (R-Eden Prairie) look over proposed legislation on the Senate floor, Thurs., Jan. 18.

Photo by David J. Oakes

capital obligations, equalize access to construction, fund a sufficient base to reduce the reliance on levies, and build a base on an equalized blend of resources.

Vandal said the basic formula framework should contain a learner component, a district instructional services component and a district support services component. Speakers went on to discuss each of the components in detail, and highlighted the place of transportation and special education in developing a funding formula.

Division members, chaired by Sen. LeRoy Stumpf (DFL-Plummer), also reviewed background material furnished by P.S. Minnesota and heard from additional speakers about the organization. Brad Lundell, representing Schools for Equity in Education, Scott Croonquist, representing the Association of Metropolitan School Districts, and Sam Walseth,

representing the Minnesota Rural Education Association, also took part in the presentation.

Educational programs reviewed

The E-12 Education Budget Division met Wed., Jan. 17, to review several programs aimed at adults, non-English speaking persons and communities. Prior to the review of programs, members continued their discussion with P. S. Minnesota begun at the previous meeting. The discussion was an extension of a wide ranging conversation from the previous hearing about the various ways to develop a new education aid funding formula.

The panel, chaired by Sen. LeRoy Stumpf (DFL-Plummer), then turned to three Dept. of Education program areas. Barry Shaffer, supervisor, outlined the

mission and activities of adult basic education services. Shaffer said the program options include the GED (general education development certificate) high school equivalency program, an adult high school diploma program, an English as a second language program for those whose primary language is not English, a family literacy program, a basic skills education program, a U.S. citizenship program, a pre-employment education program and a workforce education program. Shaffer said the mission of adult basic education is to provide adults with educational opportunities to acquire and improve their literacy skills necessary to become self-sufficient and to participate effectively as productive workers, family members and citizens. He said total adult basic education enrollment for FY 2006 amounted to 76,736.

Nancy Riestenberg detailed the department's prevention programs. She said the learning support team works through partnerships to ensure that students are safe and secure, and have the skills to be healthy, resourceful and engaged in learning. In addition, she said the team also works with families, schools, communities and organizations that support students to ensure students have the skills and information needed for healthy development. Riestenberg said that much of the funding is provided by the federal government, but that the state funds are also used to provide for programs ranging from "Steps to a HealthierMN," the Minnesota student survey, student support services and crisis consultation and "Operation Military Kids."

The final area of discussion, community education, was presented by Dan Smith. He said the purpose of community education is to make maximum use of public schools and to expand utilization of

the human resources of the community. Smith said community education revenue may be used for nonvocational, recreation and leisure time activities and programs, programs for adults with disabilities, adult basic education programs, summer programs, early childhood family education programs and extended day programs.

Energy, Utilities, Technology and Communications

Informational hearing held

The Energy, Utilities, Technology and Communications Committee met Tues., Jan. 16, for an informational and background hearing on the perspectives of stakeholders in the renewable energy debate. The panel, chaired by Sen. Yvonne Prettner Solon (DFL-Duluth), heard testimony from representatives of

Minnesota Utility Investors, utility companies, Clean Energy Minnesota and the business community.

Annette Hinkel, chief executive officer, Minnesota Utility Investors (MUI), explained that MUI is an independent, nonpartisan organization that represents the collective interests, rights and concerns of utility investors. She said the organization provides educational information and represents the interests of investors before regulators, Legislators and others who influence the

utility industry. She said MUI is unique because it considers utility issues from members' perspective as investors and consumers.

Members also heard from representatives of both small and large electric utility companies doing business in the state. Officials from the companies described their companies, detailed the generation capacity, the area of the state covered and the number of customers. The company representatives also spoke on the renewable energy objective and the steps they were taking to fulfill the objective.

Representatives of various groups under the umbrella Clean Energy Minnesota detailed the benefits and need for renewable energy. The umbrella group includes the Union of Concerned Scientists, labor unions, construction companies, wind energy developers and the American Wind Energy Association. Speakers highlighted the economic development opportunities that would benefit the state if aggressive renewable energy standards were adopted.

The concluding group of speakers represented the business community. Mike Franklin, Minnesota Chamber of Commerce, said one element that must be kept in mind is the cost to consumers, particularly business and industrial consumers. He said mandating that consumers must purchase a particular amount of renewable energy could lead to increased costs and a loss of jobs. He also said businesses recognize the possibility for economic development with an increase in renewable energy production. Jay Lofgren, Boise Cascade, asked that the committee define renewable energy as broadly as possible and that members not enact a mandate.

Renewable energy bills discussed

The focus remained on renewable energy and transmission issues at the Thurs., Jan. 18, meeting of the Energy, Utilities, Technology and Communications Committee. The panel, chaired by Sen. Yvonne Prettner Solon (DFL-Duluth), began by hearing an overview of transmission facilities and issues.

Clair Moeller, vice president, Midwest Independent System Operator (MISO), said MISO is an independent, non-profit organization responsible for maintaining reliable transmission of power in 15 states and one Canadian province. He said the main task is to keep a balance between the demand for power and the



St. Paul Police Chief John Harrington testifies in front of the Judiciary Committee, Thurs., Jan. 18, on behalf of a bill to make seat belt violations a primary offense. Photo by David J. Oakes

Committee update

generation of power in transmitting power. Moeller said policymakers should choose a wind energy target for Minnesota, but have reaching the target be as soon as practical, not as soon as possible. In addition, he said a plan should require the utilities and MISO to provide an implementation plan for review and approval by the Minnesota Public Utilities Commission (PUC). Finally, Moeller recommended that Minnesota utilities and MISO be required to refresh the plan within Minnesota's biannual planning process.

Members also heard from Laura McCarten, co-executive director of CapX 2020. She said CapX 2020 is a collaborative effort started in 2004 by Minnesota utilities to plan and develop new transmission capacity to ensure reliable electricity supplies in the region, serve customers' growing energy needs and enable the state's renewable energy policy. CapX 2020 includes investor owned utilities, cooperatives and municipals, she said. McCarten said the group identified four project groups that will be needed to provide adequate transmission capacity. Taken together, implementing the four projects by 2020 would cost more than \$3.5 billion, McCarten said. She said there are serious concerns with the feasibility of building all the transmission necessary to support 20 to 25 percent renewables by 2020. In addition, she said the CapX collaborative suggests leveraging existing state biennial transmission planning processes and that the plan be comprehensive, multi-utility and long range. McCarten said the CapX utilities are committed to working with policy makers and regulators to expeditiously plan and implement the transmission required to meet Minnesota's renewable energy objective.

Four bills dealing with renewable energy standards or objectives were heard. Prettner Solon said no formal action would be taken, but all four measures would be heard.

S.F. 4 contains one of the strongest standards for renewable energy in the nation, said Sen. Ellen Anderson (DFL-St. Paul), chief author of the bill. "We have a moral obligation to reduce our carbon dioxide emissions in the state," Anderson said. She said having a strong renewable standard would also help with economic development. "It would let businesses know that Minnesota is open for green businesses," she said. Not only are we

addicted to foreign oil, we are also hooked on electricity, much of which is generated in other states, Anderson said.

The bill keeps current law on renewables until 2010, but raises the percentage of renewable energy generation to a standard of 25 percent by 2020, Anderson said. She said energy companies have a lot of options in producing this amount of renewable energy. She said right now, wind energy is the most common, but other types of generation such as hydro-electric generation, solar and biomass will become more feasible and economically viable. The bill also provides that the PUC may delay or modify the standard for an electric utility if the commission finds that compliance with the standard is not in the public interest because compliance will either produce undesirable impacts on the reliability of electricity or on ratepayers or if compliance is not technically feasible, she said. Finally, Anderson said the bill requires the commission to regularly investigate whether an electric utility is in compliance with its standard obligation.

S.F. 129, sponsored by Sen. David Tomassoni (DFL-Chisholm), provides that renewable sources of any kind may be counted toward an energy standard of 10 percent in 2015 and 20 percent in 2020. The bill also eliminates the biomass set aside and converts from a renewable objective to a renewable standard, Tomassoni said. He said the bill also requires the PUC to delay or modify a standard if compliance is not in the public interest. Tomassoni said the bill also requires creation of a tradable credit program no later than Jan. 1, 2008, and sets some program terms.

Members also reviewed the governor's proposal for renewable energy. Mike Bull, assistant commissioner, Renewable Energy and Advanced Technologies, Dept. of Commerce, explained the contents of S.F. 145. He said the measure is one of the most comprehensive energy proposals in the nation. The measure, just as the other two bills did, increases hydropower capacity from 60 to 100 megawatts, he said, and it also provides that a hydroelectric facility of any capacity to count, if necessary, to minimize excessive rate impacts on customers. The proposal sets an objective of 10 percent in 2010, 15 percent in 2015, 20 percent in 2020 and 25 percent in 2025, Bull said. He said the bill retains the good-faith effort objective in current law

and defines "good-faith effort" as all reasonable steps to meet the objective while minimizing adverse reliability and cost impacts. The bill also requires utilities to file a plan to make up the deficit and requires an administrative penalty against an electric utility found to have not made a good faith effort, he said. Bull also said the bill provides for a next generation energy fund for the development of new renewable energy projects in the state and requires planning for transmission necessary to accommodate the expanded renewable energy generation.

S.F. 74, authored by Prettner Solon, was also explained. The measure does not set a specific number for a good faith objective, she said, because she wants utilities to shoot for as high a standard as possible. Under the bill, the PUC may not only modify or delay compliance, but may also increase a utility's objective if it finds the increase is in the public interest. The measure authorizes, rather than requires, a penalty for noncompliance and requires the PUC to create a tradable credit program, Prettner Solon said. She said the bill also requires the commissioner of commerce to study and report on the wisdom of allowing conservation investments to count toward the renewable energy objective.

Doug Peterson, president, Minnesota Farmers Union, spoke in support of S.F. 4 and of the importance of increasing the amount of renewable energy generated in the state. He said renewable energy is a key element in economic development in rural Minnesota.

Environment and Natural Resources

Film viewing continues

Members of the Environment and Natural Resources Committee met Wed., Jan. 17, to watch the third episode of a documentary, "A History of the Land," about the evolving relationship between Minnesotans and their environmental surroundings. In "Out of the Ashes," the film discusses the beginnings of the conservation movement in Minnesota, covering the period from 1900 through the 1940s. The episode explores the impact of population growth in the Metropolitan Area on the Mississippi River, a proposal to develop and flood the Boundary Waters region, and the era's declining game

populations. Committee members, chaired by Sen. Satveer Chaudhary (DFL-Fridley), also discussed invasive species in Minnesota.

Environment, Energy and Natural Resources Budget Division

DNR presents overview

The Minnesota Department of Natural Resources (DNR) presented a budget overview to the Environment, Energy and Natural Resources Budget Division Tues., Jan. 16. Before the DNR presentation began, Dan Mueller, Senate fiscal analyst, presented a brief overview of the Environment, Energy and Natural Resources budget. The budget can be complicated because much of the budget comes from revenue sources other than the general fund such as the state lottery and hunting and fishing license fees, Mueller said. The panel, chaired by Sen. Ellen Anderson (DFL-St. Paul), then focused on the DNR presentation. Commissioner Mark Holsten presented and quick review of the department.

Part of the challenge for the DNR is to balance recreational use, economic use and conservation of the state's natural resources, said Bob Meier, assistant commissioner of the DNR. Meier gave an overview of the budget in areas such as fish and game, enforcement, and lands and minerals. One example of a challenge the DNR forestry division faces is land parcelization in the north woods, Meier said. Breaking up the woods for development leads to diminished habitat and impaired water quality, so the DNR hopes to be able to buy land to establish permanent forest conservation easements, Meier said.

Division hears MPCA overview

Thurs., Jan. 18, the Environment, Energy and Natural Resources Budget Division, chaired by Sen. Ellen Anderson (DFL-St. Paul), met and heard an overview presentation from the Minnesota Pollution Control Agency (MPCA).

This year marks the 40th anniversary of the creation of the MPCA, said Brad Moore, MPCA commissioner. The agency focuses on four major areas: environmental assistance, land, air and water, he said. To maintain and improve environmental

quality in these areas, Moore said the MPCA is involved in monitoring, prevention, management and cleanup.

Health, Housing and Family Security

Mental health system reviewed

A joint hearing of the Health, Housing and Family Security Committee, the Health and Human Services Budget Division and the House committees with the same jurisdiction was held Wed., Jan. 17, to review state and county mental health services. The combined panel, with Senate chairs Sen. John Marty (DFL-Roseville) and Sen. Linda Berglin (DFL-Mpls.), also reviewed the regulatory oversight role of the Dept. of Health and the Dept. of Human Services.

Wes Kooistra, assistant commissioner, Dept. of Human Services, said the delivery of mental health services is continuing a transformation that began with the passage of the Comprehensive Mental Health Act. He said delivery of mental health services is locally driven, state supervised and county administrated. Restructured adult mental health services include 10 community behavioral health hospitals in Alexandria, St. Peter, Rochester, Wadena,

Fergus Falls, Annandale, Baxter, Bemidji, Cold Spring and Willmar, Kooistra said. Adult mental health services have been closed at St. Peter and Fergus Falls Regional Treatment Centers (RTCs), while the RTCs in Brainerd, Ah Gwah Ching and Willmar are scheduled to close, he said.

Kooistra said, under the state's system of care, counties determine eligibility, provide and contract for case management and treatment, plan new services and serve uninsured and underinsured persons. Kooistra said there are a number of challenges for the system currently and in the future. He said some of the challenges include the heavy demand for mental health beds in the Metro Area, a shortage of mental health professionals, difficulty developing culturally competent services, providing coordinated health care and social services and addressing co-occurring disorders.

Senate Fiscal Analyst David Godfrey briefly explained the funding and budget of the mental health system. He said total funding is a combination of state, county and federal dollars and amounts to about \$485 million for adults and \$169 million for children.

Anne Barry, chief compliance officer, Dept. of Human Services, reviewed the



From left, Senators Thomas Newville (R-Northfield), Gen Olson (R-Minnetrista) and Ann Rest (DFL-New Hope) research parliamentary procedure following a Senate floor session, Wed., Jan. 17.

Photo by David J. Oakes

Committee update



President of the Senate James Metzen (DFL-South St. Paul), center, shakes hands with Gov. Tim Pawlenty following the State of the State Address as House Speaker Margaret Anderson Kelliher (DFL-Mpls.) looks on.

Photo by A.J. Olmscheid

department's regulatory functions. She said the Compliance Office is responsible for legal and compliance activities throughout the agency. She said the department does Medicaid eligibility quality control and performs federally mandated audits to ensure that federal reimbursement for health services is only for eligible recipients. The department also inspects, processes applications and licenses child care services, adult day care services, chemical dependency treatment centers, detox services, residential facilities for adults with mental illness, independent living assistance for youth, children's residential facilities, residential services for persons with physical handicaps, and the Minnesota Sexual Psychopathic Personality Treatment Center, he said. Kooistra said there are other programs, such as waiver services, supported employment services and other residential services that are also regulated by the department.

Programs regulated by the Dept. of Health were reviewed by Scott Leitz, assistant commissioner. He said the regulatory goals are to protect public health by minimizing exposure to environmental hazards, consistently applying enforcement authority, cooperating with other agencies to coordinate program activities and ensure programs are responsive to the needs and concerns of the public. The agency does case mix review, provides engineering services to review nursing home and hospital construction projects, conducts inspections of hospitals and other health care facilities, regulates unlicensed health care practices, regulates managed care systems and regulates funeral establishments and crematories, he said. He said the agency also regulates food safety and hospitality services, indoor environments and radiation, drinking water and well management.

Health Dept. overview heard

The Health and Human Services Budget Division, chaired by Sen. Linda Berglin (DFL-Mpls.) met Tues., Jan. 16, to hear an overview of the Minnesota Health Department budget. The presentation included an overview of how the funding is spent within the areas of community and family health, health promotion and chronic disease, health policy, and compliance monitoring.

The Community and Family Health Division makes up the largest portion of the Department's budget, said Janet Olstad, acting director. Almost 90 percent of the money is given out in grants in areas such as fetal alcohol syndrome prevention and family planning Olstad said.

One new area to the Health Policy Division is e-Health grants, said Jim Golden, director. In 2006, 12 grants were awarded in mostly rural areas to plan for or implement electronic health records or

electronic health information exchange, he added.

MDH programs reviewed

Three divisions of the Department of Health were the focus of the Wed., Jan. 17, meeting of the Health and Human Services Budget Division. Members, chaired by Sen. Linda Berglin (DFL-Mpls.), reviewed the operations and budgets for the health protection, minority and multicultural health, and administrative support service divisions. The health protection division includes environmental health activities, a public health laboratory, the Office of Emergency Preparedness, and the Infectious Disease, Epidemiology and Prevention Control Office.

Higher Education Budget and Policy Division

Site visits continue

Chair Sandra Pappas (DFL-St. Paul) and members of the Higher Education Budget and Policy Division met at Metro State University Tues., Jan. 16, for the second of a series of planned site visits to post-secondary educational institutions.

Off-site visits continue

The Higher Education Budget and Policy Division met Thurs., Jan. 18, at the Office of Higher Education. Chair Sandra Pappas (DFL-St. Paul) is holding a series of hearings at various higher education sites to familiarize members with issues and policies.

Public Safety Budget Division

Public safety, corrections reviewed

The inaugural meeting of the Public Safety Budget Division, Wed., Jan. 17, was devoted to overviews of two state agencies. Division members, chaired by Sen. Linda Higgins (DFL-Mpls.), also briefly introduced themselves.

Commissioner Michael Campion and Deputy Commissioner Mary Ellison reviewed the operations and budget for the Department of Public Safety. The agency seeks to protect Minnesotans through prevention, preparedness, response, recovery, education and enforcement activities. The department includes nine

divisions: alcohol and gambling enforcement, the Bureau of Criminal Apprehension, driver and vehicle services, homeland security and emergency management, the State Fire Marshall and Office of Pipeline Safety, the State Patrol, traffic safety, the Office of Justice Programs, and 911 Emergency Services and Allied Radio Matrix for Emergency Response.

The Department of Corrections holds offenders accountable and offers opportunities for change, said Commissioner Joan Fabian, while restoring justice to victims and contributing to a safer Minnesota. The department has three divisions. The correctional institutions division oversees the state's ten correctional facilities in Faribault, Lino Lakes, Moose Lake and Willow River, Oak Park Heights, Red Wing, Rush City, St. Cloud, Shakopee, Stillwater, and Togo. The community services division operates probation, supervised release, parole, community service, and work release programs. The operations support division provides support, diversity, legal, policy, financial, human resources, employee development, and information technology services throughout the agency.

Rules and Administration

Permanent rules considered

The Rules and Administration Subcommittee on Permanent and Joint Rules met for the first time Thurs., Jan. 18, to begin consideration of changes to the Permanent Rules of the Senate and the Joint Rules governing the House and Senate.

The panel, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), considered several changes but took no formal actions. Four changes to the Permanent Rules were offered by Sen. Don Betzold (DFL-Fridley). The first amendment provides that when a motion to recall a bill from committee has been defeated, it may not be made again while the bills is at the same stage. Betzold said the aim of the amendment is to prevent one member from repeatedly making the same motion. Sen. Thomas Neuville (R-Northfield) said the effect of the amendment would be to suppress debate and votes on the Senate floor. Betzold countered that the amendment was to prevent dilatory and repetitive motions.

The second amendment proposes that after adjournment in odd-numbered years,

all bills, including those laid on the table, be returned to the standing committee from which they were last reported to the Senate. The amendment excepts those bills vetoed by the governor or bills on the table after a conference committee has been discharged. Betzold said the purpose was to clear off the table at the end of the session, rather than having bills remain on the table to be brought up at anytime the following year.

The third amendment simply confirms the names of committees listed in the rules to those approved by the full Senate. The final proposal offered by Betzold clarifies that after the organization of the Senate and after consultation and advice from the Minority Leader, the chair of the Rules and Administration Committee may add members to or delete members from a standing committee or division. Betzold said the changes is needed because the budget divisions are not listed in the Senate Journal.

Sen. David Senjem (R-Rochester) suggested a change to the rule requiring the minority leader to submit minority members' names for committees within 10 days after the committees are announced. He said the time frame was too brief to gather input from all the members of the minority and make the selections. He asked that the time be lengthened to at least 14 days. Senjem also questioned a rule requiring confirmation hearings for gubernatorial appointments to be held within one year. He said one year seem like an extraordinarily long time. Betzold said the rule was enacted to force confirmation hearings; previously there had been no requirement that a confirmation be heard within any time limit. Betzold said the rule was aimed at getting around a situation where a committee chair might refuse to have a hearing at all.

Another amendment, offered by Pogemiller, making this year's committee and budget division names correspond to those created earlier, was also discussed. The change clarifies the scope of the major budget bills for the biennium. Pogemiller also suggested a change to the number of members on the Subcommittee on Committees. There are currently five members to the subcommittee and reducing the number to three might serve to expedite the subcommittee's work, he said. Sen. James Metzen (DFL-South St. Paul) spoke against the change and said the current membership works well and there is no reason for the change.

Committee update

Members also discussed, briefly, a change to the rules that would require all resolutions, including those drafted as bills, to be sent to the Rules and Administration Committee prior to being sent to the floor.

State and Local Government Operations and Oversight

Appointments approved

Members of the State and Local Government Operations and Oversight Committee, chaired by Sen. Ann Rest (DFL-New Hope), met Wed., Jan. 17, to consider several gubernatorial appointments. In addition, the committee heard an update on the upcoming Mpls-St. Paul International Airport runway construction-related flight reroutes.

The reappointment of Peter Bell as chair of the Metropolitan Council was the first item on the agenda. Bell said, in speaking about the council's accomplishments over the last four years, that he was proudest of the overwhelmingly popular acceptance of light rail. He said one of his major goals for the next four years is the development of the Central Corridor Light Rail Line. Bell also described a variety of projects the council has completed or will undertake in the near future.

Members also considered the reappointment of Dana Badgerow as commissioner of the Dept. of Administration. Badgerow said she was especially impressed with the employees of the department. "I am sure that the employees come to work everyday knowing they can make a difference," she said. Badgerow said would be honored to continue in what she described as "the best job of my career."

The re-appointment of Gopal K. Khanna as chief information officer, Office of Enterprise Technology, was also considered. Khanna said it is a very exciting time to be working in technology and to be able to position Minnesota for success in the 21st Century.

All three appointments were approved and recommended for confirmation.

The committee then turned to hearing an update from Jeff Hamiel, executive director, Metropolitan Airports Commission, on the noise patterns resulting from runway repair. Rest said there was an item in the paper about the rerouting of flights that would cause more noise in different neighborhoods for extensive periods in

each of the next two years. Hamiel said maintenance on runways is needed and rerouting of flights must occur. He said the good news is that it is a temporary situation and that the commission will do everything possible to mitigate the disruption. Gary Warren, Planning and Environment Division, explained the construction process to the committee. Hamiel said there will be a significant increase in noise north of the airport along Cedar Avenue, but there is no alternative because of the condition of the runways. He said the commission is trying to communicate with concerned citizens and trying to keep citizens informed about the progress of the project.

State Government Budget Division

Capitol renovation described

Members of the State Government Budget Division heard a presentation of the State Capitol renovation plan Wed., Jan. 17. After the presentation, Chair Don

Betzold (DFL-Fridley) and members of the division took a tour of the Capitol.

The Minnesota State Capitol was completed in 1905 at a cost of \$4.5 million, according to the Minnesota Historical Society. The building included everything new and modern about technology at the time, but it's not that way any more, said Michael Bjornberg, the project manager from Hammel, Green and Abrahamson the architectural and engineering firm working on the project. Current problems with the building include deterioration, mechanical systems such as heating and ventilation, accessibility and security, Bjornberg said. In addition to updating the mechanical systems, the proposed project would create office and meeting space, as well as create a new entrance to the Capitol, similar to the expansion of the United States Capitol, making the building more visitor friendly, he added.

The proposed project would be completed in three stages, each taking two



As Sen. Rick Olseen (DFL-Harris) examines an overview of the Department of Transportation's past performance, members of the Transportation Budget and Policy Division listen to a presentation by department officials, Thurs., Jan. 18.

Photo by David J. Oakes

years, Bjornberg said. The first stage would be construction of the new entrance area and a secure receiving area, the second stage would renovate the north and west wings of the building and the final stage would renovate the west wing and rotunda, he said. An early estimate for the cost of the project is \$413 million for construction and soft costs over the six years, Bjornberg said. If the project is approved, the governor has requested that construction not start until after the 2008 Republican National Convention in St. Paul, Betzold said.

After the presentation, Senators took a tour of the Capitol and got a first hand look at the tight spaces in many of the mechanical areas and the deterioration in different parts of the building.

Taxes

Property tax, MVST examined

The Committee on Taxes, chaired by Sen. Thomas Bakk (DFL-Cook), met Wed., Jan. 17, to hear overviews on property taxes and the motor vehicle sales tax.

Gordon Folkman, director of the property tax division, Minnesota Department of Revenue presented the overview on property tax trends. The committee looked at trends in total property tax by property type, limited market value impacts, and tax refunds. One trend in recent years is the increase in homeowners who file for property tax refunds; in fact, the number of homeowners passed the number of renters filing in 2006, Folkman said.

A constitutional amendment on transportation funding passed in the recent election, and that has an impact on the committee, Bakk said. The overview of the motor vehicle sales tax included a history of transportation funding and a look at expected changes due to the constitutional amendment. The changes in transportation funding will be phased in over five years, but the Legislature needs to decide how the money will be split between trunk highways and transit, said Krista Boyd, Senate fiscal analyst.

A brief overview on school funding relative to property taxes was presented by Eric Nauman, Senate fiscal analyst.

Transportation Budget and Policy Division

MnDOT reviewed

Members of the Transportation Budget and Policy Division met Thurs., Jan. 18, to examine the operations of the Department of Transportation. The panel, chaired by Sen. Steve Murphy (DFL-Red Wing), focused primarily on operations and policy, reserving a budget review for when the agency's budget is considered.

Betsy Parker and Abby McKenzie, both of MnDOT, reviewed the state's transportation infrastructure, which includes over 12,000 miles of trunk highways, 136 public airports, rail lines, and bicycle ways. They also discussed the department's planning and programming process, its self-evaluation process for meeting performance targets, and its cooperation with other agencies to improve transportation safety.

Schedule available online

Next week's schedule is available at: <http://www.senate.mn/schedule/schedule.php?ls=85&date=01/22/2007&type=weekly>

MyBills system available

The MyBills personalized bill tracking system is now available. Users can add House and Senate bills to their lists by bill number, subject, or author, and view the legislative status of their bills, with items with significant current floor action highlighted. Users can modify their lists at any time. The MyBills system is available from the Legislative website at: <http://www.house.mn/leg/billslogin.asp>

Educational Videos Available

Three videos, "Discover the Capitol," "Power in the Process: The Anti-Hazing Law," and "Rules, Laws and the Process," can now be accessed through the Legislature's website at <http://www.leg.mn/leg/youth/video.htm> (Requires Real Player.)

These videos are excellent sources of information on the history of the State Capitol, how laws are made in Minnesota

and how even the state's youngest citizens can get involved in the legislative process.

For more information contact 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 by the Senate is also available.

Frequently called numbers

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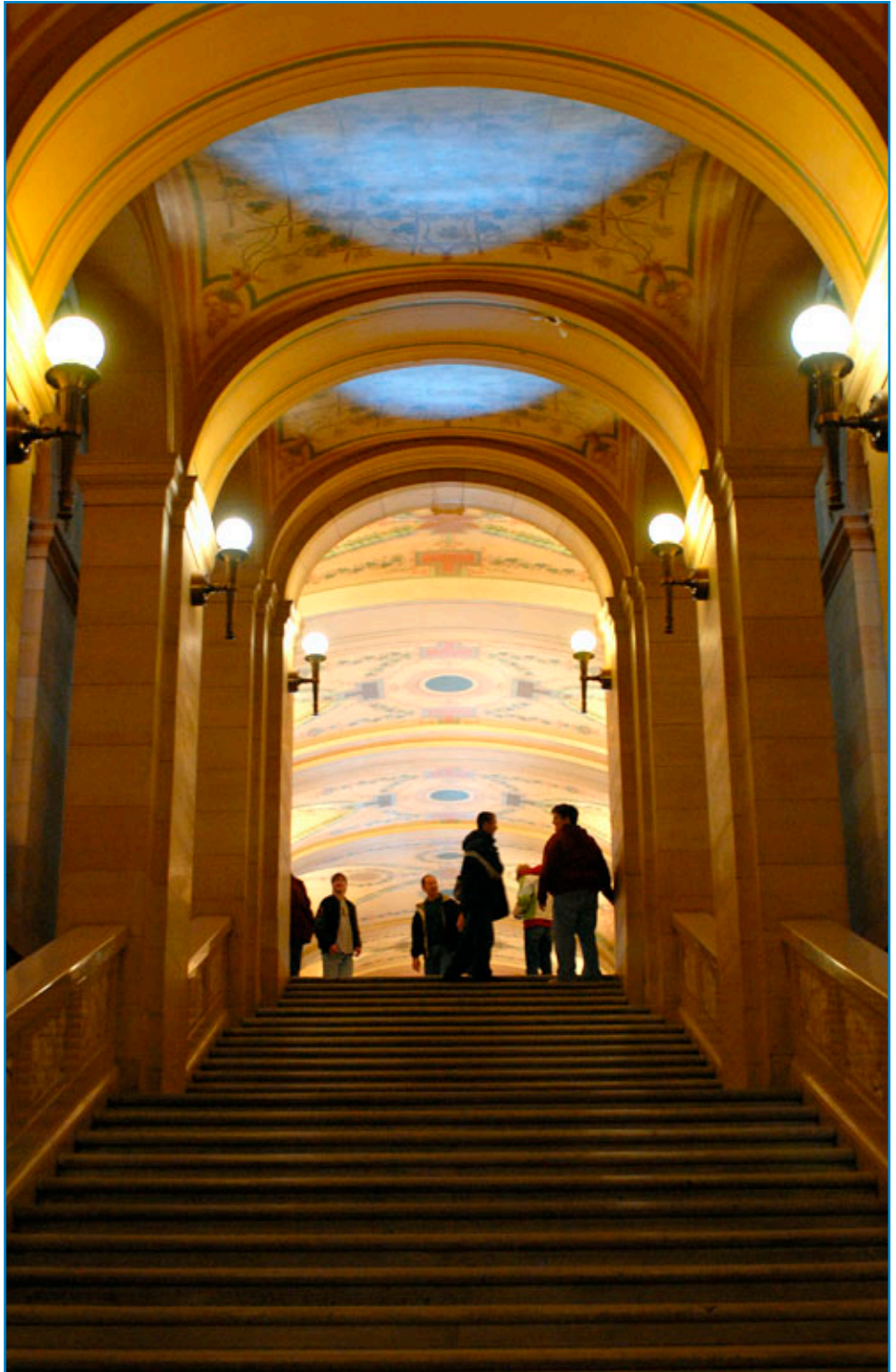
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Visitors gather in a corridor of the Capitol on a relatively quiet Friday afternoon.

Photo by A.J. Olmscheid



January 26, 2007

Senate Highlights

Tax conformity bill approved

Members gathered for a floor session Mon., Jan. 22, and took action on two bills on General Orders and granted one bill final passage. The measure granted final passage, S.F. 19, sponsored by Sen. Ann Rest (DFL-New Hope), terminating the Legislative Commission on Metropolitan Governance, received unanimous approval.

Turning to General Orders, members gave preliminary approval to two bills. H.F. 8, authored by Sen. Thomas Bakk (DFL-Cook), is a federal tax conformity bill. The bill provides for a higher education deduction, a deduction for teachers out-of-pocket classroom expenses, an allowance of IRA contributions by members of the military with income primarily from nontaxable combat pay, an allowance of direct transfers to charities from traditional IRAs and Roth IRAs and a change to various limits on charitable contributions. Bakk said by granting the bill early passage, citizens will not have to file amended tax returns.

Sen. Julianne Ortman (R-Chanhassen) offered an amendment to provide a universal tuition tax credit of up to \$1,000. Ortman said the amendment provides immediate tax relief to more Minnesotans by providing the tuition tax

credit. She said, "We have the opportunity to help and provide real tax relief." She said she offered the amendment to show members how important it is to offer meaningful tax relief immediately. Ortman then withdrew the amendment. The bill was given preliminary approval on a voice vote.

Members also considered S.F. 25, sponsored by Sen. Richard Cohen (DFL-St. Paul). Cohen said the bill reinstates inflation into the budget forecast. He said, "The action we took in 2002 taking inflation out of the forecast was a mistake." He said the members of the Council of Economic Advisors all recommend putting inflation back in the budget. Cohen offered an amendment specifying that the inclusion of inflation doesn't mean there must be automatic increases in spending. The amendment was adopted.

Sen. Gen Olson (R-Minnetrista) said the amendment could lead to situations where citizens could say there have been cuts, when in reality no cuts have been made. Sen. David Hann (R-Eden Prairie) argued against the bill and said adding inflation is misleading because the dollars in the budget are masked with inflation driven increases. Cohen responded that the budget is promulgated by the Dept. of Finance from the forecast developed by the state economist from data supplied by the Council of Economic Advisors and that their recommendation is that inflation should be included. Sen. Pat Pariseau (R-Farmington) said including inflation leads the way to tax increases.

The measure was approved on a 44-23 roll call vote.

Senate okays tax compliance, budget inflation legislation

The Senate held a floor session Thurs., Jan. 25, to pass two bills and process other routine business.

Sen. Thomas Bakk (DFL-Cook) carried H.F. 8 conforming tax refund provisions for 2006 with federal law. The bill passed without discussion on a 64-0 vote.

S.F. 25, authored by Sen. Richard Cohen (DFL-St. Paul), requires the commissioner of finance to adjust for projected inflation in forecasting state expenditures. Several Republican members spoke against the bill. Current law does not preclude Senators from including inflation in the budget debate, said Sen. David Hann (R-Eden Prairie). Let's not assume a cost that isn't real, he added. But

Cohen said that the forecast process and the budget process are different things. Hann also said putting inflation into the budget forecast makes looking at what makes costs go up very difficult. Sen. Rod Skoe (DFL-Clearbrook) spoke in favor of the bill. The discussion should be about accurately reflecting our budget on both the revenue and spending sides of the budget, he said. The bill received final passage on a vote of 43-21.

Bill on underfunded PERA benefits in Duluth heard

The State and Local Government Operations and Oversight Committee met Wed., Jan. 24, to hear S.F. 60. The bill, authored by Sen. Yvonne Prettner Solon (DFL-Duluth), establishes accounts to pay PERA post employment benefits for the city of Duluth. The committee also heard three confirmations.

The city of Duluth faces \$300 million in retiree health benefits that it will not be able to pay, said Genie Stark, finance director for the city. S.F. 60 allows for the city to create a trust to be invested by the State Board of Investment. The account will allow the city to get a greater return on its investment, Stark said. Over 30 years, state management is expected to reduce the encumbrance of the city by \$150 million, she added. The bill also creates a second account to be managed by the state for street improvements in Duluth. Chair Ann Rest (DFL-New Hope) said she plans to introduce a more general bill that would allow other cities a similar solution. S.F. 60 was recommended to pass and re-referred to the Tax Committee.

The committee also confirmed the appointments of Gerald Dexter, Shirleen Hoffmann and Peggy Moon to the Gambling Control Board.

Universal health care discussed

Members of the Health, Housing, and Family Security Committee met for the first time as a single committee Wed., Jan. 24, to tackle the subject of universal health care. Committee Chair John Marty (DFL-Roseville) sponsored two bills dealing with the topic of providing affordable health care to all Minnesotans. S.F. 14 proposes a constitutional amendment specifying that every Minnesotan has the right to comprehensive health care and it is the responsibility of the governor and the Legislature to implement all necessary legislation to ensure affordable health

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care. The second bill, S.F. 102, directs the commissioner of health to prepare a plan for universal health care to be implemented by 2010. Marty said S.F. 102 provides for the system that provides affordable access to high quality health care required by the constitutional amendment.

Marty said the concept of a right to health care has been in place since the United States signed onto the Universal Declaration of Human Rights in 1948, but as a nation, the United States has not followed through. He said in addition to not having any health care, some Minnesotans are faced with problems of insurance caps and access difficulties. "The lack of health care is a tremendous drain on the state's economy," he said. He cited lost productivity, increased costs for treating

serious diseases that could have been treated had the person had health care coverage and increased costs in special education resulting from the lack of prenatal care. In addition, he said over half of all personal bankruptcies are because of health care costs.

Sen. David Hann (R-Eden Prairie) said, "It's not clear to me what passing a constitutional amendment does, other than change the dynamics and make the health care system be run by government." Marty countered, S.F. 102 is the framework for how to make health care available; it does not require government to provide health care, it is up to the providers to run the system. He said, "What I'm saying is that everyone has a right to health care and we should be able to make it possible."

Members heard extensive testimony on both bills. Proponents said every Minnesotan should be able to have high quality health care and that the lack of affordable care was letting down a significant portion of the population. Opponents said the bills do not address the question of rising health care costs and how to make health care affordable.

Correction

Senate Briefly previously informed readers that a CD-ROM entitled "A Building for All..." was available. The disk guided users on a tour of the Capitol's public and private spaces. All copies of the disk have been distributed and it is no longer available. We apologize for the error.



All four living Senate Majority Leaders, from left, current Majority Leader Sen. Lawrence Pogemiller (DFL-Mpls.), Dean Johnson, John Hottinger and Roger Moe pose for a photo following a DFL caucus event honoring former Senators Johnson and Dallas Sams, Thurs., Jan. 25.

Photo by David J. Oakes

Committee update

Agriculture and Veterans

Appointments reviewed

The Agriculture and Veterans Committee met Tues., Jan. 23, to consider approving several gubernatorial appointments. The panel, chaired by Sen. Jim Vickerman (DFL-Tracy), recommended that all the appointees be confirmed. Clark Dyrud was approved as the commissioner of the Dept. of Veterans Affairs, and William H. Tendle, Jr., and William A. Wroolie, Jr., were approved as members of the Minnesota Veterans Homes Board of Directors. Four individuals were approved as members of the Minnesota Rural Finance Authority—Lisa Heggedahl, Gary Pawlitschek, Howard Swenson and William Thyne. Mahesh Kumar was approved as a livestock producer member of the Board of Animal Health.

Hugoson reappointment okayed

The eleven-year tenure of Agriculture Commissioner Gene Hugoson came a step closer to being extended by four more years, Thurs., Jan. 25. Members of the Agriculture and Veterans Committee, chaired by Sen. Jim Vickerman (DFL-Tracy), approved the governor's reappointment of Hugoson to a term ending in 2011. If the full Senate confirms Hugoson and he serves the entire term, he will have been commissioner for 15 and a half years since being appointed by Gov. Arne Carlson in July 1995. Committee members praised Hugoson for his fairness in dealing with all interested parties and for his leadership on agriculture issues.

The panel also considered the budget for the Dept. of Agriculture. Finance and Budget Director Steve Ernest, Dept. of Agriculture, walked members through the agency's budget and the governor's proposed change items. The change items include \$739,000 to support a robust invasive species survey and inspection program for emerging pests and to augment integrated pest management strategies for established pests, \$243,000 to coordinate emergency planning and response, \$941,000 for increased rent at the department's new laboratory in St. Paul, and \$130,000 to increase the marketing efforts for the Minnesota Grown program. Other change items include \$4.5 million to implement the agriculture best management practice (AgBMP) loan program, facilitate applied research projects, and add employees with scientific expertise to review total maximum daily load plans and offer advice on specified load allocations and best management practice selection and \$10 million to spur the

development of facilities to produce fuels derived from biomass or cellulosic materials such as grasses, wood products, straw, and corn stover.

Business, Industry and Jobs

Commissioners okayed

Three commissioners were recommended for confirmation by members of the Business, Industry and Jobs Committee, Mon., Jan. 22. The panel, chaired by Sen. James Metzen (DFL-South St. Paul), approved the appointments of James Cunningham for the Bureau of Mediation Services, Scott Brener for the Dept. of Labor and Industry, and Dan McElroy for the Dept. of Employment and Economic Development.

Committee members also heard presentations from representatives of Twin Cities RISE! (TCR) and the Blandin Foundation. Gary Fields described the Blandin Foundation's Broadband Initiative, which seeks to improve the economic



Sen. David Tomassoni (DFL-Chisholm), left, converses with Sen. Warren Limmer (R-Maple Grove) during a Senate floor session, Mon., Jan. 22.

Photo by David J. Oakes

competitiveness of Minnesota communities through infrastructure development. The foundation attempts to increase awareness about the need to enhance broadband telecommunications utilization and services and to increase utilization of broadband capacity in Greater Minnesota, Fields said. He said the initiative has provided information to local leaders who are exploring their options and dedicated \$250,000 to provide grants to local communities.

Mike Bingham described the TCR's contract with the state for job training. Under the contract, he said, TCR is paid only when an individual who was in poverty obtains and retains a living wage job. Data indicate that the return on investment for taxpayers is 70 percent and growing, Bingham said. On average, graduates from TCR's program increased their annual incomes from \$1,478 to \$24,688, he said. The program works mostly with African Americans in the inner city, but accepts all applicants, he said. Participants have high rates of criminal records (about 50 percent) and alcohol and substance abuse (75 percent) combined with low educational attainment (junior high), Bingham said. Committee members also heard success stories directly from graduates of TCR's programs.

Education, business link discussed

The importance of education to growing commercial fields was the focus of the Wed., Jan. 24, meeting of the Business, Industry and Jobs Committee, chaired by Sen. James Metzen (DFL-South St. Paul).

Don Gerhardt, LifeScience Alley, said the current state of the medical device industry in Minnesota is attributable to numerous factors, including the state's healthy, educated workforce. It is also hard, he said, to understate the importance of having a hub for a major airline. For example, easy access to international markets was crucial to the survival and growth of Medtronic, Gerhardt said. While policymakers may be tempted to focus on large enterprises, they should never lose sight of small companies, he said. Over 70 percent of people in the field work at companies with fewer than 125 employees, Gerhardt said, and large employers regularly spin off smaller endeavors. The key elements to Minnesota's future success, he said, are technology, talent and capital.

Minnesota's competitive position is threatened by heavy investment and

growth in other states, said Dale Wahlstrom, BioBusiness Alliance of Minnesota. He said the alliance is engaging in preparing for the next 20 years with a series of five-year plans outlining what the state needs to do to move from where it is to where it wants to be. Tim Mulcahy, vice president of research, discussed the University of Minnesota's efforts to improve the commercialization of its research and to enhance the University's standing as a resource for businesses. Outside analysts have rated the University's intellectual property pipeline as being among the best in the nation, he said, ranking fourth in the last two years. While the University has a resource rich environment, it is dominated by potential, Mulcahy said. The University is trying to find a better way to translate the potential into reality, he said, such as by hiring technology liaisons to help researchers identify and market developments.

Capital Investment

Higher ed bonding requests heard

The Capital Investment Committee, chaired by Sen. Keith Langseth (DFL-Glyndon), met Tues., Jan. 23, to consider bonding requests from the University of Minnesota and the Minnesota State Colleges and Universities.

Richard Pfutzenreuter, CFO, University of Minnesota, outlined the University's requests, which are largely for higher education asset preservation and replacement (HEAPR) projects. Pfutzenreuter said the requests fall under three improvement categories; health and safety, water infiltration and building systems. He said the U requested \$80 million last year for HEAPR projects of which \$30 million were authorized. The total cost for the HEAPR projects for this year is about \$22 million, he said.

Frank Cerra, senior vice president for health sciences, discussed the need for funding biomedical sciences research facilities. He said funding would help in making the University a talent magnet in both the recruitment and retention of researchers. In addition, he said, key infrastructure investments are essential for Minnesota to remain a leader in biomedical sciences. Cerra said the current bonding process does not allow for long-term planning and pits very expensive, unique buildings in direct competition with other University and state demands.

He said the University has designed a financial framework for a facility at 717 Delaware in Minneapolis that specifies the U provide 10 percent before the state is required to commit 90 percent for projects in five stages. He said the framework allows for a project about every two years. The plan calls for the state to authorize \$279 million in bonding over the length of the proposed construction schedule.

Al Johnson, associate vice chancellor for facilities in the Minnesota State Colleges and Universities (MnSCU) system, said the bonding request from MnSCU totals \$30 million for HEAPR and \$3.8 million for land acquisition. Johnson said urgent projects include \$9.7 million for roof replacements, \$7.6 million to replace heating and cooling systems and \$2.1 million for fire protection. He said other projects account for the \$10.6 million in the HEAPR request. The property acquisition request of \$3.8 million is for adjacent properties at the Fond du Lac Tribal and Community College and at Bemidji State University, Johnson said. Johnson said the system includes 32 colleges and universities with 53 campuses in 46 communities.

Economic Development Budget Division

Housing agency discussed

Members of the Economic Development Budget Division, chaired by Sen. David Tomassoni (DFL-Chisholm), met Wed., Jan. 24, to review the operations and mission of the Minnesota Housing Finance Agency. The agency seeks to end long-term homelessness, increase minority homeownership, preserve the existing affordable housing stock, provide housing choices for low and moderate income workers, and establish itself as a housing partner of choice, said Commissioner Timothy Marx. Marx also reviewed current data about housing trends, such as homeownership rates, foreclosures, rental vacancies and average rents.

Education

Meetings held in districts

Members of the Education Committee held two meetings away from the Capitol, Mon., Jan. 22, and Tues., Jan. 23. The panel, chaired by Sen. Charles Wiger (DFL-North St. Paul), met with parents,

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Former Senator Bob Lessard chats with members of the Environment and Natural Resources Committee, Wed., Jan. 24, during his testimony in favor of legislation to constitutionally dedicate a portion of the state's sales tax to natural and cultural resources.

Photo by David J. Oakes

educators and district officials from the Minnetonka, Stillwater and Woodbury School Districts.

Appointments okayed

The Education Committee, chaired by Sen. Charles Wiger (DFL-North St. Paul), met Wed., Jan. 24, to review several governor's appointments and to discuss educational accountability.

Members began by considering the appointments of Peter Adolphson, Alex Plechash, Howard Wilson, Sonja Peterson, Penny Johnson and Roberta Jones to the Board of the Perpich Center for Arts Education. All of the appointments were approved. In addition, the panel approved the appointments of Jim Rhodes, Ramraj Singh and Louise Sundin to the Board of School Administrators and the appointments of Charlene Delaney and Asad Zaman to the Board of Teaching.

Committee members then turned their attention to education accountability, primarily the areas of school testing and reporting. Wiger said accountability is perhaps the most important issue before the committee this year. Dirk Mattson, Dept. of Education, began by providing an overview of statewide assessments. He said he wanted to tell members about the 2007 assessments, the test construction process, the five most commonly asked questions about testing and a vision for Minnesota assessments. The end result is about student learning, he said. Cathy Wagner, also from the Dept. of Education, described the methods used to develop school report cards.

Mary Cecconi representing Parents United, Jan Alswager representing Education Minnesota, Charlie Kyte representing the Minnesota Association of School Administrators, and Jim Bartholomew representing the Minnesota Business

Partnership, also spoke on the subject of accountability. Members and the various speakers entered into a conversation about the education goals supported by accountability.

Energy, Utilities, Technology and Communications

Renewables discussion continues

A discussion of various proposals to increase the use of renewable sources of energy in Minnesota continued at the Tues., Jan. 23, meeting of the Energy, Utilities, Technology and Communications Committee. The panel, chaired by Sen. Yvonne Prettner Solon (DFL-Duluth), heard from representatives of the business community, traditional energy providers and boutique renewable energy providers.

Businesses that purchase electricity are concerned about reliability and competitive prices, but also support making progress toward reaping the environmental benefits of increased reliance on renewables, said Mike Franklin, Minnesota Chamber of Commerce. Energy providers said an additional concern is that shorter time horizons may mean equipment and labor shortages and increased costs. Utility representatives said a major concern is access to transmission and deficiencies in the transmission system.

Renewables testimony heard

Discussion and testimony on renewable energy objective legislation continued during the Energy, Utilities, Technology and Communications Committee Wed., Jan. 25. Sen. Yvonne Prettner Solon (DFL-Duluth) chairs the committee.

While in the past Missouri River Energy Services has opposed a renewable energy standard, today they wish to act proactively to create a standard that is achievable, said Deborah Birgen, manager of state legislative affairs for the organization. Birgen cited transmission issues and an increased cost to rate payers as concerns that would prohibit compliance with a renewable energy standard.

After testimony, John Fuller, counsel for the committee, reviewed a proposed amendment that would combine portions of all four renewable energy bills into one. The proposal uses S.F. 4, authored by Sen. Ellen Anderson (DFL-St. Paul), as a base,

Fuller said. The proposed amendment creates a standard of 25 percent renewable energy by 2020, but allows the Public Utilities Commission to modify or delay a standard obligation to ensure reliability of the system or to ensure cost-effectiveness for customers, Fuller said. A renewable energy credit program is also created by the proposal, he added.

Environment and Natural Resources

Great Lakes bills discussed

The Environment and Natural Resources Committee, chaired by Sen. Satveer Chaudhary (DFL-Fridley), met Mon., Jan. 22, to consider two bills relating to the Great Lakes.

The first bill, S.F. 38, sponsored by Sen. Ann Rest (DFL-New Hope), ratifies the Great Lakes River Basin Water Resources Compact. Rest said the compact

has been in the works for a long time and has been signed by all eight governors of states bordering the Great Lakes. The states included, she said, are Minnesota, Wisconsin, Michigan, Illinois, Indiana, Ohio, Pennsylvania and New York. Rest said the compact must be ratified by all eight state legislatures. She said the compact is a compromise, which no one regards as perfect, that has the agreement of all the major interest groups.

The compact is designed to enable the states to act jointly to protect, conserve, restore and improve basin water resources through cooperative planning and action, consistent management approaches, improved science, information exchange and adaptive management that implements precautionary approaches, Rest said. The bill provides definitions, provides for the creation and organization of a council, sets forth the council's powers and duties under the compact, provides for water management and regulation, requires the

council's meetings to be open to the public, provides for dispute resolution and provides for the relationship of the compact with existing laws in each of the states, Rest said. She said the final article of the bill provides for effectuation and specifies that the states ratifying the compact must implement the entire compact. Finally, the compact must also be ratified by the federal government, Rest said.

Kent Lokkesmoe, director, Dept. of Natural Resources Waters Division, explained more details of the compact and endorsed the provisions. Allison Wolf, Minnesota Center for Environmental Advocacy, David Naftzger, executive director, Council of Great Lakes Governors, and Gary Botzek, Minnesota Conservation Federation, all spoke in support of the measure.

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

S.F. 65, authored by Sen. Katie Sieben (DFL-Newport), is a resolution memorial-



Sen. Tom Saxhaug (DFL-Grand Rapids) examines a map of the St. Lawrence River Basin as members of the Environment and Natural Resources Committee consider legislation dealing with aquatic invasive species, Mon., Jan. 22. Photo by David J. Oakes

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izing the president and the U.S. Congress to protect the Great Lakes from aquatic invasive species. The measure was approved and re-referred to the Rules and Administration Committee.

In other action, the committee viewed the fourth episode of the PBS series "A History of the Land" and continued discussing the problem of invasive species in Minnesota waters.

Dedicated funding for natural and cultural resources discussed

The Environment and Natural Resources committee heard testimony Wed., Jan. 24, on five bills proposing a constitutional amendment to dedicate a portion of the sales tax to natural resources. Chair Satveer Chaudhary (DFL-Fridley) said he intends for the committee to look at the five bills, hear testimony and work toward a compromise to pass one bill out of the committee. We need to ensure Minnesota's natural resources are there for future generations to enjoy, said Chaudhary. He authored S.F. 20, a bill for a constitutional amendment increasing the sales tax by one-fourth of 1 percent for natural resource purposes.

All of the bills propose a sales tax increase of one-fourth of 1 percent, except for S.F. 6, authored by Sen. Lawrence Pogemiller (DFL-Mpls.), which proposes a three-eighths of 1 percent increase. Three bills, the Pogemiller bill, S.F. 137, carried by Sen. Ellen Anderson (DFL-St. Paul), and S.F. 37, authored by Sen. Richard Cohen (DFL-St. Paul), also provide dedicated funding to the arts and humanities. Both Anderson's bill and S.F. 210, introduced by Sen. Tom Saxhaug (DFL-Grand Rapids), allow for the sale of bonds for purposes specified by the funds created by the bill. But, Saxhaug's bill is the only one that creates a forest legacy fund. Anderson's bill is also unique in that it provides a statutory minimum of \$100 million each year to the clean water fund. Clean water is the most important part of the bill, Anderson said.

Support for the bill came from both the natural resources and arts communities. Representatives from Ducks Unlimited, the Minnesota Outdoor Heritage Alliance and Pheasants Forever all testified in favor of a dedicated sales tax for natural resources. Carolyn Bye, director of the Metropolitan Regional Arts Council, urged committee members to include the

arts in the dedicated sales tax constitutional amendment. In addition to improving the quality of life, the arts help Minnesota's economy, Bye said. Through jobs and the economic impact of the audience, the state of Minnesota receives an \$11 return for every dollar it invests in the arts, she added.

Environment, Energy and Natural Resources Budget Division

PUC, Commerce reviewed

The two main governmental entities involved in regulating utilities in Minnesota were the focus of the Thurs., Jan. 25, meeting of the Environment, Energy and Natural Resources Budget Division. The panel, chaired by Sen. Ellen Anderson (DFL-St. Paul), reviewed the operations and budgets for the Public Utilities Commission and the Energy and Telecommunications Division of the Department of Commerce.

The PUC regulates the electricity, natural gas and local telephone industries, said Executive Secretary Burl Haar. The commission is composed of five members who are appointed by the governor and confirmed by the Senate, he said. Haar said the commission has a unique, hybrid role. It is quasi-judicial in that the PUC resolves disputes between parties and sets rates and terms of service, he said. The role is also legislative, Haar said, because the PUC sets broad industry policies through the rule-making process. Finally, the role has an administrative component in the commission's investigations and consumer complaint mediations, he said.

The Energy and Telecommunications Division of the Dept. of Commerce seeks to ensure that all Minnesotans have access to reliable, reasonably priced, efficient, economically sound and environmentally responsible services, said Deputy Commissioner Edward Garvey. The division oversees service providers, represents the public before the PUC and promotes reliable, low-cost and environmentally superior energy systems and conservation, he said.

Subdivision focuses on biofuels

Chair Gary Kubly (DFL-Granite Falls) and Environment Energy and Natural Resources Budget Division Energy

Subdivision members met Tues., Jan. 23, to hear an overview of cost comparisons of energy for transportation.

When looking at renewable energy, there are four things to consider: energetics, environmental effects, economics and expectations, said Jason Hill of the Department of Applied Economics at the University of Minnesota. Energetics is how much energy comes out of the process of making biofuels compared to the energy that goes in to the production, conversion and transportation of the product, Hill said. For ethanol, approximately 25 percent more energy is produced than is put in, he said. Experiments at the U of M using prairie grass to produce biofuel have shown a net energy output as high as or higher than corn and soybean based fuels, he added. Hill said expectations of current biofuels have to be realistic. If 100 percent of corn grown in the United States was used for ethanol, it would offset only 12 percent of our oil consumption, he said.

Current higher corn prices are expected to lead to changes in livestock production and farmers may change crop rotation to grow corn more often, said Douglas Tiffany of the Department of Applied Economics at the U of M. If corn prices are too high, ethanol plants cannot make a profit, Tiffany said. For ethanol plants to be profitable they need low corn prices, low natural gas prices and high crude oil prices, he added.

Health, Housing and Family Security

MFIP, child care, grants reviewed

Members of the Health, Housing and Family Security Committee and the Health and Human Services Budget Division met jointly, Mon., Jan. 22, to hear from agency staff about several health and family services programs. The panels are chaired by Sen. John Marty (DFL-Roseville) and Sen. Linda Berglin (DFL-Mpls.), respectively.

Chuck Johnson, assistant commissioner in the Dept. of Human Services, reviewed the operations and history of the Minnesota Family Investment Program (MFIP) and the state's child care programs. MFIP is the state's primary program helping low-income families with children to rise out of poverty through work. Senate Fiscal Analyst David Godfrey discussed spending changes in the programs. Johnson



From left, Senators Ron Latz (DFL-St. Louis Park), Steve Dille (R-Dassel) and Kathy Sheran (DFL-Mankato) present statewide smoking ban legislation during a press conference, Thurs., Jan. 25.

Photo by A.J. Olmscheid

and Margaret Kelly, an assistant commissioner in the Dept. of Health, reviewed the state's numerous public health and family support services grants to counties.

Health and Human Services Budget Division

DHS budget overview presented

Tues., Jan. 23, the Department of Human Services presented an overview of its budget structure to the Health and Human Services Budget Division. The division is chaired by Sen. Linda Berglin (DFL-Mpls.).

The department is a large agency that provides a wide variety of services to a large number of Minnesotans, said Jane Wilcox Hardwick, chief financial officer. The governor's proposed budget for fiscal year 2008-2009 consists of \$9.3 billion from the state's general fund and \$12.9 billion from other funds, and is a 14.4

percent increase from fiscal year 2006-2007, she said.

Representatives of DHS provided an overview of the budget in the areas of financial operations, legal and regulatory operations, management operations, and technology operations.

DHS continues overview

Chair Linda Berglin (DFL-Mpls.) and the Health and Human Services Budget Division continued an overview of the Department of Human Services (DHS) budget Wed., Jan. 24.

The overview focused on the children and economic assistance grants program budget. Grants are given to counties to help provide programs in areas such as food support, childcare and housing assistance, said Assistant Commissioner Chuck Johnson. DHS also oversees counties as they administer these programs, he added. The proposed budget for the children and economic assistance grants is

slightly over \$2 billion for the next biennium, Johnson said. Approximately half of the budget will come from federal assistance, he said. The presentation covered several grant areas including childcare grants, child support enforcement grants and childcare development grants.

Johnson also covered the administrative and operations budgets for the program.

Higher Education Budget and Policy Division

Site visits continue

Members of the Higher Education Budget and Policy Division, chaired by Sen. Sandra Pappas (DFL-St. Paul), continued in their series of site visits Tues., Jan. 23. The panel traveled to the Art Institute International in Minneapolis to tour the facility.

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From left, Senators Dick Day (R-Owatonna), David Senjem (R-Rochester), Paul Koering (R-Fort Ripley), Joe Gimse (R-Willmar) and Thomas Newville (R-Northfield) greet a crowd of several hundred people on the front steps of the Capitol during a rally sponsored by Minnesota Citizens Concerned for Life, Mon., Jan. 22.

Photo by A.J. Olmscheid

Private college site visit

The Higher Education Budget Division met Thurs., Jan. 25, for a site visit to Macalester College. The panel, chaired by Sen. Sandra Pappas (DFL-St. Paul), is conducting a series of visits to both public and private higher education institutions.

Judiciary

Drug Court visited

Members of the Judiciary Committee, chaired by Sen. Mee Moua (DFL-St. Paul) and the Judiciary Budget Division, chaired by Sen. Leo Foley (DFL-Coon Rapids), met Thurs., Jan. 25, to visit the Ramsey County Drug Court. Drug Courts are for nonviolent felony offenders and focus on the individual's addiction to alcohol and other drugs (AOD) and seek to use the coercive power of the courts to keep an individual in treatment long-enough to experience the benefits and lay a solid

foundation for the person being able to achieve long-term quality recovery.

Public Safety Budget Division

Division hears overviews

The Public Safety Budget Division met to hear three overviews Mon., Jan. 22. Chair Linda Higgins (DFL-Minneapolis) and division members heard from the Minnesota Sentencing Guidelines Commission, the Board of Peace Officer Standards and Training (POST) and the Department of Human Rights.

The Minnesota Sentencing Guidelines Commission develops and maintains the rules that judges must use in felony sentencing, said Isabel Gomez, executive director. The guidelines give us proportionality in sentencing, rational use of correctional resources, avoidance of unfair

disparity and public safety, Gomez said. One of the jobs of commission staff is to maintain a database of felony convictions in Minnesota and that information is used by the Legislature to predict the fiscal impact on proposed and enacted criminal laws, she said.

Neil Melton, executive director of the Peace Officers Standards and Training (POST) Board said the board provides selection, education and licensing standards for peace officers in Minnesota. Regulation improves the level of service and I believe that has been happening in the 30 years the board has existed, Melton said. The POST Board licenses 475 state, county and local law enforcement agencies, he said.

The mission of the Department of Human Rights is to make Minnesota discrimination free, said Commissioner Velma Korbal. There are three core parts to the department, enforcement, compli-

ance and education, Korbal said. The largest part of the budget is spent on enforcement – investigating discrimination complaints and mediation, she said.

BCA visited

Members of the Public Safety Budget Division, chaired by Sen. Linda Higgins (DFL-Mpls.), used their Wed., Jan. 24, meeting time to tour the Bureau of Criminal Apprehension. The BCA's headquarters are located on St. Paul's East Side. The agency provides investigative assistance to local agencies, forensic laboratory services, criminal history information, and training to peace officers.

Oak Park Heights prison toured

Members of the Public Safety Budget Division gathered Fri., Jan. 26, for a visit to the Oak Park Heights Correctional Facility. The panel is chaired by Sen. Linda Higgins (DFL-Mpls.).

The Oak Park Heights prison is located in Stillwater. It houses male offenders who are classified as maximum custody or extreme risks to the public. The maximum-security institution has a population of about 420, housed in nine self-contained complexes that can operate independently. Inmates range in age from 20 to 78, with the majority being between 26 and 45. More information about the facility is available from the Department of Corrections: <http://www.corr.state.mn.us/facilities/oakpark.htm>

State and Local Government Operations and Oversight

Campaign reporting bill approved

The State and Local Government Operations and Oversight Subcommittee on Elections met Wed., Jan. 24, to consider a bill providing increased reporting for last-minute contributions to political campaigns. S.F. 123, carried by Sen. Ann Rest (DFL-New Hope), also requires earlier reporting of contributions used to qualify for receipt of a public subsidy and increases the contribution limit for candidates for secretary of state and state auditor.

Rest said the bill requires an unregistered political committee, political fund, principal campaign committee or party unit to register with the Board of Campaign Finance and Public Disclosure

within 24 hours after receiving a contribution that is received after the last regular reporting date. The measure also extends the reporting requirement beyond candidates to cover contributions to a political committee, political party or party unit if the amount from any one source totals \$1,000 or more. The bill reduces the reporting threshold for contributions to candidates from \$2,000 to \$800, reduces the deadline to report contributions made after the last regular reporting date from 48 hours to 24 hours, eliminates the use of telegram, mailgram or certified mail to make the report and require the board to post the report on its web site within 24 hours.

Other portions of the bill increase the limit on contributions to candidates for secretary of state and state auditor from \$500 to \$1,000 in an election year and from \$100 to \$200 in other years. Rest said she believed the state wide offices should all have the same limits and the bill brings the secretary of state and state auditor limits equal to those for attorney general, governor and lieutenant governor. The bill also advances the deadline for filing the affidavit of contributions that is required for a candidate to be eligible to receive a public subsidy.

Sen. John Marty (DFL-Roseville) offered a motion to delete the portion of the bill increasing the campaign limits for state auditor and secretary of state. The subcommittee, chaired by Sen. Dan Larson (DFL-Bloomington), defeated the motion. The panel then approved the bill and referred it to the full State and Local Government Operations and Oversight Committee.

State Government Budget Division

Division hears election bill, overview of tax compliance

The State Government Budget Division, chaired by Sen. Don Betzold (DFL-Fridley), met Mon., Jan. 22 to discuss tax compliance in Minnesota and to hear a bill on Help America Vote Act funding.

Sponsored by Sen. Linda Higgins (DFL-Minneapolis), S.F. 103 transfers appropriations within the Help America Vote Act account. When the money was appropriated, the Legislature dictated how much was to be spent in different categories, said Beth Fraser, director of govern-

mental affairs for the Office of the Minnesota Secretary of the State. There is money left in some categories and no money left in others, she said. For example, \$120,000 was appropriated to process election complaints, but there were very few complaints made so there is extra money in the account, Fraser said. Transferring the extra funds will allow for increased spending to improve and maintain the statewide voter registration system, she added. The bill was amended to require written notice to the commissioner of finance and the chairs and ranking minority members of committees with jurisdiction over the budget of the Secretary of State. The bill was recommended to pass and sent to the Committee on Finance.

Division members spent the remainder of the meeting on tax compliance issues. Deborah Parker Junod, a project manager with the Office of the Legislative Auditor, presented a report on tax compliance in Minnesota. Each year there is a tax gap, the difference between the taxes owed and taxes paid, of over \$1 billion in Minnesota, Junod said. Three major areas of the tax gap are people who do not file their taxes, underreported income, and unpaid sales and use tax, she added. Minnesota has sound strategies for tax compliance, but there is room for improvement, she added. The state could require employers to file W-2 wage and tax statements electronically, which would help better identify noncompliance, Junod said.

But Department of Revenue Commissioner Ward Einess said Senators need to have realistic expectations about compliance issues. The department cannot collect every dollar in the tax gap, he added. In addition to following many of the recommendations of the legislative auditor, the Department of Revenue plans to expand tax compliance by updating the technologies and the computer systems used, Einess said.

Budget, auditor's reports reviewed

Members of the State Government Budget Division met Wed., Jan. 24, to receive an introductory overview of the governor's budget recommendations within the panel's jurisdiction. Division members, chaired by Sen. Don Betzold (DFL-Fridley), also reviewed three reports from the Office of the Legislative Auditor.

Stephanie Andrews, executive budget coordinator in the Dept. of Finance,

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discussed the broad outlines of the governor's budget, which proposes \$34.4 billion in general fund spending in FY 08-09, an increase of \$2.9 billion. Spending from all funds is proposed to be over \$55 billion, an increase of over \$4.3 billion. Executive Budget Officers Peggy Lexau, Alexandra Borat and Abigail Read reviewed through the governor's budget recommendations for individual agencies, including the Departments of Administration, Finance, Revenue and Employee Relations, the Capitol Area Architectural Planning Board, the Office of Administrative Hearings, and the Office of Enterprise Technology. Complete documents for the governor's budget proposals are available online: <http://www.budget.state.mn.us>

Staff from the Office of the Legislative Auditor, including Jo Vos, Judy Randall, and Jody Hauer, presented reports on state grants to nonprofit organizations, public employee retirement benefits and volun-

teer firefighter pension plans. The reports are available online: <http://www.auditor.leg.state.mn.us/>

Taxes

Property tax relief discussed

Members of the Property Tax Division met Tues., Jan. 23, to review a measure proposing property tax relief and to examine the recent history of property tax levels. S.F. 1, carried by Sen. Thomas Bakk (DFL-Cook), modifies a number of property tax provisions, including the residential homestead market value credit, agricultural homestead market value credit, and local government aid.

The panel, chaired by Sen. Rod Skoe (DFL-Clearbrook), also heard from Senate Fiscal Analyst Eric Nauman on the close relationship between property taxes and education spending. Nauman explained that education financing reform enacted in

2001 shifted the source of education funding from the general education property tax to state education aid, causing a brief reduction in property taxes. Referendum levies approved by voters, along with increases in property values, have since increased property taxes, he said.

Gov's recommendations reviewed

Members of the Taxes Committee met Wed., Jan. 24, to review the governor's budget recommendations regarding changes in tax policy. Revenue Commissioner Ward Einess and staff from the Department of Revenue presented the recommendations to the panel, chaired by Sen. Thomas Bakk (DFL-Cook). Einess said the recommendations seek to accomplish four goals: permanently reducing homeowners' property taxes, lowering income tax burdens for specific populations, improving Minnesota businesses' competitiveness, and directing more money to transportation.

A proposal to increase local government aid (LGA) by \$10 million, or about two percent, sparked considerable discussion. The recommendation includes requiring cities with populations greater than 100,000 to dedicate the additional LGA to public safety purposes. Sen. Mee Moua (DFL-St. Paul) said the state's largest cities have unique, complex needs and problems. The cities need flexibility in using LGA and other revenue, said Sen. Dan Larson (DFL-Bloomington). Other members defended the recommended dedication. LGA was created to ensure that no community goes without essential services, especially public safety, said Sen. Julianne Ortman (R-Chanhassen), and it is appropriate for the state to ensure that LGA is being used for those purposes. Sen. David Senjem (R-Rochester) said the matter is mostly a bookkeeping matter that cities should be able to handle without issue.

Committee members also raised questions about a proposed sales tax exemption for commuter rail construction materials. Several Senators said they were disappointed the governor was not recommending a broader sales tax exemption for local units of government generally or for local governments' capital investment projects specifically. A proposed sales tax exemption for a business planning an expansion valued at no less than \$100 million also sparked



As Commissioner of Finance Tom Hanson looks on, State Economist Tom Stinson, left, briefs members of the Taxes Committee on the latest economic forecast, Wed., Jan. 24.

Photo by David J. Oakes



Sen. Terri Bonoff (DFL-Minnetonka) greets cub scouts and their parents from Plymouth and Minnetonka when they visited her office, Fri., Jan. 26.

Photo by A.J. Olmscheid

discussion. Einess said the state had agreed to protect the company's anonymity, but that recent disclosures in the news now permitted him to reveal the beneficiary as Thomson West, a publisher of legal and business information. The tax exemption offers the company another reason to expand its Eagan facility and add thousands of jobs in Minnesota, he said. Einess said Eagan is one of about three locations being considered by Thomson West. Offering a tax exemption to one business is inappropriate and inequitable tax policy, said Sen. John Marty (DFL-Roseville).

The complete document containing the governor's tax recommendations is available online: http://www.budget.state.mn.us/budget/operating/200809/gov/tax_policy.pdf

Finance Commissioner Tom Hanson and Budget Director Jim Schowalter broadly reviewed the governor's budget recommendations. The budget recommendation documents are also available

online: <http://www.budget.state.mn.us> Additionally, State Economist Tom Stinson discussed the November forecast and trends that may have an impact on the February forecast.

Transportation Budget and Policy Division

Public Safety overview heard

Members of the Transportation Budget and Policy Division met Tues., Jan. 23, to hear an overview of the Dept. of Public Safety. Commissioner Michael Campion and Deputy Commissioner Mary Ellison reviewed all the offices within the department with special emphasis on those offices within the jurisdiction of the division. Campion said the department was split under the jurisdiction of the Transportation Budget and Policy Division and the Public Safety Budget Division. He said the areas that fall under

transportation include the Minnesota State Patrol, the Office of Traffic Safety, Driver and Vehicle Services, the State Fire Marshal Division, the Office of Pipeline Safety and Administrative Services.

Ellison described the individual divisions in more detail. She said the State Patrol's mission is to protect and serve Minnesotans throughout the state through assistance, education and enforcement and to provide for the safe, efficient movement of traffic on Minnesota's roadways. The patrol has an annual operating budget of \$70.04 million for FY 2007, Ellison said. She said some of the services provided by the patrol include aviation, Capitol security, executive protection, crash reconstruction, commercial vehicle enforcement, DWI enforcement, investigative services and radio communications. Ellison said one of the major areas under the jurisdiction of the division is the Driver and Vehicle Services. The division's services include vehicle title

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and registration, driver exams, driver compliance, driver's license issuing and auto dealer licensing and inspection, Ellison said. Ellison also provided description of the services provided by the other divisions in the department.

The panel, chaired by Sen. Steve Murphy (DFL-Red Wing), also heard a more detailed description of the Driver and Vehicle Services Division from Director Pat McCormack. McCormack also outlined the requirements of the federal Real ID Act. She said the act requires states to comply with the Dept. of Homeland Security's regulations to ensure the security of driver's license and ID card application, production, and issuance processes. The act also requires the authentication of each driver's license/ID cardholder and applicant. She said the states must comply with the act in order for license holders or cardholders to be able to access federal facilities, board commercial aircraft or enter nuclear power plants. McCormack said the act mandates a federated licensing system for interoperability between states and with vital records systems and all federal verification databases. She said complying with the act involves a \$10.3 million one-time cost and on-going costs of \$21.23 million per year over the five years needed to fully implement the act.

Members also reviewed a report on the insurance verification program prepared by the commissioner in response to a 2005 law.

Met Council overview heard

The Transportation Budget and Policy Division met Thurs., Jan. 25, to hear presentations on the Metropolitan Council and port authorities. The panel, chaired by Sen. Steve Murphy (DFL-Red Wing), heard first from Peter Bell, chair, Metropolitan Council about the council's transportation and transit duties.

Bell said the Metropolitan Council has three broad areas of responsibility—community development, environmental services and transportation. The transportation function, he said, is further divided into two areas—planning and transit. The planning function includes long-range and short-range planning, unified planning work programs and major transportation studies, Bell said. In addition, he said the Metropolitan Council allocates federal funds and coordinates planning activities with the Dept. of Transportation, transit

operators, the Metropolitan Airports Commission and local governments. The council also ensures public input through the Transportation Advisory Board, he said.

Bell said planning activities encompass highway, transit, airport and freight planning along with travel forecasting and corridor studies. He reviewed the tiered transitways and outlined the status of tier I transitways.

Bell said transit system providers include Metro Transit, Metropolitan Transportation Services such as Metro Mobility, public vanpools and community programs and Suburban Transit Authorities. He said in 2006, Metro Transit provided 73.8 million rides, which was up 6 percent from 2005. He said the system includes 827 buses, 27 rail cars and 113 routes. Bell said a profile of riders found that 82 percent of the trips were for school or work, 40 percent of downtown Minneapolis workers use transit, 86 percent of train riders and 67 percent of bus riders have cars, and 56 percent of train riders have household incomes above \$50,000 per year. Bell said Metro Transit plans for 2007 are to restructure Northwest Metro routes, enhance safety, promote the high frequency network of service at least every 15 minutes, evaluate next bus arrival info for customers, improve bus on-time performance and expand the "Go-to" smartcard fare collection system. He added that Metro Transit is going greener in 2007 with the use of bio-diesel/ultra low sulfur fuel and hybrid vehicles. Bell also reviewed the funding for the transportation system, other transit services and the governor's budget recommendations. He said the governor recommended a total of \$688.2 million, up 6.8 percent from the last biennium.

The panel also heard an overview of the Minnesota port development assistance program from Lorrie Louder, Myron White and Dick Lambert. Lambert, from the Dept. of Transportation, said the waterways and ports are a vital part of the freight movement system in the state. He said the purpose of the port development assistance program is to maintain and improve Minnesota's river and Lake Superior public commercial ports. The program provides grants to public port authorities for the improvement of infrastructure, he said. He said the program needs \$11.487 million for FY 2007-2008 and \$17.8 million for FY 2009-2013.

Historical database available

The Legislative Reference Library has developed a database, "Legislators Past and Present," containing information about Legislators who have served since territorial times. The database's information was compiled from official legislative directories, obituaries, news clippings, family files and other sources. It contains information about terms of service, education, occupation, party or caucus affiliations, leadership positions, represented communities and more.

The database also includes information about Minnesota Legislators who served in other government functions, ranging from the local level to the national level. It even indicates which Minnesota Legislators also served in another state's legislature. (There were five: Cyrus Aldrich in Illinois, Francis Cornell in New York, Mark Dunnell in Maine, Willis Gorman in Indiana and Knute Nelson in Wisconsin.)

"Legislators Past and Present" is available online at <http://www.leg.state.mn.us/legdb/index.asp>

Capitol Report: on air, online

Explore current policy issues and hear lawmakers discuss current legislative proposals by watching "Capitol Report," a weekly public affairs program produced by Senate Media Services. The program includes interviews with Legislators, agency heads and prominent policy experts advising lawmakers. It also features historical and informational features about the Senate, the Capitol and Minnesota.

"Capitol Report" airs weekly on public television affiliates in the Metropolitan Area and on cable access channels across Greater Minnesota. It is also available online, with archives going back to 2000: <http://www.senate.mn/media>

MyBills system available

The MyBills personalized bill tracking system is now available. Users can add House and Senate bills to their lists by bill number, subject, or author, and view the legislative status of their bills, with items with significant current floor action highlighted. Users can modify their lists at any time. The MyBills system is available from the Legislative website at: <http://www.house.mn/leg/billslogin.asp>

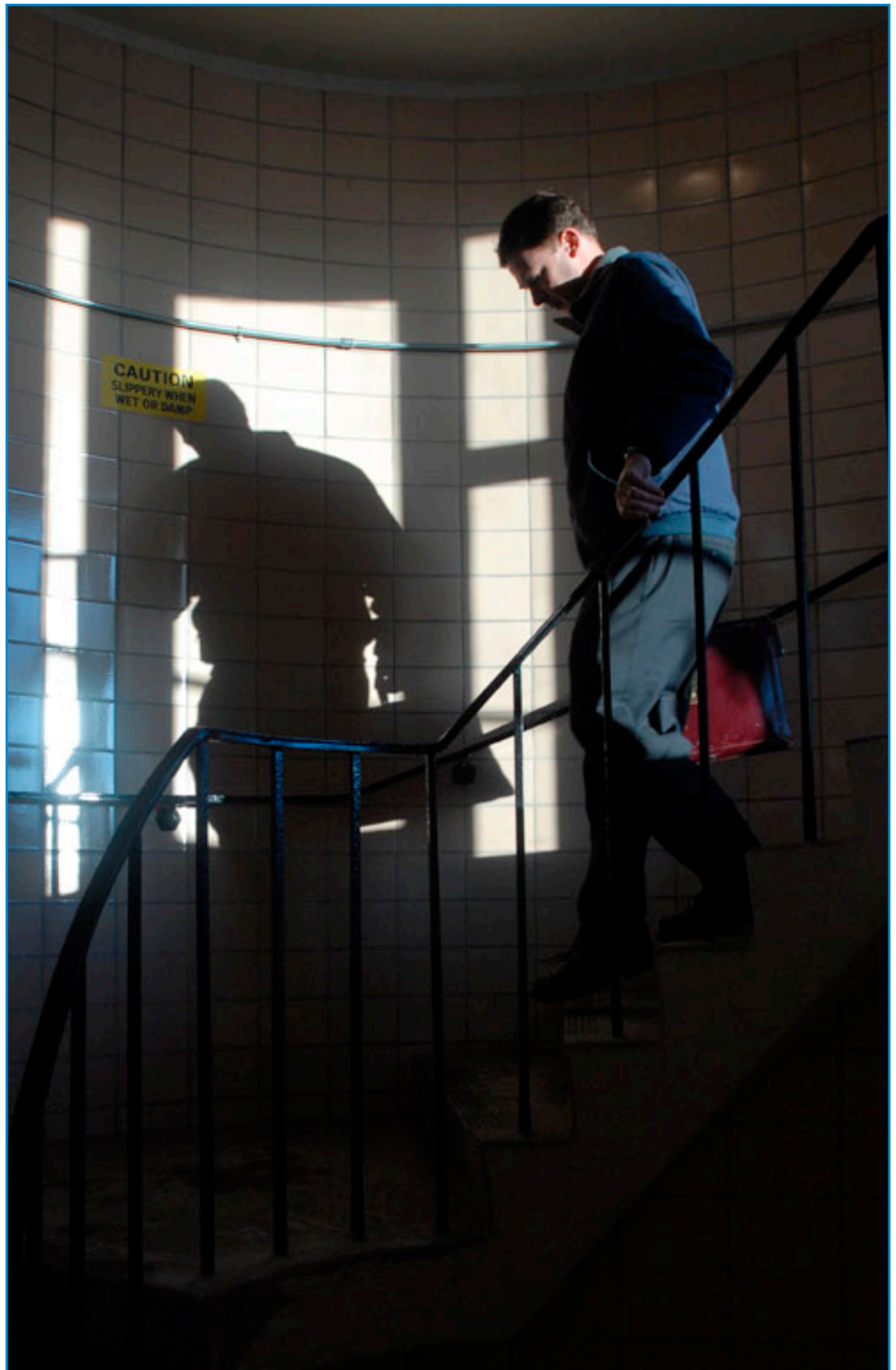
Senate Briefly

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Early morning sunlight creates a shadowy silhouette as a Senate employee descends the stairs leading to a tunnel underneath University Avenue.

Photo by A.J. Olmscheid



February 2, 2007

Senate Highlights

Permanent Rules adopted

Adoption of the Permanent Rules of the Senate was the primary task before the Senate at the Thurs., Feb. 1, floor session.

Majority Leader Lawrence Pogemiller (DFL-Mpls.) said, "I believe there is a general consensus on the changes to the rules." He said the changes are designed to improve the flow of work in the Senate. S.R. 32, the resolution containing the rules, incorporates the changes made in both subcommittee and full committee, he said.

The changes include adjusting names of committees to reflect those reported in the Temporary Rules of the Senate, requiring memorials and other resolutions that follow the same procedure as bills to be referred to the Rules and Administration Committee before passage, reducing from one year to 60 legislative days the deadline for committees to act on gubernatorial appointments, increasing from 10 to 14 days the time for the minority caucus to make committee assignments, clarifying the authority of the chair of the Rules and Administration Committee to add or delete members from budget divisions, creating a Subcommittee on Conference Committees comprised of three members, providing for more than five members of the Rules and Administration Subcommit-



Polar explorer Will Steger describes his firsthand experiences with climate change due to global warming to a gathering of Legislators in the House Chamber, Tues., Jan. 30.

Photo by A.J. Olmscheid

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tee on Committees, providing that bills on the table must be returned to committee at the end of the odd-numbered session year and specifying that items on General Orders may be taken up in an order determined by the chair of the Rules and Administration Committee or as otherwise ordered by a majority of the committee.

Sen. Warren Limmer (R-Maple Grove) offered an amendment specifying that the minority leader must approve addition or deletion of minority members from committees and divisions. The current rule says the minority leader need only provide advice, he said. Limmer said the amendment establishes a more participatory role for the minority leader. Pogemiller supported the amendment, which was adopted. The Permanent Rules of the Senate were approved on a 60-2 roll call vote.

Global warming speakers heard

Senators and members of the other body gathered, Tues., Jan. 30, to hear

about global warming from a roster of leaders in various fields. The meeting was an informal presentation, not a formal floor session of either body or a Joint Convention.

Legislators heard from polar explorer Will Steger and three ecologists: David Tilman, a University of Minnesota Regents' Professor and the holder of the McKnight Presidential Chair in Ecology, Lee Frelich, the director of the U of M Center for Hardwood Ecology, and Lucinda Johnson, associate director of the University of Minnesota-Duluth Center for Water and the Environment. The panels also heard from two religious leaders—Archbishop Harry Flynn, Archdiocese of St. Paul and Minneapolis, and Bishop Craig Johnson, Minneapolis Synod of the Evangelical Lutheran Church in America.

Brief session held

Senators met for a short floor session, Mon., Jan. 29. The Senate processed routine business at its last floor session in

the first month of the 85th Legislative Session.

Renewable energy bill approved

Thurs., Feb. 1, after weeks of work, the Energy, Utilities, Technology and Communications Committee approved S.F. 4. Carried by Sen. Ellen Anderson (DFL-St. Paul), the bill creates public utilities renewable energy standards. Chair Yvonne Prettnier Solon (DFL-Duluth) said, "I know it doesn't satisfy everybody and I know it is a stretch for everybody, but it shows there are people here who are willing to help us set a standard for Minnesota that is higher than anyone else in the nation."

S.F. 4 requires Xcel Energy to generate 30 percent of its energy from renewable sources by 2020, with at least 25 percent generated by wind energy. For other public utilities in Minnesota, 20 percent of energy generated must come from renewable sources by 2020, and 25 percent by 2025. The bill also allows the Public Utilities Commission to modify or delay the implementation standard if the standard would not serve the public interest, such as causing a significant rate increase. S.F. 4 also creates renewable energy credits to be established by 2008. The bill requires electric utilities to develop plans for transmission enhance-

ments necessary to support the renewable standards.

Under current law, utilities only have to produce 2 percent of their energy from renewable sources, Anderson said. In only nine years Xcel will be producing 25 percent of its energy from renewables and for other utilities it will be 17 percent, she added. I think we have done something we can be proud of, Anderson said.

The bill was recommended to pass 15-0 on a roll call vote and referred to the Senate floor.

Economy overview heard

The Finance Committee began its meeting Tues., Jan. 30, by unanimously recommending the confirmation of Tom Hanson as the commissioner of finance. Sen. Steve Murphy (DFL-Red Wing) said he's worked with Hanson in the past and always found him very respectful and very knowledgeable.

Chair Richard Cohen (DFL-St. Paul) said it is helpful during the budget process to understand where the economy is going. Dan Laufenberg, a chief economist with Ameriprise Financial, provided committee members with an overview of the state of the U.S. economy. This year, the economy is likely to perform reasonably well, but slightly less than trend, Laufenberg said. There is a recession in the future, sometime

after 2008, he added. Given the diversity of Minnesota's economy, it is expected to see results similar to the U.S. economy, Laufenberg said.

Jay Kiedrowski, senior fellow at the University of Minnesota Humphrey Institute of Public Affairs, presented the committee with an overall picture of the state budget. The Minnesota revenue system sees deficits to surpluses because the system is based on volatile income taxes and under uses the sales tax, Kiedrowski said. Minnesota should have a more even distribution between income tax, sales tax and property tax to smooth out the rollercoaster of deficit and surplus, he said. Kiedrowski commended the governor's budget for recognizing that, because of inflation, the surplus is really \$1 billion and it is onetime money.

Tom Stinson, state economist, gave an overview of the economic forecast. State revenues are expected to be up \$297 million in 2008-2009, compared to \$913 million in 2006-2007, Stinson said. One reason for the slower revenue growth is because of the constitutional amendment to dedicate motor vehicle taxes to roads that passed in November, he added. Sales taxes are also expected to bring in less than projected revenues because of weaker sales tax growth projections and because the state has not been successful in capturing internet sales tax, Stinson said.

The committee then took a broad look at the governor's budget. The budget proposes \$34.4 billion in general fund spending for FY 2008-2009, Hanson said. Under the proposed budget, state spending would increase by 9.3 percent over two years, he added. One focus of the governor's budget is on rewarding performance, with programs such as Q Comp, nursing facility performance pay and U of M and MnSCU performance bonuses, Hanson said.



Sen. Julie Rosen (R-Fairmont), left, congratulates Sen. Ellen Anderson (DFL-St. Paul) following the approval of a bill setting renewable energy standards for public utilities during an Energy, Utilities, Technology and Communications Committee hearing, Thurs., Feb. 1.

Photo by David J. Oakes

Committee update

Agriculture and Veterans

Veterans organizations described

A variety of veterans organizations took center stage at the Tues., Jan. 30, meeting of the Agriculture and Veterans Budget and Policy Division. The panel, chaired by Sen. Jim Vickerman (DFL-Tracy), listened as representatives of the organizations outlined their activities and their needs for the coming biennium.

Jerry Kyser, chair, United Veterans Legislative Council, introduced the representatives of the Veterans of Foreign Wars, the American Legion, the Military Order of the Purple Heart, the American Ex-Prisoners of War, the Disabled American Veterans, the Marine Corps League, the Jewish War Veterans, AmVets and the Vietnam Veterans of America.

Al Loehr, speaking for the Veterans of Foreign Wars, detailed the history of the VFW and described the on-going activities to aid veterans. He said the purpose of the VFW is fraternal, patriotic, historical and educational. The national organization was founded in 1899 and has 274 posts in Minnesota, Loehr said. He said the headquarters office in St. Paul serves as a liaison between the national organization and the local posts and ensures that the local posts operate according to the

national by laws. In addition, Loehr said the VFW Claims Service Office, located at Fort Snelling, provides representation to veterans or survivors with claims for disability or death benefits.

Maynard Kaderlik, president, Vietnam Veterans of America, said the organization was incorporated in 1986 and has 15 chapters in the state. He said the VVA's national service officer, Juliann Bailey, has advocated for veterans for 12 years and has helped veterans get health and compensation benefits for service connected disabilities. In addition, VVA has helped at "stand-downs," events held to help homeless veterans and other veterans in need.

Vickerman and other members of the division said the needs of veterans will be of primary concern during this year's budget setting process.

Hazardous plant study okayed

The Agriculture and Veterans Committee met Thurs., Feb. 2, and approved a bill requiring a study of the potential hazards posed by plants to the public.

S.F. 138, sponsored by Sen. Steve Murphy (DFL-Red Wing), requires the commissioners of agriculture and health to evaluate hazards posed by plants to retail

consumers and livestock and to report the findings to the standing committees of the House and Senate with jurisdiction over agriculture policy.

Bob Marg, a farmer from Altura, Minn., told the panel about losing livestock because of Japanese Yew. He said the plant is highly poisonous, but that he had no idea of its poisonous nature. Livestock eating Japanese Yew can die very quickly, he said. Marg said there are other common plants that are poisonous, but people don't know.

The bill was approved and was recommended for placement on the Consent Calendar.

The committee, chaired by Sen. Jim Vickerman (DFL-Tracy), also heard a budget overview from the Board of Animal Health. Bill Hartmann, executive director, said the board was established in 1903 to protect the health of domestic animals in the state. He said the staff is directed by a five-member board of veterinarians and livestock producers. Staff travel statewide investigating disease occurrences and helping livestock producers prevent disease, he said.

Hartmann said the board has been active in preparation for an avian influenza outbreak, working to eradicate



Sen. Scott Dibble (DFL-Mpls.) speaks in favor of a statewide smoking ban during a rally in the Capitol Rotunda, Tues., Jan. 30.

Photo by A.J. Olmscheid

bovine tuberculosis, and combating anthrax. He said it had been thought the state was free of bovine tuberculosis, but in 2005 an infected animal was traced to a Minnesota herd. As a result, Hartmann said additional testing requirements were undertaken and a course was set for regaining TB-free status. The board also manages a John's Disease control program for Minnesota dairy and beef producers.

Hartmann said over half of the funds for the board are from the general fund, the rest is from other sources, primarily the federal government. He said the general fund budget recommendation is \$6.863 million. He said a change item of \$811,000 is for testing and treating bovine tuberculosis.

Business, Industry and Jobs

Appointments approved

Confirmations were a key part of the agenda at the Wed., Jan. 31, meeting of the Business, Industry and Jobs Committee. The panel, chaired by Sen. James Metzen (DFL-South St. Paul), granted approval to the appointments of Candace Campbell, Mary Sue Collins Weston Cutter, Pat L. Dillon, Randall D. Olson, Leonard S. Pederson, Theresa A. Santiago and Andrew Wells to the Board of Invention. Committee members also advanced to the full Senate, without recommendation, the appointment of Sandy Layman to the Iron Range Resources and Rehabilitation Board.

In other action, the committee heard a presentation on the biopharmaceutical industry. Ray Frost, director of government affairs, MGI Pharma, and David Melin, senior director corporate and government affairs, MGI Pharma, gave an overview of MGI Pharma, detailed the company's commercial products and described MGI Pharma's growth strategy. Frost said MGI Pharma is a biopharmaceutical company focused on oncology and acute care. He said the company acquires, researches, develops and commercializes proprietary pharmaceutical products that address patient needs. He said the company has three locations—Bloomington, Minnesota, Baltimore, Maryland, and Lexington, Massachusetts. He also gave descriptions of the current commercial projects and those products in development. He said the company is committed to delivering products that make a difference, recruiting

and training highly skilled associates, providing patients, providers and payers with value added tools and focusing on the needs of all stakeholders in the healthcare system.

Capital Investment

Arena projects reviewed

The Capital Investment Committee, chaired by Sen. Keith Langseth (DFL-Glyndon), met Tues., Jan. 30, to review a project for the Duluth Entertainment and Convention Center (DECC) and a project for a St. Cloud National Hockey Center. Langseth said that last year four projects were in play for the omnibus bonding bill, but only two were approved. The projects in Duluth and St. Cloud were not funded, he said, and because they were not funded it was appropriate to take another look at the two projects.

Sen. Yvonne Prettner Solon (DFL-Duluth) introduced Duluth Mayor Herb Bergson, Dan Russell, DECC executive director and Mark Emmel, DECC board chair, who described the project in detail. They said for several years, state and local leaders have sought to expand the 41-year-old Duluth Convention Center with an arena to attract larger conventions and concerts and to allow the University of Minnesota-Duluth men's and women's hockey teams to move to a modern facility. The request is for \$37.9 million from the state, with the balance of the cost to be paid by a voter-approved three quarters of a percent food and beverage tax, they said. Russell said the arena will serve the entire northern region of the state.

The National Hockey Center in St. Cloud was described by Sen. Tarryl Clark (DFL-St. Cloud). She said the current facility serves St. Cloud State University, St. John's University, and local high school teams, but needs extensive enhancements. Steve Ludwig, vice president for academic affairs, St. Cloud State University, and Morris Kurtz, director of athletics, St. Cloud State University, spoke in support of the proposal. "I believe we have been excellent stewards of the taxpayers money, but the facility was built 20 years ago and needs updates to move forward," Kurtz said. Bill Prout, president, Center Ice Club, said we are very proud of our rink in St. Cloud, but the building needs a facelift to provide handicapped accessibility, a ticket

lobby and additional locker space. The total cost of the project is \$13 million and the university plans to raise \$2 million from private sources.

Langseth said decisions have not been made about the total amount of bonding available and that some projects before the committee may be funded with one time appropriations, while others would be funded with bond proceeds and others by a combination of the two.

Economic Development Budget Division

DEED budget reviewed

The Economic Development Budget Division, chaired by Sen. David Tomassoni (DFL-Chisholm), met Mon., Jan. 29, to hear the governor's budget proposal for the Dept. of Employment and Economic Development.

Commissioner Dan McElroy provided a brief overview of the department's responsibilities. He said DEED is the state's primary economic and workforce development agency and has programs promoting business recruitment, expansion and retention, and programs promoting workforce development. He said the agency also has responsibility for international trade and community development. The department has three core functions—to support business creation, to stabilize and stimulate the economy and to support the workforce needs of the state's businesses, he said.

McElroy also outlined the highlights of the governor's budget proposal for the department. He said the budget includes \$10 million in one-time funding for three programs: the Minnesota investment fund, the redevelopment fund and the urban initiative program. In addition, the budget contains \$5 million in additional support for vocational rehabilitation and state services for the blind to maximize federal funding, \$1.8 million for additional support for extended employment programs for persons with disabilities and special needs, \$700,000 for labor market information, \$1.25 million in one-time funding for the BioBusiness Alliance of Minnesota and University Enterprise Laboratories to support the state's bio-science industry and \$1 million to support the Minnesota youth career guide program, he said. McElroy added that the budget

Committee update

from all funds for the department is \$1.2 billion and that the general fund portion amounts to \$96 million. He said excluding one time funding, the total budget recommendation represents a 12 percent increase compared with the FY 2006-07 budget.

Other representatives from the department went into more detail on specific programs in the proposal. John Stavros, chief financial officer, and Lynn Batzli, director of legislative affairs, reviewed the budget activities under the three core functions named by McElroy.

Commerce, tourism reviewed

The governor's budget recommendations for the Department of Commerce and Explore Minnesota Tourism were the focus of the Wed., Jan. 31, meeting of the Economic Development Budget Division. The panel, chaired by Sen. David Tomassoni (DFL-Chisholm), heard from Commerce Commissioner Glenn Wilson and John Edmund, director of Explore Minnesota Tourism. Budget documents for both agencies are available online: <http://www.budget.state.mn.us>

Education

Future high schools discussed

Members of the Education Committee met Mon., Jan. 29, to consider proposals to help Minnesota high school students prepare for additional education and the elevated demands of the modern economy. The panel is chaired by Sen. Charles Wiger (DFL-North St. Paul).

Education Commissioner Alice Seagren reviewed the governor's proposals, which include a requirement that all high school students take at least one year's worth of course work that is eligible for college credit. Seagren said the program is not only designed for students preparing for a four-year degree, but also for students who will go on to technical, trade or community colleges. Seagren also discussed the governor's 3R initiative, which includes six components. It includes the one year's college credit element, a program linking students with partners who help prepare the students for post-secondary education, and a requirement that students create personal graduation plans in eighth grade and update the plans annually. The initiative also requires the high school to provide high-quality

professional development opportunities for teachers and increased authority for the principal, requires students to have access to rigorous courses, and requires the use of data to analyze and improve the school.

The Anoka-Hennepin School District has created a program to help students transition from high school to post-secondary education, said Ginny Karbowski. The Secondary Technical Education Program (STEP) places high school students in a college setting where they can explore career and education possibilities with their same-age peers and earn both high school and college credit, she said. Bloomington Kennedy High School participates in Project Lead the Way, a program linking schools to introduce students to engineering and technology education. Ron Simmons, Kennedy's principal, said students love hands-on learning. Project Lead the Way combines rigor with technology and traditional learning topics, he said. Simmons and Scott Etzel, Kennedy's Project Lead the Way coordinator, said the program helps students who are not engaged in their education to become involved and interested in school.

Principal Bill Smith discussed the variety of options Minneapolis Southwest High School offers. Not many students take advantage of the state's post-secondary options program, he said, because the high school offers the courses on site, including technology education, advanced language programs, and Advanced Placement (AP) and International Baccalaureate (IB) programs. Joann Knuth, Minnesota Association of Secondary School Programs, said the AP and IB programs are successful in part because of the rigorous teacher preparation elements involved.

Susan Henderson discussed the College in the Schools program, a concurrent enrollment program sponsored by the University of Minnesota. Concurrent enrollment programs already play a role in providing rigorous programs in high schools, she said. Two Burnsville High School students briefly related their experiences with College in the Schools. The nature of post-secondary education options (PSEO) programs was discussed by Cyndy Crist of Minnesota State Colleges and Universities. She said students who complete PSEO have higher rates of going



As classmate Alex Christensen awaits his turn to testify, Burnsville High School Senior Jenna Johnson explains to members of the Education Committee, Mon., Jan. 29, how she has benefited from taking concurrent college courses at the University of Minnesota during high school.

Photo by David J. Oakes

on to and completing higher education than students who do not take PSEO courses while in high school. Online learning has also boosted the availability of PSEO courses, she said, especially in topic areas where no one school district or region has enough interested students. Students across the state can take the course together, helping to reduce costs for districts, she said. Crist also described other innovative online PSEO offerings.

Early literacy discussed

Members of the Education Committee gathered Wed., Jan. 31, to consider how Minnesota can ensure that all students leaving second grade are literate. The panel, chaired by Sen. Charles Wiger (DFL-North St. Paul), first began with an overview of recent data on reading achievement. Beth Aune, Dept. of Education, presented both state and national information. She said it is difficult to make true comparisons between states because every jurisdiction has a different standard for literacy or uses a different test. A variety of literacy experts discussed the strategies that can be employed to improve literacy. Among the presenters were Ann Casey, Minneapolis School District, Audrey Suker of the Minnesota Reading Corps, Christina Sheran of the Minneapolis School District and Kerry Bollman of the St. Croix River Education District.

Suburban districts visited

Members of the Education Committee, chaired by Sen. Charles Wiger (DFL-North St. Paul), continued their series of hearings away from the Capitol. The panel visited the Edina School District, Mon., Jan. 29, and the North St. Paul-Maplewood-Oakdale District, Wed., Jan. 31, to discuss a variety of education issues with school board members, parents and teachers.

Environment and Natural Resources

Dedication testimony continues

The Environment and Natural Resources Committee, chaired by Sen. Satveer Chaudhary (DFL-Fridley), met Mon., Jan. 29, to continue hearing testimony on a constitutional amendment to dedicate a portion of the sales tax to fund natural resources in Minnesota.

Three authors reviewed new bills that provide dedicated funding for natural resources. Five other bills for a dedicated sales tax have been looked at by the committee. S.F. 229, authored by Sen. Pat Pariseau (R-Farmington), and S.F. 290, authored by Sen. Bill Ingebrigtsen (R-Alexandria), propose dedicating a portion of existing tax revenue instead of a sales tax increase. Ingebrigtsen's bill would dedicate one-eighth of 1 percent of sales tax to natural resources. All other bills introduced propose one-fourth of 1 percent, except S.F. 6, authored by Sen. Lawrence Pogemiller (DFL-Minneapolis), which dedicates three-eighths of 1 percent. The bill proposed by Ingebrigtsen is also unique in that it provides continuous funding, where as other bills end funding after 25 or 40 years. None of the new bills provide funding for the arts and cultural resources. Pariseau's bill funds clean water and fish, game and wildlife habitat, but Ingebrigtsen's does not include clean water. Sen. Dan Skogen (DFL-Hewitt) said his bill, S.F. 270, is a clone of Chaudhary's bill, S.F. 20, and was presented as a show of support for that bill.

Testimony in support of the bills came from representatives of both the natural resources and arts communities, including Campaign for Conservation, Anoka County Parks and Recreation, and Minnesota Citizens for the Arts. Allison Wolf of the Minnesota Center for Environmental Advocacy urged including water quality in the final bill. Currently, the water quality has been tested in only 16 percent of Minnesota's lakes, and 40 percent of those tested were found to have impaired water quality, Wolf said. Dan Thomas, chief operating officer for Twin Cities Public Television, said including arts and natural resources sends the message that Minnesotans are willing to invest in the things they value most.

Wetlands report reviewed

Members of the Environment and Natural Resources Committee met Wed., Jan. 31, to consider a report on Minnesota's wetlands regulatory framework.

The report, prepared by the Minnesota Center for Environmental Advocacy (MCEA), identifies three primary reasons for wetland loss and destruction. They include exemptions in laws designed to protect wetlands, inadequate enforcement of laws, and a system of complex and mismatched regulations, said Janette

Brimmer of MCEA. She said the report recommends implementing a comprehensive wetland monitoring and assessment system, reexamining the number and nature of exemptions in wetlands protection laws, increasing and improving enforcement, and requiring a regular wetland protection report to be conducted at least every two years.

The MCEA report is available online: http://www.mncenter.org/mcea_wetlands_initiative/files/MCEA_Wetlands_Report_2006.pdf

The panel, chaired by Sen. Satveer Chaudhary (DFL-Fridley), also heard from Julie Olson on the Dept. of Natural Resources' wetlands enforcement efforts. Additionally, committee members concluded taking public comments on proposals to dedicate funding for natural or cultural resources.

Environment, Energy and Natural Resources Budget Division

Forestry overview heard

The Environment, Energy and Natural Resources Budget Division gathered to hear an overview of the Minnesota Forest Resources Council (MFRC), Thurs., Feb. 1. Sen. Ellen Anderson (DFL-St. Paul) chairs the panel.

MFRC works to promote long-term sustainable management of Minnesota's forests, said David Zumeta, executive director. Members of the council represent areas such as commercial logging, conservation organizations and the Minnesota Indian Affairs Council, Zumeta added. MFRC is up for reauthorization this year, and if the Legislature does not act, the council will cease to exist, he said.

In addition to the base budget, MFRC is asking for two one-time appropriations of \$200,000 each, Zumeta said. The first appropriation is to study the effects of forest parcelization, assess policy approaches and make recommendations to Legislators. The second appropriation is to study topics recommended by the Governor's Task Force on the Competitiveness of Minnesota's Primary Forest Products Industry, he said.

Representatives of the Minnesota Forest Industries, the Nature Conservancy and Minnesota Center for Environmental Advocacy testified on behalf of the council.

Committee update

Health, Housing and Family Security

Group residential housing supplemental rates okayed

The Health, Housing and Family Security Committee, chaired by Sen. John Marty (DFL-Roseville) met Mon., Jan. 29, to consider four measures.

The panel began with S.F. 34, which modifies group residential housing rates. The bill, sponsored by Sen. Sandra Pappas (DFL-St. Paul), authorizes a county agency to negotiate a supplementary rate, not to exceed \$700 per month, for a group residential housing provider that has had a group residential home serving recovering and chemically dependent males, providing 24-hour-a-day supervision. Pappas said the bill was on behalf of Arrigoni House, a group residential housing facility serving chronic alcoholics. Bill Arrigoni, executive director, said the facility provides chemical dependency services, board, and lodging for men with severe alcoholism. The measure was approved and advanced to the Committee on Finance.

S.F. 26, authored by Marty, removes the expiration dates for the Board of Medical Practice's advisory councils. Marty said originally the bill was to extend the expiration date, but it seemed a waste of time to keep extending the date for a necessary process. Rick Leach, executive director, Minnesota Board of Medical Practice, said the advisory councils provide needed information to the board and it seems unnecessary to keep extending the dates. Leach said the bill was a housekeeping measure, rather than a policy change. The measure was approved and re-referred to the State and Local Government Operations and Oversight Committee.

A bill modifying group residential housing supplemental rates in Stearns and St. Louis Counties was also approved. Chief Author Yvonne Prettner Solon (DFL-Duluth) said the bill, S.F. 164, is for two organizations that serve a particular challenging population. She said the two organizations provide housing for chronic alcoholics who would otherwise be on the street. Bruce Thielman, executive director, St. Cloud Housing and Redevelopment Authority, said a survey found there are a number of chronic inebriates who, for a variety of reasons, are unable to obtain other housing. He said over 50 percent of

the chronic alcoholics are veterans. In addition, other programs provide services for the mentally ill, but the two populations are not compatible, Thielman said. He said the supplemental rate is needed because the programs provide 24 hour care. Rick Klun, Center City Housing, said the program provides housing with services in Duluth for two groups, one of which is chronic inebriates. The supplemental rate insures greater safety and security as well as 24 hour care. The measure was approved and re-referred to the Finance Committee.

Sen. Linda Berglin (DFL-Mpls.) sponsored a bill modifying several Minnesota Family Investment Program (MFIP) and child care provisions. Berglin said S.F. 154 attempts to buy back some of the cuts made in the past by changing the general eligibility requirements for all applicants for child care assistance to households with income less than or equal to 75 percent of the state median income adjusted for family size. In addition, Berglin said the bill modifies the co-payment fee for families with annual incomes that exceed the federal poverty level. The measure also increases the existing transitional standard for MFIP recipients by 10 percent, she said.

Several individuals spoke on behalf of the bill and urged support of the provisions increasing the MFIP traditional standard. Representatives of several groups such as the Minnesota Welfare Rights Committee, the JOBS NOW Coalition, the Legal Services Advocacy Project and the Children's Defense Fund also spoke in support. Trishalla Bell, representing the Minnesota Welfare Rights Coalition and a former MFIP recipient, outlined the struggle to make ends meet under the current reduced funding levels. She also said the increase is similar to a cost-of-living adjustment because of inflation in basic needs such as food and housing. The committee approved the bill and advanced it to the Finance Committee.

Children's care bill approved

Children's health care was the focus of the Wed., Jan. 31, meeting of the Health, Housing and Family Security Committee. The panel, chaired by Sen. John Marty (DFL-Roseville), discussed S.F. 15, the Children's Health Security Act.

Chief Author Yvonne Prettner Solon (DFL-Duluth) said, "There has been a lot of discussion this year about providing

health coverage for all children, but as the session has gone on we've seen bills where not all children are being covered. I am proud to say this bill is a step toward covering all children." The bill covers all children by 2010 in a two phase approach, she said. Prettner Solon said the bill establishes a large pool that will enable the commissioner of human services to negotiate the best rate for service delivery. Under the bill, children in families with income equal to or less than 300 percent of the federal poverty guideline are eligible to enroll on July 1, 2008, or upon federal approval, she said. Effective July 1, 2010 eligibility is expanded to all children regardless of household income or assets, Prettner Solon said.

Prettner Solon said the current system is so fractured and has become so expensive that families are unable to provide health coverage for their children. She gave a section by section description of the bill outlining eligibility requirements, detailing the application procedure and describing the service delivery options. She said the bill specifies that there are no enrollee premiums or cost-sharing requirements. The delivery service options include authorizing the commissioner to contract with health maintenance organizations or county-based purchasing plans and contracting with providers on a fee-for-service basis, she said. Prettner Solon said the bill requires the commissioner to develop an implementation plan for the program and to evaluate the provision of services under the program.

Jim Koppel, Children's Defense Fund, spoke in support of the bill. He said the reason we need the legislation is that we have a fragmented, inconsistent, and unaffordable system. The erosion of employer-provided coverage is occurring because employers must discontinue coverage in order to remain competitive, he said. As a result, employees end up shouldering more and more of the cost, but many parents cannot afford coverage for their children, Koppel said. This bill allows families with children to move their children into the pool without having to worry about where the parents work, he said. Koppel said that many children are uninsured or underinsured, which results in higher costs in the long run. The provision of health care should be on the same basis as the promise of education, he said.

Sen. David Hann (R-Eden Prairie) said that health insurance coverage is the



Sen. Tarryl Clark (DFL-St. Cloud) plays with two-year-old Michael Landsman, left, and his four-year-old brother, James, both from Mendota Heights, prior to a press conference outlining early childhood legislative initiatives, Tues., Jan. 30.

Photo by A.J. Olmscheid

responsibility of the parents and that in a free market, coverage would become more affordable. He said that government has never been the most efficient or most economical way of providing services. It has been proven that the free market is the more efficient method, Hann said. Koppel responded that the market system is what is occurring now and the parents were not able to afford coverage for their children.

Members also heard extensive testimony in support of the bill. Dr. Gerry Gilchrist, American Academy of Pediatricians, spoke on the increasing numbers of uninsured children and the need for children to have access to coverage in order to prevent further illness or injury. He said healthier children have fewer absences from school and perform better academically. Kristin Beckmann, Service Employees International Union, also spoke in support. She said family health care coverage is often a major issue in labor

negotiations and that negotiations might be easier if children were covered. "Parents will always be responsible for their children's health care, but many need help in paying for it," she said. Brian Rusche, Joint Religious Legislative Coalition, said people are ready for bold action. "There is an emerging consensus that care should begin with children," Rusche said.

Sen. Linda Berglin (DFL-Mpls.) offered an amendment prohibiting transfers from the health care access account, requiring the commission established in the bill to report to the Legislative Commission on Health Care Access, and clarifying a provision relating to the application for federal waivers. The amendment was adopted.

Sen. Betsy Wergin (R-Princeton) offered an amendment that changes the eligibility to 400 percent of the federal poverty guidelines and requires a sliding fee co-payment. In addition, the amend-

ment eliminates the eligibility of all children in 2010. The amendment was not adopted.

The bill was approved and re-referred to the State and Local Government Operations and Oversight Committee.

Health and Human Services Budget Division

Mental health programs discussed

Members of the Health and Human Services Budget Division met Wed., Jan. 31, to review the operations of the Dept. of Human Services in the mental health and chemical dependency areas. The panel, chaired by Sen. Linda Berglin (DFL-Mpls.), heard from Assistant Commissioner Wes Kooistra and other department staff on the State Operated Services programs in mental health, the Minnesota Sex Offender Program, the Minnesota Security

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Hospital, the Minnesota Extended Treatment Options program, chemical dependency entitlement and non-entitlement grants, and adult mental health grants.

DHS grants reviewed

Members of the Health and Human Services Budget Division met Thurs., Feb. 1, to continue examining the operations of the Dept. of Human Services. The panel, chaired by Sen. Linda Berglin (DFL-Mpls.), focused the hearing on the department's health care grants and its administrative and operational functions within the area of health care management. Among the grants discussed were the Medical Assistance basic health care/families and children, Medical Assistance basic health care/elderly and disabled, General Assistance Medical Care, prescription drug program, and other health care grants. The panel also discussed trends in forecasted programs.

Higher Education Budget and Policy Division

Biosciences conference attended

Members of the Higher Education Budget and Policy Division, chaired by Sen. Sandra Pappas (DFL-St. Paul), used their Tues., Jan. 30, meeting time to attend a conference at the Minnesota History Center. The conference, "Minnesota's Future in the Biosciences," was hosted by the Minnesota Partnership for Biotechnology and Medical Genomics.

MnSCU strategic plan discussed

The strategic plan for the Minnesota State Colleges and Universities system was the focus of the Thurs., Feb. 1, meeting of the Higher Education Budget and Policy Division. The panel, chaired by Sen. Sandra Pappas (DFL-St. Paul), heard from senior leaders of the system.

MnSCU Chancellor James McCormick and MnSCU Board Vice Chair Clarence Hightower discussed the makeup of the MnSCU system and its faculty, students and alumni. Hightower also provided the panel with a broad review of the process used to develop the strategic plan. Senior Vice Chancellor Linda Baer described the four strategic directions identified by the plan. The strategic directions include increasing

access and opportunities, promoting and measuring high-quality learning programs and services, providing programs and services integral to state and regional economic needs, and innovating to meet current and future educational needs efficiently.

Vice Chancellor Laura King discussed how the strategic plan relates to the MnSCU budgeting process. Initial steps for implementing the strategic plan help drive the system's request for an increase in its budget of \$177 million in FY 08-09, she said. Baer described the accomplishments already achieved based on funded initiatives. She said the system has increased its nursing graduates by 74 percent in the last five years, attributable to innovative programs and partnerships with the health care industry. Additionally, infrastructure upgrades for additional online learning opportunities, she said, have helped accommodate a 67 percent increase in online enrollment in the last three years. Baer said tuition subsidies and new delivery models have increased enrollment in farm and small business programs by 27 percent. Kevin Kopischke, president of Alexandria Technical College, reviewed how colleges within the system evaluate existing programs and proposals for new programs. King and Rick Straka—chief financial officer at Minnesota State University, Mankato—discussed how reallocations are used on both a system-wide and local level to enable instructional spending to increase during a period of declining or flat state support.

Judiciary

Two commissioners approved

The reappointments of the commissioners of two state agencies were approved by members of the Judiciary Committee, Tues., Jan. 30. The panel, chaired by Sen. Mee Moua (DFL-St. Paul), recommended the Senate confirm Velma Korbel of the Dept. of Human Rights and Joan Fabian of the Dept. of Corrections.

Korbel has been the state's highest human rights official since 2003. Before joining the Dept. of Human Rights, she was director of equal opportunity for the Metropolitan Council. Korbel thanked Legislators for their work on recodifying the Human Rights Act to make it more accessible to non-lawyers. She said the department has made great strides in its outreach efforts to underserved communi-

ties and has hired members of Minnesota minority communities for positions in key units, such as investigations, outreach and education.

Fabian has worked in corrections for over 40 years, spending 37 years with Ramsey County before being tapped by the governor in 2003 to be the state's chief corrections official. She said a major accomplishment in her first term was convincing state finance officials, the governor and Legislators to invest in modernizing the state's corrections infrastructure. In a department with over 4,000 employees and with responsibility for over 9,000 inmates and thousands of released offenders, she said, there are bound to be mistakes. Fabian said her approach is to address mistakes and errors head on and to learn from them.

Property Tax Division

Cities discuss LGA

The importance of the state's participation in funding local services was highlighted by municipal officials at the Tues., Jan. 30, meeting of the Property Tax Division. The panel, chaired by Sen. Rod Skoe (DFL-Clearbrook), is holding a series of meetings with local officials to discuss the state-local relationship and the effect of state budget decisions on local services and property taxes.

Mayor Chris Coleman said St. Paul was able to avoid increasing its property tax levy for 12 years because of a strong partnership with the state. Since local government aid (LGA) cuts enacted in 2003, he said, the city lost \$72 million in cumulative revenue through the end of 2006. The city has restructured and reorganized departments to create efficiencies and to direct funds to the cities priorities—including public safety and quality parks, libraries and recreation centers, Coleman said. He said the governor's proposal to increase LGA amounts to a total of \$800,000 annually for St. Paul. To put the figure in perspective, Coleman said, the annual fuel bill for police and fire services is \$1.8 million. Public safety has been St. Paul's highest priority, and to the extent the governor's proposed mandate to dedicate new LGA funds to public safety suggests otherwise, city officials are offended, he said. Local units of government must have flexibility to determine how to spend revenue, he said, and dedicating revenue at the state

level is a bad precedent. Minneapolis Mayor R.T. Rybak echoed many of Coleman's comments. Public safety and property taxes go together, he said. Rybak said the partnership between cities and the state has long been about keeping property taxes down and delivering core services, especially public safety. The partnership must be restored for local governments to succeed, he said.

Before the 2003 cuts, every city in the North Metro Mayors Association received some amount of LGA, said Dan Donahue, New Hope city manager. Now many cities are wholly without LGA revenue, he said, and the ones that do receive aid ride a roller coaster that makes it impossible to rationally plan for the long term. Mark Stephenson, mayor of Maple Grove and president of the North Metro Mayors Association, said the state should seek to provide relief to older communities and to ensure that local officials retain the ability to invest revenue in response to local

needs. Independence Mayor Marvin Johnson, president of the League of Minnesota Cities, said levy limits are a one-size-fits-all concept that ignores the differing needs of cities. The league supports restoring LGA cuts and repealing the application of the state sales tax on purchases by local governments.

Many cities used recent partial restoration of LGA dollars to reduce their local property tax levies, said Alexandria Mayor Dan Ness, president of the Coalition of Greater Minnesota Cities. These communities, including Alexandria, reflect the real partnership between the state and local governments in providing services while avoiding devastating property tax levels for homeowners, he said. Dave Engstrom, Association of Small Cities, said the state can help officials by providing stability and fairness in the LGA system. There is a growing disparity between Greater Minnesota and Metro Area communities in LGA dollars, said

Louis Jambois of the Association of Metropolitan Municipalities. He said the association proposes increasing the total amount of aid to local governments, while directing more of the new money to Metro Area cities. Jambois said a supplemental program could be created that uses the amount of 1940-69 housing stock and other factors.

Public Safety Budget Division

DOC budget presented

Representatives of the Department of Corrections (DOC) presented the proposed budget for fiscal year 2008-2009 to the Public Safety Budget Division Mon., Jan. 29. Sen. Linda Higgins (DFL-Minneapolis) chairs the division.

All operations of the DOC directly impact public safety, said Commissioner Joan Fabian. The prison population has



From left, Senators Geoff Michel (R-Edina), Joe Gimse (R-Willmar) and Michelle Fischbach (R-Paynesville) consult during a Senate floor session, Thurs., Feb. 1.

Photo by David J. Oakes

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Vietnam veteran James Copher of Mound listens to a presentation in the Capitol Rotunda, Tues., Jan. 30, during a rally supporting 2007 legislative initiatives benefiting veterans.

Photo by David J. Oakes

increased by 83 percent over the last 10 years, and the department cannot limit intake because of budget issues, Fabian said. The governor's proposed budget allocates \$941 million to the DOC for correctional institutions, community services and operations support, she said. The budget is a 10 percent increase over the last biennium, Fabian added.

The department is constitutionally required to provide health care to incarcerated offenders, said Dennis Benson, deputy commissioner. The DOC is asking for a \$2.5 million increase to help cover health care costs, Benson said. In addition to high inflationary rates of health and pharmaceutical services, the offender population is sicker than the general population, he said.

Other increases in the request included fuel and utility costs, retiree insurance, and offender reentry programs,

among others. Sex offender management and supervision is slated to receive a \$17.15 million increase to fund 40 new agents statewide, provide research and evaluation of sex offender treatment programs, and community outpatient treatment grants, Fabian said.

DPS budget discussed

The Public Safety Budget Division, chaired by Sen. Linda Higgins (DFL-Mpls.), devoted the Wed., Jan. 31, hearing to a presentation on the Dept. of Public Safety budget.

Commissioner Michael Campion said the governor's budget

recommendation for the department is \$605.079 million in direct appropriations. He said the budget is made up of \$205.6 million from the general fund and \$399.475 million from all other funds. He said the budget was a 22.3 percent increase over the last biennial budget. Campion said that 28 percent of the budget is from the trunk highway fund, 35 percent from special revenue funds and 3 percent from the highway user tax distribution fund. "The budget also proposes some significant enhancements to further improve public safety and address customer needs," he said. Campion said the enhancements include completion and implementation of the ARMER system that allows emergency responders to communicate with each other on the same radio frequency, 40 additional State Troopers, 20 additional forensic scientists at the Bureau of Criminal Apprehension, moving the nationally

hailed CrimNet project toward completion, assisting crime victims, enhancing the Gang Task Force and the Drug Task Force and enhancing the data security and disaster recovery of the agency.

Mary Ellison, deputy commissioner, gave members a more detailed description of the agency's budget proposal and outlined the various divisions within the agency. The agency includes the Driver and Vehicle Services Division, the State Patrol, the Bureau of Criminal Apprehension, Alcohol and Gambling Enforcement, Homeland Security and Emergency Management, Office of the State Fire Marshal, Office of Pipeline Safety, Traffic Safety, Office of Justice Programs and the 911 Emergency Services Division.

The complete budget document is available online: <http://www.budget.state.mn.us>

Willow River toured

The Public Safety Budget Division traveled to Willow River, Fri., Feb. 2, to tour the Challenge Incarceration Program. The panel, chaired by Sen. Linda Higgins (DFL-Mpls.), talked with officials and learned about the institution. Willow River serves as phase 1 for male offenders in the department's Challenge Incarceration Program. Phase 1 is a six-month, intensive program for up to 90 non-dangerous male offenders. Programming components include education, critical thinking skills development, chemical dependency programming and rigorous physical exercise. Phases 2 and 3 are supervised release phases, are at least six months in duration and are served in the community.

Rules and Administration

Permanent Rules okayed

Members of the Rules and Administration Subcommittee on Permanent and Joint Rules met Mon., Jan. 29, to consider changes to the Permanent Rules of the Senate and the Joint Rules of the Senate and House of Representatives. The panel, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), ultimately approved two resolutions containing the Permanent Rules and the Joint Rules.

The Permanent Rules were considered first. Members incorporated several noncontroversial changes discussed at a prior meeting. The changes range from

requiring memorials and other resolutions that follow the same procedure as bills to be referred to the full Rules and Administration Committee before passage to increasing from 10 to 14 calendar days the time for the minority to make its committee assignments. Other changes correct the names of committees to agree with those adopted in the Temporary Rules of the Senate, corrects the listing of budget bills to agree with the names of the current budget divisions, reduces from one year to 60 legislative days the deadline for a committee to take action on a gubernatorial appointment, clarifies the authority of the chair of the Rules and Administration Committee to add or delete members of a division and specifies that bills on the table at the end of a regular session in an odd-numbered year be returned to committee.

Members also considered an amendment specifying the number of members on the Rules and Administration Subcommittee on Committees. The amendment specifies three members for conference committee appointments and at least five, but more probably six or seven, for making appointments to commissions, boards and other bodies. The amendment specifies the subcommittee naming members of a conference committee be named the Committee on Rules and Administration Subcommittee on Conference Committees. The amendment was adopted.

An amendment increasing the number of authors allowed on bills from 5 to 15 generated considerable discussion. Speaking in support of the amendment, Sen. Thomas Neuville (R-Northfield) said the increase would cut down on the number of identical bills introduced and gives an author an opportunity to build support for the bill. Pogemiller said increasing the number of authors cheapens bill authorship. "There is too much emphasis on form over substance," Pogemiller said. He said adding authors makes it too easy for a member to say they support something without having to act. The amendment failed.

Members also considered several amendments to the Joint Rules. Two of the changes deal with conforming to legislation passed in 2005 regarding the electing of candidates to the University of Minnesota Board of Regents. Another amendment specifies that the date for the Joint Convention for Regents selection be no later than April 1. Sen. Sandra Pappas

(DFL-St. Paul), chair of the Higher Education Budget and Policy Division, said the change is needed to lessen the time candidates must campaign for the seats and to ensure that candidates have bipartisan support. The amendment was adopted.

Another amendment, suggested by Sen. John Marty (DFL-Roseville), specifies that conference committee members or staff cannot make or accept offers unless it is in public. "Public business should be conducted in public," Marty said. Pogemiller said the language prevents informal conversations between conferees. Sen. James Metzen (DFL-South St. Paul) said the amendment fixes a problem that doesn't exist. No one offered the amendment for a vote, so no action was taken.

Both the Permanent Rules and the Joint Rules were referred to the full Rules and Administration Committee for consideration.

Permanent Rules approved

The full Rules and Administration Committee met Wed., Jan. 31, to consider the Permanent Rules of the Senate. Members considered the changes made by the Rules and Administration Subcommittee on Permanent and Joint Rules, most of which, said Chair Lawrence Pogemiller (DFL-Mpls.), were of a noncontroversial nature.

The changes include adjusting names of committees to reflect those reported in the Temporary Rules of the Senate, requiring memorials and other resolutions that follow the same procedure as bills to be referred to the Rules and Administration Committee before passage, reducing from one year to 60 legislative days the deadline for committees to act on gubernatorial appointments, increasing from 10 to 14 days the time for the minority caucus to make committee assignments, clarifying the authority of the chair of the Rules and Administration Committee to add or delete members from budget divisions, creating a Subcommittee on Conference Committees comprised of three members, providing for more than five members of the Rules and Administration Subcommittee on Committees and providing that bills on the table must be returned to committee at the end of the odd-numbered year session.

Members also adopted an amendment specifying that items on General Orders

may be taken up in an order determined by the chair of the Rules and Administration or as otherwise ordered by a majority of the committee. Currently, the rule states that items on General Orders must be taken up in the order in which they are numbered. Pogemiller said the purpose of the change was to allow for a more orderly process by avoiding situations in which one member after another progresses a bill because they are not ready to discuss the measure. Sen. Gen Olson (R-Minnetrista) suggested that bills of persons who do want their bills heard be taken up in numerical order. Pogemiller pledged that if the system under the amendment didn't work, the issue will be revisited.

The resolution containing the Permanent Rules of the Senate was adopted and advanced to the floor.

State and Local Government Operations and Oversight

Met Council overview heard

The State and Local Government Operations and Oversight Committee met Mon., Jan. 29, to hear an overview of the Metropolitan Council. The committee, chaired by Sen. Ann Rest (DFL-New Hope) focused on the nontransportation areas of the council's responsibility.

Metropolitan Council Chair Peter Bell said the council is the regional planning agency serving the Twin Cities seven-county Metropolitan Area and provides essential services to the region. He said the council works with local communities to collect and treat wastewater, provide planning for future growth, provide forecasts of the region's population and household growth, provide affordable housing opportunities, and provide for planning, acquisitions and funding for the regional system of parks and trails. He said the council also provides a framework for decisions and implementation for regional systems including aviation, transportation, parks and open space, water quality and water management.

Bell said the 17 member council has 16 members who each represent a geographical district and himself, who serves at large. He said all the members are appointed by and serve at the pleasure of the governor, but must be confirmed by the Senate. The council delivers regional services to communities and the public

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through four divisions: regional administration/chair's office, community development, transportation and environmental services, he said.

He said the council relies on a number of funding sources to support operations. In 2005, Bell said, 43 percent of the council's revenue came from user fees such as wastewater treatment charges and transit fares, and 54 percent came from state and federal funds. In addition, he said about two percent of revenue is from a seven-county property tax and one percent is from other sources.

Members also approved two bills. S.F. 38, sponsored by Rest, enacts the Great Lakes—St. Lawrence River Basin Water Resources Compact. Rest said the compact is designed to enable the states to act jointly to protect, conserve, restore and improve basin water resources through cooperative planning and action, consistent management approaches, improved science, information exchange and adaptive management that implements precautionary approaches. S.F. 123, also carried by Rest, requires preelection reports of late contributions to political committees, political funds and party units, changes the preelection reporting requirements for contributions to candidates and increases the contribution limits for secretary of state and state auditor. Both measures were advanced to the full Senate.

Five bills get green light

The State and Local Government Operations and Oversight Committee met to hear five bills Wed., Jan. 31. The committee is chaired by Sen. Ann Rest (DFL-New Hope).

S.F. 109, authored by Sen. Rick Olseen (DFL-Harris), authorizes the city of Taylors Falls to establish border city development zones to qualify for tax reductions or credits. Taylors Falls is across the river from Wisconsin where property taxes for businesses drop by 50 percent, Olseen said. The city is losing potential and existing businesses to Wisconsin, said Chris Eng, HRA/EDA director for Chisago County. The bill was recommended to pass and re-referred to the Taxes Committee.

Sen. Gary Kubly (DFL-Granite Falls) sponsored S.F. 166, providing for local government planning assistance. The bill will renew a partnership between regional development commissions and smaller communities in Minnesota, Kubly said. Smaller municipalities cannot afford full-

time planning staff, he added. In the past, the program has helped with GIS mapping, impact studies, and zoning, ordinance and land use plan updates, said Craig Rubis, county commissioner for Jackson County. S.F. 166 was recommended to pass and re-referred to the Finance Committee.

S.F. 255, authored by Sen. Betsy Wergin (R-Princeton), adds veteran-owned small businesses to the list of targeted group businesses for the purposes of awarding state procurement contracts. Kent Allin from the Department of Administration said there is a 6 percent price preference for targeted groups for state procurement contracts. There are just over 600 veteran owned businesses licensed with the state and few of them are licensed to have contracts with the state, Wergin said. This does not affect very many people, but these are people who have done something for us that is pretty great, she added. The bill was recommended to pass on a unanimous vote.

The committee also heard S.F. 130, authored by Sen. Don Betzold (DFL-Fridley). The bill requires the Legislative Coordinating Commission (LCC) to oversee legislative training forums. Under the bill, training sessions may include speakers on issues affecting Minnesota or training to improve legislative skills. S.F. 130 was recommended to pass and re-referred to the Finance Committee.

Sen. Sandra Pappas (DFL-St. Paul) carried S.F. 118, expanding the legislative membership of the Capitol Area Architectural and Planning Board. The bill increases the number from one Senate member and one House member to two from each body. During the legislative session, the Speaker of the House and the President of the Senate may each appoint an alternate legislative member to the board to serve if another member must be absent. Pappas said in the past the board has had a difficult time getting a quorum during session because legislative members have committee meetings. The bill is meant to help solve that problem, she added. The bill was recommended to pass as amended and re-referred to the Rules and Administration Committee.

State Government Budget Division

Minority councils reviewed

The budgets for four councils addressing the needs of Minnesotans who belong

to various minority populations were the focus of the Mon., Jan. 29, meeting of the State Government Budget Division. The panel, chaired by Sen. Don Betzold (DFL-Fridley), examined the budget recommendations for the Council on Black Minnesotans, the Chicano/Latino Affairs Council, the Council on Asian-Pacific Minnesotans, and the Indian Affairs Council.

Lester Collins, executive director, described the activities of the Council on Black Minnesotans, which addresses the need for people of African heritage to fully and effectively participate in and equitably benefit from the political, social, and economic resources, policies, and procedures of the state. The governor's budget recommends increasing the council's budget by \$81,000 in FY 08-09 to maintain staffing at no less than three full-time equivalents (FTEs) and to fund the state's annual Martin Luther King, Jr., celebration.

The governor recommends increasing the Chicano/Latino Affairs Council's budget by \$62,000 in FY 08-09 to allow the council to hire a staff person to conduct fiscal research and public policy analysis. Executive Director Rogelio Munoz reviewed the council's operations and mission, which advises lawmakers on issues of interest to the state's Latino community and on the impact of legislation, rules, and regulations on the Latino community.

Executive Director Ilean Her described the activities of the Council on Asian-Pacific Minnesotans, which advises policy makers on issues pertaining to Asian Pacific people, seeks to engage Asian Pacific Minnesotans in the governmental and policymaking process, improves access to state government services for residents of Asian Pacific descent. The council also promotes the talents and resources of Asian Pacific people and acts as a broker between the Asian Pacific community in Minnesota and mainstream society. The governor's budget recommendation includes a \$79,000 increase to fully fund four FTEs.

The Indian Affairs Council is the oldest of the four councils and serves as the official liaison between the state of Minnesota and the 11 tribal governments within the state. Executive Director Anna Marie Hill described the council's activities, which include advising state



Ethan Savage of Rochester leads a Capitol Rotunda full of enthusiasts in a rousing rendition of the song "YMCA" during "Rochester on Tour Day at the Capitol," Wed., Jan. 31.

Photo by A.J. Olmscheid

government on issues of concern to Indian tribes and communities and administering programs designed to enhance economic opportunities and protect cultural resources for the state's American Indian constituents. The governor's budget includes no specific change items for the agency.

In addition to the change items specific to each council, the governor's budget includes a two percent compensation adjustment for all agencies, including the four councils.

Budget documents are available online for each council, and other state agencies, at <http://www.budget.state.mn.us/>

Gambling overviews heard

Chair Don Betzold (DFL-Fridley) and members of the State Government Budget Division met Wed., Jan. 31, to hear overviews of the Racing Commission, Gambling Control Board and Minnesota State Lottery.

Some of the responsibilities of the Racing Commission include issuing licenses, regulating horse races and enforcing horse race laws, said Richard Krueger, executive director. For the next biennium, the governor's budget recommendation allocates money for a technology upgrade to help with auditing and security practices, Krueger said.

Tom Barrett, executive director of the Gambling Control Board, said the board licenses, audits and regulates over 3,300 charitable gambling sites in Minnesota. The control board oversees pull-tabs, bingo, raffles, paddlewheels and tipboards, Barrett said. In FY 2006, gross receipts for charitable gambling added up to \$1.3 billion, with 81 percent of the money going back to the players in prizes, he said. The board's budget is funded entirely by fees, Barrett said.

The Minnesota State Lottery oversees scratch-off and online lottery games such as Powerball, said Clint Harris, executive director. The lottery saw record sales in FY 2006, helped by record Powerball jackpots, Harris said. Sales are difficult to predict, he added. The Minnesota Constitution requires 40 percent of lottery profits to go to the state's natural resources, Harris said.

Taxes

Committee okays Duluth bills

The Taxes Committee, chaired by Sen. Thomas Bakk (DFL-Cook), met to hear two bills relating to the Duluth area Wed., Jan. 31.

Sen. Yvonne Prettner Solon (DFL-Duluth) authored S.F. 58, authorizing the city of Duluth to raise the sales tax rate on food and beverage by three-fourths of 1 percent to pay for improvements to the Duluth Entertainment Convention Center and to add an arena. The University of Minnesota-Duluth will use the arena for the men's and women's hockey programs, said Mayor Herb Bergson. In a special election, 60 percent of the voters approved the tax increase, Bergson said. The committee recommended the bill to pass and re-referred it to the Finance Committee.

Prettner Solon also carried S.F. 60, authorizing the city of Duluth to create accounts, invested by the State Board of Investment, to pay postretirement benefits. Duluth will owe \$300 million in the coming years in benefits to retirees that it cannot pay, Prettner Solon said. The city is not seeking money from the state, just the authority to set aside and invest its own funds, she added. Bakk said even though there is no tax element to the bill, it is helpful for the Taxes Committee to know what accounts cities are setting up. Sen. Julianne Ortman (R-Chanhassen) said while she supports the bill, she is con-

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cerned about the long term precedent set by the bill. S.F. 60 was amended to establish a trustee for the account, the City of Duluth Investment Committee. The bill was recommended to pass and re-referred to the Finance Committee.

The committee also heard a briefing on the price of government. The price of government helps Senators understand the degree of taxation as related to personal income in Minnesota, Bakk said. This year, 16.5 cents of every dollar of personal income will go for state and local services, said Charlie Bieleck, executive budget coordinator with the Department of Finance. The price of government has remained relatively constant since calculations began in the early 1990s, Bieleck added.

Transportation Budget and Policy Division

Division hears overviews

The Transportation Budget and Policy Division, chaired by Sen. Steve Murphy (DFL-Red Wing), met to hear two overviews Mon., Jan. 30.

The Center for Transportation Studies, part of the University of Minnesota, does research in many areas such as transportation security, transportation planning and infrastructure design and maintenance, said Robert Johns, director. Representatives of the center provided the committee with an overview of two areas. The transportation and regional growth study is a comprehensive study on Minnesota transportation and regional growth issues, Johns said. One problem the study found is that the Metro Area is a system in which transportation and land use decisions were made with little reference to each other, he said.

The center also studies intelligent technology for safe traffic, said Nick Ward, director of the HumanFIRST program at the U of M. By 2020, traffic crashes are predicted to become the third largest cause of death and disability worldwide, Ward said. The human factor, driver state and driver behavior, is the largest cause of traffic fatalities in Minnesota and the United States, he added. Current technologies being studied include a forward collision warning system, that would alert drivers if an object or car is in front of them, adapted cruise control, so that the cruise control would automatically slow

down if another car pulled too close in front of the car, and impairment detection, that would detect fatigued and distracted drivers, Ward said.

The Minnesota Transportation Alliance also presented an overview to the division. In Minnesota, there are \$1.5 billion in unmet transportation needs each year, said Richard Thomas, president of the alliance. Road construction projects help economic development by creating jobs, Thomas added. Margaret Donahoe, legislative director for the alliance, said Minnesota needs a long term, comprehensive transportation funding package. In the immediate future, there is a value and a need to increase the gas tax, Donahoe said. For the average person, a 5 cent gas tax increase would cost about \$50 per year, she added. Jim Wafler, a member of the alliance, said there are three future transportation funding alternatives, toll roads, public and private partnerships and a mileage based tax. While all of the mechanisms have promise, none of them offer a solution in the near future, Wafler said.

Capitol Report: on air, online

Explore current policy issues and hear lawmakers discuss current legislative proposals by watching "Capitol Report," a weekly public affairs program produced by Senate Media Services. The program includes interviews with Legislators, agency heads and prominent policy experts advising lawmakers. It also features historical and informational features about the Senate, the Capitol and Minnesota.

"Capitol Report" airs weekly on public television affiliates in the Metropolitan Area and on cable access channels across Greater Minnesota. It is also available online, with archives going back to 2000: <http://www.senate.mn/media>

Historical database available

The Legislative Reference Library has developed a database, "Legislators Past and Present," containing information about Legislators who have served since territorial times. The database's information was compiled from official legislative directories, obituaries, news clippings, family files and other sources. It contains information about terms of service, education, occupation, party or caucus affiliations, leader-

ship positions, represented communities and more.

The database also includes information about Minnesota Legislators who served in other government functions, ranging from the local level to the national level. It even indicates which Minnesota Legislators also served in another state's legislature. (There were five: Cyrus Aldrich in Illinois, Francis Cornell in New York, Mark Dunnell in Maine, Willis Gorman in Indiana and Knute Nelson in Wisconsin.)

"Legislators Past and Present" is available online at <http://www.leg.state.mn.us/legdb/index.asp>

Civic education DVD available

A DVD containing nine short segments on the legislative process is available from Senate Media Services. The segments cover political parties, the three branches of government, the duties of the president of the Senate, the Senate Chamber, ways to gather information about bills, the role of lobbyists, how to read a bill, and tips for people coming to testify before a legislative committee. An additional segment recounts the story of a student at Roseville High School who lobbied for a law banning hazing; she was motivated by her own high school hazing experience.

For information on obtaining a copy of the DVD, contact Senate Media Services at (651) 296-0264. The segments are also available online, along with many other civic education pieces, at <http://www.senate.mn/media> (under the "Civic Education" category).

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*Donning 3-D glasses to symbolize a “new vision” for Minnesota, members of the non-denominational organization ISALAH gather in the Capitol Rotunda, Thurs., Feb. 8.
Photo by A.J. Olmscheid*



February 9, 2007

Senate Highlights

Campaign finance bill gains

Senators met for a brief floor session Mon., Feb. 5, and granted preliminary passage to one bill on General Orders. Under the General Orders procedure, the Senate resolves itself into a Committee of the Whole to debate measures that have been reported out of standing committees. Bills that are approved by the Committee of the Whole are placed on the Senate Calendar where they may be voted on at a future floor session for final passage. The Committee of the Whole may act on measures without a roll call vote; final passage by the Senate proper always requires a roll call vote.

S.F. 123, sponsored by Sen. Ann Rest (DFL-New Hope), requires increased reporting for last-minute contributions, advances the deadline to file an affidavit of contributions and increases the contribution limits for candidates for secretary of state or state auditor. Rest said the bill strengthens the campaign finance and reporting statutes. Sen. Chris Gerlach (R-Apple Valley) urged members to support the bill and said, "Sen. Rest has done a lot of hard work to close up some inconsistencies in current law." The bill received preliminary passage on a voice vote.

Renewable standards bill gains

A debate on renewable energy standards provided the focal point for the Wed., Feb. 7, Senate floor session.

S.F. 4, sponsored by Sen. Ellen Anderson (DFL-St. Paul), sets renewable energy standards for the state's utilities. Under the bill, Anderson said, two different renewable energy standards are set. She said Xcel Energy is required to produce at least 30 percent of its electric power from renewables by the year 2025. Of the 30 percent, Anderson said, 25 percent must be from wind energy. She

said all other utilities must produce 25 percent of their power from renewables by 2025. She said there are benchmarks contained in the bill to chart the progress of the utilities. In addition, she said the Public Utilities Commission has the ability to protect consumers by delaying the benchmarks under a number of circumstances, include significant rate hikes. "By 2020," Anderson said, "one quarter of all electricity generated in Minnesota will be from renewables."

"S.F. 4 is a very strong bill, which I believe will make Minnesota a leader in renewable energy," Anderson said. She said the bill is a product of an agreement from all the Minnesota utilities, environmental groups, the administration, and other stakeholder groups. "It is truly a win-win for the economy and the environment," Anderson said. She said strong renewable standards will bring jobs and investments to the state, while cutting down on air and water pollution. Anderson said, "The bill starts the process toward setting the state on the road to energy independence."

Sen. Yvonne Prettner Solon (DFL-Duluth) said energy policy has always been controversial, but the bill provides great opportunities for the rural parts of the state. She said the bill protects consumers as well as utilities by allowing the PUC to alter the deadlines.

"We don't know the true cost of the bill to ratepayers, nor do we know how cost effective the environmental improvements will be," said Sen. David Hann (R-Eden Prairie). Hann argued that it would be better for the marketplace to arrive at the proper level of renewables. He said competition would allow companies to arrive at the most efficient and cost

effective way of obtaining power from renewables.

Sen. Ray Vandever (R-Forest Lake) said it is necessary, in times of crisis, for government to provide incentive for development. The bill will lead us toward more energy independence, he said.

However, Sen. Rod Skoe (DFL-Clearbrook) countered, "The energy crisis is more about crude oil and there is no discussion in the bill about alternatives to oil." He said the bill should be sent back to committee to develop a real energy standards bill that includes other energy types. Sen. Thomas Bakk (DFL-Cook) said he was concerned about the impact of the bill on large industries. He said industries such as paper milling and mining need a constant source of energy. In addition, Bakk said he doesn't want energy policy to have a negative impact on the development of new industries.

Anderson responded that the bill is just one of several energy initiatives that will come before the Senate this year. She said other bills address biofuels, ethanol and other types of energy generation. She also said the state is going to need more energy to meet increasing demands and that renewables are just one element in meeting those demands.

The bill was granted preliminary passage on a 61-4 roll call vote.

In other action, the Senate granted final passage to two bills. S.F. 123, sponsored by Sen. Ann Rest (DFL-New Hope), requires preelection reports of late contributions to political committees, political funds and party units, changes preelection reporting requirements for contributions to candidates and increases the contribution limits for candidates for secretary of state and state auditor. S.F. 138, authored by Sen. Steve Murphy (DFL-Red Wing), requires an evaluation and report on the potential hazards and toxicity of plants sold at the retail level.

Senators also granted preliminary approval to S.F. 255. The bill, sponsored by Sen. Betsy Wergin (R-Princeton), designates veteran-owned and operated small businesses as targeted group businesses for purposes of awarding state and metro agency procurement contracts. Wergin said that as veterans come back and find that their businesses have declined because of their absences, they deserve the assistance being part of the targeted groups brings.

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Two bills passed

Senators held a short floor session, Thurs., Feb. 8, to process routine business and to grant final passage to two measures previously granted preliminary approval. S.F. 255, carried by Sen. Sen. Betsy Wergin (R-Princeton), includes small businesses owned and operated by veterans in the targeted group of businesses for awarding state procurement contracts. The bill was granted final passage, 66-0. S.F. 4 establishes renewable energy standards for the state's utilities. Authored by Sen. Ellen Anderson (DFL-St. Paul), the bill was granted final passage, 63-3.

A few moments of levity were also enjoyed at the end of the session as the majority and minority leaders revealed their teams for an unofficial bowling competition to be held later in the day. Majority Leader Lawrence Pogemiller (DFL-Mpls.) said the competition, which also includes the caucuses from the other body, was suggested by the governor as a way for Legislators to socialize and get to know each other in a fun way.

Freedom to Breathe Act heard

For the first time this year, Senators heard testimony Mon., Feb. 5, on a state wide smoking ban. Chair John Marty (DFL-Roseville) and members of the

Health, Housing and Family Security Committee listened to both proponents and opponents of the Freedom to Breathe Act of 2007. Sen. Kathy Sheran (DFL-Mankato) carried S.F. 238, establishing public policy to protect employees and the general public from the known hazards of secondhand smoke.

The proposed legislation eliminates, rather than limits, smoking in places of employment, public transportation and at public meetings, Sheran said. The bill also strengthens current bans on smoking in day care centers, she said. S.F. 238 modifies the enforcement responsibilities of owners and makes it a misdemeanor for owners who knowingly fail to comply, Sheran said.

Smoking bans already exist in cities and counties around the state, in 16 other states and in 10 countries, Sheran said. Secondhand smoke is not safe for anyone at any level, she said. In Minnesota, nearly \$1 billion has been spent on health care costs for illnesses related to second hand smoke, Sheran added. There is a clear connection between secondhand smoke and an increase in heart and lung diseases in both adults and children, said Dr. Jim Young of the Minnesota Medical Association and the American Cancer Society. Ventilation systems cannot remove all of

the toxins and chemicals in the air from smoking, he added.

Romelle Jones, former owner of the Arts Cafe in Moose Lake, said that after seven years operating under a city smoking ban, she recently sold the cafe after the most profitable year she ever had. Everything about the restaurant business is regulated—the food, the cleanliness of the kitchen—and the quality of the air should be regulated too, Jones said.

Steve Peterson, a Bloomington City Council member, testified in favor of the bill. The city has more than 250 restaurants and has seen negligible impact from the ban, Peterson said.

Sue Jeffers, owner of Stub & Herbs, a bar in Minneapolis, said a smoking ban hurts small businesses. Since the smoking ban began in Minneapolis, more than 100 bars and restaurants have closed, Jeffers said. Areas with a partial or total smoking ban have seen a significant decrease in charitable gambling receipts, said Tom Barrett, director of the State Gambling Control Board. In addition to the loss to charities, the state also sees less money from the taxes on charitable gambling, he added.

Charles Senkler, co-chair of the Tavern League of Minnesota, said business owners should be allowed to put in ventilation systems to exempt them from the ban. Air quality testing has shown that during a cocktail hour, the air inside the bar, with people smoking, is cleaner than the air in the parking lot, he said.

Two amendments were offered to allow for a partial ban. One amendment, offered by Sen. Paul Koering (R-Fort Ripley), provided for walling off the smoking area. The other amendment, offered by Sen. Betsy Wergin (R-Princeton), allowed businesses to buy a yearly license to allow smoking. Both amendments failed.

S.F. 238 was recommended to pass and re-referred to the Committee on Business, Industry and Jobs.



Senators Chris Gerlach (R-Apple Valley), left, and Dan Larson (DFL-Bloomington) consult during a Senate floor session, Wed., Feb. 7.

Photo by David J. Oakes

Schedule available online

Next week's schedule is available at <http://www.senate.mn/schedule/schedule.php?ls=85&date=02/12/2007&type=weekly>

Committee update

Agriculture and Veterans

Dairy credits considered

Members of the Agriculture and Veterans Committee approved two measures, Tues., Feb. 6, providing tax credits to support dairy farmers.

S.F. 287, sponsored by Sen. Gary Kubly (DFL-Granite Falls), creates two nonrefundable credits against the individual income tax or corporate franchise tax. The beginning farmer incentive credit provides a tax credit to an owner of agricultural land who rents the land to a beginning farmer. The incentive credit is equal to 10 percent of the gross rental income or, for share rent agreements, 15 percent of the cash equivalent of the gross rental income. The beginning farmer management credit provides a tax credit of up to \$500 to beginning farmers for the cost of participating in an approved farm-management program. Thom Peterson, Minnesota Farmers Union, spoke in support of the proposal, noting that the dairy industry faces both a rapidly aging population and a rapidly changing industry. The U.S. Dept. of Agriculture indicates that only 6 percent of the nation's farmers are under age 35, he said. Dennis Johnson, an adviser to the Land Stewardship Project's Farm Beginnings Program, said the industry needs support for people who want to get into farming, but have no recent industry experience. We can no longer count on raising enough dairy farmers internally, he said.

S.F. 76, carried by Chair Jim Vickerman (DFL-Tracy), creates an income and corporate franchise tax credit for investments in dairy operations. The credit equals 10 percent of the first \$500,000 of qualifying expenditures, including the acquisition, construction, or improvement of buildings, the development of pasture for dairy animals, and the acquisition of equipment needed for housing and feeding animals, managing waste, and producing milk and other dairy products. The maximum credit under the bill is \$50,000. Several farmers spoke in support of the bill. Also speaking in support of the bill was Wy Spano, representing the Dairies Federation of Minnesota. He said Minnesota dairies like buying milk from Minnesota farmers, but that dairies need more milk. A lot of product bottled in Minnesota supplies other markets, including Chicago, he said, and dairies will go where they need to go to get

their dairy inputs. Minnesota dairies would prefer to get their milk here, from Minnesota farmers, Spano said.

Both measures were advanced to the Committee on Taxes.

Members also heard a series of presentations on issues facing the dairy industry. Curt Zimmermann, Minnesota Dept. of Agriculture, briefly recounted the state of the dairy industry, its economics and Minnesota's position relative to other states. Dr. Bill Hartmann, state veterinarian and director of the Board of Animal Health, discussed the two major infectious diseases challenging dairy farmers: John's Disease and bovine tuberculosis.

Agriculture and Veterans Budget and Policy Division

Military, vets budgets reviewed

The budget recommendations for the Departments of Military Affairs and Veterans Affairs were the focus of the Thurs., Feb. 8, meeting of the Agriculture and Veterans Budget and Policy Division, chaired by Sen. Jim Vickerman (DFL-Tracy).

Maj. Gen. Larry Shellito, adjutant general, said the National Guard enjoys a special relationship with the state. Only Guard soldiers swear, in their oath of office, allegiance to both the U.S. and Minnesota constitutions, he said. "You are our parents," Shellito said. He outlined the size of the Guard, noting that it includes over 13,000 Minnesotans from across the state who can be called up by the governor to deal with state emergencies. The Guard also has a federal mission, Shellito said, and 585 Minnesota communities have been directly affected by the federal deployment of Minnesota Guard soldiers to the Middle East. Col. Eric Ahlness reviewed the department's legislative initiatives, which include refining the Guard's commissioning bonus program and a scholarship program for high school seniors who enlist in the Guard, and declaring Duluth-area fire fighters in the 148th Fighter Wing as essential employees. Another priority is a proposal to exempt military and retiree pay from the individual income tax, Ahlness said, to recognize military service, improve the state's workforce and make the state more competitive with other states. Terry Palmer, comptroller, discussed the budget items, which include adding three new

support staff, providing \$1.5 million to support a reintegration program that helps returning soldiers reenter civilian life.

Budget documents for the Dept. of Military Affairs are available online: <http://www.budget.state.mn.us/budget/operating/200809/gov/338433.pdf>

Commissioner Clark Dyrud discussed the operations and budget of the Dept. of Veterans Affairs. The agency serves all Minnesota veterans and their families and seeks to ensure they receive all benefits to which they are entitled, he said. Dyrud thanked Legislators for their recent support for veterans programs. He said budget increases in the last biennium allowed the agency to handle 40 percent more cases. The budget requests for FY 08-09 affect most areas of the department's operations. One request is for \$4 million for outreach and communications, including developing a statewide marketing plan and establishing tribal veterans service offices. Another budget item provides \$2.8 million to increase funding for county veterans service grants. Additional veterans service offices on college campuses are created with \$1.8 million, and \$2 million is added to the state soldier assistance program, under the requests. Other funding requests cover improved maintenance of the state veterans cemetery, enhanced information technology and additional administrative resources.

Budget documents for the Dept. of Veterans Affairs are available online: <http://www.budget.state.mn.us/budget/operating/200809/gov/338477.pdf>

Business, Industry and Jobs

Prevailing wage report heard

The Business, Industry and Jobs Committee met Mon., Feb. 5, to hear a Legislative Auditor's report on the prevailing wage.

Jim Nobles, legislative auditor, introduced the study and said the concept of prevailing wage is highly controversial. He said there are arguments for and against having a prevailing wage, but the study focuses on the implementation of the law, rather than those policy questions.

John Junker, project manager, presented the report. He said Minnesota is one of 32 states and the federal government that has a prevailing wage law. The prevailing wage rate sets a floor for wages and benefits paid to construction workers on state-funded projects of \$25,000 or

more, Junker said. He said Minnesota uses the “mode” to set the wage rate, rather than the mean or median rate, which means the state uses the wage rate most often used for similar projects. He said there are several areas of disagreement about the use of prevailing wage laws, but he said in some areas there were no clear answers to some of the disagreements. For instance, Junker said, opponents of prevailing wage laws say the laws have an adverse effect on the economy, but supporters say the prevailing wage laws result in lower costs for projects over the long term because better workers are hired. He said the report found that there were disagreements about the methods used by the Dept. of Labor and Industry to survey for the prevailing wage and the methods used to set the prevailing wage. Finally, Junker said the report found that, with the exception of projects under the purview of the Dept. of Transportation, there were disagreements about the adequacy of enforcement.

He said the Minnesota calculation method, using the mode, has received criticism as well. However, Junker said several other states use the mode method. In addition, there is a rule directing the department to use the highest mode wage, if there are several equally prevalent wages.

Junker said the report has several recommendations for the Legislature and for the Dept. of Labor and Industry. He said the legislative recommendations include giving the contracting agency the authority to monitor and enforce compliance, directing the Dept. of Labor and Industry to provide training and technical assistance, requiring submission of certified payroll records, considering enhanced penalties, providing a private right to sue and considering additional funding. Junker said the recommendations for the department include developing training materials for contracting agencies, establishing written procedures for filing and handling complaints, developing language for construction contracts and promulgating rules defining the work responsibilities of various job classes.

Roselyn Wade, director of labor standards and apprenticeship unit, Dept. of Labor and Industry, offered some remarks about the report. She said, “This is the first time, to my knowledge, such a complete study has been made.” She said the subject of the prevailing wage is highly controversial with strong supporters and strong



Senators John Marty (DFL-Roseville) and Debbie Johnson (R-Ham Lake) examine proposed legislation on the floor of the Senate during the Wed., Feb. 7 floor session.

Photo by David J. Oakes

opponents, but that the department tries to be a neutral administrator. She said, “The agency agrees with the findings of the legislative auditor and I agree with the auditors that there is room for improvement, but it has been a struggling program.” “There are misunderstandings, mistakes and differing opinions about the role of the department’s enforcement authority,” said Wade. She said, we have no real leverage with contractors, we are not as effective as we could be and we do not have the resources to enforce the current law adequately.

Committee Chair James Metzen (DFL-South St. Paul) said the panel would be hearing bills concerning the prevailing wage at a later hearing.

Unemployment changes advance

A bill containing the consensus recommendations of an advisory group on

unemployment insurance was approved by members of the Business, Industry and Jobs Committee, Wed., Feb. 7. The committee, chaired by Sen. James Metzen (DFL-South St. Paul), advanced the measure to the Judiciary Committee.

The provisions of S.F. 167, carried by Sen. Dan Sparks (DFL-Austin), were vetted by an advisory council composed of representatives of labor, business, and other interests. Lee Nelson, Dept. of Employment and Economic Development, walked committee members through the bill. He said the measure is cost and revenue neutral.

Committee members also heard S.F. 54, sponsored by Sen. David Tomassoni (DFL-Chisholm). The bill dissolves the Hibbing Area Redevelopment Agency and transfers its assets to the Hibbing Economic Development Authority. Tomassoni said the city no longer used the

Committee update

redevelopment agency. Because it is a creature of statute, its end requires legislative approval, he said. S.F. 54 was recommended for placement on the Consent Calendar.

Capital Investment

Capitol restoration project heard

Chair Keith Langseth (DFL-Glyndon) and the Capital Investment Committee met to hear a presentation on the state Capitol building restoration project Mon., Feb. 5.

Completed in 1905 and built for \$4.5 million, Minnesota's Capitol building is considered one of the top capitols in the nation, said Michael Bjornberg, project manager of schematic design at Hammel, Green and Abrahamson, the architectural

firm working on the project. The building's mechanical and communication systems are difficult to get at and maintain, Bjornberg said. The building lacks sufficient meeting rooms, restrooms and dining areas for the more than 300,000 visitors to the Capitol each year, he added.

The proposed project would be completed in three steps, each taking two years, Bjornberg said. The first step would be to create underground additions on the north side of the building for mechanical systems and an underground addition on the south side creating a new entrance to the Capitol, adding meeting rooms and office space, and addressing the needs of visitors, he said. The second part of the project would renovate the north and east wings of the building where the House and Supreme Court reside, Bjornberg said. The

third step would renovate the west wing, including the Senate Chamber, and the Rotunda, he added.

If approved, construction on the project would start in the fall of 2008, Bjornberg said. Langseth said the first part of the project is expected to cost \$130 million and would have to be one-time money.

Following the presentation, members of the committee toured the Capitol to see many of the problems firsthand.

Commerce and Consumer Protection

Insurance overviews heard

The Commerce and Consumer Protection Committee, chaired by Sen.



From left, Sen. David Tomassoni (DFL-Chisholm), Hammel, Green and Abrahamson, Inc. Mechanical Engineer Sarah Berseth, Capitol Historic Site Manager Carolyn Kompelien, Sen. James Metzen (DFL-South St. Paul) and Sen. Katie Sieben (DFL-Newport) examine some of the Capitol's outdated mechanical infrastructure during a tour for members of the Capital Investment Committee, Mon., Feb. 5.

Photo by David J. Oakes

Linda Scheid (DFL-Brooklyn Park), learned about insurance at a Thurs., Feb. 8, meeting.

Bob Johnson, president of the Minnesota Insurance Federation, presented background on insurance to the committee. Benjamin Franklin started the first insurance company in 1752 selling fire insurance, Johnson said. The system is based on an exchange of the risk of a large loss for fixed payments known as premiums, he said. About 75 percent of each premium dollar goes to pay claims, Johnson said. Laws in Minnesota require premiums to be based on claims made in Minnesota, so residents are not paying higher rates because of Hurricane Katrina and other disasters outside of the state, he said.

Minnesota has one of the highest rates of health insurance coverage in the United States, and consistently ranks as one of the healthiest states, Kathryn Kmit, director of policy and government affairs for the Minnesota Council of Health Plans. Health care costs are increasing because people are getting older and using more services, she said.

Economic Development Budget Division

Agency budgets reviewed

The Economic Development Budget Division, chaired by Sen. David Tomassoni (DFL-Chisholm), met Wed., Feb. 7, to consider the governor's budget recommendations for the Minnesota Housing Finance Agency and the Dept. of Labor and Industry.

Commissioner Tim Marx, Minnesota Housing Finance Agency (MFHA), outlined the role of the agency and provided detailed descriptions of the agency's programs. He said the total general fund recommendation is \$114.4 million and that state appropriations constitute 11 percent of the total program budget. He said revenue bond proceeds provide the largest source of funding and comprise approximately 48 percent of the total budget. Federal funds and agency resources make up the balance of the budget, Marx said. He said the governor recognizes that safe, decent, affordable homes for Minnesotans are critical for the state's quality of life. Marx said the budget provides for significant investment in

efforts to prevent homelessness and to provide rental assistance for the mentally ill. He said \$15 million is slated for the effort to prevent homelessness and help for the mentally ill, \$15 million is earmarked for a challenge program to construct, preserve and rehabilitate homes for working families, \$4 million is to be spent on preserving the state's public housing stock, and \$820,000 is for enhancing the state's foreclosure prevention efforts. Marx went into greater detail about specific programs in order to give members an idea of the scope of the agency's activities.

Scott Brener, commissioner, Dept. of Labor and Industry, outlined the department's budget proposal. Brener said the governor's budget proposal consists of \$1.818 million from the state's general fund, \$193.437 million from the workers' compensation fund and \$76.679 million from other funds. He said the proposed budget represents a 6 percent increase over the last biennium. The agency's purpose is to ensure Minnesota's work and living environments are equitable, healthy and safe, Brener said. He said the department's vision is to be a trusted resource and impartial regulator for employers, employees and property owners. The department administers the laws affecting Minnesota's 2.6 million employees and 159,000 employers, oversees workers' compensation claims and benefit payments, conducts more than 200,000 inspections per year, issues more than 95,000 licenses and certifications each year and monitors more than 8,000 registered apprentices, he said.

Education

School bus safety discussed

Members of the Education Committee turned their attention to school bus safety, Mon., Feb. 5. The panel, chaired by Sen. Charles Wiger (DFL-North St. Paul), discussed current bus safety policies with Capt. Ken Urquhart of the State Patrol and Commissioner Alice Seagren of the Dept. of Education. Urquhart described the vehicular regulation and driver evaluation duties of the Dept. of Public Safety, while Seagren briefly discussed school districts' responsibilities to provide bus safety training to students and to develop and implement transportation safety policies. Committee members also heard from representatives of the Minnesota Association for Pupil Transportation and the Minnesota School Bus Operators Associa-

tion on a proposal to update the state's bus safety laws. Among the items in the proposal are a prohibition against bus drivers' personal cell phone calls, an enhancement of the requirement that drivers wear seat belts, elimination of stop arm training for ninth and tenth graders who get similar training in driver's education courses, and a substitution of in-service training for competency certification after drivers have shown initial competency.

North Branch, Two Harbors, Cloquet School Districts visited

Members of the Education Committee, chaired by Sen. Charles Wiger (DFL-North St. Paul), held three meetings away from the Capitol, Wed., Feb. 7, and Fri., Feb. 9. The panel met with school board members, parents, educators, and others from the North Branch, Two Harbors and Cloquet School Districts.

E-12 Education Budget Division

Early childhood ed bill heard

The E-12 Education Budget Division met Tues., Feb. 6, to consider two bills. Members devoted most of the hearing to discussing a bill providing an allowance for early childhood learning preparedness and enrichment expenses.

The measure, S.F. 3, authored by Sen. Tarryl Clark (DFL-St. Cloud), also allows for an increase in the allowance according to family income. Clark said the commissioner of revenue is directed to include the information necessary to determine eligibility on the income tax form. In addition, the bill requires the commissioner of revenue to establish a process to transfer the allowance to parents electronically. Clark said the commissioner of education is directed to consult with stakeholders and professionals and define outcomes and indicators for local early childhood boards, provide technical assistance, establish minimum administrative and service guidelines, and design and implement a method of monitoring and evaluating early childhood education enrichment criteria. Under the bill, local early childhood boards are groups comprised of parents, providers, education professionals and local governments that are to assess the community's capacity to address early childhood learning needs and

Committee update



During a Mon., Feb. 5, Education Committee hearing, school bus inspector Duane Bartels, left, and Capt. Ken Urquhart, both with the Department of Public Safety, examine a proposal containing ideas to improve school bus safety in light of recent school bus accidents in the state.

Photo by David J. Oakes

create and implement a method of evaluating programs.

Clark said the bill also changes the per pupil unit for pupils in kindergarten and for pupils in grades 1 to 3. Finally, she said the bill requires the commissioner of education to adjust all formulas in taxes payable in 2007 to ensure that education finance levels are not increased.

Art Rolnick, Federal Reserve Bank of Minneapolis, spoke in support of the bill and said dollars spent for early childhood education have a very high rate of return for society. Rolnick, a long time advocate for early childhood education, said the bill directly empowers parents by letting them choose the program for their child. Vallay Varro, city of St. Paul, said the mayor is dedicated to the idea of early childhood education and that the city has undertaken

a number of initiatives to encourage investment in early childhood education.

The division, chaired by Sen. LeRoy Stumpf (DFL-Plummer), laid the bill over for further discussion. The panel approved a bill, S.F. 406, updating appropriations for adult basic education. Stumpf, chief author of the measure, said that the bill corrects a mistake in last year's omnibus education appropriations bill. The measure was approved and advanced to the Finance Committee.

Energy, Utilities, Technology and Communications

Committee hears C-BED

Chair Yvonne Prettner Solon (DFL-Duluth) and members of the Energy,

Utilities, Technology and Communications Committee met to hear testimony on community-based energy development (C-BED), Tues., Feb. 6.

C-BED and expansion or changes to C-BED law are tools that can be used to meet the new renewable energy standards, said John Fuller, Senate counsel. Opportunities may exist to produce power in areas where it is needed, eliminating transmission issues, Fuller said. Stakeholders agree there is a need to explore options to make local projects more competitive, he added.

C-BED is designed to optimize local benefits and keep as many energy dollars in Minnesota communities as possible, said Dan Juhl, member of the C-BED Steering Committee. These projects create many jobs, and already have, he added.

New technologies, especially in wind energy, make it possible to do cost-

effective power generation on a small scale, said Mike Michaud, a consultant for the C-BED Steering Committee. A study on dispersed generation projects showed local generation projects can use existing substations to inject power into high voltage systems, Michaud said. The study looked at west central Minnesota and found that 1400 megawatts can be developed and delivered through C-BED to offset natural gas power generation for less than \$100 million in fixes and upgrades to existing transmission lines, he said.

Bob Ambrose from Great River Energy said that transmission issues and hooking up C-BED projects to high voltage systems are highly complex, technical problems. Great River supports C-BED projects and knows the projects can work under certain circumstances, Ambrose said.

Another C-BED model exists, where a landowner could enter into a partnership with an investor, said Earl Cummings, owner of TurningPoint Management, Inc. The partnership model allows the landowner to participate in the revenue, but not the risk of C-BED projects, Cummings said. There needs to be flexibility in C-BED, he said, and current legislation is not clear on what a non-ownership project would entail. Projects defined as C-BED receive a tariff from the state and utilities are required to buy energy from C-BED projects, Cummings said.

Geothermal study approved

The Energy, Utilities, Technology and Communications Committee took action on three bills at the Thurs., Feb. 8, meeting. The panel, chaired by Sen. Yvonne Prettner Solon (DFL-Duluth), also discussed article 3 of the governor's Next Generation Energy Act proposal. The article concentrates on community based energy development.

Of the three bills gaining the committee's approval, two were forwarded to the Finance Committee. S.F. 239, authored by Sen. Kathy Sheran (DFL-Mankato), extends the eligibility for renewable energy production incentives for an applicant whose application was not approved because of misdirected mail. Dave Arnold, an energy producer, said the misdirected mail resulted in his application not being eligible for approval and that the bill would allow his application to be approved. S.F. 474, sponsored by

Sen. Rick Olseen (DFL-Harris), provides for a study of the potential for the use of geothermal heat pumps in public buildings in the state.

Members also heard one additional bill. S.F. 563, sponsored by Sen. John Doll (DFL-Burnsville), requires development of an economic strategy to maximize state economic development benefits from the renewable electric energy industry. The measure was approved and re-referred to the Business, Industry and Jobs Committee.

Environment and Natural Resources

Forestry discussed

Members of the Environment and Natural Resources Committee met Mon., Feb. 5, to watch the fifth episode of a documentary about Minnesota's environment. "The Northern Forest," part of the series "A History of the Land," chronicles Minnesotans' efforts to understand and restore the state's iconic northern forest in the face of forest fragmentation and human encroachment. The panel, chaired by Sen. Satveer Chaudhary (DFL-Fridley), followed the viewing with a discussion of Minnesota's forestry initiatives with staff from the Dept. of Natural Resources and representatives of environmental groups and landowners. Among the initiatives discussed was the Sustainable Forest Incentives Act, which was passed in 2002. The act provides a tax incentive to owners of forest land who engage in sustainable forest management.

Dedicated funding bill gains

Chair Satveer Chaudhary (DFL-Fridley) and members of the Environment and Natural Resources Committee approved a bill to fund cultural and natural resources through a dedicated sales tax at the Wed., Feb. 7, hearing.

S.F. 6, carried by Sen. Lawrence Pogemiller (DFL-Mpls.), proposes a constitutional amendment to increase the sales tax by three-eighths of 1 percent to fund natural resources, the arts and clean water legacy. It's time to get this done, Pogemiller said, these three things define Minnesota.

Sen. Tom Saxhaug (DFL-Grand Rapids) offered an amendment to create a forest legacy and forest consolidation account within the natural resources part of the bill. Fragmentation of Minnesota

forests detrimentally affects recreation, wildlife and the forest industry, Saxhaug said. The amendment was adopted.

Sen. Steve Dille (R-Dassel) said setting the state budget by funding things constitutionally is not the best way. There are some very good ideas in the bill, Legislators should do their job and fund them in the budget process, Dille said.

Pogemiller said funding for Minnesota's resources should not be left to the vagaries of budgeting. These items are so important, there needs to be a commitment to funding them, he added.

S.F. 6 was recommended to pass as amended and re-referred to the State and Local Government Operations and Oversight Committee.

Environment, Energy and Natural Resources Budget Division

Science Museum, DNR reviewed

The budget requests of the Minnesota Science Museum and the Dept. of Natural Resources took center stage at the Tues., Feb. 6, meeting of the Environment, Energy and Natural Resources Budget Division.

"Science is the literacy of the future," said Eric Jolly, president of the Science Museum. He said the museum seeks to provide educational opportunities in sciences, technology, engineering and mathematics. Scientific literacy is essential for economic and civic participation, he said, as science takes the lead in economic growth and public discussion. The Science Museum of Minnesota receives more support from the National Science Foundation than any other science museum in the nation, he said. Jolly said the museum derived only \$750,000 of its \$30 million annual budget from the state. The museum requested an annual increase of \$550,000 to restore it to its FY 2002 appropriations level, Jolly said, but the governor recommended an increase of only \$250,000 annually. The museum's budget documents are available online: <http://www.budget.state.mn.us/budget/operating/200809/gov/338464.pdf>

Assistant Commissioner Bob Meier provided a general overview of the budget recommendations for the Dept. of Natural Resources. The directors of the divisions of lands and minerals, parks and recreation, and trails and waterways walked division

Committee update



During an E-12 Education Budget Division meeting, Tues., Feb. 6, Art Rolnick with the Minneapolis Federal Reserve Bank discusses a study on the return on investment for early childhood programs.

Photo by David J. Oakes

members, chaired by Sen. Ellen Anderson (DFL-St. Paul), through the specific change items in their budgets. Other DNR divisions, including forestry, fish and wildlife, and ecological services, will be considered at future meetings. Budget materials for the DNR can be found at: <http://www.budget.state.mn.us/budget/operating/200809/gov/338439.pdf>

DNR overview continues

Members of the Environment, Energy and Natural Resources Budget Division met Thurs., Feb. 8, to continue reviewing the budget recommendations for the Dept. of Natural Resources. The panel, chaired by Sen. Ellen Anderson (DFL-St. Paul), focused on three of the department's divisions: trails and waterways, ecological services, and enforcement.

Forrest Boe reviewed the trails and waterways recommendations, including spending \$1.4 million in FY 08-09 from the snowmobile account in the natural resources fund for the snowmobile grants-

in-aid program to develop and maintain snowmobile trails, and reallocating funds within the agency's budget to support the operation, maintenance, and repair of non-motorized forest trails. Lee Pfannmuller discussed the ecological services recommendations. Among the proposals is the creation of a new invasive species account to provide increased funding for law enforcement and water access inspection to prevent the spread of aquatic invasive species, grants to manage invasive aquatic plants in public waters, and management of terrestrial invasive species on state-administered lands.

Col. Mike Hamm, chief conservation officer, outlined the budget recommendations in the enforcement area. One recommendation involves reallocating \$300,000 within the agency's budget to fund and implement an academy to train newly hired conservation officers. Hamm said the agency faces a large number of retirements in coming years, with at least 16 projected in the next biennium, and needs to train the next generation of officers.

Detailed budget materials for the DNR can be found at: <http://www.budget.state.mn.us/budget/operating/200809/gov/338439.pdf>

Health, Housing and Family Security

Discussion begins on health bill

A bill making major changes aimed at providing health care coverage to more Minnesotans was the centerpiece of the

Wed., Feb. 7, Health, Housing and Family Security Committee meeting.

Sen. Linda Berglin (DFL-Mpls.), chief author, said S.F. 2 makes a number of changes to the health care statutes in order to move the state toward the goal of achieving universal coverage. She said the bill makes changes in three general categories. She said the first category includes outreach and improving the ability of those who are already eligible to enroll in existing programs. The second category of changes expands eligibility to include more of the uninsured, Berglin said. The third broad area of changes is aimed at reducing the cost of healthcare through cost containment, she said.

Berglin said 8.3 percent of Minnesota children have no health care coverage and are not eligible for any current program. The two largest groups that have no health coverage are adults without children between the ages of 18 and 24 and adults without children between the ages of 25 and 34, Berglin said.

The bill places caps on health care expenditure and premiums, Berglin said. In addition, the measure expands the definition of dependent in the private market to include young people under 25. Berglin said the dependent definition allows families to choose to continue coverage for their children, as part of their family insurance plan, while the young people get established in the workplace.

Explanation of the bill was cut short because of time constraints, but Chair John Marty (DFL-Roseville) said the bill will be heard again. Prior to beginning discussion of the bill, members heard testimony from a number of private citizens who described their difficulties in obtaining health care coverage, either because of affordability issues or eligibility issues.

Health and Human Services Budget Division

Overview of DHS continues

The Health and Human Services Budget Division, chaired by Sen. Linda Berglin (DFL-Mpls.), continued its overview of the Department of Human Services (DHS), Tues., Feb. 6.

Assistant Commissioner Loren Colman presented an overview of the department's continuing care grants, which includes areas such as deaf and hard of

hearing grants, aging and adult services grants and HIV grants.

Division members also heard an overview of trends in DHS forecast programs from Katie Burns, fiscal systems analysis. Forecast programs are programs in which the state has a legal obligation to provide a benefit or service to an eligible person, Burns said. These programs accounted for more than \$8 billion of the DHS general fund budget in FY 2006-2007, she added. One area of forecast programs is continuing care which includes at-home care and social services for the elderly and people with disabilities, Burns said.

Gov's DHS budget proposal heard

Members of the Health and Human Services Budget division met to hear an overview of the governor's budget proposal for the Department of Human Services (DHS) Wed., Feb. 7. Sen. Linda Berglin (DFL-Mpls.) chairs the committee.

The governor's budget for DHS emphasizes investments in human services while maximizing value, said Christine Bronson, deputy commissioner. The governor's budget allocates \$22.2 billion dollars to DHS for the next biennium, a 14.4 percent increase, Bronson said. Bronson said the total budget consists of \$9.3 billion from the general fund and \$12.9 billion from other funds. The budget increase reflects both growth in programs and inflating health care costs, she said.

The governor has proposed his healthy connections initiative, which aims to reform health care to lower costs, improve quality and increase access to coverage, said Brian Osberg, assistant commissioner. For the next biennium, the governor allocates \$30.5 million to fund the proposal, Osberg said. The initiative expands MinnesotaCare eligibility to 300 percent of poverty for children under 21, Osberg said. The plan also lowers premiums for children by creating a sliding scale in the MinnesotaCare program, he said.

The governor's healthy connections initiative also includes a proposal to allow people whose employers do not offer health insurance to pay health insurance premiums with pre-tax dollars, said Scott Leitz, MDH. Under the initiative, the state would lose \$2.3 million in tax dollars in

the next biennium, and \$14.4 million in 2010-2011, Leitz said. The initiative would create the Minnesota Health Insurance Exchange which would help employers set up plans to withhold pre-tax dollars from employee paychecks, receive those payments for insurance from employers, and help people learn about and enroll in individual insurance plans, he said.

Family programs discussed

Review of the governor's budget recommendations for the Dept. of Human Services continued, Thurs., Feb. 8, as members of the Health and Human Services Budget Division turned their attention to the children and family services area.

Assistant Commissioner Chuck Johnson, DHS, walked Chair Linda Berglin (DFL-Mpls.) and division members through the budget recommendations. Johnson discussed efforts to work with families that are harder to move from public assistance to work. He said many families have a lot of underlying issues, such as learning disabilities or mental health issues, that need to be identified. One budget item creates financial incentives for child care assistance program providers to improve the school readiness of young children. The budget recommendations include a one-time appropriation of \$40 million to assist counties and tribes in addressing anticipated reductions in federal targeted case management funding and \$1.96 million annually to provide additional funds for supportive services, transitional housing, and program infrastructure as part of the state's business plan to end long-term homelessness. One recommendation requires validating the immigration status of non-citizen recipients of certain public assistance programs at each annual eligibility recertification; current practice validates immigration status at the time of application. Johnson said the validation recommendation was a suggestion from the legislative auditor.

Division members also began to examine the mental health area of the budget. Assistant Commissioner Wes Kooistra discussed the budget change items within the mental health area. A key recommendation includes spending \$44.841 million in FY 08-09 to improve the accessibility, quality, and accountability of publicly funded mental health services.

Higher Education Budget and Policy Division

MnSCU budget requests heard

The Higher Education Budget and Policy Division met, Tues., Feb. 6, to hear eight bills on various Minnesota State Colleges and Universities (MnSCU) 2008-2009 budget requests. Sen. Sandra Pappas (DFL-St. Paul) chairs the committee.

Sen. David Senjem (R-Rochester) authored S.F. 552. The bill appropriates more than \$30 million for asset preservation. MnSCU maintains 20.9 million square feet of academic buildings, said Laura King, vice chancellor for finance and chief finance officer. The bill was recommended to pass and advanced to the Finance Committee.

The following bills, heard by the division, were all laid over for possible inclusion in the omnibus bill.

S.F. 581, authored by Sen. Richard Cohen (DFL-St. Paul), appropriates \$57 million to cover a portion of MnSCU's inflation costs, including increasing costs in health insurance, utilities, and faculty and staff salaries. The balance of inflation costs will be raised through a 4 percent tuition increase, King said.

S.F. 567, carried by Sen. Tarryl Clark (DFL-St. Cloud), appropriates \$70 million for implementation of the enterprise technology investment strategic plan. It is very challenging for systems to keep up with technology changes, Clark said. The funds would be used for improving security, managing online records and updating computer systems, she added. In the first year of the biennium, \$30 million would be appropriated, and \$40 million in the second year, Clark said.

Sen. Charles Wiger (DFL-North St. Paul) authored S.F. 553, providing \$24 million in funds to recruit and retain students from groups underrepresented in higher education. The bill supports programs that prepare students for college, encourages enrollment and support academic experiences, Wiger said.

Carried by Sen. Ann Lynch (DFL-Rochester), S.F. 537 appropriates \$10 million for improving and expanding teaching and learning in science, technology, engineering and mathematics. One objective of the bill is to reverse the decrease in the number of teachers in math and science, Lynch said.

Committee update

S.F. 513, authored by Sen. Kathy Sheran (DFL-Mankato), appropriates \$3 million for nursing education activities at two-year colleges. The funds would help graduate more nurses and improve programs, Sheran said.

Sen. Ron Latz (DFL-St. Louis Park) authored S.F. 535. The bill appropriates \$3 million to establish a bioscience center of excellence. Establishing the center will allow MnSCU to better coordinate and direct bioscience projects, Latz said.

S.F. 575, carried by Sen. Claire Robling (R-Jordan), is the governor's recommended allocations for higher education in Minnesota. The division took a broad look at the governor's MnSCU recommendations. A number of the bills the division looked at are also included in the governor's bill, said Susan Heegaard, director of the Office of Higher Education. Like other bills heard Tuesday, S.F. 575 also allocates funds to upgrade and support MnSCU technology systems and to improve recruitment and retention of underrepresented students, Heegaard said. The governor's bill is unique in that it creates performance bonuses for colleges and universities that meet specific goals, she added.

Testimony heard

The Senate Higher Education Budget and Policy Division devoted the Thurs., Feb. 8, meeting to listening to testimony from students, faculty and administration personnel from the Minnesota State Colleges and Universities system. The panel, chaired by Sen. Sandra Pappas (DFL-St. Paul), heard from students about the difficulties of funding their secondary education. Several spoke of crushing debt levels and the scarcity of funds as they try to meet rising tuition costs. Faculty speakers spoke of the need for better salaries and upgrades of technology and facilities.

Judiciary

MINNCOR audit heard

Members of the Judiciary Committee, chaired by Sen. Mee Moua (DFL-St. Paul), devoted the Tues., Feb. 6, hearing to a discussion of MINNCOR and a legislative auditor's report about MINNCOR. Moua said the audit was released last July and that the department had promptly responded to the audit's recommendations.

However, she said she thought it would be beneficial for the committee to hear the audit report and receive an update from the department.

Chris Pizinger, CEO, MINNCOR Industries, said there has been a prison industry program in Minnesota since the 1870s and that MINNCOR has been in existence in its current form about 12 years. He said MINNCOR operates as a business within the Dept. of Corrections. He said the purpose of MINNCOR is to occupy inmates' time and to help inmates develop work skills that will help with re-entry. He said the business tries to employ as many inmates as possible while running a business that pays for itself. Currently, he said about 15 percent of the prison population is employed by MINNCOR. He said MINNCOR has 22 product lines and had approximately \$45 million in sales last year. The business does not require a state appropriation, Pizinger said, and last year had a net profit of \$600,000. MINNCOR operates in seven out of eight correctional facilities, Pizinger said. He said there was no program at the Lino Lakes facility because the program at Lino Lakes is focused on treatment programs.

Deputy Commissioner of Corrections Dennis Benson said the main purpose of corrections is public safety and programming is the cheapest way to provide security within the prison. He said inmates are kept busy, but are also learning life and work skills. He said MINNCOR is part of the greater re-entry process. He said MINNCOR is a very diversified business because there are unique challenges in running a business within a government agency.

Marla Conroy, director of investigations, Office of the Legislative Auditor, presented the auditor's report on the department and MINNCOR. She said the audit findings include three findings related to MINNCOR business practices and five findings related to the department's relationship with the Minnesota Correctional Educational Foundation. She said the MINNCOR findings include an inadequate resolution of a conflict of interest, noncompliance with state law and department policies regarding the disposition of surplus property, contract approval and documentation and prompt payment of invoices. Conroy said the audit set forth several recommendations for the department. The conflict of interest incident should be

resolved by making sure employees reimburse the vendor for the full cost of the incident and by ensuring employees are aware of and comply with legal provisions regarding conflicts of interest, Conroy said. She said the audit also recommended the department ensure compliance with state law and department policy concerning surplus property, prompt payment of invoices and accurate maintenance of MINNCOR's inventory records.

Conroy said the Minnesota Correctional Educational Foundation was created by the department without explicit statutory authority. In addition, she said the foundation provides for potential conflicts of interest, made questionable use of federal grant funds and that the department made inappropriate transfers of funds to the foundations. Conroy said the audit recommendations for the department include obtaining statutory authority regarding the relationship with the Minnesota Correctional Education Foundation, ensuring that public employees serving on the foundation comply with the state's code of ethics, working with the U.S. Dept. of Education to determine the allowable use of federal grant funds and ensuring MINNCOR funds are expended in compliance with statutory requirements.

Benson provided the department's response to the findings concerning MINNCOR. He said the conflict of interest issue has been resolved and that the department is providing agency-wide code of conduct training. He said an ambiguity exists in the definition of state surplus property and MINNCOR officials believed products and materials used in, and held for resale, fall under the definition of surplus product, but he said policies will be reviewed to ensure compliance with statutory language. Benson said the department also agrees with other recommendations for MINNCOR and will implement policies to comply with the recommendations.

Commissioner Joan Fabian responded to the recommendations about the Minnesota Correctional Education Foundation. She said the foundation was created, with the help of outside counsel, as a private, non-profit organization to provide an innovative, cost effective way for offenders to continue their education without using taxpayer funds. She said the department is developing legislation to provide statutory authority for the founda-

tion and to allow the department to provide administrative and financial support to the foundation. She said the other findings were also being resolved.

The committee also heard presentations on offender workforce development and department re-entry services.

Committee hears four bills

Chair Mee Moua (DFL-St. Paul) and the Judiciary Committee met Thurs., Feb. 8, to hear four bills, approving three.

S.F. 372, carried by Sen. Chris Gerlach (R-Apple Valley), repeals the crime of ticket scalping. Under current law, ticket scalping is a misdemeanor crime punishable by up to 90 days in jail and a \$1,000 fine, Gerlach said. The sale is an agreement between a willing buyer and a willing seller, he said. Consumer protection laws still exist to protect buyers, Gerlach added. The bill was recommended to pass and referred to the Senate floor.

Sen. Leo Foley (DFL-Coon Rapids) authored S.F. 302, making miscellaneous

changes to DWI law. The bill adds phlebotomists, people trained to draw blood for testing or donations, to the list of people who can legally draw blood for a DWI blood alcohol test, said Stephen Simon, professor of clinical instruction at the University of Minnesota Law School. S.F. 302 also makes technical changes to clarify the law, Simon said. Sen. Thomas Neuville (R-Northfield) offered an amendment to add the definition of operating a motor vehicle, including attached trailers, in a grossly negligent manner. The amendment defines grossly negligent as operating the vehicle with great negligence or while knowing that it is maintained in a manner that creates a significant risk of death or great bodily harm, Neuville said. Neuville's amendment was adopted. The bill was recommended to pass and referred to the Senate floor.

Authored by Sen. Michelle Fischbach (R-Paynesville), S.F. 212 exempts single-family homes that do not use combustible fuel for space heating or appliances from

carbon monoxide installation requirements. Sen. Don Betzold (DLF-Fridley) said just because a home is all-electric, a family is not necessarily protected from carbon monoxide poisoning from a fireplace or a car running in the garage. The bill was laid over so Fischbach could address the committee's concerns.

S.F. 300, carried by Sen. Linda Higgins (DFL-Mpls.), updates and clarifies public defender provisions of the law. The bill conforms statutes to recent Supreme Court decisions, said Kevin Kajer, chief administrator of the Minnesota Board of Public Defense. A change in a portion of the bill requires counties to pay for an attorney appointed by the court to serve as advisory counsel or standby counsel, and that person cannot be a district public defender, Kajer said. The state is currently paying for the services, he said. Keith Carlson, executive director of the Minnesota Inter-County Association, said he is frustrated that the cost is being forced back on the counties. Neuville offered an oral amendment to remove the changes. The amendment failed on a roll call vote. A motion by Foley to send the bill to the Finance Committee without recommendation also failed. The bill was recommended to pass and sent to the Finance Committee.

Judiciary Budget Division

Public defense, legal aid, Tax Court budgets discussed

Members of the Judiciary Budget Division met Tues., Feb. 6, to consider the budget requests for public defenders, legal aid providers and the Tax Court. The panel, chaired by Sen. Leo Foley (DFL-Coon Rapids), examined the operations and budgets of each entity.

Kevin Kajer presented the request of the Board of Public Defense. Public defenders provide constitutionally mandated services in felony, gross misdemeanor, misdemeanor and juvenile delinquency cases, he said. By statute, children older than 10 involved in child protection cases must also be provided with services, he said, and the office provides non-mandated services to custodial parents in child protection cases. Kajer said major budgetary pressures include the fact that public defense is the largest user of the judicial system, provides services in every county and courtroom in



Senators Michael Jungbauer (R-East Bethel), left, and Jim Carlson (DFL-Eagan) look over the details of a bill during the Senate's floor session, Wed., Feb. 7.

Photo by David J. Oakes

Committee update

the state, does not control its caseloads, and cannot control the time commitment demanded of its attorneys in cases. The board's request is for an increase of over \$48.6 million for FY 08-09, with the bulk going to funding the work of public defenders in child protection and children's justice cases and to address the escalating caseload by adding public defenders and increasing staff salaries. The governor's recommendation for the board is a \$7.5 million increase. The board's budget documents include the governor's recommendation and the board's request; they are available online: <http://www.budget.state.mn.us/budget/operating/200809/gov/338455.pdf>

Jeremy Lane of Mid-Minnesota Legal Assistance described the services provided by the state's six regional legal services

programs and by other nonprofit organizations providing legal and alternative dispute resolution services. He said legal aid lawyers provide services to persons with incomes below 120 percent of the federal poverty guidelines. The budget request of the Supreme Court, which has supervisory authority over legal aid spending in Minnesota, includes a \$4 million increase in FY 08-09 earmarked for civil legal services. The governor's recommendation did not earmark any of the \$5.128 million total increase for the Supreme Court. The budget documents covering legal aid can be found at: <http://www.budget.state.mn.us/budget/operating/200809/gov/338470.pdf>

The Tax Court has three judges and three support staff, said Chief Judge George Perez, and handles tax cases of all

types throughout the state. Almost all cases heard by the court are disposed of within a year, Perez said, providing taxpayers with efficient resolution of their disputes. The governor recommends increasing the court's budget by \$148,000 in FY 08-09 to maintain current operations and provide for 2 percent annual compensation adjustments. The Tax Court's budget documents are available at: <http://www.budget.state.mn.us/budget/operating/200809/gov/338471.pdf>

Seat belt bill approved

The Judiciary Budget Division, chaired by Sen. Leo Foley (DFL-Coon Rapids), met Thurs., Feb. 8, to consider two bills and to hear two budget overviews.

S.F. 16, sponsored by Sen. Steve Murphy (DFL-Red Wing), makes seat belt violations primary offenses in all seating positions. The measure also establishes a \$25 surcharge for seat belt violations, down from \$72, said Murphy. He said the bill also subjects the driver to a fine of \$25 for each violation of the seat belt law by the driver and any passenger under the age of 15. Murphy said the state will lose money, but the bill is about saving lives. He said it is estimated that the bill will save 40 lives per year. He also said every time someone dies in a traffic crash it costs the state \$1.5 million. Finally, Murphy said the state will gain \$15 million in federal funds.

The second measure, S.F. 301, authored by Sen. Richard Cohen (DFL-St. Paul), provides an appropriation for payment of Public Defense Board transcripts. Cohen said the appropriation of \$200,000 is needed to pay court reporters who supply transcripts for appeals, motions for new trials and other post conviction activities. Kevin Kajer, chief administrator, Board of Public Defense, said that for the last biennium \$300,000 was appropriated to pay for transcripts, but the board actually paid about \$800,000. He said that currently the court reporters must do the transcripts on their own time at a rate of \$3 per page.

Both bills were approved and advanced to the full Finance Committee.

The division devoted the balance of the meeting time in hearing budget overviews of the Board on Judicial Standards and the Uniform Laws Commis-



Minneapolis Mayor R.T. Rybak, left, and St. Paul Mayor Chris Coleman field questions on public safety issues in their respective cities during a joint meeting of the Senate and House Public Safety Budget Divisions, Tues., Feb. 6.

Photo by David J. Oakes

sion. David Paull, executive secretary, Board on Judicial Standards, said the governor has recommended an increase to base operating funds of \$67,000 in FY 2008 and \$70,000 in FY 2009. He said the governor has also recommended an additional \$125,000 each year for special investigative and hearing costs. He said the board's main function is to monitor the conduct of Minnesota's judicial officers in order to maintain the public's confidence in an independent and impartial judiciary.

The Uniform Laws Commission has eight commissioners and participates in the activities of the National Conference of Commissioners of Uniform State Laws, said Jack Davies, commission member. He said the national group drafts state legislation in the area of private law, focusing primarily on areas of legal complexity where uniformity of law among the states is particularly important. He said the commissioners serve without compensation. The budget is to cover dues to the national organization and to reimburse the food, lodging and travel of commissioners attending the weeklong annual meeting. Total funding is \$96,000, with one-time funding of \$6,000 to pay prior dues.

Property Tax Division

County, townships discuss aid

A second hearing on the importance of state aid to local units of government, held Tues., Feb. 6, focused on the state's relationship with counties and townships. Members of the Property Tax Division, chaired by Sen. Rod Skoe (DFL-Clearbrook), previously heard from cities. Representatives of Minnesota's three of the most populous counties—Hennepin, Ramsey, and Cook Counties—along with representatives of two county associations, the Association of Minnesota Counties and the Metropolitan Inter-County Association, discussed the important role state aid plays in providing essential local services, especially transportation. A representative of the Minnesota Association of Townships presented the importance of state aid to Minnesota's over 1,700 townships.

Public Safety Budget Division

Division hears meth panel

Chair Linda Higgins (DFL-Mpls.) and members of the Public Safety Budget

Division attended a premier screening of "Revealing Meth in Minnesota," a documentary about methamphetamine in the state, Mon., Feb. 5. A panel discussion followed the screening and included Dakota and Ramsey County attorneys, the state meth coordinator, Sen. Linda Berglin (DFL-Mpls.) and Sen. Julie Rosen (R-Fairmont). The event, held at the Judicial Center, was sponsored by the Minnesota County Attorneys Association.

Twin Cities crime discussed

Challenges and successes in dealing with crime in the state's two largest cities were the focus of a joint meeting of the Senate Public Safety Budget Division and the House Public Safety Finance Division, Tues., Feb. 6. The panels are chaired by Sen. Linda Higgins (DFL-Mpls.) and Rep. Michael Paymar (DFL-St. Paul), respectively. Legislators heard from Minneapolis Mayor R.T. Rybak, St. Paul Mayor Chris Coleman, Minneapolis Police Chief Tim Dolan, and St. Paul Police Chief John Harrington. The presenters discussed community policing, the need for more financial assistance from the state, and non-public safety areas that have an effect on crime rates, such as housing, youth programs and schools.

Budget presentations heard

The Public Safety Budget Division met Wed., Feb. 7, to hear four budget presentations. Sen. Linda Higgins (DFL-Mpls.) chairs the committee.

The mission of the Department of Human Rights is to make Minnesota discrimination-free, said Commissioner Velma Korbelt. The department has three main functions, compliance, enforcement and outreach, Korbelt said. The current appropriation for the department is \$6.98 million, she said. For the next biennium, the governor has recommended \$1.458 million to improve the database system, Korbelt said. The new computer system will allow real-time access to data and case information, she said. Right now, the department has almost 100 percent paper records, Korbelt said.

Neil Melton, executive director, said the Peace Officers Standards and Training Board (POST) licenses peace officers and certifies peace officer programs. The POST

Board is funded through a surcharge on certain criminal and traffic offenses. The governor recommended \$15,000 to pay for operating cost increases such as communications, supplies and equipment, Melton said. The increase is necessary to maintain licensing and other services POST provides, Melton said.

The Minnesota Sentencing Guidelines Commission maintains and modifies the sentencing guidelines that govern felony sentences in the state, said Isabel Gomez, director. The current budget for the commission is \$463,000 per year, Gomez said. The governor's budget recommends an increase of \$137,000 for each year in the biennium so the commission can fully perform its statutory obligations, she added. While the budget has been cut in recent years, the number of felony offenders continues to rise and the commission must gather and analyze that data, Gomez said.

The Private Detective Board issues licenses, ensures compliance and handles complaints of investigative and protective service providers, said Marie Ohman, director. The board is a fee supported program, with a biennial budget of \$252,000, Ohman said. For the next biennium, the governor has recommended a 2 percent annual increase for compensation costs, she said.

Rules and Administration

Subcommittees named

Members of the Rules and Administration Committee, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met briefly Wed., Feb. 7, to approve two subcommittees. Members okayed the membership of the Rules and Administration Subcommittee on Committees and of the Rules and Administration Subcommittee on Conference Committees. The members of the subcommittee on committees are Pogemiller, Sen. Linda Berglin (DFL-Mpls.), Sen. James Metzen (DFL-South St. Paul), Sen. Gen Olson (R-Minnetrista), Sen. David Senjem (R-Rochester) and Sen. LeRoy Stumpf (DFL-Plummer). Members of the subcommittee on conference committees are Pogemiller, Senjem and Sen. Tarryl Clark (DFL-St. Cloud).

Committee update

State and Local Government Operations and Oversight

DOER commissioner approved

The State and Local Government Operations and Oversight Committee met Mon., Feb. 5, to consider a gubernatorial appointment and three bills. The committee, chaired by Sen. Ann Rest (DFL-New Hope), first considered the appointment of Patricia Anderson as commissioner of the Dept. of Employee Relations. Anderson, the former state auditor, said the governor asked her to serve as commissioner for 18 months in order to oversee the merger of most of the department with the Dept. of Administration. Committee members approved the appointment and recommended that Anderson be confirmed.

The panel also considered three bills. S.F. 321, authored by Sen. Don Betzold (DFL-Fridley), includes independent nonprofit firefighting corporations for joint exercise of powers agreements. He said the inclusion will allow the small independent nonprofit firefighting corporations to benefit from the state's purchasing power. The measure was approved and advanced to the full Senate.

Betzold also sponsored S.F. 469, a bill eliminating a cap on the amount a county may bond for to be used for libraries. The current cap is \$1.25 million, but the land costs for a new regional library Anoka County is planning exceed that amount, Betzold said. Under the bill, the county may issue bonds in an amount up to 0.01 percent of the taxable market value of the property in the county, he said. Betzold said the amount would be about \$3 million. The measure was approved and re-referred to the Tax Committee.

A bill, S.F. 471, requiring state agencies to certify that no state employees on recall lists are able to perform specified services before seeking approval of a professional or technical services contract valued at more than \$5,000, also gained approval. Chief Author Sandra Pappas (DFL-St. Paul) said current law does not require the state to certify the absence of employees on recall list. Instead, the current law specifies no current state employee is able to perform the services called for by the contract, she said. Pappas said the object of the bill is to prevent outsourcing when employees on a recall list are available. After hearing testimony

from a representative of the Dept. of Administration, Pappas said she was willing to work on the bill to make it more acceptable to the department. The bill was laid over for further work.

Met Council elections gain

A proposal to make the Metropolitan Council an elected body gained the approval of members of the State and Local Government Operations and Oversight Subcommittee on Elections, Wed., Feb. 7. The panel, chaired by Sen. Dan Larson (DFL-Bloomington), advanced the bill to the full State and Local Government Operations and Oversight Committee.

S.F. 81, authored by Sen. Charles Wiger (DFL-North St. Paul), provides for a council of 16 members who would be elected for staggered four-year terms, with half the council being elected each even-numbered year. Wiger said an elected council would be more accountable to the people of the Metro Area. Former Sen. Myron Orfield, a professor of law at the University of Minnesota, said the Met Council is a powerful, significant unit of government. It is important to have representative government for an entity with the responsibilities and powers of the Met Council, Orfield said.

The danger of an elected council is that parochial interests would come to dominate and the regional focus of the council would be weakened, said Judd Schetnan, representing the Met Council. He said the current council and the governor are opposed to the bill. Sen. Chris Gerlach (R-Apple Valley) argued against the bill, saying it represents the Legislature ceding its authority. The elected status of the council members will restrict our oversight authority, he said. Wiger countered that the Legislature holds local units of government, such as counties and cities, accountable and would do so for an elected Met Council.

Members adopted a number of amendments to the bill, including amendments setting the initial annual salary of the part-time council members at \$40,000 and excluding donations to candidates for the council from the political contribution refund program. Sen. Sandra Pappas (DFL-St. Paul) offered an amendment deleting a

required study of the feasibility of transferring functions and services, such as correctional facilities and transportation, from Metro Area counties to the council. Pappas said the bill has a better chance of passage without the study. Existing government entities will be suspicious of losing their authority over the services, she said. Sen. John Marty (DFL-Roseville) spoke against the amendment, saying the study should go farther. We should explore consolidating the counties in the Metro Area to achieve economies of scale, he said. The amendment was adopted.

In other action, members also advanced S.F. 208, which makes it easier to vote by absentee ballot. The measure, sponsored by Sen. Kathy Sheran (DFL-Mankato), allows all eligible voters to vote by absentee ballot and permits disabled and elderly voters to use agents to transport absentee ballots to and from the voter and local elections officials. Mai Thor, representing the Disability Law Center, said the bill represents a necessary step forward to ensure elderly and disabled voters can participate meaningfully.

Gerlach said he supports the provisions making it easier for elderly and disabled voters to exercise the franchise. However, he said, generally broadening absentee voting eligibility is a bad idea. The electoral landscape changes quickly and voters may have already cast their absentee ballot when a significant development occurs, he said. Gerlach said more absentee voting means merging the campaign season and the balloting period, rather than having campaigns lead up to a day of balloting. He offered an amendment removing the provisions permitting all eligible voters to vote absentee. The amendment was defeated on a voice vote.

The bill was sent to the full committee.

Subcommittee members also briefly considered S.F. 23. Carried by Wiger, the bill provides for vacancies in the office of U.S. senator to be filled by special election. Current practice is for the governor to appoint someone to fill a vacancy in the office. Wiger said the office is so important that Minnesotans should be heard on who will represent them. Rest said she wanted to have more information, especially on the practices of other states. The bill was laid over.



Senators Gen Olson (R-Minnetrista) and LeRoy Stumpf (DFL-Plummer) examine proposed school bus safety measures during an Education Committee hearing, Mon., Feb. 5.

Photo by David J. Oakes

State Government Budget Division

Retirement accounts reviewed

The state's three largest retirement systems and the State Board of Investment were the focus of the Mon., Feb. 5, meeting of the State Government Budget Division. Panel members, chaired by Sen. Don Betzold (DFL-Fridley), heard operational overviews of each entity and examined the governor's budget proposals for the retirement systems and board.

The State Board of Investment develops and implements investment policies and strategies for the state's retirement funds, trust funds, and cash accounts, said Executive Director Howard Bicker. He said the board manages over \$52 billion in assets. The board is composed of four constitutional officers: the governor, secretary of state, attorney general and state auditor. Most of the board's budget is funded by fees assessed

against invested assets, Bicker said, with only 3 percent, or about \$151,000 a year, coming from the general fund.

The three retirement systems—the Teachers Retirement Association (TRA), Public Employees Retirement Association (PERA) and Minnesota State Retirement System (MSRS)—are funded exclusively from contributions and investment returns. System budgets are approved by each entity's board. TRA serves the state's public educators, PERA serves employees of local units of government and non-educator employees of school districts, and MSRS serves state employees and elected officials, including constitutional officers, Legislators and judges. Representatives of the three retirement systems also briefly discussed a recent report from the Office of the Legislative Auditor on post-employment benefits.

Campaign finance budget reviewed

Members of the State Government Budget Division, chaired by Sen. Don

Betzold (DFL-Fridley), turned their attention, Wed., Feb. 7, to the governor's budget recommendations for three state entities.

For the Campaign Finance and Public Disclosure Board, the governor recommends an increase of \$42,000 in FY 08-09 to fund projected rent increases and a 2 percent annual compensation adjustment. The recommendation for the Office of Administrative Hearings is also a \$42,000 general fund increase in FY 08-09 for increased rent costs for the Municipal Boundary Adjustment Unit and for a 2 percent annual compensation adjustment. The governor's recommendation also includes \$133,000 annually from the special compensation fund to add a worker's compensation judge.

The Amateur Sports Commission is slated to receive a \$107,000 budget cut in FY 08-09 under the governor's budget proposal. The governor's recommendation includes offsetting the commission's general fund appropriation for the amount

Committee update

the commission receives in lease payments for land adjacent to the National Sports Center in Blaine.

Taxes

JOBZ reviewed

Members of the Taxes Committee met Wed., Feb. 7, to hear an overview of the Job Opportunity Building Zones (JOBZ) program and to consider four bills.

JOBZ is designed to address economic and community vitality in Greater Minnesota communities, said Paul Moe, deputy commissioner of the Dept. of Employment and Economic Development. He said there are 10 zones across the state with 286 agreements providing tax exemptions to qualified businesses. The tax exemptions cover the corporate franchise tax, individual income tax for operators or investors, sales tax on business purchases, capital gains tax and property tax, he said. Additionally, employers can receive an employment tax credit for high-paying jobs, Moe said. He said over 72 percent of the businesses in the JOBZ program are in the manufacturing and construction sectors, with single-digit percentages in the professional, trade, services, warehouse, transportation or finance sectors.

Moe said over 4,000 new jobs were projected, with 3,673 already realized from businesses entering the program in 2004-05. The jobs have an average hourly wage of almost \$15, he said. The tax benefits of the program cost state and local governments \$6.4 million in 2004 and \$12.1 million in 2005, he said, with an additional \$1.1 million in property tax obligations shifted from JOBZ businesses to other property taxpayers in 2005. The state and local communities have reaped over 6,000 spin-off jobs, Moe said, and the estimated payroll generated is over \$200 million.

The governor has proposed adjusting JOBZ so that employers will be guaranteed tax benefits for 10 years if they enter the program at any time before it expires at the end of 2015, Moe said. Under current law, the tax benefits expire at the end of 2015, meaning that businesses entering the program now get the beneficial tax treatment for less than 10 years.

Committee members, chaired by Sen. Thomas Bakke (DFL-Cook), also consid-

ered four bills. The measures were all laid over for possible inclusion in the omnibus tax or public finance bills. S.F. 98, sponsored by Sen. Steve Dille (R-Dassel), authorizes the city of Winnetonka to issue general obligation bonds to finance a mixed used facility serving as a city hall, community center and police station. S.F. 191, authored by Sen. Dan Skogen (DFL-Hewitt), permits the town of Scambler to impose a tax on aggregate materials. S.F. 315, carried by Sen. Mary Olson (DFL-Bemidji), allows the city of Emily to impose a 0.5 percent sales and use tax to pay the capital costs of a new wastewater treatment facility. S.F. 245, sponsored by Sen. Keith Langseth (DFL-Glyndon), provides for \$1.5 million in additional border city enterprise zone allocations.

Transit Subdivision

South Metro transit discussed

Members of the Transit Subdivision met jointly with their counterparts from the other body, Wed., Feb. 7. The panel, chaired by Sen. Scott Dibble (DFL-Mpls.), gathered in Burnsville to discuss transit issues in the southern suburbs. Members heard from Burnsville Mayor Elizabeth Kautz, Dakota County Commissioner Michael Turner, Bloomington City Councilmember Steve Elkins, Judd Schetnan of Metro Transit, Beverley Miller of the Minnesota Valley Transit Authority, and other transit partners in the region.

Transportation Budget and Policy Division

DPS budget proposals heard

The Transportation Budget and Policy Division, chaired by Sen. Steve Murphy (DFL-Red Wing), devoted the Tues., Feb. 6, hearing to a discussion of the budget proposal for the Dept. of Public Safety. Commissioner Michael Campion said the governor's budget recommendation for FY 2008-2009 totals about \$303 million, with \$22 million from the general fund, \$166 million from the trunk highway fund, \$18 million from the highway user tax distribution fund and \$97 million from special revenue funds.

Deputy Commissioner Mary Ellison outlined the major change items in the

budget proposal. She said the department requested an additional \$6 million for information technology and disaster recovery. She said the funds would allow the department to achieve the level of security recommended by an IT security assessment and would ensure services to the public during crisis conditions. She said the budget included an additional \$3 million for Capitol Security increases for additional security guard positions and for equipment replacement and upgrades. State Patrol enhancements account for \$8.4 million in the budget, Ellison said. She said the funds would allow 40 additional troopers to patrol the state's highways and would cover the additional cost in fuel.

Ellison said the department is also seeking expenditure authority for a records contract coordinator who will monitor compliance with the state's privacy statutes. The proposal also contains a fee increase of \$0.75 for driver licenses and identification cards to maintain current services. She said the additional revenue of \$2.7 million is needed because of increasing costs. Two additional fee increases are included in the proposal, Ellison said. A fee increase would allow for an increase in the costs charged for license plates and license plate transfers to cover increased production and distribution costs. The third fee increase, of \$0.75 for the title transfer fee, would allow the department to maintain services, Ellison said.

Other changes include \$138,000 for a security coordinator for the Republican National Convention, \$222,000 for a federal match increase for the Office of Traffic Safety, \$519,000 to increase the pipeline safety special revenue funding cap, \$11.3 million for a departmental compensation adjustment, and \$11,000 in revenue from a gas theft reinstatement fee, Ellison said.

Pat McCormack, director, Driver and Vehicle Services, explained each item in detail and described how the department would implement the changes.

The department's complete budget document may be found in two parts at: <http://www.budget.state.mn.us/budget/operating/200809/gov/338457.pdf> and <http://www.budget.state.mn.us/budget/operating/200809/gov/338458.pdf>

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With assistance from her mother, Shannon, four-year-old Abbie Swanson of Lakeville demonstrates the dangers inherent in the use of adult seat belts by children, as members of the Transportation Committee consider a bill, Tues., Feb. 13, to expand the required use of approved child restraint systems to all children under the age of eight.

Photo by David J. Oakes



February 16, 2007

Senate Highlights

Senate okays two bills

The Senate held a floor session Mon., Feb. 12, to hear two bills and process other routine business.

The two bills were considered by the Senate acting as a Committee of the Whole. H.F. 110, companion to S.F. 38, authored by Sen. Ann Rest (DFL-New Hope), enacts the Great Lakes-St. Lawrence River Basin Water Resources Compact. The bill sets standards for new or increased diversions and withdrawals from the Great Lakes, Rest said. Minnesota's existing statutes are already more restrictive than the compact, which is an agreement among the eight Great Lakes states, she said.

Sen. Don Betzold (DFL-Fridley) authored S.F. 321, which includes independent nonprofit firefighting corporations in joint exercise of powers agreements. Local government entities can enter into joint powers agreements so they can share in joint purchasing power in the state's purchasing consortium, Betzold said. The bill affects about 80 fire departments that are not part of municipalities and so cannot join in, he said. Both H.F. 110 and S.F. 321 were granted preliminary approval.

Sen. Ray Vandever (R-Forest Lake) made a motion to remove his bill, S.F. 246, from the Rules and Administration Committee and place it on General Orders. The bill requires Senate living and other expenses to be determined by resolution and adopted by the Senate. The motion was not adopted.

Ticket scalping law repeal okayed

The Senate met Thurs., Feb. 15, to process bills on the Calendar, the Consent Calendar and General Orders.

Members granted final passage to two bills on the Senate Calendar. H.F. 110,



From left, Senators Leo Foley (DFL-Coon Rapids), Linda Berglin (DFL-Mpls.) and Paul Koering (R-Fort Ripley) consult during a Senate floor session, Mon., Feb. 12.

Photo by David J. Oakes

sponsored by Sen. Ann Rest (DFL-New Hope), enacts the Great Lakes-St. Lawrence River Basin Water Resources Compact. S.F. 321, carried by Sen. Don Betzold (DFL-Fridley), allows independent non-profit volunteer firefighter corporations to enter into joint powers agreements.

Final passage was also granted to one bill on the Consent Calendar. S.F. 54, authored by Sen. David Tomassoni (DFL-Chisholm), dissolves the Hibbing Area Redevelopment Agency and transfers the assets and responsibilities to the Hibbing Economic Development Authority.

Preliminary passage was granted to two bills. S.F. 374, authored by Sen. Chris Gerlach (R-Apple Valley), repeals the law

prohibiting ticket scalping. "The time has come to repeal the law because the market has changed greatly, very few states now prohibit ticket scalping," he said. Gerlach said the internet has changed everything; now there is a thriving secondary market on-line with a willing buyer and a willing seller. There is no public interest served by having the law on the books, he said. He added that there are already plenty of resources to weed out any bad actors. The measure was approved. S.F. 302, carried by Sen. Leo Foley (DFL-Coon Rapids), authorizes phlebotomists to take blood samples from DWI offenders. Foley said the bill also adds references to controlled substance metabolites to the criminal vehicular operation law, makes numerous technical changes to the criminal vehicular operation law to simplify it and clarifies the repercussions of an accused not requesting the preparer of the blood analysis report to testify at trial. Sen. Thomas Neuville (R-Northfield) offered an amendment removing a definition of gross negligence and moving language relating to defectively maintained motor vehicles to another part of the bill. The amendment was adopted. The bill was granted preliminary passage.

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Commission appointments made

The Rules and Administration Subcommittee on Committees met Wed., Feb. 14, for the purpose of naming Senate members to legislative commissions. The panel, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), also named the members of the Rules and Administration Subcommittee on Ethical Conduct. The members of the ethics subcommittee are Sen. James Metzen (DFL-South St. Paul), Sen. Dennis Frederickson (R-New Ulm), Sen. Linda Scheid (DFL-Brooklyn Park) and Sen. Thomas Neuville (R-Northfield). Metzen was designated as the subcommittee's chair.

The members appointed to the Great Lakes Commission were Sen. Yvonne Prettner Solon (DFL-Duluth) and Sen. Bill Ingebrigtsen (R-Alexandria). Sen. Thomas Bakk (DFL-Cook), Sen. Rod Skoe (DFL-Clearbrook), Prettner Solon, Sen. Tom Saxhaug (DFL-Grand Rapids) and Sen. David Tomassoni (DFL-Chisholm) were appointed to the Iron Range Resources and Rehabilitation Board. Former Rep. Joe Begich was appointed as the Senate's citizen member.

Sen. Don Betzold (DFL-Fridley), Metzen, Sen. Ann Rest (DFL-New Hope), Sen. David Hann (R-Eden Prairie), Neuville and Sen. Claire Robling (R-Jordan) were appointed to the Legislative Audit Commission. Sen. Linda Berglin (DFL-Mpls.), Sen. Paul Koering (R-Fort Ripley), Sen. John Marty (DFL-Roseville) and Sen. Julie Rosen (R-Fairmont) were appointed to the Legislative Commission on Health Care Access. The panel agreed to wait to appoint the final member to the commission.

Members appointed to the Legislative Commission on Planning and Fiscal Policy included Sen. Richard Cohen (DFL-St. Paul), Bakk, Berglin, Frederickson, Betzold, Neuville, Metzen, Pogemiller and Sen. Gen Olson (R-Minnetrista). Sen. Sandra Pappas (DFL-St. Paul), Sen. Mary Olson (DFL-Bemidji), Sen. Tony Lourey (DFL-Kerrick), Sen. Scott Dibble (DFL-Mpls.) Marty, Robling, Koering, Sen. Michael Jungbauer (R-East Bethel) and Sen. Steve Dille (R-Dassel) were appointed to the Legislative Commission to End Poverty in Minnesota by 2020. Ten Senators, Sen. Satveer Chaudhary (DFL-

Fridley), Prettner Solon, Sen. Ellen Anderson (DFL-St. Paul), Metzen, Tomassoni, Rosen, Dille, Sen. David Senjem (R-Rochester) and Sen. Pat Pariseau (R-Farmington), were named to the Legislative Electric Energy Task Force. The panel agreed to wait on naming the final member to the task force.

Ten Senators were also appointed to the Legislative Joint Committee on Regent Nominations. They were Pappas, Hann, Robling, Sen. Charles Wiger (DFL-North St. Paul), Sen. Amy Koch (R-Buffalo), Sen. Geoff Michel (R-Edina), Gen Olson, Sen. Ann Lynch (DFL-Rochester), Cohen and Sen. Kathy Sheran (DFL-Mankato). Sen. Jim Vickerman (DFL-Tracy), Anderson, Chaudhary, Frederickson and Pariseau were appointed to the Legislative-Citizen Commission on Minnesota Resources. John Herman was reappointed as the Senate's citizen appointee. Sen. Keith Langseth (DFL-Glyndon), Sen. Kathy Saltzman (DFL-Woodbury) and Senjem were named to the Minnesota Amateur Sports Commission. A new Joint House-Senate Capitol Restoration Committee was also named. Members are Langseth, Frederickson, Cohen, Rest and Metzen. Gen Olson was reappointed to the Governor's Residence Council and to the Governor's Conservation Legacy Council. Pariseau was appointed to the Minnesota Sesquicentennial Commission.

One final commission remains to be finalized. Members did not vote on the appointments to the Legislative Commission on Pensions and Retirement.

Deadlines okayed

A diverse agenda faced members of the Rules and Administration Committee, Thurs., Feb. 15. The panel, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), approved several resolutions and bills, including a proposed concurrent resolution setting the annual legislative deadlines.

Under the proposed concurrent resolution, there are four deadlines. The first and second deadlines are for policy bills; any policy bill that has not met the deadlines cannot be acted upon later in the year. For the Senate, the first and second deadlines fall on April 14. For the other body, the first and second deadlines fall on March 23. The third deadline is for action on the omnibus spending and tax bills. The third deadline is 2 p.m., April 2. Pogemiller said the exact time, rather than



Senators Tony Lourey (DFL-Kerrick), left, and Steve Dille (R-Dassel) closely examine the details of a bill during the Senate's Thurs., Feb. 15, floor session.

Photo by David J. Oakes

Senate Highlights

just a day, was set because Passover begins at sundown that day and leadership wanted to give members a chance to get home for celebrations. In the Senate, all omnibus spending and tax bills must be approved by the entire body by the third deadline. In the other body, the omnibus bills must be approved by the appropriate finance or tax divisions. The fourth deadline is April 27, and is the date by which the House Speaker and the Senate Majority Leader must have agreed on joint revenue and appropriation limits for conference committees. Committee members approved the proposal for introduction by Pogemiller on behalf of the committee.

Two bills in the forms of resolutions, both urging the federal government to take action, were approved. S.F. 65, carried by Sen. Katie Sieben (DFL-Newport), seeks action to protect the Great Lakes from aquatic invasive species. Sieben said many invasive species are introduced through released ballast water. S.F. 13, sponsored by Sen. Charles Wiger (DFL-North St.

Paul), seeks fulfillment of the federal promise to fund 40 percent of special education costs. Wiger said the federal government has never funded more than 18 percent of Minnesota special education costs, despite the promise made in 1975. Both bills were advanced to the full Senate. However, Pogemiller said resolutions to federal authorities are not encouraged, because they are often treated dismissively in Washington. He said both bills were important enough, however, to merit consideration.

Pogemiller sponsored a resolution, S.R. 6, providing for the payment of expenses of Senators at meetings and seminars. The resolution had been considered at the beginning of the year, but was returned to the committee to address the possibility of adding organizations to a clause listing examples of sponsoring entities. Rather than add sample sponsors, committee members adopted an amendment removing the exemplary clause. The resolution was then forwarded to the full Senate.

Committee members also addressed several proposals relating to Legislators' compensation and per diem. S.F. 106, carried by Sen. Don Betzold (DFL-Fridley), changes the date on which a member's first salary payment is made from January 15 to five days after the member takes the oath of office. Betzold said the January 15 date was a relic of an era when the Senate cut checks only on the first and fifteenth of every month, but that modern systems permit processing of payments at any time. Another provision in the bill repeals a limit on the number of times a Legislator can receive mileage reimbursement for special session travel. Under current law, members may only collect for one round trip between their homes and the Capitol. Betzold said current practice harms members who have to

make two trips because of the spacing between floor sessions. S.F. 106 was approved and sent to the full Senate.

Sen. Ray Vandever (R-Forest Lake) sponsored the remaining compensation-related proposals. S.F. 710 prohibits the payment of per diem, but allows members to be reimbursed for documented, actual expenses. The bill also sets in statute the salary of Legislators. On Vandever's behalf, Sen. David Senjem (R-Rochester) offered an amendment providing for a five-year phase-out of per diem and corresponding phase-in of increased salary. However, because several members of the committee said the amendment was too convoluted, Senjem withdrew the amendment, at Vandever's request. Vandever said the intent of the proposal was to increase transparency of how members are compensated. This is not an attempt to say we are overpaid, he said. No action was taken on S.F. 710.

S.F. 246 requires the expense amounts to be set by resolution adopted by the entire Senate. Under current practice, the Rules and Administration Committee sets the expense amounts in the Senate and the corresponding committee in the other body has similar authority. Vandever said the author of the companion bill in the other body intends to amend the legislation to require both bodies to set expense amounts by resolution, rather than by committee action. He said the intent behind the legislation was to provide for debate by all members about their compensation and reimbursement.

The final proposal, S.R. 24, is a resolution requiring Senate reimbursement rates to be set by resolution adopted by the entire Senate. Debating our reimbursement and expense amounts on the floor, Vandever said, provides the public with more information and makes members more accountable to their constituents. Pogemiller offered a substitute proposal, drafted as a resolution. Under the proposal, the per diem rates set by the Rules and Administration Committee are ratified and members who vote in favor of the resolution may collect per diem as they see fit. Members who vote against the resolution, and thus against the per diem rates, must file a written request to receive per diem, in any amount. Vandever said the proposal was superior to his resolution. Committee members approved the proposal for introduction by Pogemiller on behalf of the committee.



Minneapolis public school student Alejandra Cruz makes an appeal to "let us continue to contribute to our new community by opening the doors to a college education" during a press conference, Wed., Feb. 14, in which several DFL lawmakers unveiled an immigration reform package. One of the proposals would allow undocumented students the opportunity to pay in-state tuition at a Minnesota college or university.

Photo by A.J. Olmscheid

Committee update

Agriculture and Veterans Budget and Policy Division

State GI bill okayed

Members of the Agriculture and Veterans Budget and Policy Division met Tues., Feb. 13, to discuss a bill, dubbed the state GI bill, providing tuition assistance for veterans.

Sen. Sharon Erickson Ropes (DFL-Winona), chief author, said the bill is a combination of proposals advanced by the governor and the attorney general. She said the measure, S.F. 408, provides postsecondary tuition assistance to Minnesota veterans and to the spouses and children of veterans who have become severely disabled or died as the result of their military service.

The bill sets forth the responsibilities of the Office of Higher Education in implementing the bill, establishes eligibility requirements and sets the amount of assistance at \$1,000 per semester, \$3,000 per state fiscal year and \$10,000 total.

Erickson Ropes said, "It is our responsibility to take care of our own, especially those whose lives have been disrupted by war." She said that it is important that veterans be granted all the assistance they need to continue their lives.

Clark Dyrud, commissioner of veterans affairs, said the department doesn't know for sure how many veterans will apply for the program, but the best guess is about 7,000 individuals. In addition to the grants, he said the veterans will be asked to apply for all other types of grants, both state and federal, for which they are qualified. The bill allows the grants to be used at any higher education institution, Dyrud said.

Sen. Gary Kubly (DFL-Granite Falls) offered an amendment removing the tuition grant limits in the bill. Under the amendment, the total amount of assistance for an eligible person must not exceed the total cost of attendance at an eligible institution for up to 128 credits or eight semesters, whichever is greater. Sen. David Hann (R-Eden Prairie) said the amendment expanded the scope of the bill a great deal and asked about the total costs involved. Erickson Ropes said funding the bill, without the amendment, was estimated to be about \$15 million. Kubly said that though he did not know for sure, he had been told the cost with the amendment would not be much more than \$15 million.

Division Chair Jim Vickerman (DFL-Tracy) said it was the division's responsibility to develop the policy rather than the budget impact, because the bill would be funded from the higher education portion of the budget. Vickerman said, "The one thing I don't want to do, though, is to make promises to veterans and then have to say 'we don't have enough money.'"

Sen. Steve Murphy (DFL-Red Wing) said, "We don't want to try and do this on the cheap, not after the men and women of our state have made such sacrifices." Sen. Rod Skoe (DFL-Clearbrook) said, "We need to fill the gaps in assistance."

Members approved the measure and advanced it to the full Finance Committee.

Ag bills heard

Three bills were laid over for possible consideration in an omnibus bill at the Agriculture and Veterans Budget Division meeting, Thurs., Feb. 15.

S.F. 133, authored by Sen. Rod Skoe (DFL-Clearbrook), appropriates money for the control of bovine tuberculosis (TB) in cattle herds. The funding will be used for staff and supplies to support TB testing in northern Minnesota cattle and deer herds, said Linda Glazer, Board of Animal Health.

Carried by Skoe, S.F. 496 appropriates \$930,000 for the next biennium for county and district agricultural societies and associations. The money makes up about 5-10 percent of the funding for many county fairs, said Jerry Schoenfeld, Greater State Advisors. Fairs are one of the few ways rural and city interests come together, Schoenfeld said.

Also authored by Skoe, S.F. 497 appropriates \$1 million in the next biennium for the Minnesota Agricultural Education Leadership Council. The council was created to improve and restructure agricultural education in Minnesota at all levels, Schoenfeld said. The council develops curriculum, and offers scholarships and grants, said Julie Tesch, executive director.

The division approved one bill. S.F. 227, authored by Chair Jim Vickerman (DFL-Tracy), appropriates \$15 million for the Rural Finance Authority loan program. Jim Boerboom, assistant commissioner with the Department of Agriculture, said the program allows the state to purchase participation interest in a farm loan. Borrowers can share the loan with the state

and get a lower rate of interest, Boerboom said. The bill was referred to the Finance Committee.

The Agricultural Utilization Research Institute (AURI) presented an overview of the organization to members. The mission of AURI is to identify and expand markets for existing commodities, develop new uses or value improvement for agricultural commodities, and help develop renewable energy opportunities, said Teresa Spaeth, executive director. One example of an AURI supported project is the study of ethanol co-products as fertilizer, said Dan Lemke, director of communications.

Business, Industry and Jobs

Statewide smoking ban considered

A measure banning smoking in workplaces statewide, including restaurants and bars, was examined by members of the Business, Industry and Jobs Committee, Mon., Feb. 12. The panel, chaired by Sen. James Metzen (DFL-South St. Paul), limited its consideration of S.F. 238 to business and employment issues, rather than health issues.

Sen. Kathy Sheran (DFL-Mankato), chief author, said the bill addresses the lost production time of employees affected by their own smoking and by secondhand smoke. People exposed to smoke have higher health care costs, she said, as well as suffering from lost income and benefits due to early death or disability. Dr. Bernie Mellema, Minnesota Medical Association, said employees' illnesses are economically detrimental to them and their employers. An employee of his medical practice was absent one day last week, he said, because of illness related to smoke exposure at her other job, a one-day-a-week stint as a cocktail waitress. Mellema said she and her health insurer have had to spend thousands on CT scans of her sinuses and other medical treatment.

An economic impact study of local smoking bans showed no negative aggregate impact as a result of the bans, said accountant Michael Bromelkamp. The study showed that the number of hospital-ity establishments increased in all of the surveyed communities, he said, and the number of employees increased in every community except for one. Bromelkamp said the study was based on data covering one year, but that it would be more informational to have three to five years'

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data. Sen. Rod Skoe (DFL-Clearbrook) said smoking bans pick winners and losers within the industry. Bromelkamp said the study was commissioned to examine only aggregate effects. However, he said, individual businesses are affected by a host of factors other than smoking bans.

Kristin Beckman, SEIU, urged committee members to think of all workers and all businesses. There are massive health care costs to businesses and workers due to smoking, she said. Beckman said Legislators should reject exemptions and should protect all service workers, not just those who do not work in private clubs or bars. Elizabeth Gaetz said her St. Cloud restaurant went smoke free two years ago. We had customers return who swore they would never come back, she said.

Steve Watson said the Minnesota Restaurant Association opposes the measure, but that if a smoking ban is to be adopted, it should be uniform across business types and communities. Watson also said the bill should be amended to shift the penalties away from business owners and onto offending smokers. Several bar and restaurant owners also spoke in opposition to the bill, saying the industry is hard enough, especially in Greater Minnesota communities, without having a smoking ban restrict their business. They also discussed the importance of personal choice, both for business owners and potential customers.

A smoking ban has significant detrimental effects on charitable gaming operations, said King Wilson, Allied Charities of Minnesota. Studies show decreases in sales, profits and attendance, he said, which means less money being available for the beneficiaries. King said that decreased revenue and flat expenses will translate into expenses consuming a larger percentage of revenues. The state sets a firm cap on the percentage of revenues that can be used for expenses, he said, and gaming operations may be shuttered as a result.

Dick Kolb, a member of the Osseo American Legion, discussed how having a ban in one community, but not in a neighboring community, has a negative impact on an establishment in the community with the ban. He urged the panel to carefully consider the effects on bars and restaurants in communities along borders with other states and near Indian tribes.

Sen. Thomas Neuville (R-Northfield) sought to clarify the bill's potential

application to tribal casinos and other establishments on tribal land. Sheran said the state does not have the power to ban smoking on tribal lands. Neuville countered that federal law permits states to legislate some activity on tribal lands and that the test is whether the law is regulatory or prohibitive. Senate Counsel John Fuller said the bill and underlying law, the Clean Indoor Air Act, could be interpreted either way.

Smoking ban discussion continues

Members of the Business, Industry and Jobs Committee met Wed., Feb. 14, to continue discussing a bill banning smoking in all workplaces, including restaurants and bars. The committee concluded taking public comments on the measure and acted upon several amendments. Chair James Metzen (DFL-South St. Paul) said the panel had several more amendments to consider and could not finish the bill during its second hearing.

Several bar and restaurant owners discussed the harmful effects of a smoking ban on their businesses. Charles Sinclair, owner of Fabulous Ferns in St. Paul, said his establishment had consistently seen revenue increases of three to five percent for its first 15 years. After St. Paul imposed a strict smoking ban, he said, business fell by 14 percent. Sinclair said some studies have indicated that smoking bans make smoking appear rebellious and thus more appealing to teens and young adults. He urged the panel to consider what would happen to small hospitality establishments with a statewide ban. "We should not be the collateral damage in a war against tobacco," he said. Kris O'Gara said her family's business, O'Gara's in St. Paul, has seen sales fall to levels last seen in 1997. Her husband, Dan, said no restaurants closed after Ramsey County imposed a ban permitting smoking in establishments with more than 50 percent of their revenue from alcohol. After St. Paul imposed a ban without exceptions, he said, at least eight bars have closed and other owners are considering closing their businesses. Minnesota is a cold-weather state, which could mean especially dramatic declines in business if indoor smoking is banned, said Colin Minehart, owner of the Main Street Grill in Alden. In much warmer San Diego, he said, there were 1,200 bars in 1995 and now, after a smoking ban, there are fewer than 400.

Earl "Doc" Smith demonstrated how ventilation systems can keep smoking and non-smoking areas separate. He and his son, Justin, used a gerbil cage, a small exhaust fan and a portable fog machine to simulate a bar or restaurant with smoke. Smith said modern ventilation systems can use pressurization and other techniques to take polluted air out of a room. Systems need to be designed and installed for the specific space, he said, so it is hard to support a blanket statement that no ventilation system works to remove smoky air. However, Sen. Kathy Sheran (DFL-Mankato), chief author of the smoking ban legislation, S.F. 238, said a surgeon general's report indicated that no known ventilation system can remove the invisible particulate matter.

An amendment extending dislocated worker program benefits to employees who lose their jobs because of the smoking ban was offered by Sen. Thomas Bakk (DFL-Cook). The amendment was adopted. Sen. David Tomassoni (DFL-Chisholm) offered an amendment providing for a study of the effect of the smoking ban on charitable gambling. Sen. Ron Latz (DFL-St. Louis Park) noted that charitable gambling revenues have been suffering for years without a smoking ban. Tomassoni said it was nonetheless worthwhile to learn what additional effect a smoking ban has. The amendment was adopted.

Sen. Rod Skoe (DFL-Clearbrook) offered an amendment lowering the penalty, from a misdemeanor to a petty misdemeanor, for the owner of a bar or restaurant where someone violates the smoking ban. Skoe said it was not fair to only charge the violating smoker with a petty misdemeanor and impose the higher penalty on the owner. Latz said owners should face higher consequences, to encourage them to comply with the law and enforce the law in their establishments. Sen. Thomas Neuville (R-Northfield) said making the penalties level is appropriate, but it would be better to raise the penalty for the violating smoker. He added that reducing the penalty to a petty misdemeanor would make it even harder to apply the ban on tribal lands. However, Senate Counsel John Fuller said experts in federal Indian law indicated it was unlikely any non-felony-level law could apply on tribal lands. The amendment lowering the penalty was adopted.



Ventilation specialist Doc Smith and his son, 11-year-old Justin, both from St. Paul, use a gerbil cage and fog machine to demonstrate to members of the Committee on Business, Industry and Jobs, Wed., Feb. 14, how it is—in their estimation—theoretically possible to reduce or eliminate cigarette smoke with a properly installed ventilation system. The committee was hearing testimony on a bill that would institute a statewide smoking ban.

Photo by David J. Oakes

Tomassoni offered an amendment providing an exception for establishments with more than 50 percent of their sales from alcohol. He said bars are the most negatively affected by a smoking ban. Latz said the amendment nearly guts the bill. Representatives of the restaurant industry had previously argued against an exception, Latz noted, because all hospitality establishments compete against each other. Latz offered an amendment to the Tomassoni amendment requiring any establishment that permits smoking to post a sign, with 48 point text, warning consumers of the negative health effects of smoking. The amendment to the amendment was not adopted, 5-12. Latz offered a second amendment to the Tomassoni amendment creating a cause of action against employers for employees who are injured as a result of secondhand smoke. The amendment to the amendment was

defeated on a voice vote. The Tomassoni amendment, providing an exception for bars, was defeated, 8-9. Sen. Dan Sparks (DFL-Austin) offered an amendment providing an exception for bingo halls. The amendment was not adopted, 7-10.

In other action, the panel advanced S.F. 176 to the Finance Committee. The bill, carried by Sen. Ann Lynch (DFL-Rochester), provides \$15 million annually to cover the expenses of a collaborative research project between the University of Minnesota and the Mayo Foundation for research in biotechnology and medical genomics.

Capital Investment

Light rail, bridge requests heard

The Capital Investment Committee, chaired by Sen. Keith Langseth (DFL-Glyndon), met Tues., Feb. 13, to review

bonding requests for the Central Corridor light rail line and local bridges.

Peter Bell, chair, Metropolitan Council, detailed the plans for the Central Corridor for committee members. He said the Central Corridor will be the third major transit project undertaken in recent years, the Hiawatha Line light rail and the North Star commuter rail being the first two projects. He said the Central Corridor will run 11 miles from downtown Minneapolis to downtown St. Paul along University Avenue, and will have 16 stations. The projected weekday ridership is 38,000 by 2020, Bell said. He said the project is building upon the tremendous success of the Hiawatha Line. The Hiawatha Line exceeded ridership expectations and has supported the development of 5,400 new housing units, with 7,000 more in the planning stages, Bell said.

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Bell said the project has community based advisory committees and is being done in partnership with the Department of Transportation, the Ramsey County Regional Rail Authority, the Hennepin County Regional Rail Authority, the cities of St. Paul and Minneapolis and the University of Minnesota. He said the estimated cost for construction is \$849 million, but there are several issues likely to push the cost higher. He said the cost involved with a tunnel under the University's East Bank and extending the line from Fourth Street to the Union Depot in St. Paul add \$227 million to the total.

Rafael Ortega, Ramsey County Rail Authority, and Larry Dowell, St. Paul Chamber of Commerce, both spoke on the necessity of extending the line to the Union Depot. They said plans are for the depot to become a major transit hub for the area.

Members also heard from Rick Kjonaas, Dept. of Transportation, on the funding needed for local bridge replacement. He said the funding including in last year's bonding bill has already been let for a variety of local bridge repair and replacement projects, but there are still many bridges needing work. He said the bridges are deteriorating and some have been closed or had the load limits lowered.

Sen. Charles Wiger (DFL-North St. Paul) came before the committee to ask the group to give serious consideration to replacing the Rice Street bridge over Highway 36. Angela Craig, St. Jude Medical, said the company is planning on a major expansion, but the current infrastructure doesn't meet the company's needs in the future.

Commerce and Consumer Protection

Statewide school district health insurance pool legislation heard

A bill to create a statewide health insurance pool for school district employees was the sole focus of the Thurs., Feb. 15, meeting of the Commerce and Consumer Protection Committee. The committee, chaired by Sen. Linda Scheid (DFL-Brooklyn Park), heard an explanation of the bill and listened to testimony from proponents and some opponents. Most opposition testimony and the consider-

ation of amendments will be held at a later date.

S.F. 276, sponsored by Sen. Don Betzold (DFL-Fridley), creates a statewide health insurance pool for school district employees and retirees. The pool would offer at least six plans, ranging from a bare bones plan to one with all the bells and whistles, said Betzold. He said districts are paying about \$700 million now and the costs keep increasing. A pool to provide health insurance is feasible and will save money, eliminate agency fees and lower administrative costs, he said. Betzold said the bill would stop some of the radical swings in costs and coverage now seen from district to district. He said all districts would be required to participate in the pool. If the plan were to be voluntary, the plan would plunge into a death spiral, Betzold said.

Bob Cooly, insurance consultant, said Education Minnesota has done a survey of 350 entities showing huge differences in costs. He said some employees are going without insurance because of the costs of premiums. Jim Granger, a teacher from Detroit Lakes, spoke in support of the bill. He said it is a common misconception is that an insurance pool will only benefit small districts, but large districts are also susceptible to rate hikes. Tracy Mena, a teacher from St. Louis Park, said she had a 34 percent increase in her health insurance premiums, an increase of \$255 in her portion of the premium. She said district employees are dropping insurance, particularly family coverage.

Jan Alswager, director of government relations for Education Minnesota, said the AFL-CIO and Education Minnesota both strongly support the bill. She said the statewide insurance pool would help districts even out the rollercoaster of premium increases.

Two individuals spoke in opposition to the measure. Jerry Williams, superintendent, Rochester Public Schools, said that since the mid 1980s, the district has had a self-insured program. He said employees pay about \$250 and the district pays about \$650 for a family plan. He said the district has approximately 2,100 employees and everyone in the district has the same plan. "We have not had a premium increase in 30 months and we have improved coverage," Williams said. He said under the insurance pool proposed in the bill, nobody can say what the six plans will look like or what the premiums will be.

"We prefer to keep local control," Williams said. Paul Brinkman, MN Regional Service Agencies, explained the success of service cooperatives in providing school districts with health plans.

Economic Development Budget Division

Division considers four bills

Chair David Tomassoni (DFL-Chisholm) and members of the Economic Development Budget Division heard four bills Mon., Feb. 12.

S.F. 257, authored by Sen. Mee Moua (DFL-St. Paul), authorizes expenditures to pre-design an Asian Pacific Cultural Center in St. Paul. The bill was recommended to pass and sent to the Finance Committee.

The division considered three bills for possible inclusion in the omnibus bill.

Authored by Sen. Gary Kubly (DFL-Granite Falls), S.F. 166 provides for local government planning assistance. The bill appropriates money so that regional development commissions can help small communities without planning staff update land use plans and zoning plans, and better utilize geographic information systems, said John Chell of the Arrowhead Regional Development Commission.

S.F. 466, carried by Sen. Tom Saxhaug (DFL-Grand Rapids), appropriates \$200,000 to the Children's Discovery Museum in Grand Rapids, Minn. With the money, the museum will be able to become self-sufficient, as originally intended, Saxhaug said. Children in northern Minnesota don't have access to extended learning opportunities like children in the Metro Area, said John Kelsch, executive director. Over the last five years, students from 45 school districts in ten counties have visited the museum, Kelsch said.

S.F. 433 appropriates \$2 million for an agricultural-based bioscience training and testing center in Worthington, Minn. Sen. Jim Vickerman (DFL-Tracy), who sponsored the bill, said the center will help grow local companies and attract new companies to the area. Wayne Freese, chief executive officer of Prairie Holdings Group, said the region needs a training program for laboratory work in the biosciences. In Worthington, there are over 250 lab positions that already exist, Freese said.



Senators Mary Olson (DFL-Bemidji) and Patricia Torres Ray (DFL-Mpls.) confer during a Senate floor session, on Mon., Feb. 12.

Photo by David J. Oakes

Arts, history budgets heard

Members of the Economic Development Budget Division, chaired by Sen. David J. Tomassoni (DFL-Chisholm), met Wed., Feb. 14, to consider the budget recommendations for the state's arts and historical agencies.

The governor's budget recommendation for the Arts Board totals over \$18.2 million in FY 08-09, including a \$500,000 annual increase in support for the arts. The governor's recommendation for the Historical Society totals over \$50.8 million for FY 08-09. It includes \$1 million in additional on-going funding to replace the heating, ventilation and air conditioning control system and for lease rate increases at the Minnesota History Center, and \$402,000 in additional support for the Minnesota Military Museum. One-time appropriations in the recommendation include \$2 million to the 2008 Minnesota Sesquicentennial Commission to help plan and underwrite partial costs of state, regional and local level events celebrating the 150th anniversary of statehood, and \$308,000 to preserve the Civil War era and Spanish-

American War era battle flags housed in the Capitol Rotunda.

Budget documents are available online. Arts Board: <http://www.budget.state.mn.us/budget/operating/200809/gov/338389.pdf>

Historical Society: <http://www.budget.state.mn.us/budget/operating/200809/gov/338416.pdf>

Education

Suburban districts visited

Members of the Education Committee held two meetings away from the Capitol, Mon., Feb. 12, and Tues., Feb. 13, to hear from parents and school officials in four suburban school districts. The panel, chaired by Sen. Charles Wiger (DFL-North St. Paul), met with interested parties from the Eden Prairie, Hopkins, Robbinsdale and St. Louis Park School Districts to discuss school testing, performance-based teacher compensation and other issues.

Obsolete rules discussed

The Education Committee, chaired by Sen. Charles Wiger (DFL-North St. Paul),

met to discuss obsolete and unnecessary reports, rules and mandates, Wed., Feb. 14.

As part of the budget process, the Department of Education looks at laws that should be repealed or revised, said Chas Anderson, deputy commissioner.

One recommendation of the department is to remove the mandate requiring an annual report from the superintendent on expenditure and passage rates on basic standards tests, said Tom Melcher, director of program finance. Superintendent John Thein, Roseville School District, agreed with removing the mandate. Schools are working very hard to focus revenue and resources in the classroom, not on administrative reports, he said.

Jan Alswager, with Education Minnesota, said mandates are laws, and the Legislature has given a lot of thought to these issues in the past. Any proposal to eliminate mandates should have a full hearing and discussion, she said.

Wiger said many of the proposals discussed will parts of bills that will be considered later in the session.

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E-12 Education Budget Division

Governor's bill heard

The governor's recommendations for education spending were the focus of the Tues., Feb. 13, and Wed., Feb. 14, meetings of the E-12 Education Budget Division. Tom Melcher, education finance director at the Dept. of Education, reviewed the provisions of the governor's bill, S.F. 750, carried by Division Chair LeRoy Stumpf (DFL-Plummer).

The measure includes spending \$19.147 million in FY 08 and \$55.927 million in FY 09 to create 3R high schools, providing \$7.3 million in FY 08 and \$8.111 million in FY 09 for schools to implement and expand Advanced Placement, pre-Advanced Placement and International Baccalaureate programs, and offering \$150 million in FY 08-09 to make one-time reward payments to schools earning at least three stars on the state school report card. The proposal launches, in FY 09, a six-year alternative school calendar pilot project supported by \$2 million annually.

Budget documents for education are available online at: <http://www.budget.state.mn.us/budget/operating/200809/gov/338403.pdf>

Energy, Utilities, Technology and Communications

Utility control center toured

Chair Yvonne Prettner Solon (DFL-Duluth) and members of the Energy, Utilities, Technology and Communications Committee used their Tues., Feb. 13, meeting time to tour the Xcel Energy electric system control center in downtown Minneapolis.

Environment and Natural Resources

Hunting, fishing bills heard

The Environment and Natural Resources Committee met Mon., Feb. 12, to hear several bills relating to hunting and fishing. Chair Satveer Chaudhary (DFL-Fridley) said the bills having financial implications would be forwarded to the Finance Committee, while the bills with

no budgetary impact would be held in committee to be considered for an omnibus policy bill.

S.F. 262, sponsored by Sen. Sharon Erickson Ropes (DFL-Winona), removes a provision specifying that a nonresident license to take deer by archery costs an amount equal to the total license, fee and surcharges in the person's state or province of residence, if the cost is more than \$135. Under the bill, the cost for a nonresident license to take deer by archery is set at \$135. S.F. 150, authored by Sen. Pat Pariseau (R-Farmington), authorizes a lifetime trapping license. Current law allows for lifetime hunting and fishing licenses, Pariseau said. She said when the lifetime licenses were authorized, the trappers were not ready to participate, but the organizations have recently passed resolutions in support of the lifetime license. A bill to modify the angling license fee, S.F. 282, was sponsored by Sen. Dan Skogen (DFL-Hewitt). The bill sets the license for anglers age 65 and over at \$8.50 per year. Skogen said there will be an impact from lowering the fee, but the lower fee might encourage more seniors to fish, with all the economic activity angling supports. All three measures were forwarded to the Finance Committee.

A bill, S.F. 88, sponsored by Sen. Michelle Fischbach (R-Paynesville), specifies that a person may place bait within a reusable metal container, if the container is designed to restrict other scavenging animals from taking the bait and is removed at the end of bear season. Pariseau, presenting the measure for Fischbach, said current law specifies that containers must be biodegradable. Mike and Kirsten Lucken, owners of a business that makes bear bait containers, said the current language is unclear whether it is the bait or the container that must be biodegradable. S.F. 283, carried by Sen. Betsy Wergin (R-Princeton), provides for a walk-in public access plan for outdoor recreation. Under the bill, the commissioner of natural resources may encourage owners and operators of privately held land to voluntarily make that land available for walk-in access by the public for hunting and fishing under programs administered by the commissioner. Both measures were held over for possible inclusion in an omnibus bill.

Wildlife presentations heard

Members of the Environment and Natural Resources Committee met Wed.,

Feb. 14, to hear several overviews. The panel, chaired by Sen. Satveer Chaudhary (DFL-Fridley), heard Department of Natural Resources' presentations on wildlife and fisheries and on roadsides for wildlife. In addition, members heard a presentation on the Greater Blue Earth Watershed.

Ed Boggess gave a presentation on the activities of the Game and Fish Division of the Dept. of Natural Resources. He said the Division manages and protects fish and wildlife and their habitats and public use of fish and wildlife. He said the Division conserves and enhances the fish and wildlife population and their habitats through regulation, restoration, research, monitoring and education.

Members also heard a presentation on the roadsides for wildlife program. Carmelita Nelson said the objectives of the program are to reduce the disturbance of roadside vegetative cover until after Aug. 1 of each year, incorporate native prairie species in roadside planting and explain the benefits of a diverse and undisturbed roadside environment. She said roadsides with undisturbed native vegetation provide improved wildlife habitat, reduce long term weed and erosion control costs, and improve water filtration into the soil.

The Greater Blue Earth Watershed project was explained by Lansing Shepard and Paula Westmoreland. They said the Greater Blue Earth River drains 2.26 million acres in south central Minnesota and northern Iowa before converging with the LeSueur and Watonwan Rivers near Mankato. The watershed has some of the world's best soils with healthy crop yields and the local economy depends heavily on agriculture, but the wetlands have been damaged throughout the years, they said. The project, under the auspices of the Pollution Control Agency, has been awarded grants to implement wetlands restoration projects, offer incentive programs to reduce nutrient runoff, conduct water quality education and demonstration projects and conduct workshops on construction erosion control and rain gardens.

Forestry bills heard

The Environment and Natural Resources Subcommittee on Forestry met Thurs., Feb. 15, to consider two bills. Sen. Tom Saxhaug (DFL-Grand Rapids), subcommittee chair, sponsored both

measures. S.F. 420 provides for firewood pest control regulation. The measure authorizes the commissioner of natural resources to take steps to control an infestation on public and private lands once a zone of infestation has been established. In addition, the bill specifies that a person may not possess firewood on land administered by the commissioner, unless the firewood has been approved.

S.F. 438 authorizes the commissioner of natural resources to sell forest resource assessment products, lowers the limit for harvesting decorative boughs from 100 pounds to 25 pounds and removes the expiration of sustainable forest resources provisions. Both bills were laid over for inclusion in an omnibus bill.

Environment, Energy and Natural Resources Budget Division

Renewable energy outlined

Overviews of the Initiative for Renewable Energy and the Environment (IREE) at the University of Minnesota and of the renewable development fund were the focus of the Tues., Feb. 13, meeting of the Environment, Energy and Natural Resources Budget Division. The panel, chaired by Sen. Ellen Anderson (DFL-St. Paul), began by hearing an overview of IREE from Bob Elde, chair of the IREE Executive Committee.

Elde said the IREE was founded in 2003 with the goal of promoting statewide economic development, sustainable, healthy and diverse ecosystems and national security through development of bio-based and other renewable resources and processes. He said IREE has funded over 110 renewable energy related projects and collaborated with more than 130 external organizations on various projects. IREE funding is used to produce cutting-edge integrative research and demonstrations, Elde said. He said the projects must have scientific and technical merit, be innovative and ingenious, be unique on both a national scale and to the University, and have the potential to make a significant contribution to society and systems for renewable energy and products.

He said the IREE focuses on agriculture and forestry, environment, electricity, transportation and education and outreach. He said the organization hopes to garner continued resources for basic and

applied research, education, strategic partnerships and for a proposed national center for biofuels research.

The activities of Xcel Energy's renewable development fund were described by Bill Grant, Izaak Walton League. The fund was mandated as part of the Prairie Island nuclear cask storage bill to increase the market penetration of renewable energy resources at reasonable costs in the Xcel Energy service territory, promote the start-up, expansion and attraction of renewable energy projects and companies in the Xcel Energy service territory and stimulate research and development into renewable technologies that support this mission. Mark Ahlstrom, CEO, WindLogics, and Linda Meschke, president, Rural Advantage, described the ways their companies benefited from the fund.

DNR budgets reviewed

Budgets for several divisions of the Dept. of Natural Resources were reviewed at the Thurs., Feb. 15, meeting of the Environment, Energy and Natural Resources Budget Division. The panel, chaired by Sen. Ellen Anderson (DFL-St. Paul), heard from the directors of the Fish and Wildlife Division, the Forestry Division, the Waters Division and the Office of Management and Budget Services.

David Schad, director, said the Fish and Wildlife Division has a total budget from all funds of \$167.4 million, with most of the monies coming from the game and fish fund. He said the division's core functions are to conserve and restore fish and wildlife populations and habitats, to support fish and wildlife recreation, to propagate fish for stocking and to conduct fish and wildlife inventory, research and monitoring. Schad said there are 5,400 fishing lakes, 16,000 fishable streams and rivers, 1,381 wildlife management areas and more than 50 game species managed. He also outlined three critical trends, habitat loss and fragmentation, lower recreation participation and agricultural land use. Schad said major initiatives have been restoration of prairie wetlands, angling and hunting recruitment, wildlife disease management and roadside habitat. For the coming biennium, the governor recommends total appropriations of \$176.7 million.

The Forestry Division budget and activities was explained by Director Dave

Epperly. He said the core forestry function are to protect people, property and natural resources from wildfire harm, manage 4.5 million acres of state forest lands, help landowners and communities restore and improve forests, produce tree seedlings for conservation planting and implement the policies of the Sustainable Forest Resources Act. A sustainably managed forest provides multiple benefits, including biological diversity and wildlife habitat, timber productivity and harvests and maintenance of wildlife populations. The governor's recommendation for the Forestry Division is \$137.5 million from all funds, Epperly said.

DNR completes overview

The Environment, Energy and Natural Resources Budget Division, chaired by Sen. Ellen Anderson (DFL-St. Paul), finished a Department of Natural Resources overview Fri., Feb. 16.

Kent Lokkesmoe, director, Waters Division, explained the activities and goals of the division. He said the division's core functions include public waters protection, water supply management and flood hazard mitigation. The governor recommends a total of \$34 million from all funds for the division, he said. Lokkesmoe said federal funds account for about 20 percent of the division's budget.

The operations support budget was presented by Denise Anderson, administrator, Office of Management and Budget Services. The governor recommends a total of \$16.3 million for the operations support budget. The budget is \$10.9 million under the appropriations for the current biennium because funds will be reallocated to specific departments, Anderson said. Each division will be able to manage how its portion of the operations support budget is spent, she said.

Health, Housing and Family Security

Healthcare bill gains

Chair John Marty (DFL-Roseville) and members of the Health, Housing and Family Security Committee met Mon., Feb. 12, to continue work on S.F. 2. Carried by Sen. Linda Berglin (DFL-Mpls.), the bill makes changes to health care statutes with the goal of moving the state toward universal healthcare coverage.

S.F. 2 creates a prescription drug discount program for Minnesotans who do

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not have prescription drug coverage and who earn less than 300 percent of the federal poverty guideline, Berglin said. The bill also includes measures to simplify enrollment in the MinnesotaCare program, she said. Sen. Tony Lourey (DFL-Kerrick) said the bill also establishes an option for small businesses to buy coverage for employees through MinnesotaCare. The plan allows small businesses to benefit from the state's purchasing power, he said.

Julie Brunner, executive director of the Minnesota Council of Health Plans, said the council opposes language in the bill the places caps on health care premiums. Placing arbitrary caps on premiums does not address the system's health care drivers such as new technologies and an aging demographic, and will put a heavier burden on the health care system, she said. Sen. David Hann (R-Eden Prairie) offered an amendment to remove the caps on premiums from the bill. Premium caps and

other price controls interfere with the marketplace and add to high costs and lower availability of service, Hann said. The amendment was not adopted.

The bill was recommended to pass and re-referred to the Commerce and Consumer Protection Committee.

Medical marijuana gets green light

Chair John Marty (DFL-Roseville) and members of the Health, Housing and Family Security Committee heard testimony for the first time this session on S.F. 345, providing for the medical use of marijuana, at a Wed., Feb. 14 meeting. Sen. Steve Murphy (DFL-Red Wing) authored the bill.

S.F. 345 has strong support from healthcare professionals, Murphy said. The program will be modeled after programs in other states, Murphy said. Currently 11 other states allow medical use of marijuana, he said. This is a health issue, it's

about helping people manage their pain, Murphy said.

James Backstrom, county attorney for Dakota County, said the Minnesota County Attorneys Association and law enforcement officials across the state oppose the bill. There is no proven medical value of smoking marijuana; it is a dangerous and addictive drug that poses dangers to users, he said. Backstrom also said that while the bill would allow medical use of marijuana, it would still be illegal under federal law.

Tom Prichard, president of the Minnesota Family Council, also spoke in opposition to the bill. S.F. 345 circumvents the U.S. Food and Drug Administration (FDA) process to approve the drug, Prichard said. There are no standards or research on the dosage to be used or the quality of the plants, he added.

Testifying in favor of legalizing marijuana for medical use, Tom Fonio said



Dressed in a "Woody the Wood Duck" costume, Century College student Maureen Monson braves the cold with dozens of other college students on the Capitol grounds, Wed., Feb. 14, for a rally sponsored by the Minnesota State College Student Association.

Photo by A.J. Olmscheid

he is one of 350,000 Americans living with multiple sclerosis (MS), a painful and debilitating disease. There is no cure for MS at this time, the best one can hope for is to manage the pain, he said. Fonio said he doesn't see why the law should prevent him and his doctor from considering a viable option for treating his illness.

Darrell Paulsen, who was diagnosed with cerebral palsy as a baby, said he has tried Marinol, a synthetic version of THC, the main psychoactive substance in marijuana. In Paulsen's experience, Marinol is less effective in treating his spasticity and stimulating his appetite, he said. Unlike marijuana, the synthetic version also has severe side effects that leave him groggy and nauseous, he said. Paulsen said he faces the threat of being arrested for privately and responsibly using a small amount of marijuana.

The bill was recommended to pass and re-referred to the Judiciary Committee.

The committee considered two other bills. S.F. 555, carried by Sen. Linda Berglin (DFL-Mpls.), extends the essential community provider (ECP) designation. Agencies designated ECP generally provide necessary physical and mental health services to underserved communities, said Jessica Webster, Legal Services Advocacy Project. The bill was recommended to pass and sent to the Senate Floor.

S.F. 461, also carried by Berglin, modifies food stamp requirements. The bill is to make sure people are taking advantage of the food stamp program, Berglin said. In recent years, the use of food shelves has gone through the roof while food stamp use has declined, she said. S.F. 461 would require food stamp recipients to report every six months, instead of every month as required now, Berglin said. The bill was recommended to pass and re-referred to the Finance Committee.

Health and Human Services Budget Division

DHS budget review completed

Examination of the governor's budget recommendations for the Dept. of Human Services concluded, Mon., Feb. 12, for members of the Health and Human Services Budget Division. The panel, chaired by Sen. Linda Berglin (DFL-Mpls.), heard from Assistant Commissioner

Wes Kooistra on chemical and mental health initiatives and from Assistant Commissioner Brian Osberg on DHS health programs.

Kooistra discussed a proposal to target grant funds to support the mental health service delivery infrastructure and a proposed one-time reduction in funding for the Minnesota Security Hospital. He said the reduced funding for the security hospital is due to an updated patient projection showing a diminished need for resources. Osberg discussed proposals to adjust the mileage reimbursement rate for health care program clients and to continue the critical access dental program for Medical Assistance. He also outlined proposed funding to help applicants obtain necessary citizenship and identity documents for Medical Assistance and MinnesotaCare, and to create a data matching system to verify birth records of applicants and enrollees born in Minnesota.

MDH budget reviewed

Members of the Health and Human Services Budget Division met Tues., Feb. 13, to consider the governor's budget recommendations for the Dept. of Health. Department staff walked the panel, chaired by Sen. Linda Berglin (DFL-Mpls.), through the budget recommendations.

The recommendations include providing \$2.5 million in FY 08 and \$5.5 million in FY 09 for grants to local public health and tribal governments for the provision of family home visiting services, spending \$900,000 annually to expand current efforts to prevent fetal alcohol spectrum disorders, and offsetting losses to the medical education and research costs fund due to changes required by the federal Centers for Medicare and Medicaid Services with an annual appropriation of \$8 million from the health care access fund. Other recommendations include spending over \$600,000 for tuberculosis testing, treatment and case management and general fund appropriations of \$12.375 million in FY 08, \$7.375 million in FY 09 and \$4.375 million in FY 10 and beyond to support the capability of the department, local public health and the healthcare system to be ready for a pandemic influenza event. The proposal also includes several fee increases, including a \$20 increase to the newborn screening fee, a \$10 increase in the specimen handling fee, increases in various mortuary

science fees, and an increase in the certification and examination fees for non-audiology hearing instrument dispensers so that total biennial revenues will approximate biennial expenditures.

Complete budget documents for the Dept. of Health are available online: <http://www.budget.state.mn.us/budget/operating/200809/gov/338414.pdf>

Division considers four bills

The Health and Human Services Budget Division heard testimony on four bills at a Thurs., Feb. 15, meeting. Each bill was laid on the table for possible consideration in the omnibus bill.

S.F. 82, authored by Division Chair Linda Berglin (DFL-Mpls.), appropriates \$280,000 for grants to programs serving young parents with large families striving to become self-sufficient. Hiattia Small, a case manager at New Chance, an employment action center, said the program teaches young women with children how to participate in everyday living and gives them the tools they need to become successful, such as acquiring daycare or enrolling the women in school.

Also carried by Berglin, S.F. 154 modifies several Minnesota Family Investment Program (MFIP) and child care provisions. The bill will start to address some of the worst cuts in Minnesota history in the areas of welfare, childcare and health care, said Trishalla Bell, Welfare Rights Committee.

Authored by Sen. Yvonne Prettner Solon (DFL-Duluth), S.F. 214 appropriates \$2.2 million for suicide prevention grants. In 2004, there were more than 500 deaths by suicide in Minnesota, Prettner Solon said. The bill reestablishes suicide prevention grants that were eliminated from the budget in 2005, said Will Wilson, Mental Health Association. Because of this, Minnesota has the lowest investment in suicide prevention of any state in the nation, Wilson said.

S.F. 250, authored by Berglin, changes the chemical dependency allocation to counties. Currently, some counties are paying 69 percent of the cost of chemical dependency services, while some counties are only paying 4 percent, said Cindy Rupp, manager, Washington County Social Services. The bill changes the allocation from the state in phases until all counties pay 15 percent of the cost of chemical dependency treatment funding, Berglin said.

Committee update



From left, Senators Sandra Pappas (DFL-St. Paul), Charles Wiger (DFL-North St. Paul) and Ron Latz (DFL-St. Louis Park) consult in the Senate chamber following the Senate's Thurs., Feb. 15, floor session.

Photo by David J. Oakes

The division also heard an overview of the governor's budget recommendations for the Minnesota Veterans Homes Board. The governor recommended an increase of \$14.8 million dollars for compensation adjustments, maintenance of current service levels, and building repairs and betterments, said Douglas Rickabaugh, financial director. Maintenance of current services reflects cost increases in food, drugs, utilities and equipment, he said. The budget reflects what the board feels will be needed to care for our veterans, Rickabaugh said.

Higher Education Budget and Policy Division

University of Minnesota's strategic plan, biennial budget request heard

Examination of the University of Minnesota's budget request began, Tues., Feb. 13, as members of the Higher Education Budget and Policy Division heard from University President Robert Bruininks on the U's strategic planning and budget development processes.

Bruininks told division members, chaired by Sen. Sandra Pappas (DFL-St.

Paul), that the University is a great institution with a long history that predates Minnesota's statehood. One of the most important priorities of the Minnesota Territory's early leaders was ensuring a quality education for future generations, he said. He described the U's mission as having three elements: research to create knowledge and encourage discovery, education to disseminate knowledge, and outreach to apply knowledge and convert discoveries into practical applications. Bruininks described the 20 measurement factors used to evaluate the University's performance and develop its on-going strategies. He also discussed the U's efforts to restrain tuition increases.

The University's budget request includes \$67 million to improve compensation across the institution and \$28.5 million to target additional compensation toward world-class faculty for whom the University must compete against other prominent universities. Under the request, \$24.9 million is dedicated to new initiatives to improve undergraduate writing, expand academic advising, offer more undergraduate research opportunities, increase financial support for graduate students, and invest in libraries. The

request also includes \$6.9 million to support technological innovations, \$27.9 million for health workforce and clinical sciences education, \$15.6 million for investments in advanced science and engineering education, and \$11.5 million for efforts to discover solutions to urgent environmental problems.

U budget heard

Examination of the University of Minnesota's budget continued, Thurs., Feb. 15, as members of the Higher Education Budget and Policy Division concluded their consideration of the University's budget request and discussed the governor's recommendation for the U budget.

The final portion of the University's request was for higher education asset preservation and replacement. S.F. 901, carried by Sen. David Senjem (R-Rochester), contains the University's request for \$22 million to maintain and improve the U's physical infrastructure at its campuses across the state. The measure was approved and advanced to the full Finance Committee.

Division members, chaired by Sen. Sandra Pappas (DFL-St. Paul), heard statements of support for the University's budget requests from representatives of faculty and student organizations. The faculty members discussed the important work the University does in research, teaching and community development. Matt Schmit, a graduate student in public health and public policy, said students are inspired by the U's past accomplishments and excited about its future. However, he said, many students are taking on significant debt loads to advance their education. Graduating with debt around or above \$100,000 makes it hard for students to choose to do good in the community rather than do well financially, Schmit said. Undergraduate student Max Page said some of his colleagues have dropped out temporarily or permanently because they could not afford tuition increases. Students who stay have to reconsider their plans for graduate or professional school because they have so much undergraduate debt, Page said.

Sen. Claire Robling (DFL-Jordan) and Susan Heegaard, director of the Office of Higher Education, presented the governor's budget recommendation for the University. It includes a \$153 million increase from the last biennium, Robling

said, which is about a 15 percent increase. However, University President Robert Bruininks said the governor's proposal is at best a status quo budget. In terms of recurring money, the governor's proposal offers less than five percent growth each year, he said. A lot of the new funding is one-time money, he said, and the University cannot responsibly budget for long-term needs, priorities and visions with one-time dollars. The admirable goals the governor has set for the University require long-term effort and cannot be accomplished with one-time funds, Bruininks said. He said the University wants to work with Legislators and the governor to provide stable long-term funds while also helping policymakers hold the University accountable.

Judiciary

Three bills okayed

The Judiciary Committee, chaired by Sen. Mee Moua (DFL-St. Paul), heard four bills, approving three at a Tues., Feb. 13, meeting.

Authored by Sen. Dan Sparks (DFL-Austin), S.F. 167 makes numerous technical changes to unemployment insurance. One change under the bill reduces the number of days a person who has been found liable can appeal the decision from 30 days to 20 days, said Lee Nelson, director of unemployment insurance legal affairs with the Minnesota Department of Employment and Economic Development. The change will not be a burden because technological advances allow people to file using the phone or internet, so things can be done faster, Nelson said. The bill was recommended to pass and re-referred to the Finance Committee.

S.F. 147, authored by Sen. John Marty (DFL-Roseville), establishes a privileged communication for 12 step support group meetings. The bill extends the privilege between a doctor and patient or priest and parishioner to statements made in a 12 step meeting, Marty said. The 12 step program is a spiritual recovery program from which people receive a therapeutic benefit and deserves confidentiality, said Michael Braman. The Hennepin County Attorney's Office opposes the bill because there are no clear definitions of what constitutes a meeting and who is a member, said Pete Cahill, managing attorney of the Special Litigation Division. Under the traditions

of Alcoholics Anonymous, any two members who are talking to each other could be considered a meeting, Cahill said. The committee laid the bill on the table so Marty could address the issues that were raised.

Sen. Don Betzold (DFL-Fridley) carried S.F. 463, which increases notary public fees. Since 1983, notaries have been able to charge a maximum fee of \$1, Betzold said. The bill raises the maximum to \$5, but notaries are not required to charge a fee, he said. The bill was recommended to pass and sent to the Senate floor.

S.F. 322, also authored by Betzold, expands early intervention services for chemically dependent pregnant women. Women who are pregnant and abusing drugs or alcohol may not be a clear danger to themselves, but they are a danger to the baby, Betzold said. The bill creates a last resort plan to get the woman and her baby the help they need, said Dr. Lydia Caros, executive director of the Native American Community Clinic. The bill was recommended to pass and re-referred to the Finance Committee.

Marriage procedures modified

The Judiciary Committee, chaired by Sen. Mee Moua (DFL-St. Paul), met Thurs., Feb. 15, to consider four bills, two of which sparked considerable discussion.

S.F. 624, sponsored by Sen. Don Betzold (DFL-Fridley), clarifies terms and procedures and increases some fees. The bill clarifies that the general marriage license requirement applies to marriages in Minnesota and the license may only be used for marriages occurring in the state. In addition, Betzold said, the bill tightens up a loophole under current law that is intended to prevent identity fraud by persons who have been convicted of a felony by requiring the application to refer to any name change, not just use of a different surname. The bill also increases the marriage license fee by \$10, with the additional revenue remaining with the county. Betzold said the counties have been receiving \$15 of the current fee since the 1970s, but costs have increased since that time. The measure also specifies that only one marriage certificate be completed, rather than the two now required.

Several Senators said the provision raising the marriage license fee from \$100 to \$110 is counter to the state's interest in encouraging marriage. Sen. Leo Foley

(DFL-Fridley) said the fee has been raised to provide for a number of programs and another raise provides another barrier to marriage. Moua said all of the fees and the distribution of those fees need to be reviewed. The measure was approved and advanced to the Senate floor.

Sen. Rick Olseen (DFL-Harris) sponsored a bill increasing the amount a county is allowed to charge as a booking fee from \$10 to \$25, whether or not the person is released upon completion of the booking process. The bill also contains a provision allowing the fee to be waived if the person is unable to pay or the payment would cause undue hardship. Stearns County Sheriff John Sanner said the fee needed to be raised to offset some of the increased costs in the booking process, such as providing information to CriMNet. However, members of the committee questioned the collection of the fee from persons who have not been convicted of any crime. Sen. Thomas Neuville (R-Northfield) offered an amendment providing for the mandatory collection of a \$45 booking fee upon conviction of a crime. The amendment also contained provisions for waiving the fee if the person is unable to pay. The amendment was adopted. The bill was approved and referred to the full Senate.

In other action, the panel also approved S.F. 660. The bill, sponsored by Sen. Rod Skoe (DFL-Clearbrook), allows a county board to withdraw from cooperation in a regional jail system in accordance with the terms of a joint powers agreement. S.F. 675, sponsored by Sen. Linda Higgins (DFL-Mpls.), corrects an unintentional repeal made in last year's omnibus crime bill. The bill credits abandoned bail in Hennepin County to the Hennepin County Law Library and the municipalities and subdivisions of government in the county. In addition, the bill appropriates \$200,000 to make up for the bail proceeds that were inadvertently sent to the state's general fund. The measure was approved and sent to the Finance Committee.

Judiciary Budget Division

Budget overview heard

Chair Leo Foley (DFL-Coon Rapids) and members of the Judiciary Budget Division met to hear the judicial branch budget presentation Tues., Feb. 13.

In 2006, the judicial branch had a budget of \$281 million, said Sue Dosal,

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state court administrator. This biennium is the first time the judiciary will be funded entirely by the state, Dosal said. Previously, counties funded district courts, she said. For FY 2008-2009, the judicial branch request is about \$66 million for strategic initiatives, legally mandated services, caseload growth and maintenance of core operations Dosal said.

Of the request, \$7.4 million will be used for drug courts, Dosal said. Drug Courts are designed to provide greater offender oversight, emphasize treatment and rehabilitation, and restore addicted criminal offenders to law abiding lives, she said. Drug Courts have been proven to reduce recidivism which reduces court costs, said Judge Robert Rancourt, Chisago County Juvenile Drug Court. Barb Klein, the first graduate from the Stearns County Drug Court, said that in the program she practiced every day being accountable and being honest, and now it's a habit. Klein said she has been sober for three years since leaving the program.

Legally mandated services include guardian ad litem, interpreters and psychological services, Dosal said. Increases in the number of cases have led to increases in requests for these services, she said. In 2005, for example, approximately 33,000 court hearings required the use of an interpreter, Dosal said. To ensure the rights of all people who appear in court, the interpreters are needed, said Judge Edward Toussaint.

Property Tax Division

Report overviews heard

The Property Tax Division heard two reports from the Department of Revenue at the Tues., Feb. 13, meeting.

The division began the meeting by hearing S.F. 269. Authored by Chair Rod Skoe (DFL-Clearbrook), the bill makes a temporary aid payment to Mahanomen County. Dean Johnson, Mahanomen city administrator, said that in the past, the local casino has made up about half of the city's property tax base, but the casino is entering a trust and is no longer taxable. In 2006, Mahanomen received an appropriation of \$600,000 to offset the loss of property tax revenue, Skoe said. The bill aims to make the appropriation ongoing, he said. The bill was laid over for possible inclusion in the omnibus bill.

The Department of Revenue presented two reports to the division. The first

report looked at the green acres classification. Agricultural land is classified under green acres to mitigate the effects of non-agricultural influences, such as urban sprawl and recreational use, on land values and property taxes, said John Hagen, Department of Revenue. There needs to be uniformity in how assessors determine the agricultural value of land, Hagen said. The report also recommends creating guidelines for when land should be included in green acres and when it should not, he said.

The second report looked at residential assessment and classification practices, said Gary Amundson, Department of Revenue. There are not many issues with valuations of properties, so the report looks mostly at classification issues, Amundson said. One example of a situation where existing classifications for residential non-homestead and seasonal residential recreational properties are unclear is when a residence in a non-recreational area, such as a city, is used as a seasonal recreational property, he said. With rising property values on lakes, people are willing to buy a small home in a nearby town and commute to area lakes, Amundson said. The report recommends creating clear definitions of the classifications to promote uniformity, he said.

Public Safety Budget Division

Communications budgets reviewed

Members of the Public Safety Budget Division, chaired by Sen. Linda Higgins (DFL-Mpls.), devoted their Mon., Feb. 12, meeting to discussing the budget recommendations for the Allied Radio Matrix for Emergency Response (ARMER) and CriMNet.

Ron Whitehead, ARMER director, said the development of a coordinated statewide shared radio system was begun in 1997 when the Metro Area Regional Backbone System was funded. Whitehead said the project was previously known as the 800 megahertz system. He said the goal is to implement and operate a statewide shared radio system that will serve not only state agencies, but also be available on a voluntary basis to all units of government and first responders throughout the state. The system provides an advanced technology where local, county, regional and state public safety users share the basic commu-

nication infrastructure, he said. He said the governor's budget recommendation provides for the complete build-out of the ARMER backbone to all 87 counties of the state over the next four years, full funding for the operating costs of the backbone and maintenance of the highest level of interoperability by upgrading the backbone in the Metro Area to same platform as Stearns and Olmsted Counties.

Members also heard from county sheriffs, police chiefs, fire chiefs and other law enforcement professionals who support the ARMER system. The public safety professionals stressed the ease of communicating with other entities because of the interoperability of the system. In addition, they said the safety of citizens is enhanced with the increased capacity of the system.

The Bureau of Criminal Apprehension CriMNet program was also reviewed. Tim O'Malley, superintendent, said the information sharing is vital for better results at solving crimes. Dale Good, director, CriMNet, presented the budget detail. He said the governor recommends additional funding to begin implementation of the core, statewide information integration priorities that will link and consolidate information to support better decision-making at key events in the criminal justice system. He said the key initiatives include develop a statewide service (the name event index service – NEIS) that will link people and event by a biometric, such as fingerprints, to provide accurate information of individuals, develop an electronic system to prepare and transmit charging documents between law enforcement, prosecution offices and the courts, allow criminal justice users to access statewide repositories of information through a single point of access, replace existing livescan units that are at the end of their lifecycle and do not support palm print capture and develop an updated criminal justice reporting system that meets Federal Bureau of Investigation requirements.

Task force budgets considered

The budgets for and operations of the state's multi-jurisdictional criminal task forces were the focus of the Wed., Feb. 14, meeting of the Public Safety Budget Division, chaired by Sen. Linda Higgins (DFL-Mpls.). The general fund budget recommendation for the state's gang and drug task forces is \$1.4 million in FY 08 and \$2.7 million in FY 09. The total



Former State Senators and current Minnesota District Court Judges David Knutson (First District), left, and David Ten Eyck (Ninth District) share their experiences and concerns with members of the Judiciary Budget Division, Tues., Feb. 13.

Photo by David J. Oakes

budget for the gang and drug task forces is \$2.7 million each year, but \$1.3 million in federal funds are available for FY 08. Division members also discussed the operations of the Financial Crimes Task Force and how the task force relates to other law enforcement agencies.

Women's prison visited

Members of the Public Safety Budget Division, chaired by Sen. Linda Higgins (DFL-Mpls.), traveled to Shakopee, Fri., Feb. 16, to visit the state's correctional facility for women. The facility houses almost 500 adult women at all custody levels in 11 buildings, including a segregation unit with a connected mental health programming unit connected, an industry/vocational educational building, and a heating plant. Inmates are provided work opportunities, through MINNCOR Industries, in data processing, assembly, market research, sewn products, and subcontract work. Additionally, inmates may work in maintenance crews and food service. Offenders are provided access to academic and vocational educational

opportunities and mental health and treatment services. Almost 70 percent of the inmates are between the ages of 26 and 45, with a full age range of 19 to 92.

More information about the Shakopee correctional facility is available from the Department of Corrections: <http://www.corr.state.mn.us/facilities/shakopee.htm>

State and Local Government Operations and Oversight

Health/PE standards gain

A bill permitting the commissioner of education to adopt statewide health and physical education standards was approved by members of the State and Local Government Operations and Oversight Committee, Mon., Feb. 12.

Sen. David Tomassoni (DFL-Chisholm) authored S.F. 382, granting rulemaking authority to the commissioner of education to develop health and physical education standards required for high school graduation. The bill permits

the commissioner to adopt statewide standards; under current law, the standards are locally developed. The bill was advanced to the Finance Committee.

Committee members, chaired by Sen. Ann Rest (DFL-New Hope), took action on four additional bills. S.F. 538, sponsored by Sen. Gary Kubly (DFL-Granite Falls), requires state-funded building projects to include in their pre-design review a study of the possibility of using geothermal systems for heating or cooling. The bill was sent to the full Senate. S.F. 392, carried by Sen. Thomas Bakk (DFL-Cook), permits the town of Crane Lake to issue up to \$225,000 in certificates of indebtedness to engage in a land exchange with the U.S. Forest Service. The measure was re-referred to the Committee on Taxes.

S.F. 208, authored by Sen. Kathy Sheran (DFL-Mankato), expands the eligibility of voting by absentee ballot. The bill also eliminates references to reasons voters are unable to vote in person and provides for the use of an agent to transport absentee ballots between election officials and an absentee voter. Members adopted an amendment, offered by Sen. John Marty (DFL-Roseville), permitting voters to seek permanent absentee voting status. S.F. 208 was advanced to the Finance Committee. Marty carried S.F. 26, which eliminates the expiration dates of the advisory councils of the Board of Medical Practice. The measure was recommended for placement on the Consent Calendar.

Committee members also heard the results of a study of the potential for the use of credit and debit cards by state and local government agencies. A major obstacle to the acceptance of credit and debit cards, said Keith Carlson of the Metro Inter-County Association, is that credit card networks do not let merchants, including agencies, charge convenience fees. Without a convenience fee, he said, the agency must absorb the service charge, which is often 2.5 percent.

Elections bills gain

The State and Local Government Operations and Oversight Subcommittee on Elections met Wed., Feb. 14, to consider several bills and hear a report from the Voting Machines Operations Working Group.

Mark Halvorson, Citizens for Election Integrity Minnesota, said the working group was established to investigate and

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recommend to the Legislature requirements for additional options for voting equipment that complies with the Help America Vote Act to provide private and independent voting for individuals with disabilities. He said surveys were conducted to document experiences using the AutoMark ballot marking device. He said the surveys reported positive feedback on the use of the AutoMark device.

In addition to the AutoMark device, the working group learned that only two additional options exist that meet current Minnesota law and are compatible with Minnesota's optical scan voting machines, the VotePad and the Vote by Phone, Halvorson said. He said the group found that the VotePad device was cumbersome to use and that they could not determine the exact cost involved in preparation of the device. Halvorson said the group had concerns about the ability of the Vote by Phone device to accommodate people who are deaf or hard of hearing and the challenge for some polling places to provide a phone and fax. He said the working group does not endorse either the VotePad or Vote by Phone devices.

Mai Thor, Disability Law Center, said the working group recommends training and education on the use of the AutoMark device for election judges and for voters. She said the group also recommends use of the AutoMark for the 2008 elections. The working group does not support a change that requires a paper ballot to allow for another ballot marking device to be used, Thor said.

The subcommittee, chaired by Sen. Dan Larson (DFL-Bloomington), then turned its attention to three elections bills. All three bills were approved and forwarded to the full committee.

S.F. 483, sponsored by Sen. John Doll (DFL-Burnsville), eliminates the 10 percent requirement for a major political party to have candidates seeking nomination. Doll said the requirement had been overturned by the courts and thus needed to be removed from statute. S.F. 226, carried by Sen. Sandra Pappas (DFL-St. Paul), allows candidates or campaign workers accompanied by the candidate to have access to multiple unit residences for campaign purposes.

S.F. 458, sponsored by Sen. Jim Carlson (DFL-Eagan), is also a response to a court decision. The bill adds to the disclaimer law a statement of four purposes it is designed to serve. The first purpose

provides that the disclaimer is required to avoid the appearance of corruption in political campaigns by enforcing the requirement that those who spend significant sums of money must report their campaign expenditures and if campaign materials can be distributed without disclosing who paid for it, enforcement becomes more difficult. The second purpose is to promote justice and fair play in campaigns by permitting a candidate who is accused of misdeeds to confront the accuser. A third purpose is to give voters information about the source of statements in campaign material. The final purpose is to make it possible to hold those who distribute false campaign materials accountable for their actions. The measure exempts campaign material that is distributed without the knowledge that it is false.

State Government Budget Division

Broadcasting budgets heard

The Mon., Feb. 12, meeting of the State Government Budget Division was devoted to hearing the budget proposals from Minnesota Public Television, Minnesota Public Radio (MPR), the Minnesota Public Educational Radio Stations (AMPERS), Twin Cities Regional Cable and the Capitol Area Architectural and Planning (CAAP) Board.

The Public Television recommendation for the biennium totals \$2.7 million, with \$796,000 for equipment grants and \$1.926 million for matching grants. The AMPERS budget recommendation is \$574,000 for the biennium, the MPR budget recommendation is \$380,000 for the biennium and Twin Cities Regional Cable budget recommendation is \$34,000 for the biennium. The total public broadcasting general fund recommendation is \$3.7 million.

The division, chaired by Sen. Don Betzold (DFL-Fridley), also reviewed the CAAP Board's budget recommendation. The recommendation is for a general fund appropriation of \$617,000 for the biennium.

Finance, AG budgets heard

The State Government Budget Division, chaired by Sen. Don Betzold (DFL-Fridley), met Wed., Feb. 14, to consider the budget requests of the Dept. of Finance and the Office of the Attorney General.

Stephanie Andrews, deputy commissioner, Dept. of Finance, gave a broad overview of the budget. She said the department's responsibilities fall into six broad categories—accounting, budgeting, economic analysis, treasury, information services and management services.

Andrews said the budget consists of \$37.7 million from the state's general fund, which is a 26 percent increase from the last biennium. She said the major change items include \$315,000 to protect the state's interest in the Northwest Airlines bankruptcy proceedings, \$782,000 for a compensation adjustment and \$7 million to manage risk and continue planning for the replacement of the aging statewide accounting and procurement systems (MAPS). She said the existing systems are mainframe-based applications originally installed in 1994 that have been heavily customized and are approaching technical obsolescence. The systems lag behind advances in information technology and are becoming increasingly incompatible with the state's newer systems and best practices in information management.

The panel also reviewed the budget of the Attorney General's Office. Lori Swanson, attorney general, gave the panel an overview of the office's responsibilities and budget needs. Swanson said the attorney general is the chief legal officer for the state and that every board, commission, and agency of the state receives legal counsel and representation in the courts by the Office of the Attorney General. She said the core functions of the office include providing legal representation for state agencies, prosecuting criminal actions at the request of local prosecutors, initiating legal actions to enforce civil laws and providing education, information and mediation to agencies and citizens of the state. Swanson said during FY 2006, the office saved the state more than \$411 million in defending claims against state agencies, recovered more than \$26 million for state consumers and pursued \$32.5 million in pending penalties and judgments. In addition, she said the office prosecuted more than 5,400 implied consent cases relating to drunk driving arrests and civilly committed 35 sex offenders as sexually dangerous persons or sexually psychopathic personalities. The total recommended general fund appropriation for the office is \$23.3 million in FY 2008 and \$23.979 million in FY 2009.

Taxes

Confirmation hearing held

The Taxes Committee held a hearing to confirm the revenue commissioner Wed., Feb. 14. Sen. Thomas Bakk (DFL-Cook) chairs the committee.

The committee began the meeting with an overview of the streamlined sales tax project. The project is a collection of states working together to make sales taxes simpler and more uniform, said Larry Wilkie, Department of Revenue. The ultimate goal is to pass federal legislation to require remote sellers to collect sales taxes on purchases made in states that are part of the project, Wilkie said.

The committee unanimously recommended the confirmation of Ward Einess as the revenue commissioner. Sen. Lawrence Pogemiller (DFL-Mpls.) said Einess is someone who has worked his way up to the position of commissioner and has

proven himself. The confirmation was sent to the Senate floor.

Members of the committee began to look at S.F. 610, carried by Bakk, the Revenue Department's tax policy bill. The bill makes technical and minor policy changes to Minnesota's tax laws, said Jack Mansun, assistant commissioner. Bakk said Senate counsel is preparing an amendment to remove policy changes and make the bill strictly technical. The proposed policy changes would be considered in the omnibus tax bill, Bakk said.

Technical bill considered

Members of the Taxes Committee met Thurs., Feb. 15, to continue consideration of the Dept. of Revenue technical bill, S.F. 610. The measure, carried by Chair Thomas Bakk (DFL-Cook), makes a variety of changes recommended by department staff. Assistant Commissioner Jack Mansun and department staff re-

viewed provisions in the bill with the panel. No action was taken on the bill.

Transit Subdivision

Subdivision hears transit proposals

Chair Scott Dibble (DFL-Mpls.) and members of the Transit Subdivision met Thurs., Feb. 15, to hear testimony on four bills.

S.F. 223, authored by Sen. Katie Sieben (DFL-Newport), appropriates \$10 million to fund environmental and engineering work for a high-speed rail line between St.

Paul and Chicago. The total cost of the engineering design will be \$30 million, Sieben said. When the line is complete, there will be five trains each day between St. Paul and Chicago, traveling at speeds as high as 110 miles per hour, she said. The bill was recommended to pass and referred back to the Transportation Budget and Policy Division.

The following bills were all laid over for possible inclusion in an omnibus bill.

Carried by Sen. Terri Bonoff (DFL-Minnetonka), S.F. 189 appropriates \$500,000 to conduct a study and prepare a report on the feasibility of the use of commuter rail transit near the I-394 corridor. Under the bill, the Metropolitan Council will work in partnership with the Center for Changing Landscapes and Centers for Transportation Studies to complete the study, Bonoff said. The partnership is designed to take advantage of studies the center has already made in the area and it's familiar with many of the issues, she said.

Also authored by Bonoff, S.F. 190 proposes to change the deposit of revenues from the sales tax on motor vehicle leases. If someone buys a new car, the constitutional amendment passed in November splits the taxes collected between the highway and transit funds, Bonoff said. Under the bill, taxes on a car lease would follow the same path instead of going into the general fund, she said. The governor agrees with the idea, but the governor's transportation bill differs in how the funds should be distributed within the accounts, said Kevin Gray, chief financial officer with the Minnesota Department of Transportation.

S.F. 228, authored by Sen. Ann Rest (DFL-New Hope), creates a transportation endowment fund. The bill is offered as a suggestion for an approach to make one-time dollars sustainable, Rest said. The bill proposes using 25 percent of the state surplus to set up an endowment fund and use the returns on that money for transit needs, she said. Under the bill, 25 percent of any future surplus would be committed to the endowment, Rest said.



Sen. Thomas Neuville (R-Northfield) holds up proposed legislation for Sen. Linda Scheid's (DFL-Brooklyn Park) perusal during a Senate floor session, Thurs., Feb. 15. Photo by David J. Oakes

Senate Briefly

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Oliver H. Kelley Farm staff members Emily Organ and John Hanson pose American Gothic style during a rally in the Capitol Rotunda, Thurs., Feb. 22, to raise awareness of the Minnesota Historical Society.
Photo by A.J. Olmscheid



February 23, 2007

Senate Highlights

President's Day floor session held

Senators held floor session Mon., Feb. 19, to pass the child restraint requirements bill, set committee deadlines and recognize past Presidents of the Senate.

In honor of President's Day, the Senate recognized visiting former Senators Edward Gearty, Jack Davies and Allan Spear. All served as President of the Senate while in office. Current President of the Senate James Metzen (DFL-South St. Paul) was also recognized. Metzen authored S.R. 42 recognizing all past Presidents of the Senate.

The Senate passed H.C.R. 1 setting committee deadlines. Sen. Claire Robling (R-Jordan) said she wants to make sure members have time to work on bills and offer amendments in committee before the deadline. Sen. Lawrence Pogemiller (DFL-Mpls.) said committees should be focusing on funding bills first because the policy deadline is later. Under the deadlines, all budget bills must be acted upon by the Senate by 2 p.m. Mon., Apr. 2. Policy bill deadlines are April 14.

Senators voted to give final passage to two bills. S.F. 372, authored by Sen. Chris Gerlach (R-Apple Valley), repeals the crime of ticket scalping. Carried by Sen. Leo Foley (DFL-Coon Rapids), S.F. 302 authorizing phlebotomists to take blood samples from DWI offenders and making other miscellaneous changes to DWI law.

The body also took up two bills on General Orders. S.F. 122, authored by Sen. Jim Carlson (DFL-Eagan), requires auto restraint systems for children under eight years old. The bill mandates an approved restraint for children under eight, which could be a booster seat or a harness, Carlson said. Some new vehicles already have child restraints that meet this standard, he added. By passing the bill, Minnesota will be eligible for \$800,000 in

federal funds for education about the law and to help low income Minnesotans buy booster seats or restraints, Carlson said. Sen. Bill Ingebrigtsen (R-Alexandria), a co-author of the bill, said it is time to step up to the plate and think about our kids. The bill was recommended to pass.

Sen. Don Betzold (DFL-Fridley) authored S.F. 463 increasing the maximum fees charged by notaries public. Under the bill, the maximum fee a notary can charge increases from \$1 to \$5, Betzold said. Four years ago, the licensing fee notaries are required to pay increased from \$25 to \$100, he said. A notary is not required to charge a fee, Betzold said. The bill was recommended to pass.

Members granted final passage to one bill on the Consent Calendar. S.F. 26, authored by Sen. John Marty (DFL-Roseville), extends the expiration dates for the Board of Medical Practice's advisory councils.

Per diem resolution approved

A resolution affirming the per diem level of \$96, set by the Rules and Administration Committee near the start of the 85th Legislative Session, consumed the bulk of the Wed., Feb. 21, Senate floor session.

S.R. 41, authored by Majority Leader Lawrence Pogemiller (DFL-Mpls.), also provides that members voting against the per diem allowance must file a written request for per diem with the Secretary of the Senate, the Senate's chief administrative officer. Members who vote for the per diem allowance, under the resolution, are not required to take any additional action to collect per diem. Pogemiller said the resolution is about transparency. The written request provision, he said, is intended merely to clarify with Senate staff what a Senator's intent is regarding per diem.

Sen. David Hann (R-Eden Prairie) said the resolution was unusual. Depending on how you vote, you do one thing or another, he said. Hann said the principle could be extended to spending bills, preventing districts whose Senator votes "no" on a bill from getting state funds. However, Pogemiller countered that the resolution is different from general laws, because it deals only with an internal Senate matter. This is simply about transparency, he said.

An amendment setting the per diem rate at \$96, but providing that members may only collect per diem during the interim on days when their presence is recorded at an official committee or commission meeting, was offered by Sen. Thomas Neuville (R-Northfield). Under the amendment, members may collect daily per diem during the session, as under current practice. Conditioning per diem on a member's vote is disrespectful, Neuville said, because it seeks to punish Senators for disagreeing with the majority. He said the amendment creates a level playing field, since currently members of the Majority Caucus may collect per diem when they come in for general office business, while members of the Minority Caucus may only collect per diem when they come in for a committee meeting. Pogemiller opposed the amendment, saying it reduces transparency by allowing Senators to vote against per diem but collect the payments anyway. Sen. Pat Pariseau (R-Farmington) offered an amendment to the amendment setting the per diem amount at \$66, the pre-2007 rate. The amendment to the amendment was rejected on a voice vote. The Neuville amendment failed, 18-48.

Hann offered an amendment requiring members who vote "yes" on the per diem amount to address the Senate for at least 10 minutes before claiming per diem payments. In the spirit of transparency, he said, we can all be clear on why we need the per diem provided in the resolution. The amendment was not adopted, 5-61. Sen. Ray Vandever (R-Forest Lake) offered an amendment requiring members to indicate in writing the amount of per diem they wish to claim, up to the maximum of \$96, regardless of how they vote on the resolution. We should not give the public the perception that there is any cynical intent behind this resolution, he said. The amendment failed, 20-46. An amendment changing the language in the bill for members voting against the resolution and claiming per diem from a

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written “request” to a written “statement” was offered by Sen. Michelle Fischbach (R-Paynesville). A request implies that someone will approve or deny the matter, she said. Pogemiller had earlier clarified that the written request was not a matter to be approved, Fischbach said, but just an administrative step. The amendment reflects that more appropriately, she said. The amendment was not accepted on a voice vote.

I am troubled by both the substance and the timing of this resolution, said Sen. Geoff Michel (R-Edina). We can and should have the debate on Legislative compensation, he said, but the right place to start it is in the Compensation Council. If Legislators are undercompensated, then the right solution is to adjust the salary, Michel said. Additionally, the per diem rate was increased soon after the session started, he said. Not many jobs give you a raise in the first month of work, he said. We should perform a little more, Michel said, and then discuss whether we deserve a raise.

Minority Leader David Senjem (R-Rochester) thanked Vandever for starting the conversation about the per diem process. This has opened up government and created total participation, he said.

Senjem said the process itself, debating per diem on the Senate floor, represents a victory for transparency.

S.R. 41 was approved, 59-7.

In other action, Senators confirmed the appointments of Glenn Wilson as commissioner of the Dept. of Commerce, Alice Seagren as commissioner of the Dept. of Education, and Ardythe Gallant as a member of the Board of the Perpich Center for Arts Education. On the Senate Calendar, Senators granted final passage to two measures. S.F. 122, authored by Sen. Jim Carlson (DFL-Eagan), requires approved auto restraint systems for children under eight years old. The bill was approved, 49-17. S.F. 463, carried by Sen. Don Betzold (DFL-Fridley), increases the maximum fees charged by notaries public from \$1 to \$5. The bill was approved, 58-7.

Resolutions okayed

Senators used their Thurs., Feb. 22, floor session to approve four pieces of legislation, including two resolutions urging action by the federal government. The measures were granted preliminary passage on General Orders.

S.F. 13, sponsored by Sen. Charles Wiger (DFL-North St. Paul), urges the

federal government to carry through on its pledge to fund 40 percent of special education costs. S.F. 65, authored by Sen. Katie Sieben (DFL-Newport), urges the federal government to protect the Great Lakes from aquatic invasive species. S.F. 555, carried by Sen. Linda Berglin (DFL-Mpls.), extends the essential community provider designation, sets the fee for applying for designation at \$60, and provides for renewal of the designation every five years.

S.F. 106, authored by Sen. Don Betzold (DFL-Fridley), changes the date on which a member's first salary payment is made from January 15 to five days after the member takes the oath of office. Additionally, the bill repeals a limit on the number of times a Legislator can receive mileage reimbursement for special session travel. Under current law, members may only collect for one round trip between their homes and the Capitol.

Commission appointments made

The Rules and Administration Subcommittee on Committees, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met Tues., Feb. 20, to continue the process of appointing Senators to various legislative commissions. The panel named Sen. Linda Berglin (DFL-Mpls.), Sen. Paul Koering (R-Fort Ripley), Sen. John Marty (DFL-Roseville), Sen. Julie Rosen (R-Fairmont) and Sen. Tony Lourey (DFL-Kerrick) to the Legislative Commission on Health Care Access. Sen. Don Betzold (DFL-Fridley), Sen. Dan Larson (DFL-Bloomington), Sen. Ann Lynch (DFL-Rochester), Sen. Geoff Michel (R-Edina), Sen. Mary Olson (DFL-Bemidji) and Sen. Betsy Wergin (R-Princeton) were appointed to the Legislative Commission on Pensions and Retirement. Pogemiller, Sen. David Senjem (R-Rochester), Sen. David Hann (R-Eden Prairie), Sen. Tarryl Clark (DFL-St. Cloud), Sen. James Metzen (DFL-South St. Paul), and Sen. Richard Cohen (DFL-St. Paul) were named to the Legislative Coordinating Commission.

The subcommittee also appointed ten members to the Legislative Electric Energy Task Force. The members are Metzen, Senjem, Rosen, Sen. Satveer Chaudhary (DFL-Fridley), Sen. Ellen Anderson (DFL-St. Paul), Sen. Yvonne Prettner Solon (DFL-Duluth), Sen. Steve Dille (R-Dassel), Sen. Pat Pariseau (R-Farmington), Sen. Gary Kubly (DFL-Granite Falls) and Sen. David Tomassoni (DFL-Chisholm).



In recognition of Presidents' Day, the current and former Minnesota Senate Presidents are honored in the Senate Retiring Room following the Senate's Mon., Feb. 19, floor session. From left, are Edward Gearty (1977-80), Jack Davies (1981-82), current President James Metzen (DFL-South St. Paul) and Allan Spear (1993-2000).

Photo by David J. Oakes

Committee update

Agriculture and Veterans

Cellulosic energy bill heard

Chair Jim Vickerman (DFL-Tracy) and the Agriculture and Veterans Committee met, Tues., Feb. 20, to hear S.F. 480, authored by Sen. Gary Kubly (DFL-Granite Falls). The bill provides support for the development of energy from cellulosic plant material in Minnesota.

The bill is patterned after the first ethanol bill, Kubly said. To encourage local ownership, some programs require 51 percent be owned by local farmers and an additional 24 percent be owned by community members, he said. The bill has a two-tiered approach and gives a preference for using perennial cellulosic material, Kubly said. For example, the bill establishes an incentive program that would provide 75 cents per million Btu from any cellulosic material and the amounts double if the cellulosic material is grown from perennial material, he said.

There are two reasons to develop biofuels: energy security and climate security, said Clarence Lehman, professor, Dept. of Ecology, Evolution and Behavior at the University of Minnesota. There is no silver bullet that will solve all the energy problems, Lehman said. It is better to develop several approaches, such as using corn, soy and prairie grass as energy sources, he said.

Cellulosic energy is about economic opportunity in rural Minnesota, this is a chance that will not come again, said Doug Peterson, president, Minnesota Farmers Union.

The bill is a framework for a very sound policy for Minnesota to move forward with cellulosic energy development, said Don Arnosti, Institute for Agriculture and Trade Policy.

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

Honor guard grants heard

A measure providing reimbursement for honor guards at veterans' funerals was considered by members of the Agriculture and Veterans Budget and Policy Division, Thurs., Feb. 22. The panel, chaired by Sen. Jim Vickerman (DFL-Tracy), laid the measure over for possible inclusion in the division's omnibus appropriations bill.

S.F. 487, sponsored by Sen. Yvonne Prettner Solon (DFL-Duluth), provides

reimbursement grants of \$50 per funeral to local units of congressionally chartered veterans organizations or their auxiliaries. The measure also authorizes the adjutant general to activate National Guard members to serve as an honor guard for veterans' funerals.

Prettner Solon said the bill alleviates the financial stress on volunteer honor guards for veterans. The volunteers bear the burden of uniforms, guns, shells and flags, she said. John Marshall, commander of the Duluth Combined Honor Guard, said the organization will continue to provide services to veterans' families. However, providing some reimbursement will enable us to provide more services in the community, he said. Marshall clarified that the funds will not be distributed to honor guard members, but will be used for veterans organizations' general programs.

Division members also considered a measure, S.F. 821, appropriating \$1 million in bond sale proceeds to support capital improvements at the Disabled Veterans Rest Camp in northern Washington County. Chief Author Kathy Saltzman (DFL-Woodbury) said the camp seeks to support soldiers' families and post-combat reintegration efforts with retreats and counseling. Sen. Steve Murphy (DFL-Red Wing) offered, and the panel adopted, an amendment changing the source of the funds from bond proceeds to general fund dollars. The bill was laid over for possible inclusion in the panel's omnibus appropriations bill.

Business, Industry and Jobs

Smoking ban gains

A measure imposing a statewide smoking ban in workplaces, including restaurants and bars, was approved by members of the Business, Industry and Jobs Committee, Mon., Feb. 19. The panel, chaired by Sen. James Metzen (DFL-South St. Paul), advanced the bill, S.F. 238, to the State and Local Government Operations and Oversight Committee.

Members devoted their third hearing on the bill to consideration of amendments. One amendment, offered by Sen. David Tomassoni (DFL-Chisholm), was adopted. The amendment permits smoking in bars that install ventilation systems capable of maintaining nicotine levels below 10 micrograms per cubic foot of air and of maintaining negative pressure in designated smoking areas. Under the

amendment, the ventilation system requirement is phased in, with bars with alcohol sales of up to 40 percent of total gross sales required to install the systems by 2009 and bars with alcohol sales of more than 80 percent of total gross sales required to install the systems by 2014. The amendment also preempts local units of government from enacting or enforcing more stringent measures to protect against secondhand smoke.

Sen. Joe Gimse (R-Willmar) said the amendment is a step in the right direction. Ventilation systems can and do work in other settings, he said, and the technology is constantly improving. Sen. Rod Skoe (DFL-Clearbrook) said claims that it is impossible to remove contaminated air are hard to believe. Ventilation and filtering are used in laboratories where bacteria are present, he said, so it cannot be impossible to improve the air in a bar. It might be costly, but it should be possible, Skoe said. Sen. Kathy Sheran (DFL-Mankato), chief author of the bill, said ventilation is not a solution to the problem. A surgeon general's report said no system has been proven to remove all particulates and that there is no safe level of exposure to secondhand smoke, she said. The amendment was adopted on a 9-7 roll call vote.

Gimse offered an amendment providing an income tax deduction for the costs of installing the ventilation systems. Sen. Thomas Bakk (DFL-Cook) said the expenses, as capital expenditures, are likely already subject to a depreciation schedule. The amendment was not adopted. Metzen offered an amendment permitting smoking in bars with more than 50 percent alcohol sales and in bingo halls, until January 2009. The amendment also preempted local government secondhand smoke measures. Sen. Ron Latz (DFL-St. Louis Park) offered two amendments to the Metzen amendment: to end the permissive smoking period in April 2008 and to raise the permissive threshold for bars to 70 percent alcohol sales. The amendments to the amendment were not adopted. The Metzen amendment was divided. After the permissive smoking period portion was defeated on a 4-12 roll call vote, Metzen withdrew the remainder of the amendment.

Tomassoni offered two additional amendments; both amendments were defeated. One amendment permitted smoking in establishments with at least 50 percent alcohol sales and preempted only



Sen. Keith Langseth (DFL-Glyndon) examines a map, showing proposed improvements to the Disabled Veterans Rest Camp in Washington County, that was distributed to members of the Agriculture and Veterans Budget and Policy Division, Thurs., Feb. 22, as they considered an appropriation for the improvements.

Photo by David J. Oakes

local secondhand smoking measures that affected establishments with at least 50 percent alcohol sales. The other amendment permits smoking in establishments where the owner had consulted with employees about allowing or banning smoking, where a sign has been prominently posted to indicate that smoking is permitted, and where the smoking area is separated from the nonsmoking area by a solid wall.

In other action, committee members advanced two bills to the Finance Committee. S.F. 573, sponsored by Sen. Sandra Pappas (DFL-St. Paul), funds a \$1 million grant to Lifetrack Resources for its immigrant and refugee collaborative programs. S.F. 582, authored by Sen. Ellen Anderson (DFL-St. Paul), appropriates \$5 million to fund the bioscience business development activities of University Enterprise Laboratories.

Card check resolution okayed

A resolution urging Congress to enact proposed legislation relating to labor organizing was approved, Wed., Feb. 21, at a meeting of the Business, Industry and Jobs Committee. The panel, chaired by

Sen. James Metzen (DFL-South St. Paul), advanced the measure to the Rules and Administration Committee.

S.F. 543, sponsored by Sen. David Tomassoni (DFL-Chisholm), urges Congress to enact the Employee Free Choice Act. The federal legislation allows employees to organize by getting the signatures of a majority of employees (a system also known as "card check"), sends the employer and the employees' bargaining unit to binding arbitration if an initial contract cannot be agreed upon within three months, and creates heightened penalties for employer interference with and delay of the labor relations process.

Representatives of several unions related their struggles to organize or to get their employer to negotiate an initial contract. Carmen Brown, a member of the clerical unit at Hennepin County Medical Center, said employees failed twice to gain the necessary support at the ballot box. Brown said the failure was partly attributable to intimidation by supervisors who were standing in the balloting room. However, using a card check system, she said, employees quickly cleared the 50 percent threshold. Sean McVay said

employees at AT&T Broadband, which was later acquired by Comcast, endured two years of delay tactics by their employer after the employees unionized. Once the employees were dispirited with the process and broken down by their employer, McVay said, the employer succeeded in getting the union decertified. Rick Varco of the Service Employees International Union (SEIU) said the National Labor Relations Board itself is a hurdle to unionization. Nurses at a nursing home in Rochester sought to unionize and went through the traditional secret ballot process, he said. The NLRB took three years to count all 11 ballots, Varco said. He said card check is a more efficient process that reduces conflict between employees and employers. The binding arbitration provisions in the federal legislation, he said, are critical because delay tactics often have little cost to employers but significant emotional and economic costs for employees.

Opposition to the measure came from representatives of the Associated Builders and Contractors (ABC), who also spoke on behalf of a business alliance known as the Coalition for a Democratic Workforce. Phil Raines, director of government affairs for ABC's Minnesota chapter, said the federal proposal takes away a fundamental right of employees: voting with a secret ballot. Card check is unregulated and offers no meaningful oversight, he said. In the secret ballot process, representatives of both the employer and the union potentially representing employees are in the voting room, Raines said. However, he said, no one knows how any one employee votes, except for the employee herself. Raines noted that the sponsor of the federal legislation has advocated that the Mexican government, and other foreign governments, adopt the secret ballot process.

In other action, committee members heard an overview of the state's workforce development programs from Brenda Norman, executive director of the Governor's Workforce Development Council, and representatives of various statewide and regional workforce programs.

Capital Investment

DECC, St. Cloud, RFA bills heard

The Capital Investment Committee, chaired by Sen. Keith Langseth (DFL-

Committee update

Glyndon) met Wed., Feb. 21, to consider three bills for bonding projects. The committee approved a motion to recommend to the Finance Committee that all three measures be approved and funded by general fund appropriations.

The first measure, S.F. 292, sponsored by Sen. Tarryl Clark (DFL-St. Cloud), provides an \$11 million appropriation for the design and construction of the National Hockey Center at St. Cloud State University. S.F. 258, authored by Sen. Yvonne Prettner Solon (DFL-Duluth), appropriates \$37.932 million for the Duluth Entertainment and Convention Center. The bill specifies the renovations include an ice sheet of at least 200 feet by 85 feet, trade show and concert space, locker and training facilities, expanded media space and seating capacity of at least 6,630. S.F. 227, authored by Sen. Jim Vickerman (DFL-Tracy) provides \$15 million to the Rural Finance Authority to

finance the beginning farmer program, the seller-sponsored program, the loan restructure program, the agricultural improvement loan program and the livestock expansion loan program.

Commerce and Consumer Protection

Schools statewide pool bill okayed

The Commerce and Consumer Protection Committee, chaired by Sen. Linda Scheid (DFL-Brooklyn Center), held an evening hearing Mon., Feb. 19, to hear testimony in opposition to S.F. 276. The bill, sponsored by Sen. Don Betzold (DFL-Fridley), creates a statewide health insurance pool for school district employees. The panel had heard proponent testimony at a previous hearing.

John Gross, Dept. of Commerce, said the department is concerned that the bill

does not provide for sufficient reserves. He said an insurance plan needs to have at least 10 to 15 percent of all costs for 1 year in reserve. Scott Croonquist, executive director, Association of Metropolitan School Districts, said that pooling has benefits, but there is a point of diminishing returns. He said there are other ways of limiting health costs. He said wellness programs, disease management and the use of generics can all lower costs. Croonquist said another concern is that the program is mandatory and that it will result in some districts facing increases in health care costs.

Jim Grathwol, Minneapolis Public Schools, said the bill duplicates existing pooling options. Dominic Sposeto, Minnesota Independent Insurance Agents Association, said too many questions were unanswered in the bill. He said the bill did not address reserves, reinsurance or



Senators Michelle Fischbach (R-Paynesville) and Scott Dibble (DFL-Mpls.) try out a battery operated "Huskies" fan that was distributed to members of the Economic Development Budget Division, Mon., Feb. 19, in an effort to gather financial support for renovation of the St. Cloud State University National Hockey Center.

Photo by David J. Oakes

insolvency. "If the plans become insolvent, who pays?" he asked.

Scheid turned over the gavel to the panel's vice chair and offered an amendment specifying that the Dept. of Commerce must approve all design elements of the plans prior to any health plan or health benefit plan being made available to eligible employees. She said by having the department have more oversight the questions brought up by the opponents could be addressed. Betzold said he thought the department had brought up good points and that the amendment was a good idea. The amendment was adopted. The measure was approved and re-referred to the State and Local Government Operations and Oversight Committee.

Health care access bill gains

The Tues., Feb. 20, meeting of the Commerce and Consumer Protection Committee was devoted to a bill providing increased access to health care coverage for more Minnesotans. S.F. 2, sponsored by Sen. Linda Berglin (DFL-Mpls.), requires the development of a plan to achieve universal health care, allows more individuals to be covered by MinnesotaCare and establishes a small employer option for MinnesotaCare. The panel, chaired by Sen. Linda Scheid (DFL-Brooklyn Park), concentrated on the insurance provisions of the bill.

Berglin said the bill also establishes premium rate restrictions and expenditure limits, changes eligibility requirements for Medical Assistance, creates a prescription drug discount program and extends dependent coverage in private sector health insurance to an unmarried child under the age of 25. She said the bill also requires that all hospitals and health care providers must have in place an interoperable electronic health records system by Jan. 1, 2015, in order to reduce administrative costs in both the private and public sector. Berglin said the bill is a step toward universal coverage for all Minnesotans.

Kevin Spading, father of a 21-year-old daughter who has cystic fibrosis and diabetes, said the bill would allow a window of time for his daughter to finish school and get started on her career. He said parents of children with medical issues have a difficult time providing health care coverage for their older children. Mary Jo George, Minnesota Nurses Association,

said it is important to emphasize prevention to reduce costs for health care costs. Brad Lehto, Minnesota AFL-CIO, said every labor dispute in the last few years has involved health care coverage and costs and that the bill will help more individuals obtain coverage. Holly Rodin, Service Employees International Union, said an even larger problem than the uninsured is the underinsured. She said the underinsured cannot afford to access the healthcare they have and the premium caps in the bill will result in more effective care.

Beth Hartwig, Minnesota Business Partnership, spoke in opposition to the bill. She said the partnership does not support the premium caps. She said the caps are an artificial downward pressure that will result in increased costs somewhere else. She also said the caps may stifle innovation. Erin Sexton, Minnesota Chamber of Commerce, submitted written testimony that said the chamber believes the private, competitive and well-informed marketplace will provide better and more cost-effective health care coverage. Julie Brunner, executive director, Minnesota Council of Health Plans, said the council supports many provisions of the bill, but does not support the premium caps. She said the council is also concerned about a provision allowing small employers to become part of MinnesotaCare. Bob Johnson, Insurance Federation of Minnesota, also spoke against the premium limits and said the limits would also discourage competition in the marketplace.

Berglin said the bill does not set prices, it allows prices to rise, but it does put the brakes on runaway health care costs.

Sen. Debbie Johnson (R-Ham Lake) offered an amendment to remove all references to premium caps from the bill. Berglin said the caps are an important part of the bill and opposed the amendment. The amendment was adopted on a 6-4 roll call vote. An amendment, offered by Sen. Chris Gerlach (R-Apple Valley), allows a MinnesotaCare type product to be offered in the private market. Berglin said the amendment needed more study and that if needed, it should be added to the general insurance laws. The amendment failed to gain adoption. The bill was approved and re-referred to the Finance Committee.

Economic Development Budget Division

Bonding projects heard

Members of the Economic Development Budget Division, chaired by Sen. David Tomassoni (DFL-Chisholm), met Mon., Feb. 19, to consider a variety of bonding proposals for economic development projects

S.F. 292, sponsored by Sen. Tarryl Clark (DFL-St. Cloud), authorizes \$11 million to the Board of Trustees of the Minnesota State Colleges and Universities to predesign, design, construct, furnish and equip the National Hockey Center in St. Cloud Complex. Sen. Yvonne Prettner Solon (DFL-Duluth) authored a bill, S.F. 57, appropriating \$37.932 million for a grant to the Duluth Entertainment and Convention Center Authority to design, construct, furnish and equip renovations to the Duluth Entertainment and Convention Center. The bill specifies that renovations must include a 217,446 square foot arena with an ice sheet of at least 200 feet by 85 feet, trade show and concert space, seating capacity of at least 6,630, locker and training facilities and expanded media space.

Both measures were approved and referred to the full Finance Committee. The remaining bills were held over for possible inclusion in the division's bonding recommendations for the Capital Investment Committee.

Sen. Mee Moua (DFL-St. Paul) sponsored a bill, S.F. 386, providing \$3.8 million to the city of St. Paul to acquire land for and to design, construct and equip river park development and redevelopment infrastructure in the National Great River Park along the Mississippi River in St. Paul.

S.F. 467, carried by Sen. Ann Lynch (DFL-Rochester), provides \$5.5 million for a grant to the city of Rochester to design the renovation and expansion of the Mayo Civic Center. S.F. 625, sponsored by Sen. Katie Sieben (DFL-Newport), provides \$9 million for a grant to the Ramsey County Regional Railroad Authority to acquire land, to refurbish structures and for design and engineering work to revitalize the Union Depot for use as a multimodal transit center in St. Paul. S.F. 396, sponsored by Sen. Julie Rosen (R-Fairmont), provides \$18,000 for a grant to the city of Ceylon to install lighting

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fixtures and equipment on youth softball fields owned by the city. S.F. 402, carried by Sen. Satveer Chaudhary (DFL-Fridley), appropriates \$2.5 million for a grant to the city of Fridley to redevelop and expand the Springbrook Nature Center.

Development proposals heard

Bonding proposals dominated the Wed., Feb. 21, meeting of the Economic Development Budget Division. The division, chaired by Sen. David Tomassoni (DFL-Chisholm), laid most of the bills over for possible recommendation to the Capital Investment Committee.

Members heard first from supporters of a proposal to fund the Bird Island Tim Orth Memorial Victory Center. S.F. 881, sponsored by Sen. Gary Kubly (DFL-Granite Falls), authorizes bonding to design, construct and furnish the Tim Orth Memorial Victory Center. Kubly said the center will include a 2,500 seat basketball arena, indoor walking areas and a stage with lighting and audio-visual equipment. He said the center will be used to provide physical therapy and rehabilitation for injured or ill children, athletic events and fine arts and recreational events for west central Minnesota. Val Serbus, victory center committee member, Orth Foundation, said the foundation was created in 1996 when a young man, Tim Orth, was diagnosed with an inoperable brain tumor. The foundation raised money for the family's medical bills. Serbus said that after Orth's death in 1997, the foundation continued to help families with children who have had high medical expenses from accident or illness. She said the center will provide a venue for the foundation's largest fundraiser and will be available for other community events. The bill was laid over for possible inclusion in the recommendations for the bonding bill.

S.F. 176, sponsored by Sen. Ann Lynch (DFL-Rochester), appropriates \$15 million in each year of the biennium from the general fund to the University of Minnesota and Mayo Foundation Biotechnology and Medical Genomics Research Partnership for operating expenses. Lynch said, "I'm here to talk about jobs and cures." She said the bill provides funding for one of the most valuable economic engines in the state. Mark S. Paller, vice

president for research, University of Minnesota Academic Health Center, and Eric Wieben, director, Mayo Advanced Genomic Research, spoke in support of the bill. They said the research will generate medical advances and create additional jobs for the state. The measure was approved and advanced to the Finance Committee.

Members also heard S.F. 549, authored by Sen. David Senjem (R-Rochester), providing an appropriation for the expansion of the Rochester National Volleyball Center. Howard Chub Stewart, vice chair, Minnesota Amateur Sports Commission, said the \$4 million in bond proceeds will be used to complete phase II of the expansion of the National Volleyball Center. Senjem said the center has been an ongoing project and will draw participants from all over the nation and the world, benefiting service industries in the area. The measure was approved and referred to the State Government Budget Division.

S.F. 584, authored by Sen. Paul Koering (R-Fort Ripley), appropriates money from the bond proceeds fund for a regional community center in Upsala, Minn. Koering said the bill calls for a \$500,000 appropriation for a new community center to be used for community events, a senior center and for a senior food service that covers three counties. Dan Hovland, director, Upsala Regional Community Development Commission, said the plans also call for inclusion of the Upsala branch of the Great River Regional Library. The measure was laid over for possible inclusion in the recommendations for the bonding bill.

Sen. Julie Rosen (R-Fairmont) sponsored a bill, S.F. 397, providing an appropriation from the bonds proceeds fund for the Fairmont Sports Complex. Mike Humpal, assistant city administrator, said Fairmont has become a regional center and the sports complex will complement the other development in the area. The measure appropriates \$500,000 for the sports complex. Under the bill, the complex will include two existing ball fields, two new ball fields, a paved parking lot, concessions, restrooms and perimeter trail for walking and in-line skating. The measure was laid over for possible inclusion in the recommendations for the bonding bill.

E-12 Education Budget Division

Levies, fund transfers heard

Members of the E-12 Education Budget Division, chaired by Sen. LeRoy Stumpf (DFL-Plummer), met Tues., Feb. 20, to consider a series of bills relating to local levies and fund transfers. All the measures, except for one, were laid over for possible inclusion in the division's omnibus bill.

S.F. 42, authored by Sen. Dennis Frederickson (R-New Ulm), permits ISD 81, Comfrey, to permanently transfer up to \$250,000 from its capital operating account to its undesignated general fund balance. S.F. 151, also carried by Frederickson, permits ISD 2884, Red Rock Central, to permanently transfer up to \$81,000 from its disability accessibility account to its undesignated general fund balance without making a levy reduction. Sen. Jim Vickerman (DFL-Tracy) sponsored S.F. 327, allowing ISD 2895, Jackson County Central, to permanently transfer up to \$400,000 from its operating capital account to its undesignated general fund balance.

Sen. Don Betzold (DFL-Fridley) carried two bills. S.F. 110 provides an exception to the lease levy requirements for ISD 16, Spring Lake Park. S.F. 271 permits ISD 14, Fridley, to levy an amount equal to the lesser of its costs of operating its community center building, or \$30 times its adjusted marginal cost pupil units, to promote the co-location of city and school district services. S.F. 161, authored by Sen. Gary Kubly (DFL-Granite Falls), permits ISD 2853, Lac qui Parle Valley, to levy up to \$150,000 per year for ten years for severance and early retirement benefits for licensed employees who retired as a result of the district's 1996 consolidation. Sen. Betsy Wergin (R-Princeton) carried a bill, S.F. 790, permitting ISD 480, Onamia, to levy the lesser of the costs of operating its community center building, or \$35 times its adjusted marginal cost pupil units, to promote the co-location of city and school district services.

One bill was advanced to the Finance Committee. S.F. 568, carried by Sen. Ann Lynch (DFL-Rochester), extends the date by which ISD 535, Rochester, must certify its proposed property tax levy to the county auditor. Division members and Dept. of Education Program Finance

Director Tom Melcher discussed whether extending the certification date was good policy statewide. Melcher indicated that it was worthwhile to consider extending the date. Stumpf said a statewide extension was within the purview of the Taxes Committee and that the full Finance Committee could refer the bill there.

Early childhood ed discussed

Members of the E-12 Education Budget Division continued their review of the governor's proposed education budget at their meeting Wed., Feb. 21. The panel focused on the early childhood programs contained in S.F. 750, carried by Division Chair LeRoy Stumpf (DFL-Plummer).

Division members reviewed the funding for school readiness programs, kindergarten entrance assessments, health and development screening, the Head Start program and the educate parents partnership. Representatives of the Dept. of Education walked members through the program activities and budgets in each area relating to early childhood and family education.

Education

School safety discussed

A report on school safety was the focus of the Mon., Feb. 19, meeting of the Education Committee. The panel, chaired by Sen. Charles Wiger (DFL-North St. Paul), heard from members of a task force charged with recommending proposals to the Legislature to strengthen K-12 crisis management and school safety efforts.

Carol Thomas, learning supervisor in the Dept. of Education, and Commissioner Michael Campion, Dept. of Public Safety, discussed the process the task force used and the importance many state agencies place on ensuring the safety of students and school workers. Two task force members, Shamus O'Meara and Thomas Heffelfinger, reviewed the task force's recommendations. O'Meara said a key recommendation is to create a school safety center to bring together people from schools and state and federal law enforcement authorities. Districts need a unified approach and a unified direction, he said. A center also helps because time moves forward and people turn over in positions, Heffelfinger said. He said the center creates a framework to bring together the right resources and people to improve

school safety. Additionally, the report recommends continuing the task force until an advisory board is created. Heffelfinger said the task force and advisory board are needed to develop best practices and to continue discussing questions and developments.

The complete report on school and staff emergency/all hazard preparedness is available online from the Dept. of Education: <http://education.state.mn.us> (click on "Reports to Legislature").

In other action, members considered two measures, both carried by Sen. Terri Bonoff (DFL-Minnetonka). S.F. 92 creates an advisory board on school readiness to advise state policymakers on a system for delivering early childhood programs. The bill was advanced to the State and Local Government Operations and Oversight Committee. Committee members began consideration of S.F. 579, but did not have sufficient time to consider the entire measure. The bill makes a variety of changes in early childhood and family education (ECFE) programs. It adds programming for parents and their children who may be at risk of not being ready for kindergarten as a priority of ECFE if funding is insufficient to provide programs for all children, requires the Dept. of Education to implement a program accountability plan, requires corrective action for programs not meeting standards, increases revenue for ECFE programs, increases the levy for a home visiting program, provides for developmental assessment when students enter kindergarten, and creates a parent education grant program.

Committee approves four bills

The Education Committee considered bills on early childhood developmental screening, internet bullying, starting the school year before Labor Day and increasing the length of the school year at the Wed., Feb. 21, meeting. Sen. Charles Wiger (DFL-North St. Paul) chairs the committee.

S.F. 579, authored by Sen. Terri Bonoff (DFL-Minnetonka), establishes a developmental assessment at kindergarten entrance. The assessment is a way for teachers to see which students may need more help in certain areas, said Karen Cadigan, Center for Early Education and Development, University of Minnesota. The bill also creates parent education grants, Bonoff said. The bill was recom-

mended to pass and re-referred to the Finance Committee.

Sen. Mee Moua (DFL-St. Paul) carried S.F. 646. The bill requires school boards to adopt a written policy addressing intimidation and bullying in all forms, including electronic forms and forms involving internet use. Everyday, 160,000 students stay home from school because of bullying, Moua said. What happens at home and on the internet has an effect on what happens in school when students see each other face to face, she said. Walter Roberts, professor of counselor education, U of M, said Minnesota school counselors report it is not uncommon to have to deal with some form of cyber bullying once every two to three weeks. Counselors report incidents of hate e-mail, uploading of embarrassing pictures or videos and online voting for the ugliest student, Roberts said. The bill was recommended to pass and sent to the Senate floor.

Authored by Sen. Ann Lynch (DFL-Rochester), S.F. 381 repeals the provision requiring schools to start classes after Labor Day. The intent of the legislation is to give local, elected school boards the authority to make decisions that best meet the needs of their districts and their communities, Lynch said. Students are already well engaged in school activities before Labor Day, said Jerry Williams, superintendent, Rochester. In the fall of 2005, almost 80,000 Minnesota students were involved in school sports three to four weeks before Labor Day, Williams said. Joel Carlson, Congress of Minnesota Resorts, said Senators should balance the interests of the state. Legislators can consider other school reforms that retain the tradition of summer in Minnesota, Carlson said. The bill was recommended to pass and re-referred to the Finance Committee.

S.F. 465, authored by Sen. Geoff Michel (R-Edina), increases the length of the school year and repeals the Labor Day start. The bill gives more control back to school boards in how they set up their school year calendar, Michel said. Minnesota is the only state that does not set a minimum number of days students must be in school, he said. In Minnesota, students spend an average of 172 days in the classroom, nationally the average is 180 days, Michel said. The bill sets the minimum number of days students attend school at 180, he said. Sen. LeRoy Stumpf (DFL-Plummer) said Senators need to consider how much the increased number

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of days would cost and how they choose to balance the resources available for education. The bill was recommended to pass and re-referred to the Finance Committee.

Burnsville, Minneapolis visited

Members of the Education Committee held three meetings away from the Capitol to discuss a variety of education issues with school district officials, educators, and parents, Mon., Feb. 19, Wed., Feb. 21, and Thurs., Feb. 22. The panel, chaired by Sen. Charles Wiger (DFL-North St. Paul), engaged in conversations about all-day kindergarten, local school programs, early childhood and K-12 education, student testing, and other matters in Minneapolis and Burnsville.

Energy, Utilities, Technology and Communications

Climate change bills considered

Two measures addressing climate change were the focus of the Tues., Feb. 20, meeting of the Energy, Utilities, Technology and Communications Committee.

Deputy Commerce Commissioner Edward Garvey described the climate change provisions within the governor's Next Generation Energy legislation, S.F. 145, carried by Committee Chair Yvonne Prettnner Solon (DFL-Duluth). The bill prohibits electric utilities from entering into nonrenewable-resource power purchase agreements without certificates of need issued by the Public Utilities Commission (PUC). The measure does not allow the PUC to issue certificates of need for large energy facilities that generate or transmit power from nonrenewable sources. The PUC is also barred, under the bill, from issuing certificates of need for nonrenewable-resource power purchase agreements unless the applicant demonstrates that carbon monoxide (CO) emissions from nonrenewable resources will be offset by approved methods and that the applicant has explored renewable-source generation but found that nonrenewable generation is less expensive. Under the bill, the PUC may modify proposals for renewable projects or nonrenewable-resource power purchase agreements by ordering the implementa-

tion of feasible, cost-effective energy conservation or renewable energy projects. An independent expert, under the bill, will conduct a cost-benefit analysis, including an inventory and forecast of the state's greenhouse gas emissions, multi-sector policy recommendations, and statewide goals.

Carbon emissions pose a real threat with long-range policy implications, Garvey said. It is in Minnesota's best interest to address climate change in a deliberative, responsible and comprehensive way, he said. While climate change is real, he said, uncertainties remain, including how much the climate is changing, how quickly it is happening, and what impact global climate change will have on Minnesota. However, we cannot address today's problems with yesterday's solutions, Garvey said, paraphrasing Albert Einstein.

We have a moral responsibility to act when we see a threat to our planet, our species and other life forms, said Sen. Ellen Anderson (DFL-St. Paul). The policy choices we make will have effects for decades, she said. We need to set a roadmap now if we want to see changes in the next decade and in the next two generations, Anderson said. First we need to stabilize our greenhouse gas emissions and then we need to determine how to reduce them, she said. Anderson said the longer we wait, the harder it will be to achieve the changes we need to make. She said her bill, S.F. 192, establishes a planning process and sets goals for greenhouse gas reduction for the planners to use. The goals in the bill are gradually progressive, with an initial goal of emissions levels 15 percent below 2005 levels in 2015 and a longer-range goal of emissions levels 80 percent below 2005 levels in 2050. Anderson said the measure also includes anti-backsliding provisions to prevent the state from making emissions worse while trying to make them better, including offset opportunities and a "cap and trade" system. She said the measure also encourages the creation of a regional cap-and-trade system.

Sen. David Tomassoni (DFL-Chisholm) also reviewed proposed legislation, not yet introduced, to diagnose the problems. The problem is too big to just delegate cap-and-trade to state agencies and to just address one sector of the economy, he said. Before we can deal with our greenhouse gas emissions, we

need to inventory them and identify where they come from, Tomassoni said.

Committee members concluded the meeting by hearing public comments on the proposals. The panel heard from Tom Hewson of Energy Ventures Analysis, who discussed what the state can do quickly and cheaply as first steps. Scott Wiseman, Center for Energy and Economic Development, discussed the possibility of continuing to use coal as a source for energy, while reducing emissions from coal generation. Prohibiting the construction of even natural gas peaking plants while the planning process proceeds, said Rick Lancaster of Great River Energy, may have dramatic effects on rates and energy availability.

Warming testimony continues

The Energy, Utilities, Technology and Communications Committee, chaired by Sen. Yvonne Prettnner Solon (DFL-Duluth), continued to hear testimony on global warming and climate change, Thurs., Feb. 22.

The committee began by hearing S.F. 538, authored by Sen. Gary Kubly (DFL-Granite Falls). The bill establishes a policy requiring the consideration of geothermal applications for heating and cooling building projects funded with state appropriations. Using geothermal systems would lower the cost of delivering government services for a long time into the future, Kubly said. Geothermal heating systems capture heat through a loop field buried in the ground and compressing the heat, which increases the temperature and redistributes the heat, said David Sheild, owner of Inner Earth Energy. For every kilowatt of heat captured, the process of compressing the heat creates 3.5 kilowatts of heat, Sheild said. The operating cost savings make up for initial costs, he said. The chair laid the bill over so the committee could move on to the global warming testimony.

Members considered two bills while listening to testimony. S.F. 145, authored by Prettnner Solon, establishes state energy policy goals for fossil fuel use reduction and renewable energy use. Authored by Sen. Ellen Anderson (DFL-St. Paul), S.F. 192 sets goals and requires a plan to reduce greenhouse gas emissions.

Brenda Ekwurzel, climate scientist, Union of Concerned Scientists, said it is unequivocal that the temperature is rising around the world. Carbon dioxide in the atmosphere traps heat, raising tempera-

tures, Ekwurzel said. And carbon dioxide is around for a very long time, she said. Ekwurzel said Minnesota is at risk to see large climate change. The consequences can be avoided if legislation is passed to reduce emissions at a state, national and global level, she said.

Mike Robertson, Minnesota Chamber of Commerce, spoke in support of creating a stakeholder group to develop a comprehensive climate action plan for Minnesota. Costs and options to reduce carbon emissions from all sectors including utilities, transportation and agriculture would be considered by the group, Robertson said.

Loren Laugtug, lobbyist, Ottertail Power Company, said the proposed bills have a lot of positive aspects, but Minnesota should not consider a single-state cap and trade system. A single-state system cannot be efficient because many buyers and few sellers create high prices, Laugtug said. Legislators should also consider that

there is no existing technology to trap carbon emissions from existing coal plants, he said.

The United States is responsible for about 26 percent of the carbon in the atmosphere today, said Elizabeth Wilson, professor, Humphrey Institute, University of Minnesota. Policy set by Legislators leads to innovation and investment in emissions reduction, she said.

Environment and Natural Resources

Shoreland overview heard

The Environment and Natural Resources Committee, chaired by Sen. Satveer Chaudhary (DFL-Fridley), heard an overview of shoreland issues in Minnesota at the Mon., Feb. 19, meeting.

The state has minimum standards, developed in 1989, for shoreland ordi-

nances, which are administered by local governments, said Kent Lokkesmoe, director of waters for the Department of Natural Resources. In 2005, work was completed on an alternative set of standards, which local governments can chose to adopt in part or in whole or not at all, Lokkesmoe said. The alternative standards were developed to address increasing growth and development that can negatively affect water quality and habitat, he said.

Minnesota has more than 208,000 acres of shoreline, said Paula West, Minnesota Waters. Because of advances in technology, people can now live and work where they used to vacation, West said. Nobody is against developing shorelands, but questions need to be asked about how much development, and where and how the land should be developed, she said. County rules need to be more stringent, West said. Added impervious surfaces to



Senators Julie Rosen (R-Fairmont) and Dennis Frederickson (R-New Ulm) consult during the Senate's Mon., Feb. 19, floor session.

Photo by David J. Oakes

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shorelands, materials like cement and roofing, increase runoff volume, phosphorus inputs and sediment inputs in lakes, she said.

Henry VanOffelen, Minnesota Center for Environmental Advocacy, said he is not convinced a voluntary approach to adopting the alternative standards is going to work. It's time to reset the bar and go to a statewide approach, VanOffelen said.

E-waste bill gains

Members of the Environment and Natural Resources Committee, chaired by Sen. Satveer Chaudhary (DFL-Fridley), heard testimony on an electronic waste bill, Wed., Feb. 21.

S.F. 235, authored by Sen. Linda Higgins (DFL-Mpls.), provides for collection, transportation and recycling of video display devices. The bill sets in place a statewide plan for recycling household e-waste including DVD players, computers, VCRs and video display devices, Higgins said. S.F. 235 requires manufacturers selling in Minnesota to register with the Pollution Control Agency and provides grants to set up e-waste recycling programs, especially outside the Metro Area, she said. Under the bill, a manufacturer is required to arrange for the collection of e-waste equal to the total weight of video display devices sold by the manufacturer during the previous year, Higgins said.

The bill places the responsibility on the manufacturer, said Laura Bishop, director of government relations for Best Buy. The bill encourages manufacturers to come to the table to make their own programs, and to incorporate into the cost of the product the cost of recycling, Bishop said. Ultimately, it will bring down the cost of recycling for the consumer, she said.

Sara Rummel, Clean Water Association, said the bill accomplishes two goals. First the bill gets mountains of e-waste out of the waste stream and into the hands of responsible recyclers, Rummel said. The bill also provides incentives for manufacturers to reduce the toxins in their products and create a more environmentally friendly product, she said.

Heather Bowman, manager of environmental policy, Hewlett Packard, said she does not disagree with the goals and issues of the bill, but the targets should be based on how much was recycled the previous year, not how much was purchased. Just because someone buys a new

computer, they are not necessarily getting rid of a computer, Bowman said.

The bill was recommended to pass and re-referred to the Judiciary Committee.

Forestry bills heard

Four measures relating to forestry were on the agenda at the Wed., Feb. 21, meeting of the Environment and Natural Resources Subcommittee on Forestry. Subcommittee Chair Tom Saxhaug (DFL-Grand Rapids) is the author of all four bills.

S.F. 420, provides for forest pest control measures on contaminated soil as well as trees, plants or shrubs harboring forest pests. S.F. 260 provides for the extension, cancellation or termination of timber permits due to economic infeasibility. S.F. 438 modifies timber sales authority, modifies decorative boughs provisions and removes the expiration of sustainable forest resources provisions. S.F. 1118 modifies restrictions on vehicles hauling unfinished forest products, modifies apportionment of net income, defines wood products industry and modifies tax exemptions. The bill was added as an amendment to S.F. 438. The three bills were then advanced to the full Environment and Natural Resources Committee.

Environment, Energy and Natural Resources Budget Division

PCA budget reviewed

Members of the Environment, Energy and Natural Resources Budget Division, chaired by Sen. Ellen Anderson (DFL-St. Paul), met Tues., Feb. 20, to hear an overview of the governor's budget recommendations for the Pollution Control Agency.

Major initiatives within the agency's budget include \$21.14 million from the general fund to expand assessment and monitoring of water resources and to develop total maximum daily load (TMDL) reports; \$6 million from the general fund to complete timely environmental review and permitting actions generated by strong growth in the ethanol, mining and power sectors; \$3 million from the environmental fund to promote alternative fuels in vehicles, reduce emissions of greenhouse gases and other pollutants, improve the fuel efficiency of

transportation fleets, and accelerate the transition to cleaner energy sources; and \$3 million from the environmental fund to restore county SCORE grants that support local solid waste collection, recycling and disposal programs.

Complete budget documents for the PCA are available online: <http://www.budget.state.mn.us/budget/operating/200809/gov/338451.pdf>

Division gives bills a green light

Three bills gained approval from the Environment, Energy and Natural Resources Budget Division, Thurs., Feb. 22.

S.F. 239, authored by Sen. Kathy Sheran (DFL-Mankato), extends the eligibility period for certain renewable energy production incentives. The bill would change the date for application deadline from January 2005 to March 2005, Sheran said. The change would allow an exception for David Arnold, Arnold Wind Farm, who met all of the requirements of the program, but whose application was lost in the mail, Sheran said. The bill was recommended to pass and referred to the Finance Committee.

Chair Ellen Anderson (DFL-St. Paul) authored S.F. 450. The bill appropriates money from the environment and natural resources trust fund and the state land and water conservation account. The Legislative Citizen Commission on Minnesota Resources (LCCMR) is made up of citizens and Legislators who work together to review the money allocated to the environment and natural resources trust fund from the state lottery, Anderson said. The bill is based on the LCCMR's recommendations, she said. Anderson said the bill supports forest legacy conservation easements, prairie stewardship assistance and park land acquisition for metro and non-metro areas. The bill was recommended to pass and referred to the Finance Committee.

Carried by Sen. Gary Kubly (DFL-Granite Falls), S.F. 141 appropriates \$5 million for state parks and trails. Minnesota's parks and trails are something nearly all Minnesotans can enjoy, Kubly said. Funding for the state's parks and trails is at an all-time low, yet demand for those trails continues to grow, he said. Kubly said the state needs to be willing to maintain the investments made in parks and trails so that they're ready for the population to use. The bill was laid over for possible inclusion in the omnibus bill.

Finance

Surplus spending delayed

The Finance Committee showed its reluctance, Thurs., Feb. 22, to spend the state's surplus without careful consideration.

Sen. Linda Berglin (DFL-Mpls.) said that if the committee passed all of the bills on the agenda for the day, almost \$60 million of the \$950 million one-time surplus would be gone. Before the committee spends too much money, there should be a discussion about where the needs are, Berglin said. Sen. Pat Pariseau (R-Farmington) agreed and said Senators should look at the big picture and not be too hasty about spending the money. Sen. Sandra Pappas (DFL-St. Paul) recommended putting the bills into an omnibus bill. An omnibus bill balances rural and urban interests, but by passing the bills one-by-one there's no sense of the big picture, Pappas said. Sen. Richard Cohen (DFL-St. Paul), who chairs the committee, said that while he shares the committee's concerns, there will be enough surplus money to pass the bills on the agenda for the day and have enough for other projects recommended by the divisions. After a brief recess, committee members agreed to lay over the bills appropriating money and to decide later whether to include them in an omnibus bill or not.

S.F. 258, authored by Sen. Yvonne Prettner Solon (DFL-Duluth) appropriates money for the Duluth Entertainment and Convention Center (DECC) arena. The bill is a request for one-time money to continue construction on the arena and will allow the University of Minnesota-Duluth to begin playing hockey there in the fall of 2009, Prettner Solon said. Construction costs have already gone up because of delays in funding, said Dan Russell, executive director, DECC. The committee recommended S.F. 258 to pass and laid the bill over.

H.F. 160, carried by Sen. Linda Higgins (DFL-Mpls.), authorizes the Secretary of State to transfer appropriations within the Help America Vote Act (HAVA) account. The money was divided into accounts to maintain the statewide voter registration system, train local officials and process complaints, Higgins said. After the fall elections, there is money left in some accounts and the Secretary of State would like to be able to

move it to other accounts within HAVA, she said. The bill was recommended to pass and sent to the Senate floor.

Also authored by Prettner Solon, S.F. 60 authorizes the city of Duluth to establish accounts to pay for retirement benefits owed to retired employees. The city of Duluth has a liability of more than \$300 million in retiree benefits, Prettner Solon said. The city is not looking for state money, simply the authorization to set up a trust to be invested with the State Board of Investment, she said. By investing with the board, the city can expect lower administrative costs and higher rates of returns than investing on its own, Prettner Solon said. The bill was recommended to pass and sent to the Senate Floor.

Sen. Mee Moua (DFL-St. Paul) carried H.F. 87. The bill authorizes expenditures to pre-design an Asian Pacific Cultural Center. The money has already been appropriated, but the money could not be used for pre-design because it was left out of the original bill, Moua said. H.F. 87 allows the money to be spent on pre-design, she said. The bill was recommended to pass and sent to the Senate floor to be placed on the Consent Calendar.

Authored by Sen. Ann Lynch (DFL-Rochester), S.F. 176 appropriates \$38 million to the University of Minnesota and Mayo Foundation partnership for biotechnology and medical genomics research. Investing in the biosciences is a strong economic tool for the state of Minnesota, Lynch said. The bill was recommended to pass and laid over.

S.F. 227, authored by Sen. Jim Vickerman (DFL-Tracy), appropriates money to the Rural Finance Authority to buy participation interests in or make agricultural loans to farmers. Jim Boerboom, assistant commissioner, Department of Agriculture, said the loans allow farmers who may not normally qualify to get a loan or to get a loan at a lower interest rate. The House version of the bill increased the appropriation from \$15 million to \$50 million, Vickerman said. Boerboom said \$50 million would allow the department to make loans for three or four years depending on demand for the loans. Berglin said she thought the appropriation should be raised to \$25 million which would get the department through the biennium. The committee adopted an amendment raising the appropriation to \$25 million. The bill was

recommended to pass as amended and sent to the Senate floor.

Carried by Sen. Kathy Sheran (DFL-Mankato), S.F. 668 appropriates money from the trunk highway fund to construct a new Department of Transportation (MnDOT) district headquarters in Mankato. The building has been waiting for a long time for the improvements that are needed, Sheran said. Cohen offered an amendment on behalf of Sen. Steve Murphy (DFL-Red Wing), who is on the committee, but was unable to attend. The amendment appropriates money for the renovation of the main MnDOT building in St. Paul equal to the amount of money for the Mankato project. Murphy said there is an equal need for renovation in the main MnDOT building and for the building in Mankato, Cohen said. The amendment was adopted. S.F. 668 was recommended to pass as amended and laid over.

Authored by Sen. Tarryl Clark (DFL-St. Cloud), S.F. 292 appropriates funds to renovate the St. Cloud State University National Hockey Center. The hockey arena is a regional center and is used by St. Cloud State, St. John's University and Tech High School hockey teams, Clark said. An amendment was offered to change the appropriation from a bond to a cash appropriation. The amendment was adopted and the bill was recommended to pass and laid over.

Health, Housing and Family Security

Family planning bill gains

The Mon., Feb. 19, Health, Housing and Family Security Committee meeting was devoted to hearing bills dealing with family planning and chemical dependency.

Sen. John Marty (DFL-Roseville), committee chair, sponsored S.F. 184. The bill increases access to family planning services, eliminates the reduction in family planning grants, authorizes registered nurses to dispense oral contraceptives in family planning clinics and increases reimbursement rates for family planning services.

Marty said that research has shown that 55 percent of all Minnesota Family Investment Program (MFIP) expenditures are directed toward families that begin with a teenager giving birth. In addition,

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the incidences of sexually transmitted infections have reached the highest level ever and Medicaid funded abortions have increased 44 percent in the last five years, he said. Marty said studies have shown that for every public expenditure of \$1 for family planning services, a savings of an estimated \$3.80 is realized. "Providing adequate access to family planning services will prevent unintended pregnancies, prevent abortions and reduce the number of women who need Medical Assistance, MFIP, and other social services," he said.

Representatives from a number of organizations spoke in support of the measure. Sarah Stoesz, president, Planned Parenthood of Minnesota, North Dakota and South Dakota, said Planned Parenthood serves more than 60,000 clients a year, primarily for family planning. She said making family planning services available will help reduce unintended pregnancies and allow families to be better prepared for children. Gail Kulick, board member, Rum River Health Services, said

that studies have shown that, although many unintended pregnancies turn out well, planned pregnancies result in healthier babies.

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

Members also approved a bill, S.F. 371, expanding eligibility for chemical dependency treatment. The measure, authored by Sen. Yvonne Prettner Solon (DFL-Duluth), expands the eligibility criteria for the chemical dependency fund services to persons whose income is at or below 165 percent of the federal poverty guidelines. The bill was re-referred to the Finance Committee.

Sen. Linda Berglin (DFL-Mpls.) also sponsored a bill relating to chemical dependency services. S.F. 310 expands the definition of chemically dependent person. Current law includes a pregnant woman who engages in habitual or excessive use of opium, cocaine, heroin, phencyclidine, methamphetamine or amphetamine as a chemically dependent person. The bill includes alcohol and

tetrahydrocannabinol, commonly known as THC, the main psychoactive substance found in the cannabis plant, as chemicals used in defining a pregnant woman as a chemically dependent person. In addition, the bill specifies that mandated reporters must also report to a local welfare agency if a pregnant woman uses THC or alcohol and requires that the appropriate services, including assessment, treatment, prenatal care or emergency admission be provided. The measure was approved and sent to the full Senate.

S.F. 559, also carried by Berglin, establishes a family stabilization services program, establishes a work participation bonus and appropriates money for supporting work for low-income families. Berglin said that currently, families participating in the MFIP program have been facing a "catch-22" when entering the workforce and leaving the assistance program, because they lose eligibility before they can become fully self-supporting. The bill deletes a requirement that most participants lose eligibility for MFIP when their income reaches 115 percent of the federal poverty guidelines, modifies the provisions that impose property limitations on MFIP participants by striking the vehicle loan value cap, and strikes a provision requiring an MFIP participant to work at least 20 hours per week in order for a postsecondary education and training program to be an approved work activity. The family stabilization program is established to serve families who are not making significant progress in MFIP because of a variety of barriers, such as language, age, illness or incapacitation. The bill sets forth the elements of the program and the sanctions for individuals who, without good cause, fail to comply with the requirements of the plan. Finally, the bill establishes a grant program for counties that provide a supported work program. The bill was approved and re-referred to the Finance Committee.

The final bill to gain committee approval, S.F. 532, makes changes in provisions dealing with chemical use assessments. The bill, sponsored by Sen. Julie Rosen (R-Fairmont), specifies that when a chemical use assessment is required for a person who is arrested and taken into custody by a peace officer outside the person's county of residence, the assessment must be completed by the person's county of residence within three weeks of the assessment being requested. The bill



Minnesota Lower Sioux Community drummers perform in the Capitol Rotunda, Thurs., Feb. 22, as part of a ceremony to highlight the signing of an agreement between the Minnesota Department of Human Services and state tribes.

Photo by A.J. Olmscheid

also specifies that an assessor conducting a chemical use assessment for a person who is on probation, or under other correctional supervision, must contact the person's probation officer to verify the information supplied by the person. The bill also requires the commissioner of human services to provide best practices information to assessors, work with the commissioner of health to develop guidelines and training materials for health care organizations on the use of brief interventions for alcohol abuse and to help local agencies assess and monitor the progress of clients. Finally, the bill requires the development of plans to analyze the merits of changing the statutory maintenance of effort provisions in the chemical dependency treatment fund, to study the feasibility of posting treatment program peer reviews online and to improve the availability of community-based substance abuse treatment.

Nursing home COLA bills heard

The first portion of the Wed., Feb. 21, meeting of the Health, Housing and Family Security Committee was devoted to discussion of three bills providing cost of living adjustments (COLAs) to nursing care facilities. David Giel, legislative analyst, reviewed the similarities and differences of the three measures. He said all three bills have across the board COLAs for nursing facilities, but each contains different amounts and differing provider types.

S.F. 679, sponsored by Chair John Marty (DFL-Roseville), provides for an increase in the operating payment rate of five percent each year of the biennium, provides a one percent increase on Oct. 1, 2007, for wages, benefits and associated costs of direct care employees hired on or after than days, requires the implementation of new case-mix indices or difficulty of care ratings, provides an unspecified increase each year for Intermediate Care Facilities for Persons with Mental Retardation (ICFs/MR) and provides for an unspecified increase for community-based providers. The measure also specifies that 75 percent of the increase be set aside for employee wages and benefits. Finally, the bill authorizes tuition subsidies for health care education and suspends for one year the barrier to MinnesotaCare for persons with access to employer-sponsored insurance, if the employer is a nursing facility.

A second bill, S.F. 281, sponsored by Sen. Yvonne Prettner Solon (DFL-Duluth), also provides rate increases. Under the bill, the increases are seven percent the first year and six percent the second year. In addition, the bill provides an overall two percent quality add-on each year. The bill also requires the implementation of new case-mix indices, requires rates to be rebased on Oct. 1, 2008, to recognize increased expenses incurred by nursing facilities, expands the service contracts under which nursing facilities may receive up to 300 percent of their highest rate for serving high-needs residents.

The final measure, S.F. 843, authored by Sen. Linda Berglin (DFL-Mpls.), does not specify an amount for an increase. The measure also provides unspecified increases for ICFs/MR and for community-based providers. The measure provides an additional rate increase to providers that employ overnight sleep staff.

The committee heard an additional four bills. S.F. 286, carried by Sen. Jim Vickerman (DFL-Tracy), adjusts Medical Assistance operating payment rates by up to six percent for low-payment rate nursing facilities. The bill directs the commissioner of human services to develop a target value and increase payments to homes below that value by the lesser of six percent to half the difference between their current operating payment rate and the target value. The measure was also approved and re-referred to the Finance Committee. S.F. 178, authored by Sen. Betsy Wergin (R-Princeton), increases the payment rate of nursing facilities in Wright, Mille Lacs, Isanti and Chisago Counties to be equal to the median rate in the Metro Area. Prettner Solon offered an amendment adding the city of Duluth to the counties in the bill. She said there is a discrepancy between the rates in the rest of St. Louis County and the city of Duluth. The amendment was adopted. The bill was approved and re-referred to the Finance Committee.

S.F. 377, carried by Sen. Gary Kubly (DFL-Granite Falls), provides that the commissioner of human services may approve a planned closure rate adjustment in Big Stone County for an eight-bed facility in Clinton for reassignment to a 50 bed facility in Graceville. S.F. 261, sponsored by Berglin, provides additional criteria for ranking nursing facility moratorium exception proposals, increases the limit on allowable interest on equip-

ments, increases the replacement-cost new bed limit and provides reimbursement for nursing facility property costs. Both measures were approved and sent to the Committee on Finance.

Health and Human Services Budget Division

Health board budgets reviewed

The Health and Human Services Budget Division, chaired by Sen. Linda Berglin (DFL-Mpls.), devoted the first portion of the Tues., Feb. 20, meeting to reviewing the budgets of the health related boards. Many of the boards are funded through special revenue funds as well as general fund appropriations.

Julie Vangsness, budget officer, Health Related Licensing Boards, gave an overview of the health related boards. She also presented the governor's recommendation for the Chiropractors Board. The board regulates and licenses chiropractors and investigates complaints, she said. The board examines practitioners prior to licensure to ensure that they meet or exceed baseline competence, establishes continuing education requirements and responds to complaints about chiropractors, Vangsness said. The total budget recommendation is \$915,000, she said.

Members also heard from Ombudsman for Mental Health and Development Disabilities Robert Opheim. Opheim said the office's goal is to bring about change that improves the effectiveness and efficiency of the service delivery system, while ensuring that consumers who are least able to care for themselves are protected. The total biennial budget recommendation for the agency is \$3.188 million, he said. Opheim said the agency reviews serious injuries and deaths of consumers residing in or receiving services from licensed facilities, agencies or programs. The agency also intervenes to resolve disputes through education, facilitation and advocacy tools, he said.

The ombudsperson for families, Muriel Gubasta, said the agency's primary duty is to ensure that all laws governing the protection of children and their families are implemented in a culturally appropriate manner, and that decision-making processes are in compliance with the laws that protect children of color in the state. The biennial budget recommendation is \$892,000, Gubasta said. Joan

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Willshire, executive director, Disability Council, reviewed the council's activities and budget. The council advises, provides technical assistance, collaborates and advocates to expand opportunities, improve the quality of life and empower persons with disabilities, she said. The biennial budget recommendation is \$1.022 million. Marshall Shragg, executive director, Dentistry Board, reviewed the board's activities and said the agency's purpose is to protect the public by ensuring that licensed dental professionals comply with the board's rules and practices in a professional, legal, and ethical manner. He said the budget recommendation is for \$2.036 million.

The executive directors of the Medical Practice Board, Nursing Home Administrators Board, the Marriage and Family Therapy Board and the Board of Pharmacy also reviewed their board's activities and budget recommendations. The biennial budget recommendation for the Medical Practice Board is \$7.9 million, for the Nursing Home Administrators Board is \$1.690 million, for the Marriage and Family Therapy Board is \$304,000 and for the Board of Pharmacy is \$2.851 million.

The division also heard three bills all of which were laid over for possible inclusion in the division's omnibus bill.

Sen. Mee Moua (DFL-St. Paul) carried a bill, S.F. 343, providing an appropriation for a program in Ramsey County. The program, Mothers First, provides early intervention efforts to discourage pregnant women from using alcohol and illegal drugs. Moua said the program helps women deliver healthy babies, free from alcohol and drugs. Ramsey County Commissioner Toni Carter said the program has been critical in helping women stay clean and sober during their pregnancy. A former client, Lori Markie, said the program helped her attain sobriety so that her child was born without any traces of drugs or alcohol.

Moua also carried a bill, S.F. 314, restoring senior nutrition funding. Moua said in her culture, seniors are cared for by their children and that she was proud to live in a state that values its senior citizens. Barb Green, director, White Bear Lake Senior Program, said budget cuts have been hard on various meal delivery programs. Zelda Katz, age 89, said the

Kosher Meals on Wheels program allowed her to live independently in her own home.

S.F. 509, sponsored by Sen. Ann Lynch (DFL-Rochester), appropriates \$400,000 to the commissioner of health for the heart disease and stroke prevention unit of the department to fund data collection and other activities to improve cardiovascular health and reduce the burden of heart disease and stroke in Minnesota.

Bills heard

Members of the Health and Human Services Budget Division met Wed., Feb. 21, to consider several measures relating to payment rates and other appropriations. All the bills were laid over for possible inclusion in the division's omnibus budget bill.

S.F. 34, carried by Sen. Sandra Pappas (DFL-St. Paul), modifies group residential housing rates for a facility serving chemically dependant males in Hennepin and Ramsey Counties. S.F. 164, sponsored by Sen. Yvonne Prettner Solon (DFL-Duluth), modifies the group residential housing supplementary payment rate for facilities in Stearns and St. Louis Counties serving chemically dependent persons. S.F. 571, carried by Sen. Betsy Wergin (R-Princeton), modifies group residential housing supplemental rates for a facility serving chemically dependant persons in St. Louis County.

S.F. 673, authored by Chair Linda Berglin (DFL-Mpls.), provides for a supplemental rate for group residential housing facilities in Hennepin and Ramsey Counties and provides for continued eligibility for an individual being transitioned to independent living. Sen. Scott Dibble (DFL-Mpls.) carried a bill, S.F. 678, appropriating \$160,000 from the general fund in FY 08 to fund the Minnesota AIDS Project's statewide HIV information and referral service using telephone, Internet, and other appropriate technologies. S.F. 700, sponsored by Sen. Steve Dille (R-Dassel), increases the reimbursement rate for a day training and habilitation provider in Meeker County and requires the commissioner of human services in conjunction with community service providers to prepare legislation to correct the disparity in per diem rate reimbursements between community service providers across the state.

Higher Education Budget and Policy Division

Residency programs discussed

Family practice medical residency programs were the focus of the Tues., Feb. 20, meeting of the Higher Education Budget and Policy Division, chaired by Sen. Sandra Pappas (DFL-St. Paul). Directors of residency programs and other medical educators from the Mayo Medical School, the University of Minnesota and the United Family Medicine Residency Program discussed their residency programs and the communities they serve. Many of the family practice residency programs are targeted at underserved populations, especially in the core urban communities and Greater Minnesota.

Dr. Macaran Baird, director of the University's program, discussed the economic incentives Minnesota and other states have used to encourage medical students and residents to enter and stay in rural family health programs. Loan forgiveness programs are often frustrated, he said, by the higher salaries available in other medical fields. Residents may buy their way out of the rural practice and loan forgiveness program, disappointing the local community, Baird said. He said more success has been found where direct financial support to residents and medical care is used.

In other action, division members considered Office of Higher Education (OHE) provisions in the governor's higher education bill, S.F. 575, carried by Sen. Claire Robling (R-Jordan). The measure appropriates \$491.797 million to the office for a variety of programs, including ACHIEVE grants, the Minnesota GI bill, the state grant program, work study and child care grants, tuition reciprocity payments, and match payments for the Minnesota College Savings Plan. Susan Heegaard, OHE director, and Mark Misukanis, OHE fiscal policy and research director, reviewed the appropriations and statutory changes in the measure. One article of the bill makes it a misdemeanor to knowingly issue false or fraudulent academic credentials, or to use false or fraudulent academic credentials to gain employment or obtain admission to a postsecondary institution. Heegaard said the provisions are an effort to address the problem of "degree mills," or fly-by-night fraudulent educational institutions.

Private school regulation discussed

Provisions in the governor's omnibus higher education bill relating to regulation of private postsecondary institutions were the focus of the Thurs., Feb. 22, meeting of the Higher Education Budget and Policy Division. George Roedler and Mark Misukanis, both of the Office of Higher Education, reviewed the provisions for the panel, chaired by Sen. Sandra Pappas (DFL-St. Paul). The provisions require registered schools to be accredited, provide for the maintenance of permanent student records, and set fees for oversight activity by the Office of Higher Education.

Division members also heard a report on how the higher education sector is meeting the state's goals. The report, prepared by the Office of Higher Education, focuses on five goals: improving the success of all students, but especially the success of students from traditionally underrepresented groups; creating a responsive system that creates graduates who meet the economy's demands; increasing student learning and improving student skill levels for global competition; contributing to the development of a competitive state economy through research and workforce training; and providing access, affordability and choice to all students. The full report is available online: <http://www.ohe.state.mn.us/pdf/MinnesotaMeasures.pdf>

Judiciary

Expungements discussed

Members of the Judiciary Committee devoted their Tues., Feb. 20, meeting to consideration of two reports on background checks, expungements, and the collateral consequences of adult convictions and juvenile adjudications. The panel, chaired by Sen. Mee Moua (DFL-St. Paul), will examine legislation addressing issues raised in the reports at a later meeting.

Moua began the hearing by asking Senate Counsels Kenneth Backhus and Kathleen Pontius to provide general background information. Backhus focused on the expungement issues, noting that there are two types of expungement: one grounded in statute and the other in courts' inherent authority to grant relief when necessary to the performance of their unique judicial function. Pontius reviewed the varying levels of access to

criminal history records and information that can be obtained in background checks.

The report on background checks and expungements was presented by Deb Kerschner and Steve Holmgren, the chair and vice chair of the CrimNet Criminal and Juvenile Justice Information Task Force. Kerschner said the background check portion of the report focuses on what information should be included in background checks, what circumstances merit performing state and national fingerprint-based searches, what informed consent and individual privacy protections should be in place, when background checks should be mandatory, and how background checks should be funded. Holmgren reviewed the expungement portions of the report, which recommend that some expungements should be automatic, that some criminal justice agencies should have access to expunged records, that petitioners should demonstrate rehabilitation before seeking conviction expungement, and that a more comprehensive expungement statute might reduce the use of inherent authority judicial expungements.

The complete report on background checks and expungements is available online:

<http://www.crimnet.state.mn.us/GovOrg/DataPracticesDeliveryTeam/FinalReport.pdf>

Deputy Public Safety Commissioner Mary Ellison discussed the report on collateral consequences. She said task force members concluded that issues related to collateral consequences, including the likely reduction of the ability of offenders to become law-abiding, productive members of society, require further study and the participation of additional parties. Robert Johnson, Anoka County attorney, said that collateral consequences are very appropriate in some circumstances and not at all appropriate in others. We need to carefully consider the various situations and consequences before acting, he said.

Appointments approved

The Judiciary Committee met Thurs., Feb. 21, to consider the confirmations of two gubernatorial appointees. The appointment of Douglas Fuller to the Board on Judicial Standards was approved unanimously. A more controversial appointment, that of Michael Campion as

commissioner of the Dept. of Public Safety, sparked some discussion. Campion described the operations of the department and that the ultimate goal of the department is the safety of all Minnesotans. He said he was aware of opposition to his appointment because of controversy surrounding personnel of the Financial Crimes Task Force. Sen. Leo Foley (DFL-Coon Rapids) said, "I have worked with Mr. Campion for 30 years and I have found him an honest, hard working public employee." Campion's appointment was approved on a unanimous voice vote. Committee Chair Mee Moua (DFL-St. Paul) said, "My office has received numerous contacts from law enforcement attesting to his professionalism." Sen. Julianne Ortman (R-Chanhassen) congratulated Campion and requested that he provide leadership in advising Legislators on the needs of the CrimNet system.

Members then turned their attention to several bills relating to the expungement of criminal records. S.F. 279, authored by Moua, provides that arrest data be sealed if the arrests do not lead to a referral of prosecution, if the arrests lead to a referral, but no charges are brought and if charged offenses are resolved in favor of the subject of the data. However, Moua said the bill does not apply to domestic abuse data and to court and prosecution data relating to a domestic abuse charge. The measure also does not apply to crimes against the person. The bill also requires business screening services to investigate, without charge, a disputed record.

Tom Johnson, Council on Crime and Justice, said broad categories of people, especially communities of color, are affected by arrest records that have not resulted in charges or convictions. He said minorities are more likely to be arrested for crimes such as loitering and traffic violations and that the arrests then impact employment and education opportunities. He said the tragedy of 9/11 has made background checks nearly universal for all employment positions. He said the bill is not an expungement bill, but rather a sealing bill, that has some relationship with expungements. Mark Anfinson, Minnesota Newspaper Association, said the bill has a tunnel vision regarding the records of arrestees and would hinder access to information. Rebecca Rhoda Fisher, head of the Criminal Law Section, Minnesota State Bar, said the section represents both prosecution and defense

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Senators Kathy Saltzman (DFL-Woodbury), left, and Linda Higgins (DFL-Mpls.) examine the details of a proposed amendment on a laptop computer during a Senate floor session, Wed., Feb. 21.

Photo by David J. Oakes

attorneys and that the section is in support of the bill. Doug Johnson, Minnesota County Attorneys Association, said there were several difficulties with the bill and offered to work with the author to resolve issues raised by county attorneys. Robert Tennessen, an attorney representing the owners of Lexis-Nexis, said recent years have seen the addition of new crimes and longer sentences and that it is important to look at the whole area of records. He said it would be better to develop a whole new system to deal with the issue of expungements.

Moua said she appreciated the testimony given both for and against the bill because it pointed out questions about the bill. "It is evident this is an area that needs a great deal of discussion and work," she said. She offered an amendment replacing the language of the bill with language asking for a study group or policy group to continue to work on incorporating some of the testimony heard in the

hearing and to think through the multiple layers of the issue and come up with the different mechanisms needed to implement a bill like the original S.F. 279. The amendment was adopted.

Moua also offered an amendment to establish a study group to look at the recommendations of the Collateral Sanctions Task Force. She said the group is to study how collateral sanctions are handled in other states, develop best practices and how collateral sanctions affect individuals' opportunities for housing, employment and licensing. The amendment also listed the members of the study group. The amendment was adopted. The amended bill was approved and advanced to the State and Local Government Operations and Oversight Committee.

S.F. 294, sponsored by Ortman, recodifies and restructures the law on expungements of criminal records and expands the eligibility for expungement.

The measure also requires private data harvesters to delete from their databases expunged records and inaccurate records. The bill allows the unsealing of an expunged record for the purposes of a statutorily required background check without a court order, if the subject has been given notice. The measure was amended and laid over to await a version of the bill incorporating the changes.

Members also considered a bill, S.F. 685, authored by Sen. Don Betzold (DFL-Fridley). The measure also modifies expungement provisions and specifies that when a court issues an expungement order when acting under its own inherent authority, all related records held by any governmental agency must be sealed. The measure was also laid over.

Judiciary Budget Division

Public defense bill moves forward

A measure making changes to statutes governing public defenders was advanced

by members of the Judiciary Budget Division at their Thurs., Feb. 22, meeting. The panel, chaired by Sen. Leo Foley (DFL-Coon Rapids), forwarded the bill to the Finance Committee.

S.F. 300, carried by Sen. Linda Higgins (DFL-Mpls.), updates a variety of public defense statutes. Higgins offered an amendment to the bill to remove sections prohibiting courts from charging co-payments for public defense services and requiring counties to pay for appointed advisory or standby counsel for defendants who choose to represent themselves. The division adopted the amendment, which removed all provisions within the panel's jurisdiction. The bill was then advanced.

Division members also heard two budget presentations. State Court Administrator Sue Dosal completed the budget presentation for the judicial branch. Bruce Beneke of Southern Minnesota Legal Services and Jeremy Lane of Mid-Minnesota Legal Assistance presented the budget requests and recommendations for civil legal services.

Property Tax Division

Utility tax rates discussed

Chair Rod Skoe (DFL-Clearbrook) and members of the Property Tax Division met Wed., Feb. 22, to hear S.F. 724. The bill, authored by Sen. Steve Murphy (DFL-Red Wing) increases the property tax class rate that applies to utility personal property.

The Department of Revenue has changed the way it defines property values for utility companies, said Gordon Folkman, director of the department's Property Tax Division. The rule change was necessary because in recent years it has been hard for assessors to determine market values within the context of the old rules, Folkman said. There have also been a number of court cases challenging the assessments, he said.

The new rules remove caps on depreciation values, said Al Whipple, Department of Revenue. A utility's books may show a 60 percent depreciation value, but under the old rules they could only claim a 40 percent depreciation value, Whipple said. The old rules also did not allow for obsolete values of utility property, he said. Whipple said the new rules will be phased in over three years.

The largest average percent change in market value if the new rules were in place in 2006 would be a 26.9 percent decrease for investor owned electric utilities, he said.

The change in market values means the taxes paid by utilities will decrease, Murphy said. The decrease for utilities means an increase in property taxes for residents in communities that host utilities, he said. Murphy said the bill increases the property tax rate from 2 percent to 3 percent for electrical generating utility property and from 2 percent to 2.5 percent on other utility personal property.

For the city of Red Wing, the new rules will mean a \$1.3 million burden shifted on to resident property taxes in order to maintain current services, said Carol Duff, city council president. It is time to recalibrate the tax rate on utility properties to reflect the new property valuations, Duff said.

S.F. 724 would increase the annual property taxes for Xcel Energy by \$20 million per year, and that cost will be passed on to rate payers, said Joe Rheinberger, tax department, Xcel Energy. The rule change that occurred corrected valuations on property, Rheinberger said. Utilities are the only commercial or industrial business taxed on personal property, he said. Xcel Energy is working with local communities to mitigate the effects by entering into agreements to keep tax payments to the cities at current levels for ten years if the tax relief continues, Rheinberger said.

The bill was laid over for possible inclusion in the omnibus bill.

The division also heard an overview of current programs and practices for lands enrolled in state or federal conservation programs. One problem assessors face is the lack of data available, said Steve Hurni, regional representative, Department of Revenue Property Tax Division. Assessors may not know that land is enrolled in a conservation program, which may impact the classification or valuation of the property, Hurni said. Classification practices, such as whether or not land enrolled in a conservation program should be classified as agricultural, is another problem, he said. Hurni said the department needs to take a strong role on how easement lands should be valued.

Public Safety Budget Division

Peace officer grant bill heard

Members of the Public Safety Budget Division met Mon., Feb. 19, to consider three bills. All three measures were sponsored by Division Chair Linda Higgins (DFL-Mpls.). S.F. 815 provides an appropriation of \$2.5 million in each fiscal year to the commissioner of public safety for grants to hire new peace officers. Under the bill, the appropriation is ongoing. The bill also contains a one-time appropriation of \$2.5 million in each fiscal year for grants for peace officer overtime pay. The panel adopted an amendment, offered by Higgins, requiring the commissioner to prioritize by awarding grants to assist law enforcement agencies with the greatest needs in terms of personnel demands and crime rates.

S.F. 812 appropriates \$2 million in each fiscal year for grants to law enforcement agencies to make squad car camera technology upgrades. The bill also specifies that \$500,000 is for a grant to the city of Minneapolis.

The final bill, S.F. 417, appropriates \$6.458 million each year to the commissioner of corrections for costs associated with the housing and care of short-term offenders in county facilities. The bill also allows the commissioner to use up to 20 percent of the total amount for inpatient medical care for short-term offenders with less than six months to serve. If the funds for inpatient medical care are not expended, the bill requires the funds to be added to and distributed with the housing funds.

All three bills were laid over for possible inclusion in the division's omnibus bill.

CD treatment funding bill heard

The Public Safety Budget Division, chaired by Sen. Linda Higgins (DFL-Mpls.), met Wed., Feb. 21, to consider bills dealing with defibrillator grants, an increase in the alcohol excise tax to fully fund chemical dependency programs and an appropriation for the Peace Officer Standards and Training (POST) Board.

Sen. Steve Murphy (DFL-Red Wing) authored a bill, S.F. 779, providing for an increase in the alcohol excise tax on liquor, wine and beer by the equivalent of five cents per drink to fund chemical

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dependency services. Murphy said increasing the excise tax would relieve pressure on property tax payers who must absorb the costs associated with alcohol and drug abuse. He said it costs taxpayers \$923 million each year to deal with alcohol and drug abuse. About 50 percent of all vehicle crashes have an alcohol or drug component and 20 percent of all fatalities are because of alcohol or drugs, Murphy said.

The bill creates a county alcohol and chemical dependency costs account in the general fund with the proceeds from the tax increase. Under the bill, 30 percent of the increase is dedicated to the Dept. of Corrections for county probation services grants. The bill specifies that of the remaining 70 percent, a majority of the proceeds is appropriated to the chemical dependency fund and that the remainder be used to provide grants to counties for treatment services, detoxification services, at-risk youth programs and DWI education.

Tom Adkins, Washington County, said 50 percent of all probation cases in the county are DWI offenders. He said the costs to the county of providing corrections services for persons who abuse alcohol and drugs has been rapidly increasing and requires more resources than are available. Supporters of the bill said alcohol and drug abuse contributes to injuries from vehicle crashes, fires, and drownings and contributes to violence such as child abuse, homicide, suicide and assault. Supporters said that in addition to the human costs involved in alcohol and drug abuse, medical, law enforcement, judicial and corrections costs are other factors in the overall costs to society.

Kate Becker, Minnesota Beer Wholesalers, spoke in opposition to the bill. She said 44 percent of the cost of beer is taxes and that no further taxation should be added. A bar owner also spoke against the bill. He said it is very hard to become profitable and that another tax makes it even more difficult.

Sen. Julie Rosen (R-Fairmont) said the bill also includes a provision funding transportation costs for persons needing to go to treatment as a result of their alcohol or drug abuse. She said in some parts of the state it is very difficult to provide the needed transportation.

Division members approved the bill and advanced it to the full Finance Committee.

Two additional bills were heard and laid over for possible inclusion in the division's omnibus bill. S.F. 334, authored by Sen. Paul Koering (R-Fort Ripley), appropriates money to the commissioner of public safety for grants to local law enforcement agencies in Greater Minnesota for the purpose of purchasing defibrillators. S.F. 298, carried by Sen. Betsy Wergin (R-Princeton), provides an increase of \$2.4 million in each year of the biennium to the Peace Officer Standards and Training Board for reimbursements to local law enforcement for training costs.

Red Wing visited

Members of the Public Safety Budget Division, chaired by Sen. Linda Higgins (DFL-Mpls.), traveled to Red Wing, Fri., Feb. 23, to visit one of the state's two juvenile correctional facilities. The facility was constructed in 1889 and provides treatment, education, and transition services for approximately 150 serious and chronic male juvenile offenders. It also provides detention services and predisposition evaluation services requested by the courts.

Juvenile residents participate in the facility's cognitive/behavior restructuring and skill development treatment model, incorporating the principles of the restorative justice and therapeutic communities. Risk and needs assessments are completed for each resident, and outcomes are used to develop individual treatment plans. The facility's Mental Health Treatment Support Unit provides services for residents assessed to be in need of mental health management and counseling, including a 12-bed temporary living unit for residents who have difficulty adjusting in the general population programs. The Red Wing facility also provides sex offender and substance abuse treatment programs, along with volunteer, religious, and after-school learning enrichment programs.

More information about the Red Wing correctional facility is available from the Department of Corrections: <http://www.corr.state.mn.us/facilities/redwing.htm>

Rules and Administration

Senate audits reviewed

The full Rules and Administration Committee met Tues., Feb. 20, to receive

the Senate audits for 2004, 2005 and 2006. Sen. Dennis Frederickson (R-New Ulm) presented the audit and introduced the audit firm's representative, Jim Murray. Frederickson said in 2004, the Rules and Administration Committee decided to solicit bids for the annual Senate audit and the firm of Virchow, Krause and Company was selected.

Murray reviewed the audits and said new auditing standards, in place since the Enron scandal, emphasize fraud detection and prevention. He said other, new standards will be taking effect in coming years that may result in changes in the Senate audit. Sen. James Metzen (DFL-South St. Paul) commended Senate staff and said, "In the course of my job outside the Senate I see many audits and this is perhaps the cleanest audit I've seen in several years."

The committee, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), voted to accept the audits on a unanimous voice vote.

State and Local Government Operations and Oversight

Committee hears six bills

Six bills passed the State and Local Government Operations and Oversight Committee Mon., Feb. 19. Sen. Ann Rest (DFL-New Hope) chairs the committee.

S.F. 15, authored by Sen. Yvonne Prettner Solon (DFL-Duluth), creates a children's health security account. The bill also creates a task force to study health care reform and cost-containment options for the account, Prettner Solon said. The task force will be made up of six House and six Senate members, and six non-voting members from organizations named in the bill, she said. The bill was referred to the Committee on Rules and Administration.

Carried by Sen. Charles Wiger (DFL-North St. Paul), S.F. 81 requires members of the Metropolitan Council be elected. Wiger said he would like to see the council strengthened by having it directly accountable to the public. The norm is that a regional planning agency has elected members, not gubernatorial appointees, said Myron Orfield, a professor at the University of Minnesota.

Sen. Claire Robling (R-Jordan) said if members are elected, the council will end up being very partisan. A planning agency



Red Lake Community spiritual advisor Tom Stillday of Ponemah performs a traditional pipe ceremony prior to the Senate's floor session, Thurs., Feb. 22.

Photo by David J. Oakes

should be a nonpartisan body, Robling added. Tom Weaver, regional administrator for the council, said appointed members represent regional interests, not the interests of independent districts. Sen. Sandra Pappas (DFL-St. Paul) said she is concerned about losing federal transportation project funding if the council changes to elected members because the council will be seen as unstable. Pappas made a motion to lay the bill on the table until questions about federal funding can be answered. The motion was defeated. The

bill was re-referred to the Transportation Committee.

S.F. 483, authored by Sen. John Doll (DFL-Burnsville), eliminates the 10 percent requirement for major political party nomination. The bill repeals language deemed unconstitutional in 2004 by the Minnesota Supreme Court, Doll said. The bill was sent to the Senate floor.

Sen. Richard Cohen (DFL-St. Paul) authored S.F. 265, which appropriates \$279 million in bonds to fund the

construction and furnishing of biomedical research facilities for the University of Minnesota. The bill also establishes a 13 member Minnesota Biomedical Science Research Facilities Authority to determine whether applications from the University to use the fund meet the criteria specified in the bill. The accelerated nature of research in the biosciences makes this bill necessary, said Robert Bruininks, U of M president. The bill was re-referred to the Committee on Rules and Administration.

Carried by Sen. Jim Carlson (DFL-Eagan), S.F. 458 conforms disclaimer requirements for campaign material to constitutional requirements. The bill was sent to the Senate floor.

S.F. 226, authored by Pappas, allows certain persons access to multiple unit residences for certain campaign and election purposes. Currently, candidates are allowed into apartment buildings to campaign door to door, Pappas said. S.F. 226 clarifies that candidates can leave campaign literature in the building for residents who are not home, she said. The bill was sent to the Senate floor.

Arts Board members okayed

Three appointees to the State Arts Board were approved at the Wed., Feb. 21, meeting of the State and Local Government Operations and Oversight Committee. The panel recommended the Senate confirm the three appointees: Matthew Anderson, Margaret Rapp, and Pam Perri Weaver.

The committee, led by Vice Chair Tony Lourey (DFL-Kerrick), also considered the nominations of the William Kozitzka, Lynn Leegard, and Camille McArdle to the Racing Commission. However, action on the nominations was delayed to determine if the appointments would violate a statutory limit on the number of commission members from any one political party.

In other action, committee members approved a bill changing statutory references to an association of county governments. S.F. 736, carried by Sen. Ann Lynch (DFL-Rochester) updates references to the Metropolitan Inter-County Association to reflect the organization's new name, the Minnesota Inter-County Association. The measure was recommended for placement on the Consent Calendar.

Additionally, the panel heard an overview of the administrative rulemaking

Committee update

process from Judge Bruce Johnson, assistant chief administrative law judge in the Office of Administrative Hearings. Johnson explained that rulemaking is essentially a delegation of power from the Legislature to executive agencies. The Legislature has tightly bounded agency authority in rulemaking, Johnson said, to ensure that rules are demonstrably rational. The role of the committee is to review all proposed legislation that grants rulemaking authority to keep agencies within bounds, he said. Johnson also reviewed legislative, gubernatorial and judicial oversight of the rulemaking process.

State Government Budget Division

Dept. of Revenue budget heard

The State Government Budget Division, chaired by Sen. Don Betzold (DFL-Fridley), met Mon., Feb. 19, to review the Dept. of Revenue's budget proposal.

Commissioner Ward Einess and Deputy Commissioner Dan Salomone reviewed the operations of the department and the agency's core functions. Salomone said the proposed budget consists of \$240.98 million from the general fund and \$13.126 million from other funds. The budget is 15 percent more than the last biennial base budget because additional funding is needed for stepped-up tax compliance activities, modernization of the department's computer systems, and a compensation adjustment, he said. He said the added tax compliance activities are expected to generate \$51.2 million in added revenue.

Salomone said the department's mission is to make the revenue system work well for Minnesota. To do so, the department provides taxpayers with the services and information they need to meet their filing and paying obligations, processes returns and payments, issues refunds, conducts audits to resolve discrepancies, enforces the tax laws, and recommends improvements to the system, he said.

Major challenges include the need to modernize outdated computer systems, the erosion of state revenues because of globalization of the economy, an aging workforce and stiff competition for employees, Salomone said.

OET budget heard

The governor's budget recommendations for the Office of Enterprise Technology were the focus of the Wed., Feb. 21, meeting of the State Government Budget Division, chaired by Sen. Don Betzold (DFL-Fridley).

The governor's FY 08-09 recommendations provide for general fund expenditures of \$54.917 million, \$1 million in spending from the special revenue fund, and \$172.081 million from the enterprise technology fund, which is derived from charges back to state agencies served by the OET. The office is charged with supporting the transformation of public services by effective information management and efficient delivery of services to government and its customers. The office develops statewide enterprise strategies and standards, oversees technology investments, and creates a secure and efficient information management environment.

Complete budget documents for the Office of Enterprise Technology are available online: <http://www.budget.state.mn.us/budget/operating/200809/gov/338409.pdf>

Taxes

Local bills heard

The Taxes Committee, chaired by Sen. Thomas Bakk (DFL-Cook), met Tues., Feb. 20, to consider several local bills for possible inclusion in the omnibus bill.

S.F. 454, authored by Sen. Steve Murphy (DFL-Red Wing), clarifies that the current income tax subtraction for military compensation paid to Minnesota residents for active duty outside of the state applies to members of the National Guard and other reservists. Soldiers called to active duty get this tax break, but National Guard members doing hurricane relief or boarder patrol do not, said Col. Eric Ahlness, Minnesota National Guard. The legislation will rectify this inequity, Ahlness said.

Authored by Sen. Tony Lourey (DFL-Kerrick), S.F. 692 authorizes the city of Cloquet to impose a one-half percent sales and use tax to pay for park improvement projects, improvements for the industrial park and infrastructure improvements related to sewers and water treatment. The city is a regional center for many users of

city services, such as the library, who are not paying for them, said Bruce Ahlgren, mayor.

Sen. Sharon Erickson Ropes (DFL-Winona) carried S.F. 1035. The bill authorizes the city of Winona to impose a one-half cent sales and use tax to pay for the city's portion of the costs for the construction of a street connecting Minnesota State Highways 61 and 43. The construction of the road would relieve congestion at the intersection of these two highways and create a second entrance to the city's growing industrial park, Erickson Ropes said.

S.F. 512 authorizes the city of North Mankato to impose a one-half cent sale and use tax to pay for five projects, including development of regional parks and library expansion. Sen. Kathy Sheran (DFL-Mankato), who authored the bill, said all of the projects are long-term capital improvement projects that are important for the development of the city.

Carried by Sen. Rick Olseen (DFL-Harris), S.F. 109 authorizes the city of Taylors Falls to establish and exercise border city development zone powers. The city of Taylors Falls has been losing businesses to Wisconsin where businesses pay 50 percent less for property taxes, said Michael Buchite, mayor. The city needs help to level the playing field so they can compete with Wisconsin, Buchite said.

S.F. 577, authored by Sen. Terri Bonoff (DFL-Minnetonka), retroactively exempts the materials, supplies and equipment used in the construction of a water treatment facility owned by the city of Minnetonka. Under current law, the city would be eligible for this refund, said Merrill Shepherd King, city finance director. Because the process of getting the refund is so confusing, the city had already begun construction before they realized they had not set up their construction agreement correctly to receive the refund, King said.

Authored by Bakk, S.F. 392 authorizes the city of Crane Lake to issue certificates of indebtedness. The city would like to purchase land within the city that is owned by the national forest service, Bakk said. The forest service will not sell the land to the city, but if the city buys land located outside of the city that is currently owned by Minnesota Power, the forest service will swap land with the city, he said. The bill allows the city to incur debt without being subject to the debt limits of the town, Bakk said.

Military tax exemption bills heard

Two bills exempting military pay, military pensions and survivor benefits from state income tax were the chief topics of discussion at the Thurs., Feb. 22, meeting of the Tax Committee. The panel, chaired by Sen. Thomas Bakk (DFL-Cook), laid both bills over for possible inclusion in the panel's omnibus bill.

S.F. 160, sponsored by Sen. Jim Vickerman (DFL-Tracy), changes the current subtraction for pay received from service outside the state to exempt all compensation from the income tax. Vickerman said members of the military

have made great sacrifices and the bill is a small way of expressing the state's gratitude. The measure also provides a subtraction from federal taxable income for pensions or retirement pay. Under the bill, the subtraction is phased in over a four year period. Sen. Katie Sieben (DFL-Newport) said that some veterans have done very well and don't necessarily need the exemption. Sen. Julie Ortman (R-Chanhassen) said the bill should go directly to the floor. She said the bill transcends the process and deserves to be heard on its own, rather than as part of the omnibus bill. Bakk said that it is necessary

to find out how much money will be available for various types of tax benefits.

Sen. Betsy Wergin (R-Princeton) also carried a bill providing veterans a subtraction from Minnesota taxable income for compensation received from a pension or other retirement pay for military service. Wergin said the bill targets older veterans and is a small way to thank them for their service.

The committee heard several additional bills, all of which were laid over for possible inclusion in the omnibus bill. S.F. 95, sponsored by Sen. Dick Day (R-Owatonna), exempts cities, counties and townships from sales tax. S.F. 179, authored by Sen. Scott Dibble (DFL-Mpls.), extends the income tax credit for transit passes to nonprofit organizations. S.F. 697, carried by Sen. Lawrence Pogemiller (DFL-Mpls.), allows the use of up to \$250,000 of a \$750,000 appropriation for a study to determine the economic viability of business plans for international economic development zones. S.F. 630, sponsored by Bakk, allows a subtraction for educational awards from the National Service Trust. S.F. 76, carried by Vickerman, provides an income and corporate franchise tax credit for qualifying investment in dairy operations.

Transit Subdivision

Central Corridor okayed

A proposal to provide \$40 million to link the state's two largest cities with a light rail line was approved, Thurs., Feb. 22, by members of the Transit Subdivision. The panel, chaired by Sen. Scott Dibble (DFL-Mpls.), advanced the measure to the full Transportation Budget and Policy Division, recommending it for inclusion in an omnibus transportation bonding bill.

S.F. 614, carried by Sen. Sandra Pappas (DFL-St. Paul), provides \$40 million in bond proceeds for the final design and construction of a light rail line in the Central Corridor. The corridor runs 11 miles along University Avenue between downtown Minneapolis and downtown St. Paul. Ramsey County Commissioner Raphael Ortega and Karri Plowman, St. Paul Chamber of Commerce, discussed the benefits of a light rail line between the two downtowns. Sen. Steve Murphy (DFL-Red Wing) offered, and the subdivision adopted, an amendment specifying the St. Paul terminus of the line as the Union Depot Concourse Multimodal Transit Hub.



Chair of the U.S. House of Representatives Transportation and Infrastructure Committee, Rep. James Oberstar (D-Minn.), left, fields questions during a press conference, Tues., Feb. 20, as Sen. Steve Murphy (DFL-Red Wing), chair of the Minnesota Senate Transportation Budget and Policy Division, looks on. Earlier, Oberstar appeared in front of a joint meeting of the Senate and House transportation funding panels.

Photo by David J. Oakes

Committee update

Transportation

Oberstar visits division

Congressman James Oberstar (DFL-Eight District) spoke about transportation issues to a joint meeting of the Senate Transportation Budget and Policy Division and the House Transportation Finance Division, Tues., Feb. 20. The divisions are chaired by Sen. Steve Murphy (DFL-Red Wing) and Rep. Bernard Lieder (DFL-Crookston), respectively. Oberstar is the chair of the Committee on Transportation and Infrastructure in the U.S. House of Representatives.

Nationally, transportation infrastructure is under severe pressure for all modes of transportation, Oberstar said. Aviation is expecting 39 percent growth from now to 2016, he said. Delays in aviation cost the country \$9 billion each year, and the problem will only get worse, Oberstar said. On roadways, the cost of congestion is \$68 billion per year, he said. On average, people spend an extra three weeks a year in traffic, he added.

Oberstar said he has three goals for transportation this congressional session. He said he plans to ensure safety, invest in infrastructure to mitigate congestion and commit to the protection of the environment. The House has already approved a plan to install a solar energy system to power the Department of Energy building, Oberstar said. Transportation accounts for 60 percent of all fuel used in the United States, he said. The country needs to accelerate the use of alternative fuel sources such as corn ethanol and switch grass, Oberstar added.

Minnesota is eligible for \$4.3 billion in federal funding by 2009 for highways, bridges and transit systems, Oberstar said. If Minnesota doesn't get busy, the state won't be able to match the federal funds that are available, he said. Oberstar said the state has not raised the gas tax since 1988, when it was raised three cents. Today, vehicles travel 50 percent more miles and that is pressure on the roadways, he said. A five-cent increase would raise \$161 million each year for transportation projects, he said.

Transportation connects people, Oberstar said, and it is necessary to look ahead, not just at what the needs are today. Minnesotans deserve efficient transportation and we can do that; we can make Minnesota a transportation state, Oberstar said.

Transportation funding discussed

The Transportation Committee devoted the lion's share of the Thurs., Feb. 22, hearing to a discussion of transportation funding as it relates to property taxes. John Gunyou, former commissioner of finance and current Minnetonka city manager, said transportation needs of cities and counties have been forcing cities and counties to rely heavily on property taxes to finance improvements. He said cities and counties are attempting to develop new and creative ways of funding transportation. Mayor Dave Kleis, St. Cloud, also spoke and said the costs of transportation have greatly increased in recent years. Kleis said investments are needed to ease the burdens on property tax payers. Other speakers also emphasized the need for a comprehensive transportation funding bill.

In other action, the committee, chaired by Sen. Steve Murphy (DFL-Red Wing), advanced several bills to the floor. S.F. 572, sponsored by Sen. Betsy Wergin (R-Princeton), requires the commissioner of public safety to accept the Federal Aviation Administration medical certificate for the school bus driver physical exam. Wergin said the FAA physical exam is more comprehensive than the one used by the department. S.F. 108, sponsored by Sen. Yvonne Prettnier Solon (DFL-Duluth), designates a section of Trunk Highway 53 in Duluth as the Walter F. Mondale Drive. Duluth Mayor Herb Bergson said the city fully supports the bill and is willing to assume the costs of signage.

S.F. 447, carried by Sen. Rick Olseen (DFL-Harris), establishes a petty misdemeanor violation for the owner of a vehicle, or lessee of a leased vehicle, that is involved in hit-and-run offenses including failure to stop for collision with an individual, with property or with an unattended vehicle. The measure exempts owners from the petty misdemeanor penalty if the vehicle was stolen at the time of the violation or if the owner or lessee is convicted for the violation. The measure was approved and re-referred to the Judiciary Committee.

S.F. 551, carried by Sen. Jim Carlson (DFL-Eagan), adds vehicle-mounted concrete pumps with or without a placement boom to the definition of special mobile equipment in order to be exempt from vehicle registration. Sen. Michael Jungbauer (R-East Bethel) and Olseen said the vehicle-mounted concrete pumps use the road quite a lot driving from job site to

job site and should not be exempt from registration and taxation. The measure was laid over.

Schedule online

Next week's schedule is available online at <http://www.senate.mn/schedule/schedule.php?ls=85&date=02/26/2007&type=weekly>

Historical database available

The Legislative Reference Library has developed a database, "Legislators Past and Present," containing information about Legislators who have served since territorial times. The database's information was compiled from official legislative directories, obituaries, news clippings, family files and other sources. It contains information about terms of service, education, occupation, party or caucus affiliations, leadership positions, represented communities and more.

The database also includes information about Minnesota Legislators who served in other government functions, ranging from the local level to the national level. It even indicates which Minnesota Legislators also served in another state's legislature. (There were five: Cyrus Aldrich in Illinois, Francis Cornell in New York, Mark Dunnell in Maine, Willis Gorman in Indiana and Knute Nelson in Wisconsin.)

"Legislators Past and Present" is available online at <http://www.leg.state.mn.us/legdb/index.asp>

Civic education DVD available

A DVD containing nine short segments on the legislative process is available from Senate Media Services. The segments cover political parties, the three branches of government, the duties of the president of the Senate, the Senate Chamber, ways to gather information about bills, the role of lobbyists, how to read a bill, and tips for people coming to testify before a legislative committee. An additional segment recounts the story of a student at Roseville High School who lobbied for a law banning hazing; she was motivated by her own high school hazing experience.

For information on obtaining a copy of the DVD, contact Senate Media Services at (651) 296-0264. The segments are also available online, along with many other civic education pieces, at <http://www.senate.mn/media> (under the "Civic Education" category).

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Emotion overcomes Barbara Allen, St. Paul, as she listens to a presentation in the Capitol Rotunda, Wed., Feb. 28, during Violence Against Women Action Day. Allen's 20-year-old daughter, Janaya, was murdered by an ex-boyfriend, Jan. 22, 2006. Photo by David J. Oakes



March 2, 2007

Senate Highlights

Campaign disclaimer bill okayed

Senators approved a measure relating to campaign material disclaimer requirements at their Mon., Feb. 26, floor session. The bill, along with three others, was granted preliminary passage on General Orders.

S.F. 458, authored by Sen. Jim Carlson (DFL-Eagan), conforms campaign material disclaimer requirements to constitutional standards articulated by the courts. Carlson said the disclaimer requirements will maintain transparency in the political process while permitting citizens to exercise free speech.

Sen. Julianne Ortman (R-Chanhassen) offered an amendment modifying an exception to the disclaimer requirements. Under the current law, no disclaimer is required if the campaign material is distributed at least seven days before the election. The amendment changes the deadline to 20 days before the election. Candidates need an opportunity to respond to false or misleading campaign material, Ortman said. Seven days is not long enough to prepare and distribute a response, she said. Sen. John Marty (DFL-Roseville) said he sympathizes with Ortman's concern, but that the courts previously struck down a disclaimer requirement that included a 14-day exception. However, Ortman noted that the courts have not directly addressed the timing issue. The amendment was adopted, 46-16.

S.F. 660, sponsored by Sen. Rod Skoe (DFL-Clearbrook), authorizes regional jail systems to provide for the withdrawal of a county in their joint powers agreements. Skoe said current law requires all other participating counties to consent to the withdrawal. The bill provides more flexibility and might encourage more counties to enter regional jail systems, he said. Sen. Sandra Pappas (DFL-St. Paul) carried a bill, S.F. 226, allowing candi-

dates for office to leave campaign material at residents' doors in multiple-unit residences, such as apartment buildings. S.F. 483, authored by Sen. John Doll (DFL-Burnsville), eliminates a 10 percent requirement for major political party nominations.

In other action, Senators granted final passage to four bills on the Senate Calendar: S.F. 106, carried by Sen. Don Betzold (DFL-Fridley), changing when Legislators are first compensated after taking office; S.F. 13, sponsored by Sen. Charles Wiger (DFL-North St. Paul), urging the federal government to fund 40 percent of special education costs; S.F. 65, authored by Sen. Katie Sieben (DFL-Newport), urging the federal government to protect the Great Lakes from aquatic invasive species; and S.F. 555, carried by Sen. Linda Berglin (DFL-Mpls.), extending the essential community provider designation.

Appointments confirmed

The Senate floor session Wed., Feb. 28, saw the final passage of three bills, the preliminary passage of a bill and the confirmation of several gubernatorial appointees.

Members began by granting final passage to bills on the Senate Calendar. S.F. 226, authored by Sen. Sandra Pappas (DFL-St. Paul), allows campaign workers and candidates to enter multiple unit residences and leave campaign material. S.F. 458, carried by Sen. Jim Carlson (DFL-Eagan), conforms disclaimer requirements for campaign material to constitutional requirements. S.F. 483, sponsored by Sen. John Doll (DFL-Burnsville), eliminates the ten percent requirement for major political party nomination.

The Senate also confirmed the appointments of Dana Badgerow as commissioner of the Dept. of Administration, Peter Bell as chair of the Metropolitan Council, and Gopal Khanna as chief

information officer of the Office of Enterprise Technology. James Alex Cunningham, Jr. was confirmed as commissioner of the Bureau of Mediation Services and Scott Brener was confirmed as commissioner of the Dept. of Labor and Industry. The appointments of Gerald Dexter, Shirleen Hoffman and Peggy Moon to the Gambling Control Board were also approved. Gene Hugoson was confirmed as commissioner of the Dept. of Agriculture, Joan Fabian was confirmed as commissioner of the Dept. of Corrections and Velma Korbel was confirmed as commissioner of the Dept. of Human Rights.

The appointments of Peter Adolphson, Penny Johnson, Roberta Jones, Sonja Peterson, Alex Pleschash and Howard Wilson as members of the Board of the Perpich Center for Arts Education were also approved. Jim Rhodes, Ramraj Singh, and Louise Sundin were confirmed as members of the Board of School Administrators and Charlene Delaney and Asad Zama were confirmed as members of the Board of Teaching. Candace Campbell, Mary Sue Collins, Weston Cutter, Pat L. Dillon, Randall D. Olson, Leonard S. Pederson, Theresa A. Santiago and Andrew Wells were all confirmed as members of the Board of Invention.

The Senate also considered two bills on the General Orders Calendar. S.F. 646, authored by Sen. Mee Moua (DFL-St. Paul), specifies that each school board's written policy prohibiting intimidation and bullying include intimidation and bullying in all forms, including electronic form and forms involving Internet use. The measure was laid over after discussion about how to prohibit bullying on the Internet. S.F. 60, authored by Sen. Yvonne Prettner Solon (DFL-Duluth), authorizes the city of Duluth to establish accounts with the State Board of Investment to pay for post-employment benefits owed to retired employees and to generate revenue dedicated to meet city pension obligations. The measure was granted preliminary approval on a voice vote.

Two bills passed

Two measures on the Senate Calendar were granted final passage. S.F. 660, authored by Sen. Rod Skoe (DFL-Clearbrook), authorizes counties to withdraw from regional jail systems, in accordance with the system's joint powers agreement. S.F. 60, authored by Sen. Yvonne Prettner Solon (DFL-Duluth), authorizes the city of Duluth to establish accounts with the State Board of Invest-

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ment to pay for post-employment benefits owed to retired employees and to generate revenue dedicated to meet city pension obligations. Both bills were approved on matching 59-0 roll call votes.

In other action, Sen. David Tomassoni (DFL-Chisholm) objected to the committee report on S.F. 238. Carried by Sen. Kathy Sheran (DFL-Mankato), the measure imposes a statewide smoking ban in workplaces, including bars and restaurants. The State and Local Government Operations and Oversight Committee report had recommended the bill be placed on General Orders. Tomassoni's objection automatically sends the bill to the Rules and Administration Committee to determine the bill's appropriate destination.

Parks, MCC bills heard

The Environment, Energy and Natural Resources Budget Division met Tues., Feb. 27, to hear budget overviews and consider two bills. The panel, chaired by Sen. Ellen Anderson (DFL-St. Paul), also had the opportunity to interact with several zoo animals brought to the Capitol as part of the annual Zoo Day.

The hearing began with an overview of the metro parks system by Arne Stefferud, Metropolitan Council park planning analyst. Stefferud said the Regional Park system contains 52,600 acres open for use throughout the Metro Area. He said the governor's recommendation is for \$15.74 million for the biennium, with \$6.6 million from the general fund and \$9.14 million from lottery in lieu of sales tax revenues. He said there has been a 5.7 percent annual growth in visitors, with 40 percent of the visitors coming from outside the park agency's tax jurisdiction. Park visitors pay in proportion to their use of the parks, Stefferud said.

Members then considered a bill, S.F. 410, increasing the general fund appropriation for parks. Anderson, chief author, said the bill provides \$1.7 million more each year of the biennium than the governor's recommendation. She said additional funds are critically important because of the increases in visitorship and expenses. Anderson said that as elected officials the committee members are free to appropriate more or less than the governor's recommendations for particular budget items. She said the popularity of the parks and trails indicate the ongoing need for maintenance and repair of the parks' infrastructure. The measure was laid over for possible inclusion in the division's omnibus bill.

The panel also considered a bill, S.F. 395, appropriating funds for the Minne-

sota Conservation Corps. Sen. Thomas Bakk (DFL-Cook), chief author, said the Minnesota Conservation Corps provides an opportunity for young adults to obtain employment while working on public projects. The bill appropriates \$2.29 million to the program in each fiscal year, Bakk said. He said of the total, \$1.8 million is from the general fund and \$490,000 is from the natural resources fund.

Former Sen. Len Price, now executive director of the conservation corps, outlined the projects undertaken by the corps and traced the history of the Minnesota corps back to the Civilian Conservation Corps formed during the Great Depression. Price said the corps gives young people age 15 to 18 an opportunity to develop skills and experience the environment during the summer youth program. The young adult program for young people between 18 and 25 lasts for an entire year, he said. Price showed photos of a variety of projects completed by Minnesota Conservation Corps members. Price said the corps is a cost-effective natural resources work force. Bakk said the bill is a wonderful use for any one-time money that may be available. The measure was also laid over for possible inclusion in the omnibus bill.

Representatives from the Minnesota Zoo offered a budget overview and displayed several zoo animals. Staff from the Zoomobile circulated among the division members with a three banded armadillo, a boa constrictor, and a slow loris. Lee Ehmke, director, Minnesota Zoo, said the zoo is the state's largest environmental education institution that serves more than 80,000 students annually. He said the zoo is a major state attraction with 1 million guests annually. The Zoomobile outreach program brings zoo animals and educators to over 38,000 people each year, he said. Peggy Adelman, chief financial officer, said about 36 percent of the zoo's budget comes from state appropriations. She said the budget contains three change items. The first is an additional \$137,000 the first year and \$138,000 the second year of the lottery in lieu of sales tax revenues, she said. She said the second item is a two percent compensation adjustment. Adelman said the final item relates to energy costs. She said the zoo needs to maintain temperature and humidity levels for the health of the animals and the costs have risen steeply. The governor recommends adjusting the general fund appropriation to help cover energy costs, Adelman said.



Sen. Sandy Rummel (DFL-White Bear Lake) closely examines a boa constrictor held by Minnesota Zoomobile Naturalist Chris Ness as officials from the zoo give their budget overview to members of the Environment, Energy and Natural Resources Budget Division, Tues., Feb. 27.

Photo by David J. Oakes

Committee update

Agriculture and Veterans Budget and Policy Division

Pesticide, cellulose bills considered

The Agriculture and Veterans Budget and Policy Division, chaired by Sen. Jim Vickerman (DFL-Tracy), met to hear three bills Tues., Feb. 27.

The first bill, S.F. 956, carried by Sen. Katie Sieben (DFL-Newport), requires a study of residential microbial pesticide applicator licensure. Under the bill, a study will be completed by the Department of Agriculture and the Department of Health on the effectiveness and potential licensure procedures for using microbial pesticides to remove mold, Sieben said. Nancy Johnson, a private citizen, said she hired a pesticide company to spray for mold in her home. The sprayers did not give her any information about the product they used, Johnson said. The pesticide didn't work and Johnson ended up removing the drywall and insulation in her home to get rid of the mold, she said. The bill was recommended to pass and re-referred to the Health and Human Services Budget Division.

Authored by Sen. Thomas Bakk (DFL-Cook), S.F. 597 authorizes a \$300,000 grant to the Bois Forte Band of Chippewa to study the feasibility of a cellulosic renewable energy facility. The project will create new jobs and strengthen the economy of the Band and the region, said Andrew Datko, chief executive officer, Bois Forte Development Corporation. One portion of the proposed feasibility study will assess the availability of sustainable biomass resources such as logging residues, forest trimmings and pulp mill waste, Datko said. The bill was laid over for possible inclusion in the omnibus bill.

The division also considered S.F. 655. Authored by Sen. Steve Dille (R-Dassel), the bill establishes the Minnesota Agricultural Fertilizer Research and Education Council. The council will provide grants, funded by a fee increase on fertilizer of 40 cents per ton, to research fertilizer uses, Dille said. The goal of the bill is to protect the environment and help farmers more effectively use an expensive resource, he said. Dille said the increase would cost farmers four to six cents per acre. The bill also includes a provision to allow farmers to apply for a refund if they do not want to support the council's research, Dille said.

Sen. Rod Skoe (DFL-Clearbrook) said he would rather see individual growers associations doing research on their own. Thom Peterson, Minnesota Farmers Union, agreed with Skoe. Even though the cost for farmers is pennies per acre, farmers see a lot of up front costs, Peterson said.

Vickerman encouraged stakeholders to work together to address the committee members' concerns. The bill was recommended to pass and re-referred to the State and Local Government Operations and Oversight Committee.

Business, Industry and Jobs

Thomson expansion discussed

The Business, Industry and Jobs Committee, chaired by Sen. James Metzen (DFL-South St. Paul), heard, Mon., Feb. 26, an overview of a plan to expand the campus of Thomson North American Legal in Eagan.

The Committee began the meeting by hearing from Dick Anfang, president, Minnesota State Building and Construction Trades Council and Larry Dowell, president, St. Paul Area Chamber of Commerce about business and labor working together. Dowell said that by not working together, business and labor are missing out on opportunities. In the past, Anfang and Dowell's organizations have worked together on transportation, environment, health care and economic development issues, Dowell said. To have a successful partnership, the partners must really want to work together, must be respectful and must be able to separate issues that the partners do not have in common and focus on the issues the will make the community better for business, Anfang said.

Authored by Sen. Jim Carlson (DFL-Eagan), S.F. 897 exempts from sales tax any construction materials and equipment used for the expansion of the Thomson facility. The bill is not officially in front of the committee and the presentation was meant to be strictly informational, Metzen said. The proposed expansion will bring 2,000 new jobs to Eagan by 2012, said Richard King, chief operations officer, Thomson North American Legal. Building a partnership with state and local governments will allow the new jobs to be created in Minnesota instead of somewhere else, King said. The economic benefit promises to offer a good return for the state, he said. Harry Melander, St. Paul

Building and Construction Trades Council, said the expansion will also create jobs. The project will require approximately 350,000 hours of construction work, Melander said.

The committee heard three bills. The first, S.F. 414 allocates \$2 million to Minnesota Technology, Inc. (MTI) to help small businesses implement technology and make business improvements. Sen. David Tomassoni (DFL-Chisholm), who authored the bill, said MTI would provide grants of \$25,000 to \$50,000 to businesses with less than 100 employees and the recipient must match the funds. Tom Murphy, Cardsource, said MTI helped his small business with marketing and strategic planning. To do business and be competitive nationwide, small businesses need a hand, not a handout, Murphy said. S.F. 414 was recommended to pass and re-referred to the Finance Committee.

Authored by Sen. Tom Saxhaug (DFL-Grand Rapids), S.F. 804 provides extra unemployment benefits for workers laid off from the Ainsworth Lumber Company. The timber industry is a major economic driver in northern Minnesota and the closing of three lumber plants means a loss of about 400 jobs, Saxhaug said. It's hard for people to find other jobs in these rural areas, Saxhaug said. The bill was recommended to pass and re-referred to the Finance Committee.

S.F. 443, carried by Sen. Linda Higgins (DFL-Mpls.), establishes record keeping and registration requirements for scrap metal dealers. The bill requires scrap metal dealers to use an electronic reporting system similar to the one used by pawn brokers, Higgins said. The bill also requires dealers to register with the Department of Public Safety and to record the details of transactions, she said. Tom Deegan, manager, Minneapolis Problem Properties Unit, said Minneapolis has approximately 400 vacant residences and about 25 percent of those have had the copper stripped out of them. Without checks and balances, dealers will continue to buy copper wire and tubing without knowing where it came from, said Bob Skomra, inspector, Minneapolis Police Department. The bill gives police the tools to investigate and make arrests of people who may be stripping homes, Skomra said. The committee was unable to hear testimony in opposition to the bill and will take the measure up at a later hearing.



With Rabbi Adam Stock Spilker looking on, Sen. Richard Cohen (DFL-St. Paul) addresses an audience gathered in the Capitol Rotunda, Mon., Feb. 26, to celebrate Mount Zion Temple's 150th anniversary.
Photo by A.J. Olmscheid

Renewable energy bills advance

The Business, Industry and Jobs Committee, met Wed., Feb. 28, chaired by Sen. James Metzen (DFL-South St. Paul), considered several renewable energy bills, as well as measures dealing with health care personnel safety, Greater Minnesota business development and plumbers' licensure.

Members first heard a brief overview on the economic development potential of renewal energy technologies. Metzen said renewable energy technology could mean a huge increase in good paying jobs and that Minnesota must take steps to become the national leader in renewables in order reap the economic development rewards.

S.F. 1244, sponsored by Sen. Ellen Anderson (DFL-St. Paul), provides for a rural wind development assistance program. She said the program is meant to provide assistance to rural entities seeking to develop wind energy electric generation projects and to sell the energy from the projects. The bill also requires the consideration of combining rural entities and others into groups with the size and market

power necessary for planning and developing significant rural wind energy projects and providing a loan fund to assist with transmission interconnection studies. The measure appropriates \$2 million for the biennium, but requires qualifying grantees to provide a 35 percent match for the actual grants. The measure was approved and re-referred to the Finance Committee.

A bill, S.F. 563, authored by Sen. John Doll (DFL-Burnsville), requiring the development of an economic strategy to maximize state economic development benefits from the renewable electric energy industry, was also heard. Brian McDaniel, Dept. of Employment and Economic Development, said the development of renewable energy sources must also take into account economic benefits. Members adopted an amendment, offered by Metzen, that extends the life of the Electric Energy Task Force until 2010. Another amendment, also offered by Metzen, charges the Electric Energy Task Force with providing legislative oversight of the economic strategy developed under the bill. The amendment was adopted. The bill was approved and sent to the Senate floor. S.F. 1277, carried by Sen. Scott

Dibble (DFL-Mpls.), requires a study of higher education training needs in the renewable energy economy. He said the bill is designed to discover what the workforce needs are going to be to successfully develop the new industry. The measure was approved and re-referred to the Finance Committee.

In other action, members also granted approval to a bill protecting health care workers who must move patients. The bill, S.F. 828, authored by Sen. Linda Higgins (DFL-Mpls.), requires that by Jan. 1, 2008, every health care facility must adopt a written safe patient handling policy establishing the facility's intent to achieve by Jan. 1, 2011, the goal of minimizing manual lifting of patients by nurses and direct patient care workers by utilizing safe patient handling equipment. Higgins said new technology is now available to move patients and minimize the need for nurses and other workers from having to lift patients and equipment. Joe Austin, St. Louis County, said the equipment is a cost effective way to avoid injuries to health care personnel. Sue Stout, Minnesota Hospital Association, said installing the equipment is expensive but is needed to reduce worker injuries. The measure was re-referred to the State and Local Government Operations and Oversight Committee.

S.F. 618, authored by Sen. Dan Sparks (DFL-Austin), requires licenses for plumbing work throughout the state. The measure was approved and re-referred to the Finance Committee.

Sen. Tarryl Clark (DFL-St. Cloud) carried a bill, S.F. 165, providing for a Greater Minnesota business development investments program. Chuck Hayes, vice president of organization performance, SAGE, an electrochromatics company, described the way an initial small investment in a developing company can make a huge difference in allowing the company to grow and prosper. The bill makes a one-time appropriation to be used as investments in eligible organizations. The bill was approved and advanced to the Finance Committee.

Commerce and Consumer Protection

Restroom access okayed

A bill requiring retailers to make restrooms available to persons with fecal or

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urinary incontinence due to a medical condition was approved by members of the Commerce and Consumer Protection Committee, Tues., Feb. 27.

S.F. 140, sponsored by Sen. Yvonne Prettner Solon (DFL-Duluth), requires retailers to allow eligible customers to use employee restroom facilities if there is no public restroom. Under the bill, customers are eligible if they have an eligible medical condition—such as Crohn's disease, ulcerative colitis, and irritable bowel syndrome—or use an ostomy device. The employee restroom must only be made available if there are at least three employees working at the time of the request, and if the location of the restroom does not create an obvious health or safety risk to the customer or a security risk to the establishment. Under the bill, violation of the requirement is a petty misdemeanor with a fine of up to \$100. Prettner Solon said the bill is modeled after Illinois legislation that was enacted in 2005. There have been no problems for Illinois retailers since then, she said. This bill provides necessary access for just a few customers with special needs, Prettner Solon said. The measure was advanced to the Judiciary Committee.

Committee members, chaired by Sen. Linda Scheid (DFL-Brooklyn Park), considered two additional bills. S.F. 128, authored by Sen. Dan Sparks (DFL-Austin), regulates automobile anti-theft products, such as body part marking, window etching, steering wheel locks, alarm systems, ignition disablers, and tracking systems. The legislation offers consumers a viable market of vehicle protection products with an appropriate level of disclosures and financial viability, said Paul Cassidy, representing the National Vehicle Protection Association. The bill was approved and advanced to the Judiciary Committee.

Sen. Rick Olseen (DFL-Harris) carried a bill, S.F. 112, requiring parental consent before a minor receives body piercing services. Under the bill, the provider of the services must witness the execution and dating of the parental consent. Violation of the requirement by piercing providers is a misdemeanor, under the measure. The bill was approved and sent to the Senate floor.

Mortgage info sale ban okayed

A measure prohibiting credit bureaus from informing third parties of credit

inquiries arising from consumer mortgage loan applications was approved by members of the Commerce and Consumer Protection Committee, Thurs., Mar. 1.

Sen. Warren Limmer (R-Maple Grove), chief author, said S.F. 241 is designed to protect consumers for uninformed sales pitches after they have already begun the mortgage process with a lender. A representative of lenders said the bill is unnecessary because consumers benefit from knowing about options that could lower their borrowing costs. The measure was advanced to the Judiciary Committee.

In other action, committee members considered three additional bills. S.F. 805, carried by Sen. David Tomassoni (DFL-Chisholm), requires health plans to cover hearing aids for hearing loss that is not correctable by other covered procedures. Under current law, hearing aids must be covered, but only for hearing loss due to functional congenital malformation of the ears. The bill was sent to the full Senate.

S.F. 1237, authored by Committee Chair Linda Scheid (DFL-Brooklyn Park), requires anyone dispensing motor fuel to remain in close attendance to the nozzle. The bill requires retailers to post signs advising consumers of the requirement and imposes a misdemeanor penalty on consumers and retailers who violate the requirement. No action was taken on the bill.

S.F. 1193, sponsored by Sen. Debbie Johnson (R-Ham Lake), is a Department of Commerce housekeeping bill to update specifications for petroleum products. Scheid offered an amendment adding the requirements, but not the penalty, from S.F. 1237. The amendment was adopted. S.F. 1193 was approved and re-referred to the Energy, Utilities, Technology and Communications Committee.

E-12 Education Budget Division

Division considers early ed bills

The E-12 Education Budget Division, chaired by Sen. LeRoy Stumpf (DFL-Plummer), heard three bills on early childhood education at the Tues., Feb. 27, meeting. The bills were all laid on the table for possible inclusion in the omnibus bill.

Authored by Sen. Tom Saxhaug (DFL-Grand Rapids), S.F. 274 establishes a two-year grant program to increase

children's school readiness using early childhood community hubs. The bill brings together school and community-based early childhood care and education providers to promote children's school readiness, Saxhaug said. The hubs will increase families' access to community early care and education services, school, health services, and other family services that assist families in meeting their children's health and development needs, he said. The bill is a glue that holds these groups together and fills the gaps for groups that are not being served, said Zoe Nicholice, public policy director, Ready 4 K. Tom Prichard, president of the Minnesota Family Council, said the bill takes schools away from their mission of educating children and moves towards providing social services.

Sen. Sandy Rummel (DFL-White Bear Lake) carried S.F. 318. The bill provides a funding increase for early childhood development screening. The average cost for a screening in Minnesota is \$65, said Linda Sandvig, School Nurses Association. Currently the state pays for \$30 to \$50, depending on the child's age, and school districts have to pay for the rest of the cost Sandvig said. The bill would increase the level of funding by \$10 for each age group, she said. The screening helps identify children with hearing, vision and speech problems, Sandvig said.

S.F. 291, authored by Sen. Tarryl Clark (DFL-St. Cloud), increases funding for the early childhood family education (ECFE), school readiness and Head Start programs. The bill restores ECFE funding to the level it was before the budget cuts and increases funding for school readiness and Head Start by \$1 million per year for each program, Clark said. Increased funding will allow families to get the resources they need to help close the achievement gap, she said.

Special ed bills heard

Members of the E-12 Education Budget Division held a special evening meeting, Wed., Feb. 28, to consider a variety of bills relating to special education. The panel, chaired by Sen. LeRoy Stumpf (DFL-Plummer), laid all the measures over for possible inclusion in the omnibus E-12 education budget bill.

S.F. 762, carried by Sen. Sandy Rummel (DFL-White Bear Lake), provides additional special education aid and increases the program growth factors in

regular and excess cost special education revenue. S.F. 627, authored by Sen. Lawrence Pogemiller (DFL-Mpls.), requires school districts to annually report their special education litigation costs, including attorney fees and costs of due process hearings, to the commissioner of education. The bill also requires the commissioner of education to report the information to the Legislature.

Sen. Linda Scheid (DFL-Brooklyn Park) carried two measures. S.F. 1107 increases funding for special education programs, increases the program growth factors in regular and excess cost special education revenue and establishes an intensive intervention program. S.F. 652 increases and restores funding for special education programs. S.F. 437, sponsored by Sen. Rick Olseen (DFL-Harris), authorizes school districts to delay the implementation of special education tuition billing for an additional two years.

School energy efficiency heard

Chair LeRoy Stumpf (DFL-Plummer) and the E-12 Education Budget Division met Thurs., Mar. 1, to consider a bill to help schools invest in energy efficient improvements. All of the bills heard by the division were laid on the table for possible inclusion in the omnibus bill.

S.F. 810, authored by Sen. Ellen Anderson (DFL-St. Paul), authorizes a school district to include energy efficiency improvement projects in its alternative facilities plan. The bill applies to the 21 largest school districts, Anderson said. Under current law, schools have to use general fund dollars to make energy improvements, such as buying a new boiler, and that takes money away from the students, said Cheryl Coryea, Rochester School District. Energy efficient equipment has a high cost up front, but pays for itself in four to five years in energy savings, Coryea said. The committee adopted an amendment to extend the sunset date of a current state loan program. The program was established with \$5 million in bonds in 2002 and currently has \$3 million left in the fund, Stumpf said. Schools can use the program for energy conservation investments, Anderson said. Members voted to send the recommendation to the Capital Investment Committee.

The division also considered several local school issue bills. Authored by Sen. Rod Skoe (DFL-Clearbrook), S.F. 388 allows the Clearbrook-Gonvick School

District to use health and safety revenue to demolish a building. When a new school was built, Gonvick was unable to demolish the old school because they needed to use the heating plant, Skoe said. The district does not have the revenue sources to demolish the building without the health and safety revenue, Skoe said.

S.F. 661, also authored by Skoe, appropriates funds to complete security improvements at Red Lake schools. Money was appropriated to make security improvements in 2006, said Monte Hammitt, Red Lake School District. Not all of the money was able to be used before the end of the biennium, the bill will allow the district to use the full appropriation, Hammitt said.

Authored by Sen. Michelle Fischbach (R-Paynesville), S.F. 86 appropriates \$126,000 to the Eden Valley-Watkins School District to recover the cost to remediate an environmental hazard. In December 2006, a student teacher dropped an old barometer spilling mercury in the school, said Larry Peterson, superintendent. The cost for clean up goes beyond the spill into removing carpet and making other changes to clean up old spills, Peterson said.

S.F. 355, authored by Sen. Charles Wiger (DFL-North St. Paul), increases the building lease levy for school districts and intermediate school districts. Dennis Sullivan, business manager for ISD #622, said the funds allow schools to find temporary space. The bill will help mitigate the effects of declining enrollment and inflation pressures schools are facing, he said. Sen. Betsy Wergin (R-Princeton) offered an amendment to allow the Elk River School District to use lease levy funds to add on to local school buildings. Elk River schools are experiencing rapid growth, Wergin said. In the 2008-2009 school year, Elk River schools expect more than 700 new students, said Joe Carlson, Elk River School District. The rapid growth is expected for ten years, Carlson added. The amendment is an intermediate solution for the rapid growth while new schools are built, Wergin said. The amendment was adopted.

Authored by Sen. Rick Olseen (DFL-Harris), S.F. 921 increases debt service equalization revenue. Property taxes have gone up and many school districts are no longer eligible under the current equalization formula, Olseen said. The bill would reduce property taxes by providing

increased equalization aid, said Joel Sutter, Ehler & Associates. The purpose of the bill is to provide a level playing field among school districts, Sutter said.

Economic Development Budget Division

Unemployment bill heard

A measure containing the consensus recommendations of an advisory group on unemployment insurance was considered by members of the Economic Development Budget Division, Mon., Feb. 26. The provisions of S.F. 167 were vetted by an advisory council composed of representatives of labor, business, and other interests, said Sen. Dan Sparks (DFL-Austin), chief author. Lee Nelson, Dept. of Employment and Economic Development, walked committee members through the bill. He said the measure is cost and revenue neutral. The bill was laid over.

Division members, chaired by Sen. David Tomassoni (DFL-Chisholm), considered five additional measures, laying them all over for possible inclusion in the omnibus economic development budget bill. S.F. 717, authored by Sen. Dan Skogen (DFL-Hewitt), appropriates \$500,000 for a grant to Northern Connections in Perham to implement and operate a pilot workforce program providing one-stop supportive services to individuals transitioning into the workforce. S.F. 708, sponsored by Sen. Mary Olson (DFL-Bemidji), provides a \$650,000 grant to construct, furnish and equip the Walker Area Community Center. Under the bill, an equal amount must be raised from non-state sources. S.F. 21, carried by Sen. Tom Saxhaug (DFL-Grand Rapids), appropriates \$30 million in bond sale proceeds for a grant to provide public infrastructure needed to support a steel plant in Itasca County.

Two measures, both authored by Sparks, support the Rural Policy and Development Center at Minnesota State University, Mankato. S.F. 942 appropriates \$1 million for a grant to the center. S.F. 943 provides \$2 million to reimburse the center's endowment for funds transferred out to resolve budgetary pressures in 2003.

Appropriations bills heard

Members of the Economic Development Budget Division met Wed., Feb. 28,

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Sen. Amy Koch (R-Buffalo), left, converses with Sen. Claire Robling (R-Jordan) during a Senate floor session.

Photo by David J. Oakes

to consider several bills for possible inclusion in the division's omnibus appropriations bill.

The bills ranged in subject area from grants for inventors, to independent living appropriations, to rural water system grant conversions to an appropriation for the Minnesota minerals 21st century fund.

S.F. 592, carried by Sen. Jim Vickerman (DFL-Tracy), converts appropriations for grants for the Lewis and Clark Rural Water System from the bond proceeds fund to the general fund. S.F. 364, authored by Sen. Dennis Frederickson (R-New Ulm), appropriates \$85,000 each year of the biennium to the Minnesota Inventors Congress. Frederickson said the bill specifies that \$10,000 of the appropriation each year is to be used for the Student Inventors Congress.

Division Chair David Tomassoni (DFL-Chisholm) sponsored a bill, S.F. 867, that appropriates \$5 million for the biennium for grants to the eight Centers for Independent Living. The centers advocate

for the independent living needs of people with disabilities to develop new resources, identify and provide access to existing resources which provide the services needed so that people with disabilities may live independently in the situation and community of their choice, Tomassoni said. S.F. 83, also authored by Tomassoni, appropriates \$56.23 million to the Minnesota minerals 21st century fund to restore the money unallotted by the commissioner of finance in 2003.

The division also advanced a bill, S.F. 167, sponsored by Sen. Dan Sparks (DFL-Austin), making housekeeping changes in unemployment insurance provisions. The bill was sent to the full Committee on Finance.

Education

Orono, Westonka visited

Members of the Education Committee journeyed to the western Twin Cities

suburbs, Mon., Feb. 26. The panel, chaired by Sen. Charles Wiger (DFL-North St. Paul), discussed a variety of educational issues with stakeholders, including parents, administrators and educators, from the Orono and Westonka School Districts.

Committee green lights five bills

The Education Committee met Wed., Feb. 28, to approve five bills, including a bill to add a financial literacy curriculum to high school courses. The bills were all re-referred to the Finance Committee. Sen. Charles Wiger (DFL-North St. Paul) chairs the Education Committee.

Authored by Sen. Terri Bonoff (DFL-Minnetonka), S.F. 418 incorporates a financial literacy curriculum into the courses required for high school graduation. Currently, there is no structured process to ensure that students leave the school system with knowledge of investing, saving and budgeting, Bonoff said. LeAnn Achtenberg, Credit Union Net-

work, said teens are spending billions of dollars. Teen have a lot of money available to them, but they do not have money management skills, Achtenberg said. Never has financial literacy been more critical, she said.

S.F. 654, authored by Sen. Sandra Pappas (DFL-St. Paul), makes world languages a required academic standard. The bill does provide an exception for students who learn English as their second language, Pappas said. Today's students live in a global environment and must be concerned about how they represent themselves to people from other countries, said Gaelle Berg, world language specialist, Minneapolis Public Schools. Phyllis VanBuren, professor, St. Cloud State University, said younger children have an easier time learning languages because they are more used to exploring sounds and being corrected. Students who are introduced to languages early also have better receptiveness to diversity, VanBuren said.

Sen. Patricia Torres Ray (DFL-Mpls.) authored S.F. 1223. The bill establishes an after school community learning grant program. Since 2003, no state funds have been used for school or community based programs in the after school hours, Torres Ray said. Because of the cuts in state funding, more than 160,000 students no longer have access to after school programs, she said. Mario Hernandez, executive director of La Escuelita, a youth organization in Minneapolis, said after school programs compliment and supplement the teaching that happens during school hours. The bill appropriates \$10 million for after school community learning grants, Torres Ray said.

The committee also considered S.F. 1195. Authored by Sen. Paul Koering (R-Fort Ripley), the bill establishes a three year pilot project to transform high school education through academic and career-related curriculum. The project brings together representatives from college, high school and business and industry to help students figure out what their careers will be, Koering said. Rebecca Best, dean of educational services, Central Lakes College, said industry advisors are working together to develop curriculum in applied engineering, nursing and business and administration. When possible, the courses will be taught in local high schools, Best said. The project will also capitalize on its relationship with the Chamber of Com-

merce to form meaningful internship and job shadow opportunities, said Steve Razidlo, assistant superintendent, ISD #181. The program will engage students and allow them to earn college credit so they are ahead in the race when they finish high school, Koering said.

S.F. 940, authored by Wiger, changes the science assessment for grades 10 through 12. Kent Gordon, president elect, Minnesota Earth Science Teachers Association, said earth, life and physical sciences should all be represented on the assessment test for students in grades 10 through 12. The revised test would more closely reflect the complete range of required courses, Gordon said. The current test only covers the life sciences, he said. The bill was amended to change the implementation date from the 2008-2009 school year to the 2011-2012 school year to allow the Department of Education adequate time to review and change the test.

Energy, Utilities, Technology and Communications

Conservation discussed

The Energy, Utilities, Technology and Communications Committee devoted the Tues., Feb. 27, meeting to a discussion of conservation and energy efficiency. Chair Yvonne Prettner Solon (DFL-Duluth) invited a number of stakeholders to the hearing to describe the programs underway at a number of energy utilities. In addition, Wayne Shirley, Regulatory Assistance Project, and staff from the Energy and Telecommunications Division of the Dept. of Commerce spoke on a variety of programs already in place.

Environment and Natural Resources

Wetlands, biofuels discussed

The Environment and Natural Resources Committee, chaired by Sen. Satveer Chaudhary (DFL-Fridley), devoted the first portion of the Mon., Feb. 26, meeting to hearing several reports about wetlands.

Dave Weirens, Board of Water and Soil Resources, began with an assessment of the Wetland Conservation Act. The Wetland Conservation Act was enacted to

protect Minnesota's wetlands by improving water quality, preserving wildlife habitat, reducing stream sedimentation, contributing to improved subsurface moisture and helping to moderate climatic change, Weirens said. He said the assessment, a result of a letter from the governor to the Clean Water Cabinet, is designed to improve wetland accounting and reporting, do more to limit the loss of wetlands by reviewing the existing Wetland Conservation Act and replacement ratios and streamline regulatory efforts via simplification and reductions to the administrative burden without compromising wetland protections.

Lee Pfannmuller, director, Ecological Services Division, Dept. of Natural Resources, described the comprehensive wetland assessment, monitoring and mapping strategy for Minnesota. She said the overall goal of the strategy is to establish accurate baseline data on wetland quantity and quality by wetland class and in four geographic regions, to accurately assess future trends in wetland quality and quantity, to associate changes in wetland quantity and quality with causal mechanisms and to provide statewide reports of status and trends every three years.

Members also discussed a bill, S.F. 480, establishing a bioenergy producer payment program for cellulosic biofuel production. Chief Author Gary Kubly (DFL-Granite Falls) said the bill is part of the second phase of bioenergy development. He said it is a step by step approach to establish a source for another form of power on the way to more energy independence. He said using cellulosic material results in fewer carbon emissions. The goal is to have one quarter of all biofuel come from cellulosic sources, Kubly said.

In addition to establishing a producer payment program, the bill also establishes a bioenergy production incentive program, establishes a bioenergy working lands conservation program and authorizes bonding to provide funding for the programs. Members adopted an amendment deleting provisions referring to rulemaking.

Don Arnosti, Clean Energy Minnesota, speaking in support of the bill said, change is happening in terms of energy sources and our agricultural production system and the bill is a way to draw upon those changes. "It is an opportunity for Minnesota to become a leader and draw

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more federal funds for developing a new biofuel,” he said. Gary Botzek, Minnesota Conservation Federation and the Audubon Society, said the bill is a major step in the right direction for energy policy, conservation policy and environmental policy.

The measure was approved and advanced to the Energy, Utilities, Technology and Communications Committee.

Recreational trails discussed

Several bills establishing and extending recreational trails were considered by the Environmental and Natural Resources Committee Wed., Feb. 28. Sen. Satveer Chaudhary (DFL-Fridley) chairs the committee.

S.F. 115, authored by Sen. Steve Dille (R-Dassel), designates the south fork of the Crow River as a canoe route. The north fork of the river is currently a canoe route and the bill clarifies that the south fork is also a canoe route, Dille said. The bill also appropriates \$60,000 to the Department of Natural Resources (DNR) to mark the

route and designate river access, Dille said. The bill was recommended to pass and re-referred to the Finance Committee.

Authored by Sen. Dennis Fredrickson (R-New Ulm), S.F. 366 also designates a canoe route. The bill adds the Redwood River to the rivers designated as a canoe and boating route, Fredrickson said. The bill appropriates \$60,000 to the DNR to mark the route, Fredrickson said. The bill was recommended to pass and re-referred to the Finance Committee.

Fredrickson also carried S.F. 365. The bill extends the Minnesota River Trail to include a loop between Fort Ridgely State Park, the city of Redwood Falls and the city of Sleepy Eye. The loop is part of an ongoing effort to create a trail system in the region, Fredrickson said. The trail is a way to bring people to the region and increase the quality of life for citizens, said Julie Rath, Tatanka Bluffs Facilitators Committee. The bill was laid over for possible inclusion in the omnibus bill.

S.F. 617, authored by Sen. Gary Kubly (DFL-Granite Falls), also extends the Minnesota River Trail. The bill establishes

a segment of the trail from Granite Falls to Montevideo. John Apitz, a representative for Twin Cities and Western Railroad, said the railroad is concerned about how close the trail is to an operating railroad line. The basic issue is that people and trains do not work well, Apitz said. Kubly said there is adequate space between the trail and the railroad tracks to reasonably prevent accidents. The bill was laid over for possible inclusion in the omnibus bill.

The committee also considered two other bills. Authored by Sen. Gen Olson (R-Minnetrista), S.F. 731 provides free licenses for angling and hunting to residents who have served outside the United States as members of the armed forces or National Guard. Larry Stehr, a private citizen, said he thought of the idea when his nephew was home from Iraq over the holidays. Stehr said one of the things his nephew missed the most was spending time in the woods deer hunting. Bob Meyer, DNR, said the department supports the bill as long as it does not adversely affect the game and fish fund. The bill was recommended to pass and re-referred to the Finance Committee.



As Sen. Thomas Bakk (DFL-Cook) listens, 17-year-old Sara Wuorinen of Rush City tells members of the Environment, Energy and Natural Resources Budget Division, Tues., Feb. 27, how much she has benefited from being a participant in the Minnesota Conservation Corps. Bakk was presenting a request for additional appropriations for the youth service organization.

Photo by David J. Oakes

S.F. 642, authored by Sen. Dan Sparks (DFL-Austin), modifies drainage ditch buffer requirements. The bill reflects recommendations of a work group that spent two years looking at drainage issues, said Sparks, who served on the work group. The bill is a major step in consistency and clarification in drainage ditch buffer law, said Harlen Madsen, Kandiyohi County Commissioner. Buffer strips improve water quality and substantially reduce ditch maintenance, Madsen said. The bill was recommended to pass and re-referred to the Agriculture and Veterans Committee.

Environment, Energy and Natural Resources Budget Division

BWSR budget, report heard

Minnesota's soil and water conservation system was the focus of the Thurs., Mar. 1, meeting of the Environment, Energy and Natural Resources Budget Division. The panel, chaired by Sen. Ellen Anderson (DFL-St. Paul), heard an overview of the budget for the Board of Water and Soil Resources, a report on watershed management, and a measure appropriating funds for grants to soil and water conservation districts.

The governor's FY 08-09 budget recommendation for the Board of Water and Soil Resources (BWSR) provides for \$45.097 million in general fund spending. It includes \$10.9 million for non-point source restoration and protection measures to clean up state waters that are impaired and to avoid impairment of waters that are not currently impaired, \$1.25 million to enhance public drainage system management, \$2.18 million to improve the state's implementation of the Wetland Conservation Act, and \$100,000 to cover increased rent for BWSR's offices.

Complete budget documents are available online: <http://www.budget.state.mn.us/budget/operating/200809/gov/338480.pdf>

Key findings of the legislative auditor's evaluation of watershed management include that the state's watershed management structure is a complex network of entities at the federal, state, and local levels, that local water management entities' performance has been mixed, and that state oversight of local entities is inadequate. The report recommends adopting a more results-oriented approach

to watershed management. Specific recommendations include requiring BWSR to establish performance and operational standards for local water management entities, to collect performance, financial, and activity data from each entity, to monitor entities' performance and activities, and to release public assessments of entities' performance. The report also recommends giving the board a wider range of tools to encourage and compel consistently low-performing local entities to improve and requiring the board's executive director to be appointed by the governor and confirmed by the Senate, rather than appointed by the BWSR board.

The complete report is available online: <http://www.auditor.leg.state.mn.us/ped/2007/watersheds.htm>

S.F. 216, authored by Sen. Jim Vickerman (DFL-Tracy), provides \$2.1 million annually for grants to soil and water conservation districts. Under the bill, the grants may be used to support basic operations and to leverage other local, state, and federal funding to provide soil and water conservation programs to owners of private lands. The bill was laid over for possible inclusion in the division's omnibus appropriations measure.

Finance

Economic forecast heard

A forecast showing minimal changes in revenue and spending for FY 08-09 was the focus of a joint meeting of the Finance and Taxes Committees, Thurs., Mar. 1. The panels, chaired by Sen. Richard Cohen (DFL-St. Paul) and Sen. Thomas Bakk (DFL-Cook), respectively, discussed the forecast's findings with Finance Commissioner Tom Hanson, State Economist Tom Stinson and State Budget Director James Schowalter. The forecast indicates a \$1.103 billion surplus for the current biennium, FY 06-07, and a \$2.163 billion FY 08-09 balance that can be used to pay for inflation-related spending in existing programs or to create new programs.

Stinson described the economic conditions underlying the forecast. He said there is little change in the overall economic outlook for the United States and Minnesota, since the November forecast. Real gross domestic product (GDP) growth is expected to stabilize at about 3.0 percent for the biennium, he

said, and the probability of a recession by the end of the year is very small. Housing starts are down from early 2006, Stinson said, but it is too early to estimate how the construction industry is responding.

Hanson outlined the revenue and spending pressures on the state's budget. The main driver of general fund spending increases, he said, is the cost of providing human services. Growth in human services spending is attributable primarily to higher hospital rates and a smaller-than-anticipated movement of clients from General Assistance Medical Care, a general fund program, to Minnesota Care, a health care access fund program. There is also some change in the K-12 education area, Hanson said, due to a small decline in pupil counts, but a slight increase in poverty concentrations.

Health, Housing and Family Security

Mental health bills gain

Two measures relating to mental health were the focus of the Mon., Feb. 26, meeting of the Health, Housing and Family Security Committee.

S.F. 148, carried by Chair John Marty (DFL-Roseville), is a comprehensive effort to address the availability of mental health services. A lot of gaps exist in our mental health system, Marty said. Sue Abderholden, National Alliance on Mental Illness-Minnesota, said one fifth of adults and one tenth of children are affected by mental illness. However, too many of them lack access to necessary services, she said, and the bill seeks to ensure access. Abderholden walked committee members through the bill's many provisions. Among the provisions are support for early intervention collaborative services to children who are at high risk for child maltreatment, substance abuse and violent offending, a 33.7 percent increase in payment rates for services provided by children's therapeutic services and supports (CTSS) providers, grants for nonprofit organizations to ensure that culturally competent mental health services are provided throughout the state, an expansion of eligibility for General Assistance Medical Care to include individuals diagnosed in a corrections institution, and a report on options to ensure that college students are participating in student health insurance programs.

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Several representatives of mental health providers discussed the need for provisions in the bill. Significant disparities exist in the rates at which people from different cultural backgrounds seek mental health services, said Angie Stratig of the American Indian Family Center. Language barriers, a lack of insurance and a shortage of culturally competent providers frustrate their attempts to get help, she said. Andrea Ayres, Family and Children's Service, said that most of mental illness screening in MFIP is focused on parents and ensuring they are able to work. However, she said, it is difficult to keep a job if someone is repeatedly getting called away to deal with a child's disruptiveness at school or other problems. Offering screening for the children of MFIP recipients will help identify what may be keeping a family from succeeding in moving from public assistance to work, Ayres said.

Opposition to the bill came from Dr. Karen Effrem, representing EdWatch and the Alliance for Human Research Protection. Mental health screening of children is beset by vague standards, a high rate of false positives, a lack of real informed consent, and an over-identification of mental illness combined with an overuse of psychotropic medication, she said.

Sen. Betsy Wergin (R-Princeton) offered an amendment limiting the children's mental health screening to developmental screening, rather than also including social and emotional screening. Wholesale socio-emotional screening just because a family is part of a public program, she said, is invasive and discriminatory. Screening ends up labeling children and putting them on drugs, Wergin said. Ayres said the screening was voluntary, not required. Parents should be able to learn, if they want to, if a child's disruptive behavior or other incidents are a mental illness, she said. We want these families to succeed and to be able to identify barriers they face, Ayres said. The amendment was not adopted.

S.F. 148 was approved and advanced to the Judiciary Committee.

Committee members also approved a bill, S.F. 515, authored by Sen. Linda Berglin (DFL-Mpls.), creating a certification program for mental health peer specialists. The measure was referred to the Finance Committee.

Child care bills okayed

Five measures relating to child care were the focus of the Health, Housing and

Family Security Committee, Wed., Feb. 28. The committee, chaired by Sen. John Marty (DFL-Roseville), approved all five bills and advanced them to the Finance Committee.

S.F. 534, sponsored by Sen. Ron Latz (DFL-St. Louis Park), re-establishes the crisis nursery grant program. S.F. 686, carried by Sen. Patricia Torres Ray (DFL-Mpls.), establishes a family, friend and neighbor grant program to promote literacy, healthy development and school readiness. S.F. 944, authored by Sen. Sharon Erickson Ropes (DFL-Winona), allows child care services grants to be used for supporting effective teacher-child interactions, child-focused teaching and content-driven classroom instruction. The bill also establishes a program to provide tuition scholarships and education incentives to early child care and education providers.

Sen. Linda Higgins (DFL-Mpls.) carried a bill, S.F. 771, requiring family day care programs to be inspected at least annually. The measure also requires the commissioners of health, human services and education to develop recommendations for how to offer unlicensed child care providers with one-time home visits with health, safety and school readiness information. S.F. 754, sponsored by Sen. Linda Scheid (DFL-Brooklyn Park), consolidates the Minnesota Family Investment Program child care program, basic sliding fee child care program and transitional year child care program.

Health and Human Services Budget Division

Medical board budgets heard

Members of the Health and Human Services Budget Division, chaired by Sen. Linda Berglin (DFL-Mpls.), devoted the first portion of the Tues., Feb. 27, meeting to hearing the budget recommendations for a variety of health related boards. Representatives of the Optometry Board, the Dietetics and Nutrition Practice Board, the Nursing Board, the Emergency Medical Services Regulation Board, the Physical Therapy Board, the Podiatric Medicine Board, the Psychology Board, the Veterinary Medicine Board and the Behavioral Health and Therapy Board. The budget recommendations may be found at: <http://www.budget.state.mn.us/budget/operating/200809/gov/index.shtml>

The division also considered three bills. S.F. 479, carried by Sen. Patricia Torres Ray (DFL-Mpls.), makes a technical change in order to use \$2.2 million in federal funds for asset preservation at Minnesota veterans homes. The measure was approved and advanced to the full Finance Committee. A second bill, S.F. 735, dealing with veterans homes was also heard. The bill, sponsored by Sen. Katie Sieben (DFL-Newport), appropriates \$7 million from bond proceeds to construct and furnish 30 units of permanent supportive housing for veterans with disabilities on the campus of the Minnesota Veterans Home-Hastings. Sieben said the housing would be efficiency apartments for single adults. She said housing is critical for veterans who do not need hospitalization, but still have a level of disability. The measure was laid over to be considered as a recommendation to the Capital Investment Committee.

The panel also discussed a bill, S.F. 964, aimed at reducing fetal alcohol syndrome. Sen. Kathy Sheran (DFL-Mankato), chief author, said the bill was needed to continue three programs that reduce fetal alcohol spectrum disorders and teach parenting skills. The measure was laid over for possible inclusion in the division's omnibus bill. S.F. 842, carried by Berglin, requires inpatient hospital services to be paid on a fee-for-services basis for the General Assistance Medical Care program. Berglin said the bill was needed to access federal funds. No action was taken on the measure.

Human services bills heard

The Health and Human Services Budget Division met Thurs., Mar. 1, to consider several bills making changes in various human services provisions.

S.F. 864, sponsored by Sen. Kathy Sheran (DFL-Mankato), appropriates funds for grants to counties for child support enforcement programs to make up for the loss, under the 2006 federal Deficit Reduction Act, of federal matching funds for federal incentive funds passed on to the counties by the state. Ramsey County Attorney Susan Gaertner said counties relied on the federal funds for child support enforcement programs and the bill will provide relief for counties. Sheran offered an amendment making the appropriation part of the Dept. of Human Services base budget. The amendment was



From left, Senators Julianne Ortman (R-Chanhassen), Warren Limmer (R-Maple Grove) and Betsy Wergin (R-Princeton) socialize in the Senate Chamber following the Wed., Feb. 28, floor session.

Photo by David J. Oakes

adopted and the bill was approved and laid over for possible inclusion in the omnibus bill.

Sen. Julie Rosen (R-Fairmont) sponsored a bill, S.F. 532, specifying that a person's home county is responsible for chemical use assessments when the person has been arrested outside the person's county of residence. The bill also requires the commissioner of human services to make recommendations related to changing the statutory maintenance of effort provisions in the chemical dependency treatment fund and the feasibility of posting treatment program peer reviews at an on line location. The measure was laid over for possible inclusion in the omnibus bill.

S.F. 638, sponsored by Sen. Mary Olson (DFL-Bemidji), appropriates \$20 million for grants to community action councils. Olson said that funding for

community action grants had been drastically cut during the state's budget difficulties. She said that the community action councils provided valuable services and deserved to be funded. The measure was laid over for possible inclusion in the omnibus bill.

Division Chair Linda Berglin (DFL-Mpls.) carried three bills. S.F. 461 modifies food stamp requirements, prohibits the expunging of food support benefits unless the benefits have not been used for a year, requires simplified reporting and requires the creation of a simplified application. S.F. 559 establishes family stabilization services, establishes a work participation bonus and appropriates money for supporting work for low-income families. Berglin said the federal government requires more than 50 percent of Minnesota family investment program (MFIP) recipients be working and the bill establishes several

mechanisms to allow compliance with the federal requirements. S.F. 772 appropriates \$1.5 million to maintain the birth defects information system.

Higher Education Budget and Policy Division

Tuition increase limits discussed

Chair Sandra Pappas (DFL-St. Paul) and members of the Higher Education Budget and Policy Division considered several bills to control tuition at the state's public colleges and universities at the hearing Tues., Feb. 27. The bills were all laid over for possible inclusion in the omnibus bill.

Before bills were presented, the Office of Higher Education (OHE) gave an overview of tuition costs in Minnesota. Tuition is increasing faster than the rate of

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inflation, said Mark Misukanis, director, Fiscal Policy and Research, OHE. Over the last four years, tuition and fees at the University of Minnesota increased 50 percent, Misukanis said. Other Minnesota public colleges and universities saw increases of over 40 percent, he said. Misukanis said increases in tuition and fees across the country show a similar trend.

After the overview, members heard S.F. 456 and S.F. 598. Authored by Sen. Dick Day (R-Owatonna) and Sen. Chris Gerlach (R-Apple Valley) respectively, the bills establish tuition increase limits at public colleges and universities. Under the bills, colleges would have a plan for students to lock-in to a tuition rate for five years, Gerlach said. Students would pay a little more up front, but gain in the end, he said. Parents and students need stabilization and predictability to plan for the cost of tuition, Gerlach said.

S.F. 232, also authored by Gerlach, provides stable tuition rates for Minnesota residents at state colleges and universities. The bill requires schools to create a tuition guarantee plan, but leaves the details of the plan to them, Gerlach said.

Authored by Sen. Julie Rosen (R-Fairmont), S.F. 533 limits tuition increases at public higher education institutions to 3 percent for the next two years. Tuition

increases should be kept in line with what's happening in the general economy, Rosen said. Sen. Ron Latz (DFL-St. Louis Park) said the bill caps tuition, but there is no guarantee that the state will fully fund the colleges and it may force programs to be cut.

S.F. 528, carried by Pappas, eliminates out of state tuition rates at Minnesota State Colleges and Universities (MnSCU). Many MnSCU schools already have a flat tuition rate, Pappas said. Studies have shown that 60 to 70 percent of students who come from another state for college stay and work in Minnesota, she said. The bill is a way for Minnesota to attract and retain students, said Peter Sadowski, Minnesota Chamber of Commerce. The state needs workers to offset the workforce shortage expected when baby boomers retire, Sadowski said.

Sen. David Tomassoni (DFL-Chisholm) authored S.F. 773. The bill appropriates \$79 million over the next biennium to prevent any tuition increases at Minnesota State Colleges and Universities. The bill addresses the core problem of skyrocketing tuition – that the state is not paying for public education in Minnesota, said Justin McMartin, state chair, MnSCU Student Association.

In other action, the committee, acting as a policy committee, considered S.F. 653. Authored by Pappas, the bill guarantees in state tuition rates to students who attend Minnesota high schools for three years, graduate from high school, register at a public college or university. The bill also requires students who are not citizens to sign an affidavit that they will file an application to become a permanent resident at the earliest possible opportunity, Pappas said. Denise Soriano, a high school student from Chaska, said she has lived in Minnesota for most of her life. Students whose parents entered the country illegally are not asking for a hand out, just the same tuition rate as other people who live in Minnesota, Soriano said. The students cannot apply for federal grants or most scholarships, she said. Soriano said she would like to attend college and become a doctor. The bill was recommended to pass and sent to the Senate floor.

Transition to college considered

A discussion about what high school students and their parents expect regarding higher education was the focus of a special joint meeting of the Senate Higher Education Budget and Policy Division and the House Higher Education and Workforce Development Policy and Finance Division, Wed., Feb. 28. The panels, chaired by Sen. Sandra Pappas (DFL-St. Paul) and Rep. Tom Rukavina (DFL-Virginia), also heard from St. Paul Public Schools officials on their efforts to prepare high school students for college. The joint meeting was held at the Rondo Education Center in St. Paul.

Grants, GI bill considered

Proposals to modify state higher education grant programs, to create a Minnesota GI Bill program, and to reward high school students taking college-level courses were the focus of the Thurs., Mar. 1, meeting of the Higher Education Budget and Policy Division. The panel, chaired by Sen. Sandra Pappas (DFL-St. Paul), laid the bills over for possible inclusion in the omnibus higher education appropriations bill.

S.F. 786, authored by Sen. Rod Skoe (DFL-Clearbrook), reduces the assigned student responsibility from 46 percent to 40 percent, increases the four-year tuition and fee maximums from \$9,438 to the



Senators Dan Sparks (DFL-Austin), left, and Jim Vickerman (DFL-Tracy) exchange ideas during the Wed., Feb. 28, floor session.

Photo by David J. Oakes

average tuition and fees reported by the University of Minnesota, shifts the living and miscellaneous expense allowance from a prorated to a fixed amount, and raises the maximum award for child care payments from \$2,300 to \$3,600.

Two measures propose a Minnesota GI Bill program. The governor proposed the program in his higher education bill, S.F. 575, carried by Sen. Claire Robling (R-Jordan). The program is also proposed in a standalone bill, S.F. 408, sponsored by Sen. Sharon Erickson Ropes (DFL-Winona). The Minnesota GI Bill program is designed to offer postsecondary educational assistance to veterans and the spouses and children of deceased and severely disabled veterans.

The governor's higher education bill also includes a proposal to reward high school students taking rigorous college-level academic coursework. The proposed program is called the Academic Competitiveness Highlighting Individual Excellence and Valuing Education (ACHIEVE) program. Under the bill, students are awarded \$314 per qualifying course and may use the funds on qualifying expenses at Minnesota public or private degree-granting institutions.

In other action, division members heard from the Office of Higher Education on two programs: the Get Ready program, which prepares students from low-income families and traditionally underrepresented groups with college planning information, academic tutoring and career and higher education options; and the Intervention for College Attendance Program, a grant program designed to encourage and support efforts by post-secondary institutions and community agencies to enhance or expand pre-college awareness or intervention programs for low-income students.

Judiciary

Theft bills heard

The Judiciary Committee, chaired by Sen. Mee Moua (DFL-St. Paul) held its first evening hearing Mon., Feb. 26, to consider a bill on criminal records expungement and several bills relating to theft and identity theft.

Members began by considering a bill, S.F. 1117, that amends the crime of burglary in the second degree to include government buildings, school buildings

and religious establishments. Sen. Satveer Chaudhary (DFL-Fridley), chief author, said the bill is designed to recognize that burglary and vandalism in some establishments is of a greater magnitude than others. He said that last summer, a Hindu temple under construction was burglarized and many valuable objects were taken. He said under current law the offenders would be charged under third degree burglary statutes. Doug Johnson, Washington County Attorney's Office, said the current law provides that the penalty for burglary from a church, school or government building is the same as for burglary of a garden shed. Under the bill, the penalty for burglary of a religious establishment, school or government building is imprisonment for not more than ten years or payment of a fine of not more than \$20,000. The measure was approved and re-referred to the Finance Committee.

Chaudhary also sponsored a bill, S.F. 727, making it a felony to commit theft of a computer that has identity information in its memory about the owner or any other person. Dakota County Attorney James Backstrom said identity theft is one of the most rapidly growing areas of crime and the theft of computers makes it easier for criminals to commit identity theft. The bill was approved and re-referred to the Committee on Finance.

S.F. 780, carried by Sen. Thomas Neuville (R-Northfield), changes the monetary thresholds for sentencing persons convicted of some property offense. Neuville said the bill provides inflationary increases in the thresholds for theft, dishonored checks and damage to property. Moua said a similar bill was approved in committee last year, but failed to be included in the omnibus bill. The measure was approved and advanced to the Finance Committee.

S.F. 294, authored by Sen. Julianne Ortman (R-Chanhassen), makes changes to criminal records expungement provisions. The bill restructures and recodifies the statutes governing expungements, expands eligibility for expungements, expands a court's authority to grant a statutory expungement and provides that employment applications that seek information concerning prior arrests or convictions must state the information does not apply to sealed or expunged criminal records. Ortman said one of the purposes of the bill is to allow persons to show that they have been rehabilitated and to have their

records expunged in order to get on with their lives.

Ortman offered an amendment clarifying that a court may not grant an expungement if the petitioner is under correctional supervision for an offense or is currently charged with violating a criminal law, including a petty misdemeanor. The amendment provides that an expunged record of a conviction or arrest may be opened for purposes of evaluating a prospective employee in a criminal justice agency. The amendment also provides that an expunged conviction be considered a conviction for purposes of other expungement proceedings by the same person, for purposes of establishing a criminal history for sentencing or calculating a criminal history score, for purposes of evidence of other crimes or for subsequent prosecutions. Sen. Warren Limmer (R-Maple Grove) said that including petty misdemeanors may be casting too wide a net. He offered an amendment deleting the language relating to petty misdemeanors. The amendment to the amendment was adopted. The amendment was also adopted.

Sen. Mary Olson (DFL-Bemidji) offered an amendment specifying that an expungement restoring the person to the status the person had before the arrest, citation, indictment, trial or verdict does not apply to statutorily required background checks. The amendment was not adopted.

Limmer offered an amendment clarifying that a person who has had the ability to possess firearms restored is not subject to limitations contained in the bill relating to firearm possession. The amendment was adopted. Neuville offered an amendment specifying that the court consider and set forth in written findings after considering factors outlined in the bill that the benefit to the petitioner outweighs the disadvantages to the public. The amendment was adopted. The bill was approved and re-referred to the Business, Industry and Jobs Committee.

Sen. Don Betzold (DFL-Fridley) sponsored a bill, S.F. 644, expanding the crime of identity theft to include posing as another person for purposes of harassing or defaming the person or another party. The measure was laid over for further consideration.

E-waste bill okayed

A bill establishing a statewide recycling program for used computers and

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television monitors was approved by members of the Judiciary Committee, Tues., Feb. 27. The panel, chaired by Sen. Mee Moua (DFL-St. Paul), focused on the data practices and state purchasing portions of the measure.

The data practices provisions of the bill, S.F. 235, sponsored by Sen. Linda Higgins (DFL-Mpls.), regulate state agencies' use and sharing of data collected as part of administering the recycling program. The state purchasing provisions include sanctions for persons awarded state contracts for the purchase or lease of video display devices that violate the law. Under the bill, the contract is voided and the contractor is ineligible to bid on state video display device contracts for three years. Judy Cook, representing Hewlett Packard, expressed concerns about the penalty provisions in the bill. It is unclear as to whether a manufacturer that is deemed out of compliance, and thus barred from doing business in Minnesota, can ever return to the state's favor, she said. Art Dunn, Pollution Control Agency, said the state already has a variety of mechanisms in place to deal with parties that may fall out compliance and to help them return to compliance.

The bill was advanced to the State and Local Government Operations and Oversight Committee.

In other action, committee members considered three additional measures. S.F. 914, carried by Sen. Don Betzold (DFL-Fridley), regulates data screening agencies that provide background information on individuals to third parties. The bill was approved and sent to the full Senate. Moua authored S.F. 823, authorizing charitable, nonprofit mentoring services to request criminal background checks from the Bureau of Criminal Apprehension. The measure also appropriates \$320,000 to provide background checks for mentoring services. S.F. 643, also carried by Moua, makes it a crime to use the internet: to solicit children to engage in sexual conduct, to communicate with children in a sexually explicit way, or to distribute sexually explicit material to children. Both bills were approved and referred to the Finance Committee.

Judiciary Budget Division

Commitment bill gains

The Judiciary Budget Division met Tues., Feb. 27, and advanced a bill, S.F.

322, providing for the civil commitment of chemically dependent pregnant women to protect the health of the fetus. The measure, sponsored by Sen. Don Betzold (DFL-Fridley), specifies that the court may order early intervention treatment, if the court finds the pregnant woman has engaged in excessive use of controlled substances, alcohol or inhalants that pose a substantial risk of damage to the brain or physical development of the fetus. Betzold said the bill is designed to prevent fetal alcohol syndrome disorders. The bill was approved and advanced to the full Finance Committee.

In other action, the division, chaired by Sen. Leo Foley (DFL-Coon Rapids), considered a bill undoing an unintentional repeal. S.F. 675, sponsored by Sen. Linda Higgins (DFL-Mpls.), provides for the disposition of abandoned bail, bond or recognizance in the Fourth Judicial District to Hennepin County. The measure was laid over for possible inclusion in the division's omnibus bill.

Public Safety Budget Division

Youth intervention bills heard

The Public Safety Budget Division, chaired by Sen. Linda Higgins (DFL-Mpls.), considered five bills at the Mon., Feb. 26, meeting. Several of the bills deal with providing funds to programs to provide intervention services for at-risk children.

S.F. 99, sponsored by Higgins, extends a mentoring program for children whose parents are incarcerated. Higgins said that during the panel's visit to the Juvenile Facility at Red Wing last week, she found out that of the 142 residents, 85 had parents who had been incarcerated. Gloria Lewis, president, Big Brothers and Big Sisters of the Greater Twin Cities, said that seven out of 10 children whose parents were incarcerated will later be incarcerated themselves. Lewis said the program has been in existence for three years funded by federal grants and that the bill will allow the program to continue. She said the program has made a difference in children's lives. Pete Rhodes, a Minneapolis big brother, said the relationship he has with his little brother has been a rewarding experience for him and for the child he has been mentoring. Lewis said the program allows long-term relationships to develop

and allows young people to focus on school and future employment. The bill appropriates \$500,000 for the biennium to fund the grants. Higgins offered an amendment specifying the areas receiving the appropriations. The bill was approved and laid on the table for possible inclusion in the division's omnibus bill.

Higgins sponsored three additional bills. S.F. 277 appropriates money for youth intervention program grants. Higgins said similar grants had been discontinued when the state was experiencing budget difficulties and the bill would provide \$2 million for the programs. J. Scott Beaty, executive director, Minnesota Youth Intervention Programs Association, said a recent Wilder Foundation study found that for every \$1 spent on youth intervention programs there is a \$4 to \$13 return. He said the association represents 60 different programs. Dakota County Attorney James Backstrom said the programs make a positive difference in young people's lives and help to reduce crime. S.F. 814 appropriates \$500,000 each year of the biennium to the commissioner of public safety for Asian-American juvenile crime prevention grants. David Zander, Council on Asian-Pacific Minnesotans, said funding for the programs was started in the early 1980s, but fell victim to the budget cuts of recent years. S.F. 177 appropriates \$175,000 each year of the biennium to the commissioner of public safety for a grant to a nonprofit organization dedicated to providing immediate and long-term emotional support and practical help for the families and friends of individuals who have died by homicide, suicide or accident. Tim Lynch, senior commander, St. Paul Police Department, said the program has helped families negotiate the emotional and practical hurdles that are brought about through the death of a loved one by homicide.

All three measures were approved and laid on the table for possible inclusion in the division's omnibus bill.

Sen. Mee Moua (DFL-St. Paul) carried the final bill. S.F. 344 appropriates \$620,388 for the all children excel (ACE) program. The program offers a sustained, intensive and multifaceted intervention that identifies and treats very young children, under age 10, high-risk children and their families, said Ed Frickson, ACE project director. He said the goal is to prevent delinquency, substance abuse and

school dropouts by promoting health development outcomes. The bill was also approved and laid on the table for possible inclusion in the omnibus bill.

Re-entry bills heard

The Public Safety Budget Division, chaired by Sen. Linda Higgins (DFL-Mpls.), focused on offenders' re-entry programs at the Wed., Feb. 28, hearing. The panel laid most of the bills over for possible inclusion in the division's omnibus bill.

The first measure, S.F. 859, authored by Sen. John Marty (DFL-Roseville), establishes a grant program for county re-entry projects to reintegrate individuals who have been identified as having mental illness, are chemically dependent or are homeless. Marty said many individu-

als with mental illness are not prepared upon their release to be back in the community and end up back in the county jail. He said proper re-entry allows for discharge planning and aftercare. The measure was approved and re-referred to the full Finance Committee.

S.F. 1159, carried by Sen. Mee Moua (DFL-St. Paul), appropriates \$500,000 to fund implementation of an integrated domestic violence response framework. She said the bill also requires the development of a model for a domestic violence response network to be used by local criminal justice agencies and advocacy programs throughout the state. The program brings together law enforcement, prosecutors, probation officers, the courts, victim advocates, social service providers and 911 operators to develop policies,

procedures and quality assurance for domestic violence responses. St. Paul Police Chief John Harrington spoke in support of the program. He said last year, 42 women and 16 children died from domestic abuse and the bill will help keep citizens safe.

S.F. 619, carried by Higgins, appropriates \$400,000 in each year of the biennium for an offender re-entry pilot program. Higgins said the program provides for a re-entry specialist to meet with offenders prior to release to develop a holistic plan for reintegration into the community. The re-entry specialist is to ensure the offender has proper identification, has a Social Security number, is able to complete a job application and takes advantage of available community-based educational and programming options. Higgins also carried a bill, S.F. 1300,

establishing an ex-criminal employment services pilot project in north Minneapolis. Dawn Williams, director of workforce programs, Emerge, said many ex-criminals do not have the skills to obtain a job or the proper knowledge of how to keep a job. Higgins said the services are to include work readiness, skill training, chemical and mental health referrals, housing support, job placement and job retention support.

Higgins also carried S.F. 813. The bill appropriates \$10 million each year of the biennium to the commissioner of public safety to replace federal funds that were eliminated in the latest budget. Higgins said the bill specifies that the money only be used for programs currently funded by federal grants that are losing all or part of their federal funding.

The final bill, S.F. 650, carried by Higgins, contains the governor's appropriations recommendations for the courts, public defenders, public safety, corrections and other criminal justice agencies. Chris Turner, fiscal analyst, said that only the appropriations for public safety and corrections were under the jurisdiction of the division. Turner said the measure makes general fund appropriations of \$302 million for public safety and \$942.8 million for the Dept. of Corrections. Members discussed various portions of the bill, but took no formal action.

Rules and Administration

Commission appointments made

The Rules and Administration Subcommittee on Committees met Tues., Feb. 27, to finish the process of appointing Senate members to a variety of commissions and councils. The panel, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), appointed Sen. Julianne Ortman (R-Chanhassen) and Sen. Mee Moua (DFL-St. Paul) to the Advisory Council on Interstate Adult Offender Supervision, Sen. Leo Foley (DFL-Coon Rapids) to the Chemical Abuse and Violence Prevention Council, and Sen. Jim Vickerman (DFL-Tracy) and Sen. Joe Gimse (R-Willmar) to the Council on the Affairs of Chicano/Latino People.

Members also appointed Sen. Ellen Anderson (DFL-St. Paul) and Sen. David Senjem (R-Rochester) to the Council on Asian-Pacific Minnesotans, Sen. Linda Higgins (DFL-Mpls.) and Sen. David Hann (R-Eden Prairie) to the Council on Black



Fourteen-year-old Karen Mason, Minneapolis, tells members of the Public Safety Budget Division, Mon., Feb. 26, of the benefits she has received since becoming involved with Boulder Options, a Minneapolis-based mentoring organization that pairs mentors with at-risk youth.

Photo by David J. Oakes

Committee update



Brooklyn Park 10th-graders Cynthia Guandique, left, and Selene Sanchez can't resist cooing up to a chinchilla held by Minnesota Zoo Volunteer Pat Koor in the Capitol Rotunda during the zoo's "Day at the Capitol," Tues., Feb. 27.

Photo by David J. Oakes

Minnesotans, Sen. Charles Wiger (DFL-North St. Paul) to the Education Commission of the States, and Sen. Amy Koch (R-Buffalo) and Sen. Tom Saxhaug (DFL-Grand Rapids) to the Explore Minnesota Tourism Council.

Other appointments included Sen. Betsy Wergin (R-Princeton), Sen. Mary Olson (DFL-Bemidji) and Vickerman to the Indian Affairs Council, Sen. James Metzen (DFL-South St. Paul), Richard Anfang, Julie Bleyhl and Donald Gerdesmeier to the Labor Interpretive Center Board of Directors, Sen. Dennis Frederickson (R-New Ulm) and Sen. Sharon Erickson Ropes (DFL-Winona) to the Legislative Coordinating Commission Legislative Reference Library Subcommittee, Sen. Michael Jungbauer (R-East Bethel) and Sen. Rick Olseen (DFL-Harris) to the Legislative Coordinating Commission Revisor of Statutes Subcom-

mittee, and Sen. Don Betzold (DFL-Fridley), Sen. Linda Scheid (DFL-Brooklyn Park), Sen. Gen Olson (R-Minnetrista), Wergin and Metzen to the Legislative Coordinating Commission Employee Relations Subcommittee.

The panel also approved the appointment of Sen. Ann Rest (DFL-New Hope) and Sen. Pat Pariseau (R-Farmington) to the Legislative Coordinating Commission Rules Subcommittee, Sen. Geoff Michel (R-Edina), Sen. John Doll (DFL-Burnsville), Sen. Scott Dibble (DFL-Mpls.), Sen. Terri Bonoff (DFL-Minnetonka), Sen. Chris Gerlach (R-Apple Valley), Sen. Warren Limmer (R-Maple Grove) and Foley to the Legislative Commission on Metropolitan Governance, Sen. Katie Sieben (DFL-Newport) to the Midwest Interstate Passenger Rail Compact Commission, Sen. Sandra Pappas (DFL-St. Paul) to the Midwestern Higher

Education Commission, Sen. Patricia Torres Ray (DFL-Mpls.) and Senjem to the Mississippi River Parkway Commission, Sen. Debbie Johnson (R-Ham Lake) and Sen. Dan Larson (DFL-Bloomington) to the Multistate Tax Compact Advisory Committee, Sen. Dan Sparks to the Rural Policy and Development Center Board of Directors and Sen. Linda Higgins (DFL-Mpls.) and Rest to the Victory Memorial Drive Implementation and Steering Task Force.

State and Local Government Operations and Oversight

Smoking ban headed to floor

A statewide smoking ban in the workplace gained approval from the State and Local Government Operations and Oversight Committee Mon., Feb. 26,

sending it to the Senate floor. Sen. Ann Rest (DFL-New Hope) chairs the committee.

S.F. 238, authored by Sen. Kathy Sheran (DFL-Mankato), establishes a statewide smoking ban in workplaces, including bars and restaurants. The committee looked at the portion of the bill that preempts local government ordinances and the portion allowing an exemption based on the ventilation system. Mark Frost, member, Mankato City Council, spoke against preempting local smoking bans. If the bill becomes law, it would override what the citizens of Mankato have decided is best for its residents, Frost said. But Charles Sinclair, owner, Fabulous Ferns disagreed. He said preemption is necessary to create a fair playing field and prevent a patchwork of laws across the state. Ventilation systems can reduce the smell and irritability of smoke, but it cannot remove the toxins that cause cancer, said Sen. Sandra Pappas (DFL-St. Paul).

Rest offered an amendment to remove the preemption and ventilation parts of the bill. The bill is intended to be a minimum standard, not the ceiling, so preemption does not make sense, Rest said. Sen. Joe Gimse (R-Willmar) spoke against the amendment. Gimse said he thought the ventilation systems and the preemption provision were a good compromise that would create a level playing field. The amendment was adopted by a vote of six to five.

Rest said she had a letter from Sen. Richard Cohen (DFL-St. Paul), chair of the Finance Committee, stating that the committee does not need to see the bill. The bill was recommended to pass and sent to the Senate floor.

The committee approved two other bills. Carried by Sen. Lawrence Pogemiller (DFL-Mpls.), S.F. 6 dedicates, by constitutional amendment, three-eighths of a percent of the sales tax for the state's natural and cultural resources. The committee looked at the portion of the bill that establishes the Heritage Enhancement Council. The council will be made up of ten citizens and six Legislators, Pogemiller said. Members of the council will develop the budget for the heritage enhancement fund to be spent on fish, wildlife and habitat projects, he said. Sen. Claire Robling (R-Jordan) offered an amendment requiring appointing authorities to consider geographic representation

when appointing members to the council. The amendment was adopted. The bill was recommended to pass as amended and re-referred to the Finance Committee.

S.F. 887, authored by Rest, the bill abolishes the Department of Employee Relations. The administration of state employees' workers compensation will be transferred to the Department of Administration and duties relating to health care purchasing improvement will be transferred to the Health Department, Rest said. The rest of the department will be transferred to the Department of Finance, Rest said. The bill was recommended to pass and re-referred to the Finance Committee.

CF appointees endorsed

Two members of the Campaign Finance and Public Disclosure Board, reappointed by the governor, were approved by members of the State and Local Government Operations and Oversight Committee, Wed., Feb. 28.

The Campaign Finance and Public Disclosure Board (CF Board) is composed of six individuals: two former Legislators; two persons who have not been public officials, held any political party office other than precinct delegate or been elected to partisan public office in the three years preceding appointment; and two persons without restriction on previous political activities. The members within each of the three categories must be of different political parties, with no more than three of the members of the entire board being from any one political party. Confirmation of appointees requires the support of three-fifths of the both the Senate and the other body, acting separately.

Terri Ashmore, a St. Paul resident, has been a member of the CF Board since 2003. She serves as an unrestricted member of the CF Board. Bob Milbert, a resident of South St. Paul, has also served on the CF Board since 2003. He serves as a former DFL Legislator; Milbert was a member of the other body from 1987 to 2003. Both appointments were forwarded to the full Senate.

Additionally, committee members, chaired by Sen. Ann Rest (DFL-New Hope), heard a presentation on the CF Board's Campaign Finance Reporter Software. Gary Goldsmith, management analyst with the board, said the software is not mandatory for use by political committees, political funds, principal campaign

committees and party units. However, he said, the software is designed to fulfill three roles: recordkeeping, reporting and compliance. More information about the software, including training opportunities, is available online: <http://www.cfboard.state.mn.us/software/index.html>

June primary okayed

A measure moving the state primary election from September to June was approved by members of the State and Local Government Operations and Oversight Subcommittee on Elections, Wed., Feb. 28.

S.F. 893, carried by Chair Dan Larson (DFL-Bloomington), effects the change beginning in 2010. The bill also makes a number of conforming changes throughout statutes governing elections. Minnesota has held its primary in September since 1939, Larson said. However, an earlier primary has been discussed for many years, he said. Moving the primary up will permit a longer discussion about who the final officeholder will be, he said, rather than spending time discussing which partisans should face off. Additionally, more time between the primary and general elections makes it easier for military service members abroad to vote, Larson said.

Brian Melendez, chair of the Minnesota DFL Party, spoke in support of the measure. Larson noted that while leaders of the state's other two major political parties, the Republican and Independence Parties, could not appear at the meeting, they also support the bill. An earlier primary increases participation, accountability and responsive government, said Mike Franklin, Minnesota Chamber of Commerce. A June primary encourages more private-sector candidates to seek office, he said, and helps nominees focus their time, energy and money on the general election. Local election officials support an earlier primary election, said Becca Pryse, representing the Minnesota Association of County Officers. However, she said, there is some disagreement about exactly how much earlier the primary should be. Pryse said local officials will work with state officials to resolve any hiccups involved in implementing an earlier primary.

Increasing the length of the general election period does not do anything to reduce the overall time spent campaigning, said Sen. John Marty (DFL-Roseville). The only way to reduce the overall

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campaign period is to enact significant finance reform, for which Legislators seem to have little appetite, he said. Marty noted that many European countries have much shorter campaign seasons and higher voter turnout. Minnesota has one of the shortest general election periods and the highest voter turnout in the nation, he said. The public does not like long campaigns, Marty said, primarily because of the prevalence of television advertisements. TV ads will just start three months earlier, and that will turn people off before they start paying attention, he said.

The bill was advanced to the full State and Local Government Operations and Oversight Committee.

Subcommittee members advanced several additional measures to the full committee. S.F. 1218, sponsored by Sen. Sharon Erickson Ropes (DFL-Winona), allows individuals to follow the procedures of the Uniformed and Overseas Citizens Absentee Voting Act if they live permanently outside the United States, but have a parent eligible to vote in Minnesota, permits the electronic transmission of absentee ballots from election officials to overseas voters, and authorizes the Secretary of State to adopt rules giving emergency powers to adopt special procedures or requirements necessary to facilitate absentee voting by military and overseas citizens. S.F. 753, authored by Sen. Sandy Rummel (DFL-White Bear Lake), replaces a requirement that election judges be appointed from lists furnished by political parties with permissive authority for election judges to be appointed from the lists. Under the bill, every polling place must have at least two election judges affiliated with major political parties, while other election judges may be unaffiliated with major political parties.

S.F. 954, carried by Sen. Linda Higgins (DFL-Mpls.), authorizes additional forms of identification to be used for Election Day registration, requires a person who challenges a voter's registration to prove the challenger is a Minnesota resident, and requires challengers to swear they understand and will abide by the law governing challenges. S.F. 124, sponsored by Sen. Mary Olson (DFL-Bemidji), permits vacancies in the office of county commissioner to be filled by appointment and permits the county line offices—such as auditor, treasurer and recorder—to be made appointive without referendum.

Olson also presented S.F. 1098 on behalf of Sen. Rod Skoe (DFL-Clearbrook). The bill authorizes Beltrami County to make the office of county recorder appointive.

Sen. Charles Wiger (DFL-North St. Paul) authored S.F. 380. The bill eliminates the requirement that a county, municipality, or school district get the approval of the county auditor before conducting an election by mail, permits a school board to decide whether or not to hold a primary election, and confirms school boards' authority to use electronic voting systems in elections held not in conjunction with a statewide election. S.F. 248, sponsored by Sen. Don Betzold (DFL-Fridley), provides an exception to the \$50 limit on charitable contributions made by principal campaign committees. Under the bill, the limit is lifted for principal campaign committees that dissolve within one year after the contribution is made.

State Government Budget Division

Admin audit, budget discussed

The Department of Administration was the focus of the Mon., Feb. 26, meeting of the State Government Budget Division. Panel members, chaired by Sen. Don Betzold (DFL-Fridley), considered both a recent financial audit of the agency and the governor's budget recommendations for the department.

The financial audit, conducted by the Office of the Legislative Auditor, covers the three-year period ending June 30, 2005. While the auditors concluded that the department's internal controls provided reasonable assurance that it properly recorded its financial activity in the state's accounting system and complied with applicable legal provisions, they also identified some shortcomings. Among the findings are that the agency did not ensure that pharmaceutical manufacturers paid the correct fees for the cooperative purchasing program, did not reasonably estimate its accounts receivable amount for the cooperative purchasing program, did not properly limit security access to the state's accounting system and did not comply with all legal requirements for some contracts. Commissioner Dana Badgerow said the department has taken action to correct the shortcomings identified in the audit.

The full audit is available online: <http://www.auditor.leg.state.mn.us/fad/pdf/fad0627.pdf>

Budget recommendations for the department provide for a total of \$50.305 million in general fund spending in FY 08-09. Among the key initiatives is spending \$5.579 million in FY 08 to purchase and implement a web-enabled, state-hosted, shared system to facilitate critically needed enterprise real property portfolio management. In FY 09, \$1.134 million will be spent on software subscriptions and technical support expenses for the real property management system. Other recommendations provide \$500,000 to help state agencies offset rising energy prices, \$300,000 to promote the 2010 census, \$500,000 to create a grants management office within the department, \$561,000 for a two-year pilot project to reduce state expenditures on professional and technical contracts, \$500,000 to create a small agency resource team to consolidate and streamline the human resources and financial management activities for the state's many small agencies, boards and councils, and \$850,000 for a statutorily-required study to determine whether minority- and female-owned small businesses receive their fair share of the state's business opportunities.

Budget documents for the department are online at <http://www.budget.state.mn.us/budget/operating/200809/gov/338381.pdf>

DOER budget considered

Members of the State Government Budget Division gathered Wed., Feb. 28, to examine the governor's budget recommendations for the Dept. of Employee Relations.

Employee Relations Commissioner Patricia Anderson reviewed the budget recommendations for the panel, chaired by Sen. Don Betzold (DFL-Fridley). Anderson said the governor's recommendations total \$1.281 million from the general fund for FY 08-09. General fund spending accounts for about one percent of the agency's budget, Anderson said. The remainder of the budget comes from premiums and fees paid by employees, state agencies and local units of government that participate in the agency's programs, she said. Anderson said the main change item in the budget proposal is increasing the investment in the Center for Health Care

Purchasing Improvement by \$500,000 annually. She also reviewed the governor's proposal to eliminate the department and transfer its operations with other state agencies, primarily the Departments of Administration, Finance, and Health.

Budget documents for DOER are available online: <http://www.budget.state.mn.us/budget/operating/200809/gov/338407.pdf>

Division members also completed their consideration of the budget recommendations for the Dept. of Administration. Budget documents for the department are online at <http://www.budget.state.mn.us/budget/operating/200809/gov/338381.pdf>

Taxes

Committee hears four bills

The Taxes Committee met Mon., Feb. 26, to consider four bills for possible inclusion in the omnibus bill. All of the bills were laid over by Chair Thomas Bakk (DFL-Cook).

The first bill the committee heard was S.F. 68. Authored by Sen. Tom Saxhaug (DFL-Grand Rapids), the bill exempts Itasca County from sales taxes on the products and services purchased for the purpose of constructing its portion of the statewide public safety radio communication system. Other counties, such as Stearns County and Wright County, have already received a similar exemption, said Pat Medure, sheriff, Itasca County.

S.F. 836, authored by Sen. Linda Higgins (DFL-Mpls.), imposes a five-cent per gallon excise tax on paint sold in Minnesota. The money raised by the tax would be used for lead hazard detection and lead hazard prevention, Higgins said. In Minnesota, 1.2 million homes contain some amount of lead based paint, she said. Children exposed to lead have shorter attention spans, reading disabilities and other health and mental issues, Higgins said. Hans Hirshfield, Hirshfield's, Inc., a decorating business and paint manufacturer, spoke against the bill. The increase would put the company at a competitive disadvantage for national and international contracts, Hirshfield said.

Carried by Sen. Mee Moua (DFL-St. Paul), S.F. 800 extends current sales tax exemptions on construction materials for low-income housing to limited partnerships where the sole general partner is a nonprofit organization. When the exemp-

tion was created in 2001, limited partnerships where the sole general partner is a nonprofit was left out, Moua said. The bill is almost a technical amendment to allow the groups to take advantage of the exemption, she said. The exemption would save about \$2,400 per unit constructed, Moua said.

Members also considered S.F. 706. Authored by Bakk, the bill exempts from sales tax milk, water, fruit juice, yogurt and salads sold in vending machines. Peter Jude, president of the Minnesota Automatic Merchandisers Association, said the bill corrects an inequity – the identical items sold in a store are not taxed. The tax exemption may lead to a reduction in price for healthy items in vending machines and may be an incentive for vendors to offer these items, Jude said.

Deed tax proposals heard

Several measures relating to county mortgage registry and deed taxes were heard by members of the Taxes Committee, Tues., Feb. 27. The panel, chaired by Sen. Thomas Bakk (DFL-Cook), laid the bills over for possible inclusion in the omnibus tax bill.

S.F. 632, sponsored by Sen. Ann Rest (DFL-New Hope), removes the expiration date on the authority for Hennepin and Ramsey Counties to impose a mortgage registry and deed tax. S.F. 495, carried by Sen. Don Betzold (DFL-Fridley), permits Anoka County to impose a mortgage registry and deed tax. Under the bill, revenues are dedicated to acquiring property that is polluted or contaminated with hazardous substances, paying the costs of remediating the acquired property, and improving the property for economic development, recreation, housing, transportation, or rail traffic. Sen. Katie Sieben (DFL-Newport) presented S.F. 1013 on behalf of Sen. James Metzen (DFL-South St. Paul). The bill permits Dakota County to impose a mortgage registry and deed tax to acquire and remediate property that is polluted or contaminated with hazardous substances.

Committee members also heard several other tax-related measures. The bills were also laid over for possible inclusion in the omnibus tax bill. S.F. 606, authored by Sen. Charles Wiger (DFL-North St. Paul), authorizes the city of North St. Paul to transfer increments between tax increment financing districts. S.F. 411, sponsored by Sen. Dick Day (R-

Owatonna), permits the city of Faribault to expend revenues from a tax increment financing district for improvements to the downtown improvement district. S.F. 996, carried by Sen. Steve Murphy (DFL-Red Wing), authorizes the Southeastern Minnesota Multicounty Housing and Redevelopment Authority and the Northwest Minnesota Multicounty Housing and Redevelopment Authority to levy up to 25 percent of their total levies without approval from the local governments within their territories. S.F. 1093, authored by Sen. Mary Olson (DFL-Bemidji), extends the local option Bemidji sales and use tax and permits the city to use the tax to pay the debt service on constructing a regional event center.

Transit Subdivision

West Metro transit discussed

Members of the Transit Subdivision held a joint meeting with the House Transportation and Transit Policy Subcommittee, Wed., Feb. 28. The panels, chaired by Sen. Scott Dibble (DFL-Mpls.) and Rep. Frank Hornstein (DFL-Mpls.), met in Minnetonka to discuss transit issues with elected officials, government administrators, business leaders, representatives of community groups, and members of the public from the western Metro Area.

Transit bills heard

The Transit Subdivision met Thurs., Mar. 1, to hear a variety of transit bills.

S.F. 658, authored by Sen. Kathy Saltzman (DFL-Woodbury), appropriates \$1 million from the bond proceeds fund for transportation and transit improvements along the I-94 Corridor. S.F. 1276, carried by Sen. Charles Wiger (DFL-North St. Paul), appropriates \$460,000 to study transportation and transit improvements along the Highway 36 Corridor. S.F. 351, sponsored by Sen. Katie Sieben (DFL-Newport), appropriates \$1.5 million for the Red Rock Corridor Transit Way between Hastings and Minneapolis via St. Paul for the design and construction of park and ride lots. The bill also requires a feasibility study of extending the corridor between Hastings and Red Wing.

Subdivision Chair Scott Dibble (DFL-Mpls.) carried three measures. S.F. 1111 modifies provisions relating to a periodic evaluation of the Metropolitan Area's transportation system and clarifies provi-

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sions relating to the provision of special transportation services. The measure was amended to remove references to the Transportation Advisory Board. S.F. 1163 clarifies the Metropolitan Transit Police's jurisdiction and includes the transit police in the distribution of forfeited items. S.F. 1164 appropriates \$33.6 million from the Metropolitan Council bond proceeds for Metro Area transit and paratransit capital expenditures.

All of the above measures were advanced to the full Transportation Budget and Policy Division.

S.F. 378, carried by Sen. Dan Larson (DFL-Bloomington), appropriates \$500,000 to the Metropolitan Council for a feasibility study, environmental studies and preliminary engineer of light rail transit on the I-494 Corridor from Minneapolis-St. Paul International Airport to a transit station on the proposed Southwest Transit Way. The bill was laid over.

Transportation Budget and Policy Division

Elected Met Council okayed

A measure making the Metropolitan Council an elected regional body was approved by members of the Transportation Committee, Mon., Feb. 26. The panel, chaired by Sen. Steve Murphy (DFL-Red Wing), advanced the proposal to the Environment and Natural Resources Committee.

S.F. 81, authored by Sen. Charles Wiger (DFL-North St. Paul), shifts the Met Council from a group appointed by the governor to a body composed of 16 members elected from districts across the Metro Area. The bill provides for staggered four-year terms for council members, so that half of the council is up for election every two years. Myron Orfield, professor of law at the University of Minnesota and a former Legislator, said no other regional government in the United States is appointed. The only similar entities are appointed regional governments in France and Russia, he said. Orfield discussed the importance of making anyone with taxation authority accountable to the electorate.

Met Council Chair Peter Bell spoke against the measure, saying changing the selection process injects uncertainty into regional projects at a time when the state is seeking significant federal financial

assistance. Since the new, elected council could repudiate the former council's decisions, he said, federal authorities would be cautious and likely would deny funding for projects like the Central Corridor light rail line. Another concern is the emergence of parochialism on a council that has traditionally maintained a regional focus, Bell said. Orfield said the federal expectation is for an elected regional government. Minnesota and the Met Council must repeatedly seek waivers for using an appointed body to negotiate with federal authorities, he said. Adopting the norm, an elected body, would probably smooth things over for the Metro Area, Orfield said. Wiger noted he had received assurances from U.S. Rep. Betty McCollum (D-Minn.) that switching to an elected council would not jeopardize federal funding. Parochial concerns should not be minimized, Orfield said, but parochialism is a danger at any level of government and something we have learned to address in an elected system.

In other action, committee members, acting as a budget division, considered S.F. 541, the governor's transportation budget bill. The measure, sponsored by Sen. Dick Day (R-Owatonna), provides for over \$3.89 billion in transportation spending in FY 08-09. Bob McFarlin, Department of Transportation, reviewed the provisions in the bill. Day said the measure represents a major effort to improve and maintain the state's transportation infrastructure. This bill shows a lot of promise, Murphy said, but we really need to do more than what is offered to fully address the state's needs. The bill was laid on the table at the author's request.

Governor's budget reviewed

The governor's budget proposal for transportation was the focus of the Tues., Feb. 27, meeting of the Transportation Budget and Policy Division, chaired by Sen. Steve Murphy (DFL-Red Wing).

Lt. Gov. Carol Molnau, who also serves as transportation commissioner, and Kevin Gray, the department's finance director, walked the panel through the proposal. The \$4.246 billion package includes \$2.232 billion for state roads, \$1.352 billion for local roads, and \$535 million for multimodal systems. The revenue comes from a variety of sources: motor fuel taxes represent 31 percent, registration fees represent 23 percent, the motor vehicle sales tax represents 18

percent, and federal grants represent 16 percent. The remaining 12 percent of revenue comes from miscellaneous special revenues, investment income and operational income. Many of the department's district engineers discussed the operation and maintenance of the state's roads.

Budget documents are available online: <http://www.budget.state.mn.us/budget/operating/200809/gov/338473.pdf>

Historical database available

The Legislative Reference Library has developed a database, "Legislators Past and Present," containing information about Legislators who have served since territorial times. The database's information was compiled from official legislative directories, obituaries, news clippings, family files and other sources. It contains information about terms of service, education, occupation, party or caucus affiliations, leadership positions, represented communities and more.

The database also includes information about Minnesota Legislators who served in other government functions, ranging from the local level to the national level. It even indicates which Minnesota Legislators also served in another state's legislature. (There were five: Cyrus Aldrich in Illinois, Francis Cornell in New York, Mark Dunnell in Maine, Willis Gorman in Indiana and Knute Nelson in Wisconsin.)

"Legislators Past and Present" is available online at <http://www.leg.state.mn.us/legdb/index.asp>

Capitol Report: on air, online

Explore current policy issues and hear lawmakers discuss current legislative proposals by watching "Capitol Report," a weekly public affairs program produced by Senate Media Services. The program includes interviews with Legislators, agency heads and prominent policy experts advising lawmakers. It also features historical and informational features about the Senate, the Capitol and Minnesota.

"Capitol Report" airs weekly on public television affiliates in the Metropolitan Area and on cable access channels across Greater Minnesota. It is also available online, with archives going back to 2000: <http://www.senate.mn/media>

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High school seniors Anne Joel, left, of Amboy and Katie Swalve of Mapleton suspend signed petitions from the second floor of the Capitol Rotunda during a Yellow Ribbon Suicide Prevention Program rally, Mon., Mar. 5.

Photo by A.J. Olmscheid



March 9, 2007

Senate Highlights

Four bills gain

Senators met Mon., Mar. 5, to conduct routine business and to grant preliminary passage to four measures on General Orders.

S.F. 646, carried by Sen. Mee Moua (DFL-St. Paul), prohibits electronic and Internet intimidation and bullying. S.F. 227, authored by Sen. Jim Vickerman (DFL-Tracy), appropriates \$25 million to the Rural Finance Authority and authorizes the issuance of state bonds for participation in the beginning farmer, loan restructuring, seller sponsored, agricultural improvement and livestock expansion loan programs.

H.F. 160, carried by Sen. Linda Higgins (DFL-Mpls.), allows the reallocation of funds within the Help America Vote Act account. S.F. 572, sponsored by Sen. Betsy Wergin (R-Princeton), requires the commissioner of public safety to accept Federal Aviation Administration medical certificates for school bus driver physical exams.

Senators also observed a moment of silence to remember former Sen. Dallas Sams. Majority Leader Lawrence Pogemiller (DFL-Mpls.) announced at the end of the day's session that he had just received word Sams had passed away. Sams represented his west central Minnesota district for five terms, from 1991 through 2007. He was 54.

Brief session held

Members held a brief floor session Wed., Mar. 7, to grant final passage to three bills. S.F. 646, authored by Sen. Mee Moua (DFL-St. Paul), specifies that each school board must adopt a written policy prohibiting intimidation and bullying of any student in any way, including electronic forms and forms involving Internet use. H.F. 160, authored by Sen. Linda

Higgins (DFL-Mpls.), provides for the reallocation of funds within the Help America Vote Act account. S.F. 572, carried by Sen. Betsy Wergin (R-Princeton), requires the commissioner of public safety to accept Federal Aviation Administration medical certificates for school bus driver physical exams.

Body piercing bill approved

Senators held a floor session Thurs., Mar. 8, to take up a bill that prohibits body piercing services for a person under the age of 18 without parental consent and to process other routine business.

The bill, S.F. 112, was authored by Sen. Rick Olseen (DFL-Harris). Some cities and counties have restrictions on piercing people under the age of 18, but there is no state law, Olseen said. The bill requires the proprietor to witness the signature of a parent for those under 18, he said. Olseen said the bill excludes earlobe piercing.

Sen. Thomas Neuville (R-Northfield) said it is important for parents to be involved in decisions their teens make that can have serious health consequences. Neuville offered an amendment to the bill that repeals the part of Minnesota Statutes that allow minors to give consent for medical, mental and other health services for pregnancy, venereal disease, alcohol and other drug abuse without parental consent. Allowing teens to get medical and mental health treatment without parental consent, but requiring parental consent for body piercing sends an inconsistent message, Neuville said.

Sen. Don Betzold (DFL-Fridley) challenged the germaneness of the amendment. An amendment is not germane if it relates to a substantially different subject. Neuville said both the amendment and the bill relate to the

health problems teens experience when they make decisions without their parents.

Sen. James Metzen (DFL-South St. Paul), chair of the Committee of the Whole, ruled the amendment not germane. The amendment deals with substantially different, broader issues, Metzen said. Sen. Warren Limmer (R-Maple Grove) challenged the germane ruling of the chair. Members voted to uphold the decision of the chair, that the amendment was not germane. The bill was recommended to pass.

Senators took up two other bills on General Orders.

S.F. 108, authored by Sen. Yvonne Prettner Solon (DFL-Duluth), designates a portion of Highway 53 in Duluth as Walter F. Mondale Drive. Prettner Solon said Mondale has a long history of serving the state of Minnesota and the nation. Mondale served as state attorney general, a senator, vice president and an ambassador to Japan, she said. The bill was recommended to pass.

Authored by Sen. John Doll (DFL-Burnsville), S.F. 563 requires the development of an economic strategy to maximize state economic development benefits from the renewable electric energy industry. The bill will ensure that the renewable energy standard passed earlier this session will help Minnesota's economy as much as it helps the environment, Doll said. The bill was recommended to pass.

The Senate floor session was recessed until evening when a joint meeting of the Senate and House of Representative was held to select University of Minnesota Regents.

Regents elected

Legislators elected four new members of the Board of Regents of the University of Minnesota, Thurs., Mar. 8. All four regents will serve six-year terms beginning this summer. The new regents-elect are Venora Hung, Maureen Cisneros, Linda Cohen and former Senate Majority Leader Dean E. Johnson.

The Board of Regents is composed of 12 members, with one from each of the state's eight congressional districts and four from the state at-large. One of the at-large regents must be a student at the time of election. The board has a staggered membership, so that four regent seats are up for election every other year.

Under a selection process enacted in 2005, persons desiring to become regents

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must apply to the Regent Candidate Advisory Council. The council examines the applications, conducts interviews and winnows the field, submitting a list of finalists to the governor and Legislature. The governor must submit to the Legislature a slate of candidates from the list of finalists. The candidates are screened by a 20-member joint Legislative committee, composed of five members of each Legislative caucus. If the joint committee favorably recommends a candidate, the person is automatically nominated. If the joint committee rejects a candidate, the governor must nominate a substitute candidate. At a joint convention, any Legislator may nominate anyone for an available seat.

In 2007, the four seats up for election are the Fifth Congressional District seat, the student at-large seat, and two of the unrestricted at-large seats. From the RCAC's list of finalists, the governor selected Peter Bell for the Fifth Congressional District seat, Hung for the student seat, and Cohen and Cynthia Leshner for the at-large seats. The joint committee favorably recommended Cohen. The remaining candidates were neither favorably recommended nor rejected.

Sen. Claire Robling (R-Jordan) objected to the joint committee's report. It is disappointing that the committee only recommended one candidate, she said. Robling said the governor's candidates all received majority support, but the selection process requires a candidate to get six votes from each body. Partisan politics should not be injected into the regent selection process, she said. Robling said the governor's candidates, and the other finalists, have high integrity, significant leadership skills and a deep commitment to serving the University. She commended the governor for putting forth a diverse slate of candidates.

Rep. Tony Sertich (DFL-Chisholm) defended the process and the committee's report. The University charter, which is protected by the state constitution, does not give the governor a role in selecting regents, he said. Sertich said the Legislature does not need to defer to the governor. The joint committee's report was adopted.

Legislators nominated Hung and Bell for the Fifth Congressional District seat, with Hung prevailing. Cisneros and Andy Post were nominated for the student seat, with Cisneros prevailing. Cohen, Johnson

and Leshner were nominated for the at-large seats, with Cohen and Johnson prevailing.

Vets Home issues discussed

Chair Linda Berglin (DFL-Mpls.) and members of the Health and Human Services Budget Division held an oversight hearing of the Minneapolis Veterans Home, Fri., Mar. 9.

Charles Cox, interim executive director, Minnesota Veterans Home Board, said the board is working diligently to correct issues at the Minneapolis Veterans Home both now and on a permanent basis. The home has corrected the citations in the boarding care section of the home and is able to start readmitting, Cox said. The board hopes to clear all of the citations next week and end the monitoring by the Department of Health, he said. Cox said the Health Dimensions Group has been brought in to do mock surveys to improve skin tests, range of motion, fall prevention and medication error reduction.

Sen. Mary Olson (DFL-Bemidji) said she was disappointed. When the board was in front of the division in January, members were led to believe that things were improving, Olson said. The division depends on the board to communicate when there is a problem so Senators can

help, she said. Sen. Jim Vickerman (DFL-Tracy), who chairs the Agriculture and Veterans Committee, said he was also disappointed by the lack of communication between the board and his office. "I'm only a phone call or an e-mail away," he said. Berglin said the division expects to be notified when the Veterans Administration returns to inspect the facility and what it finds.

Sen. Sharon Erickson Ropes (DFL-Winona) said there needs to be a fix from the bottom up. There needs to be communication from the care staff about what they see as the problem, she said. Cox agreed with Erickson Ropes. It is critical to have communication from the people doing the work, their opinions and their suggestions, he said. Cox said the board needs to make sure we provide the best care for veterans because they deserve it.

Pat Richie, a veterans home employee and AFSCME member, said employees want and need to be a part of the solution. The home needs more staff and fewer turnovers to provide the quality of care residents deserve, she said.

The division also heard testimony from the Department of Health, a resident of the Minneapolis Veterans Home and a family member of a veterans home resident whose death is being investigated.



Tami Ness of St. Paul Park helps nine-month-old Ben Akerman-Knopf of Minneapolis sign "thank you" during a rally in the Capitol Rotunda, Thurs., Mar. 8, that was sponsored by the Minnesota Commission Serving Deaf and Hard of Hearing People.

Photo by David J. Oakes

Committee update

Agriculture and Veterans Budget and Policy Division

Sustainable ag, organics bills heard

Four measures relating to sustainable agriculture and organic foodstuffs were heard by members of the Agriculture and Veterans Budget and Policy Division, Tues., Mar. 6. The panel also heard three additional measures.

Sen. Kathy Sheran (DFL-Mankato) carried S.F. 1026. The bill appropriates \$125,000 annually to the Minnesota Institute for Sustainable Agriculture at the University of Minnesota for alternative livestock research and outreach. S.F. 1027, authored by Sen. Sharon Erickson Ropes (DFL-Winona), appropriates \$1.1 million annually to the University of Minnesota College of Food, Agricultural, and Natural Resources Sciences to establish and maintain a statewide organic research and education initiative. Both bills were sent to the full Finance Committee for re-referral to the Higher Education Budget and Policy Division. S.F. 1038, sponsored by Chair Jim Vickerman (DFL-Tracy), provides \$250,000 annually for sustainable agriculture demonstration grants. Sen. Tony Lourey (DFL-Kerrick) carried S.F. 1039, which appropriates \$160,000 annually for cost-share payments to resident farmers or persons who sell, process, or package organic-certified agricultural products. Members adopted an amendment, offered by Sen. Paul Koering (R-Fort Ripley), raising the appropriation to \$275,000 annually. Sen. Rod Skoe (DFL-Clearbrook) sponsored S.F. 1211. The bill authorizes a grant to the White Earth Band of Chippewa to study the feasibility of a renewable energy facility on the White Earth Reservation in Mahanomen County. S.F. 1038, S.F. 1039 and S.F. 1211 were all laid over for possible inclusion in the division's omnibus budget bill.

Acting in its role as a policy committee, the panel approved two bills. S.F. 170, authored by Sen. Dick Day (R-Owatonna), authorizes the deferment of special assessments for members of the National Guard and armed forces reserves who have been called to active duty for at least one year. The measure was re-referred to the State and Local Government Operations and Oversight Committee. S.F. 409, sponsored by Erickson Ropes, permits military service personnel called to active

duty, or their spouses, to enter into a payment schedule for utility services, cancel wireless phone service contracts without penalty, and cancel rental, club and membership travel contracts without penalty. The bill was advanced to the Commerce and Consumer Protection Committee.

Draft omnibus bill overview heard

The Agriculture and Veterans Budget and Policy Division took a first look at the chair's draft recommendations for the omnibus bill during the Thurs., Mar. 8, meeting. Sen. Jim Vickerman (DFL-Tracy) chairs the division.

The draft does not include specific appropriations yet, Vickerman said. Senate counsel walked members through the agriculture and military and veterans affairs policies included in the draft. Invasive species control, organic farming and biofuels are some of the initiatives slated to receive funding in the draft.

The division also considered S.F. 1580, authored by Sen. LeRoy Stumpf (DFL-Plummer), which appropriates \$250,000 for a grant for agronomic research on native plants. Stumpf said the grant will help realize a future of using grasses for cellulosic ethanol production. Research will help develop grasses that have enough tonnage per acre to make farming to fuel cellulosic plants a reality, said Marvin Zutz, Minnesota Turf Seed Council. The bill was laid on the table for possible inclusion in the omnibus bill.

Business, Industry and Jobs

Expungements bill gains

Members of the Business, Industry and Jobs Committee approved a bill relating to expunged criminal records, Mon., Mar. 5. The panel, chaired by Sen. James P. Metzen (DFL-South St. Paul), advanced the bill to the Finance Committee.

S.F. 294, carried by Sen. Julianne Ortman (R-Chanhassen), establishes a process for courts to use in deciding when to seal or expunge criminal records. The committee focused on two sections of the bill relating to employers. One provision requires employment applications inquiring about prior arrests or convictions to state that sealed or expunged records are not included within the inquiry. The other provision clarifies that employers do not have a duty to discover or use an ex-

punged record. The ability to seek and obtain employment is crucial to rehabilitation and reintegration, Ortman said.

In other action, committee members considered three additional bills. S.F. 1355, authored by Sen. Linda Higgins (DFL-Mpls.), appropriates \$2 million for grants the Hennepin-Carver Workforce Investment Board to coordinate with the Partners for Progress Regional Skills Consortium to provide employment and training as demonstrated by the Twin Cities regional health care training partnership project. Sen. Scott Dibble (DFL-Mpls.) sponsored S.F. 1334. The bill appropriates \$4.5 million to the commissioner of employment and economic development for minority business retention. It earmarks \$1.5 million for an urban challenge grant to the Neighborhood Development Center for minority enterprise retention at the Midtown Global Market in Minneapolis. Urban challenge grants must be used for micro-enterprise loans, other loans, technical assistance, and training, under current law. Both S.F. 1355 and S.F. 1334 were approved and re-referred to the Finance Committee.

S.F. 1173, carried by Sen. David Tomassoni (DFL-Chisholm), authorizes the Iron Range Resources and Rehabilitation Board to purchase forest land with dollars from the Douglas J. Johnson economic trust fund. Under the bill, the forest land is to be held in trust as the Iron Range Miners' Memorial Forest. The bill was approved and advanced to the Taxes Committee.

Copper theft bill put on hold

A bill to deal with the increased theft of copper from Minnesota homes and businesses stalled in the Business, Industry and Jobs Committee Wed., Mar. 7. Sen. James Metzen (DFL-South St. Paul) chairs the committee.

S.F. 443, authored by Sen. Linda Higgins (DFL-Mpls.), regulates scrap metal dealers. The bill requires dealers to record information about the seller and the seller's vehicle, use the automated pawn system to report transactions and to hold scrap metal for five days. Testimony in favor of the bill was given at the Feb. 26 committee meeting. Paul Cassidy, Institute of Scrap Recycling Industries, Inc., said the bill creates an administrative burden for dealers. The holding period does not work because the scrap metal industry is commodity based and prices paid to

customers are based on the price of the metal that day, Cassidy said. Dealers could lose money if the price of the metal goes down in the five days they have to wait, he said. Cassidy said dealers are willing to work as part of the solution by retaining a record of the transaction and a copy of a seller's driver's license for one year. The bill was laid on the table so the two sides can try to work out some of their differences.

In other action, the committee considered several other bills including S.F. 1103. Authored by Sen. Satveer Chaudhary (DFL-Fridley), the bill prohibits the misrepresentation of employees as independent contractors. The law on misrepresenting employees is clear, enforcement is not, Chaudhary said. The construction industry has a widely acknowledged problem of workers being classified as independent contractors, said Kyle Makarios, Lakes and Plains Regional Council of Carpenters. By classifying workers as independent contractors, employers do not have to withhold taxes, pay healthcare costs or pay worker's compensation, Makarios said. The bill requires independent contractors to register with the Department of Labor and Industry and requires contractors to verify independent contractors have registered, he said. The bill was recommended to pass and re-referred to the Judiciary Committee.

S.F. 593, carried by Sen. Terri Bonoff (DFL-Minnetonka), provides an income tax credit for telecommuting conversion expenses and ongoing telecommuting expenses. Telecommuting reduces car emission, congestion and sick leave and provides more employment opportunities for people with disabilities, she said. Bonoff said telecommuting can increase productivity by 20 percent. The bill was recommended to pass and re-referred to the Taxes Committee.

The following bills were recommended to pass and re-referred to the Finance Committee.

S.F. 1354, authored by Sen. Yvonne Prettner Solon (DFL-Duluth), appropriates \$500,000 for a grant to the Northeast Entrepreneur Fund for technical assistance and business training to small and emerging business. The Northeast Entrepreneur Fund helps entrepreneurs start and grow their businesses in northeast Minnesota, Prettner Solon said. More than 2,300 jobs have already been created through the fund, she said. The bill will help expand

the fund and provide 50 small and emerging businesses with training and technical assistance, said Mary Matthews, president, Northeast Entrepreneurial Fund. An additional 30 entrepreneurs will be able to access professional business coaching, Matthews said.

Authored by Sen. Kathy Sheran (DFL-Mankato), S.F. 1205 provides \$15 million in the next biennium for rural renewable energy initiatives. The bill links renewable energy research and the development of industry, Sheran said. Part of the funds will be used for zero interest loans to support energy related businesses, she said. Sheran said \$2.5 million each year will be used for research, technical support and workforce training.

Sen. Dan Sparks (DFL-Austin) authored S.F. 1358. The bill appropriates \$160,000 for a pilot project to provide employment and training services. Randy Johnson, executive director, Workforce Development, Inc., said the study will look at the needs and skills necessary to move welfare recipients into manufacturing and healthcare jobs.

S.F. 1303, authored by Sen. Julie Rosen (R-Fairmont), establishes the nanotechnology development fund program. The bill provides matching grants to assist small businesses with instrumentation and broader access to research consultants, Rosen said.

Authored by Metzen, S.F. 1458 provides grants for bioscience business development and commercialization. Companies cannot spend the money and time necessary to develop all ideas to market, said Dale Wahlstrom, BioBusiness Alliance. The bill provides grants as an incentive for a business to take the idea and spin it out to form a new company and bring the idea into market, Wahlstrom said.

Capital Investment

Gov's bonding bill heard

The governor's proposal for an off-year bonding bill was the main item at the Tues., Mar. 6, meeting of the Capital Investment Committee. The committee, chaired by Sen. Keith Langseth (DFL-Glyndon), also heard a bill supporting public infrastructure for a steel plant being built in Itasca County.

S.F. 844, carried by Sen. Betsy Wergin (DFL-Princeton), is the governor's bonding bill. Finance Commissioner Tom Hanson

said the bill was limited to emergency needs and items that had already been agreed on by Legislative leadership and the governor. Other bonding requests will be considered for the usual bonding bill, traditionally considered in the second year of the biennium, he said. S.F. 844 provides for \$69.895 million in bonding: \$10 million for the Rural Finance Authority to make loans to farmers, \$1.526 million for inflow and infiltration emergency abatement at the Minnesota Zoo, \$11.852 million to repair and renovate the exterior of the Department of Transportation Building in St. Paul, \$2.2 million to acquire property for more parking near the Capitol Complex, \$6.117 million to renovate the perimeter and ventilation systems at the Oak Park Heights prison, \$37.932 million to expand the Duluth Entertainment and Convention Center, \$200,000 for the third phase of flood control in the city of Stillwater, and \$68,000 for bond sale expenses.

Sen. Tom Saxhaug (DFL-Grand Rapids) sponsored S.F. 21. The bill appropriates \$30 million in bond proceeds to Itasca County to acquire right-of-way, mitigate wetlands loss and storm water runoff, design and construct roads and rail lines, and prepare other necessary infrastructure for the new steel plant. Saxhaug said the new plant is a massive economic investment in the area, amounting to about \$1.6 billion in private money flowing to the region.

No action was taken on either bill.

Commerce and Consumer Protection

Home contractors' liability insurance requirement okayed

A bill requiring residential building contractors to have commercial general liability insurance was approved by members of the Commerce and Consumer Protection Committee, Tues., Mar. 6, at its afternoon meeting. The panel advanced the measure to the full Senate.

S.F. 1168, carried by Sen. Dan Sparks (DFL-Austin), requires the liability insurance to include premises and operations insurance and products and completed operations insurance. Pam Perri Weaver, Builders Association of Minnesota, spoke in support of the bill. Homeowners already expect that builders have complete coverage, she said. Mark

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Brunner said the Minnesota Manufactured Housing Association also supports the bill as a reasonable consumer protection measure.

In other action, committee members, chaired by Sen. Linda Scheid (DFL-Brooklyn Park), also approved a bill providing a \$1.05 million demonstration project grant to a community-based health care coverage program in northeastern Minnesota. Jenny Peterson, Generations Health Care Initiatives, said the program is designed to expand coverage to uninsured, low-wage workers employed by small businesses. The bill, S.F. 726, carried by Sen. Yvonne Prettner Solon (DFL-Duluth), was advanced to the Finance Committee.

Sport equipment dealership relationship regulation okayed

A measure regulating franchise agreements between manufacturers and

dealers of outdoor sport equipment was approved at an evening meeting of the Commerce and Consumer Protection Committee, Tues., Mar. 6. The panel, chaired by Sen. Linda Scheid (DFL-Brooklyn Park), advanced the bill to the Judiciary Committee.

S.F. 761 is about fairness, said Chief Author Dan Sparks (DFL-Austin). Buzz Anderson, Minnesota Retail Merchants Association, said there is a compelling public interest for fairness between dealers and manufacturers, because manufacturers have superior economic and bargaining power. Manufacturers are important to the state's economy, he said, and dealers are also important. Dealers employ more people than manufacturers and spend a lot of money operating their businesses, Anderson said. The bill provides eight specific tests to be applied to determine if a manufacturer has good cause to termi-

nate a dealership relationship. The measure also requires manufacturers to give 90 days' notice before terminating the relationship and gives dealers 60 days to cure any deficiency precipitating the termination. In all termination situations, under the bill, the manufacturer must buy back the dealer's inventory of equipment and repair parts. The bill gives dealers civil remedies against manufacturers who violate its provisions.

Dealers related their negative experiences with manufacturers. Bob Wiehr, a dealer in Hutchinson, said manufacturers often require annual contracts, even though dealers need to spend much more than a year to establish a reputation. Another unfair practice is the unloading of excess inventory on dealers to improve manufacturers' cash flow, he said. Automotive and implement dealers already have similar protection, Wiehr said, and sport equipment dealers should be treated fairly.

Representatives of manufacturers defended the current system. Minnesota is home to internationally significant manufacturers who employ thousands of people and who support supplier and vendors employing thousands more, said Rick Stokke, a regional sales manager for Arctic Cat. The last few years have been challenging times for everyone involved in the industry, he said. Stokke noted that sport equipment dealers are not like automotive dealers; sport equipment dealers may also be lawn and garden centers or hardware stores, and they may carry multiple, competing product lines. Manufacturers invest in dealers by financing floor models, cooperating in advertising and supporting dealership renovation, he said. Stokke said the current agreements favor dealers, giving them a quicker, less expensive exit route than manufacturers. In other states, dealers have abused mandatory return systems, he said, creating huge costs for the manufacturer.

Two bills heard

Members of the Commerce and Consumer Protection Committee met Thurs., Mar. 8, to consider two measures. The panel, chaired by Sen. Linda Scheid (DFL-Brooklyn Park), laid both bills over to provide additional time for interested parties to negotiate and prepare possible amendments.

S.F. 504, authored by Sen. Patricia Torres Ray (DFL-Mpls.), requires health



Minneapolis Northeast Middle School eighth grader Shelby Gibson shares with members of the E-12 Education Budget Division, Tues., Mar. 6, how much she has benefited from her school's after-school program as Sen. Patricia Torres Ray (DFL-Mpls.), who was seeking to restore funding for the programs, looks on.

Photo by David J. Oakes

insurers to provide coverage for special dietary formulas essential to the treatment of inborn errors of metabolism and for amino-acid based elemental formulas ordered by a physician. S.F. 608, carried by Sen. Yvonne Prettner Solon (DFL-Duluth), raises the required minimum liability limits on aircraft insurance and prohibits aircraft liability insurance from being canceled or voided after a claim arises.

E-12 Education Budget Division

Minority program bills considered

The E-12 Education Budget Division considered several bills Tues., Mar. 6, to fund programs that target immigrant and other minority populations. The division laid all of the bills on the table for possible inclusion in the omnibus bill.

The division heard three bills carried by Sen. Patricia Torres Ray (DFL-Mpls.) S.F. 853 allows immigrant students who arrive in the United States late in their academic years to continue their education at a public or alternative school after the age of 21. The bill extends the age for students to attend school to 23, Torres Ray said. Many immigrant students have experienced interruption in their academic careers because of their journey to the U.S., she said. Carol Dallman, a teacher at Wellstone High School, said immigrant students feel the need to graduate from high school as soon as possible, go on to college and support their families. If students don't finish their schoolwork before they turn 21, there is not an appropriate place for them to continue their education, Dallman said. The students want to educate themselves so they can support their families and mentor their younger brothers and sisters, she said.

S.F. 923, authored by Torres Ray, increases funding for Adult Basic Education (ABE) programs. ABE programs help immigrants learn English, said Tom Cytron-Hyson, legislative issues chair, Literacy Minnesota. One in 11 diplomas awarded in Minnesota are earned through ABE programs, he added. The increased funding will expand the number of classes and fund programs to help ABE students transition to college, Cytron-Hyson said.

Torres Ray also authored S.F. 822. The bill increases the funding for the Community Education Youth Service Program. The programs provide positive

after school and summer programs to help youth through tutoring, work preparation and service learning projects, said Benjamin Perry, principal, Northeast Middle School. Programs provide a safe environment for students to interact with positive adult role models, Perry said.

Division Chair LeRoy Stumpf (DFL-Plummer) authored S.F. 894. The bill authorizes grants for collaborative urban educator recruitment and training programs. As diversity in schools increase, schools need to have educators with the same diversity, Stumpf said. Concordia, Hamline and St. Thomas Universities all offer urban educator programs, said Doug Hennes, vice president for University and Government Relations, University of St. Thomas. The programs work to recruit, train and retain teachers of color, Hennes said.

In other action, the division considered S.F. 1175. Authored by Sen. Sandy Rummel (DFL-White Bear Lake), the bill appropriates \$650,000 for the biennium to the Minnesota Learning Resource Center (MLRC). MLRC trains and mentors teachers in innovative practices to develop high levels of learning readiness, said Bob DeBoer, co-founder, A Chance to Grow, MLRC. Stacy DeCorsey, principal, Jordan Elementary School, said the activities help students sit and stay on task, which allows teachers to teach more curriculum.

S.F. 203, authored by Sen. Ron Latz (DFL-St. Louis Park), increases the funding for the community education revenue program. The bill raises the community education levy back to the level it was before the 2003 cuts, Latz said. The bill also raises the census threshold, which will benefit rural Minnesota communities, he said. Community education programs encourage life long learning and active citizens, said Mary O'Brien, manager, Youth and Family Services, St. Louis Park Community Education. Over 900,000 adults statewide are served through community education each year, O'Brien said.

The division also considered three children's museums bills.

Authored by Sen. Geoff Michel (R-Edina), S.F. 631 appropriates \$750,000 to the Minnesota Children's Museum for the next biennium. The museum is a statewide resource, Michel said. School groups from 35 counties visited the museum last year, he added. The state appropriation is about

five percent of the museum's budget, Michel said. The appropriation is an increase of \$115,000 each year to help fund a statewide early education math and science program, said Sarah Caruso, museum president.

S.F. 693, authored by Sen. Yvonne Prettner Solon (DFL-Duluth), appropriates \$100,000 in the next biennium to the Duluth Children's Museum. The money will help fund the educational program services and curriculum offered by the museum, both on and off site, Prettner Solon said. The appropriation will fund five percent of the museum's budget, which is similar for the appropriation to the Minnesota Children's Museum, she said.

Also authored by Prettner Solon, S.F. 694 appropriates \$114,000 to expand the early childhood learning space at the Duluth Children's Museum. The museum has seen an increase in the number of parents bringing children ages birth to three years-old, said Michael Garcia, president, Duluth Children's Museum. The appropriation will dramatically increase the early childhood space to meet the new demand, Garcia said.

LEP measures heard

Two bills relating to limited English proficiency learners were among the measures considered by members of the E-12 Education Budget Division during their evening meeting, Tues., Mar. 6. The panel, chaired by Sen. LeRoy Stumpf (DFL-Plummer), laid all the bills over for possible inclusion in the omnibus education finance measure.

S.F. 907, authored by Sen. Patricia Torres Ray (DFL-Mpls.), removes the five-year limit on funding for limited English proficiency (LEP) programs. S.F. 1188, carried by Sen. Claire Robling (R-Jordan), allows nonpublic schools to participate in the limited English proficiency program. Sen. Jim Carlson (DFL-Eagan) carried a bill, S.F. 422, permitting intermediate school districts to engage in short-term borrowing when they anticipate receiving state aid, federal school aid, or membership fees and tuition payments from member school districts. S.F. 478, sponsored by Sen. Dan Skogen (DFL-Hewitt), appropriates \$2.3 million annually for regional library telecommunications aid and \$8.75 million annually for equity in telecommunications and Internet access. Stumpf carried S.F. 1012, which increases

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the rate of state school lunch aid from 10.5 cents to 12 cents for each full paid, reduced, and free student lunch served to students.

District revenue bills heard

Four measures relating to the revenue school districts receive were the focus of the Wed., Mar. 7, meeting of the E-12 Education Budget Division. The panel laid the measures over for possible inclusion in the omnibus education budget bill.

S.F. 297, authored by Chair LeRoy Stumpf (DFL-Plummer), consolidates and equalizes four levies: the operating capital, equity, transition, and alternative teacher compensation levies. S.F. 352, carried by Sen. Terri Bonoff (DFL-Minnetonka), increases the general education basic formula allowance by three percent per year. S.F. 564, sponsored by Sen. Gen Olson (R-Minnetrista), increases equity revenue for districts above the 95th percentile of per pupil referendum revenue. S.F. 368, carried by Sen. Kathy Saltzman (DFL-Woodbury), increases the equalizing factor on the equity, transition, and referendum revenue programs.

Professional development heard

Three bills promoting professional development for teachers were considered by the E-12 Education Budget Division at the Thurs., Mar. 8, meeting. Members laid all of the bills heard for the day on the table for possible inclusion in the omnibus bill.

S.F. 319, authored by Sen. Tarryl Clark (DFL-St. Cloud), establishes a grant program to promote professional teaching standards. Teachers who become certified through the National Board for Professional Teaching Standards see a difference in their own professional lives and in student performance, Clark said. Teachers often do more work to become certified than to receive a master's degree, said Sheri Tamte, teacher. The certification process makes teachers reflect on their teaching, their classroom and their students, Tamte said. Clark said the process to become certified can be expensive. The bill allows for partial payment of candidate fees, a grant for teachers who are certified and a grant for teachers who renew their certification, she said.

Authored by Sen. Ann Lynch (DFL-Rochester), S.F. 783 removes restrictions

on distribution of staff development revenue. The bill removes the requirement that 50 percent of staff development funds be used for school sites, 25 percent for district wide efforts and 25 percent for grants, Lynch said. By removing the restrictions, school districts can use the money to serve their needs in the most efficient way, said Cris Fischer, chair, Rochester School Board. Sen. David Hann (R-Eden Prairie) said the bill is not about supporting staff development, it is about local control.

S.F. 791, carried by Sen. Linda Scheid (DFL-Brooklyn Park), appropriates money to the Minnesota Humanities Commission to provide professional development for teachers. Stanley Romanstein, president, Humanities Commission, said strong humanities programs help close the achievement gap and strengthen math and reading skills. The appropriation will help the commission broadcast seminars to educators across the state, Romanstein said.

The division heard two other bills. Authored by Sen. Gary Kubly (DFL-Granite Falls), S.F. 507 creates a financial incentive for school districts to share superintendents. The bill gives \$30,000 to each school district that agrees to share a superintendent, said Eric Nauman, fiscal analyst. Rural school districts are facing declining revenue and declining enrollment, said Loren Hacker, superintendent, Canby Schools. The bill provides an additional incentive for districts to save money by sharing a superintendent, Hacker said.

Sen. Tom Saxhaug (DFL-Grand Rapids) authored S.F. 419. The bill authorizes a \$200,000 grant to the McGregor School District each year in the next biennium to compensate the district for declining enrollment beyond the district's control. The district is land rich but tax poor, said Brett Sample, McGregor School Board. Twenty-four percent of the district's students have special needs, Sample said. A charter school opening in the area is expected to draw more students away from the school, said Rick Herman, superintendent.

At the meeting, Chair LeRoy Stumpf (DFL-Plummer) said the division received a budget target of \$498 million in new funds. The target doesn't cover inflation costs in education, Stumpf said. The division is going to struggle to address the education needs of Minnesota for the next two years with that money, he said. Sen.

Gen Olson (R-Minnetrista) said E-12 education receives almost half of the budget, the largest percent of any area.

Economic Development Budget Division

Youth programs heard

Several measures providing state support for youth employment programs were the focus of the Mon., Mar. 5, meeting of the Economic Development Budget Division. The panel laid over all the bills for possible inclusion in its omnibus appropriations package.

S.F. 1110, carried by Sen. Linda Higgins (DFL-Mpls.), provides funds for the "Learn to Earn" summer youth employment program. Sen. Scott Dibble sponsored S.F. 1135, which supports culturally appropriate transition services helping deaf, hard-of-hearing and deaf-blind students find employment. S.F. 444, also authored by Dibble, provides \$20 million to support the Minnesota youth program.

Sen. Sandra Pappas (DFL-St. Paul) also carried two bills. S.F. 340 appropriates \$1.5 million to support a summer youth employment program placing at-risk youth between 14 and 21 in subsidized summer employment. S.F. 865 provides \$500,000 annually to the city of St. Paul for grants to fund up to 500 summer youth employment opportunities every year. Chair David Tomassoni (DFL-Chisholm) carried a bill, S.F. 757, appropriating \$2 million annually to support the youthbuild program.

Grants bills heard

Seven measures providing grants and other financial support for housing and employment services were considered by members of the Economic Development Budget Division, Wed., Mar. 7. The panel, chaired by Sen. David Tomassoni (DFL-Chisholm), laid the measures over for possible inclusion in the omnibus economic development budget bill.

S.F. 1002, authored by Sen. Dan Sparks (DFL-Austin), provides biennial appropriations of \$12.507 million from the general fund and \$13.68 million from the workforce development fund to support extended employment services for persons with severe disabilities. S.F. 990, carried by Sen. Gary Kubly (DFL-Granite Falls), provides \$490,000 in capacity building grants for Greater Minnesota



Minnesota Children's Museum Director of Experience, Development and Evaluation Ann Boekhoff shows members of the E-12 Education Budget Division, Tues., Mar. 6, a raccoon skull as one example of the educational materials used with children. Sen. Geoff Michel (R-Edina), right, presented a bill seeking appropriations for the museum.

Photo by David J. Oakes

continuum of care planning. Sen. Rod Skoe (DFL-Clearbrook) sponsored S.F. 659, which appropriates \$187,000 annually for the urban Indian housing program and \$1.683 million annually for the tribal Indian housing program. S.F. 1408, also carried by Skoe, provides \$1.5 million in annual grants to the Minnesota Alliance of Boys and Girls Clubs for a statewide youth job skills development project.

Sen. Scott Dibble (DFL-Mpls.) authored the remaining three bills. S.F. 992 provides \$9.25 million for transitional housing programs and emergency services grants. S.F. 505 transfers \$7.57 million from the general fund to the housing development fund. Under the bill, the transferred dollars are dedicated to the family homeless prevention and assistance program. S.F. 861 authorizes the commissioner of employment and economic development to fund special projects providing employment support to young people with mental illness who are transitioning from school to work, people with a serious mental illness who are receiving services through a mental health court, and people with serious mental

illness who are receiving services through a civil commitment court.

Education

Teacher induction, school counseling programs okayed

Measures creating and supporting programs dedicated to assisting new teachers and expanding career and college counseling were approved by members of the Education Committee, Mon., Mar. 5.

S.F. 1328, carried by Sen. Mary Olson (DFL-Bemidji), creates a teacher induction program to assist newly-licensed teachers in high-need subject areas or schools. Deborah Luedtke, Dept. of Education, discussed the benefits of a new-teacher mentorship program funded by a federal grant. She said the program achieved four main accomplishments: expanding participants' content knowledge in their subject area, changing their time management skills, keeping good teachers in the classroom and keeping them in their districts.

Three participants related their experiences in the program. Eric Vernon,

an elementary ESL teacher in the West St. Paul-Mendota Heights-Eagan School District, said the program provided many beneficial resources, including an in-district mentor and contacts with the Dept. of Education. Being a new special education teacher is very overwhelming, said Kati Gosselin of the Richfield School District. She said the program offered her connections with both new peers and more experienced educators. "The single biggest gift you can give a first-year teacher is time," said Rob Rand, a sixth grade health and science teacher in St. Louis Park. The mentoring program provided time at workshops, with peers, and with mentors, he said. Rand said the program permitted him to take a reflective and intentional approach to teaching. S.F. 1328 was advanced to the Finance Committee.

Three measures focused on school counseling were considered. S.F. 787, sponsored by Sen. Scott Dibble (DFL-Mpls.), creates a three-year pilot program to help high school students make informed decisions about career and postsecondary education choices. To be eligible to participate, under the bill, districts must serve student populations of at least 50 percent students of color and 50 percent free- or reduced-lunch eligible students. The bill also creates a research consortium of higher education research institutions developing a data collection, accountability and reporting system about the short- and long-term effects of providing career and college counseling. The measure provides \$1 million annually for the pilot program and \$1 million annually for the research consortium. The bill was re-referred to the Finance Committee.

Chair Charles Wiger (DFL-North St. Paul) authored the other two school counseling bills. S.F. 1526 requires non-licensed individuals advising students on educational opportunities and academic planning to be supervised by licensed school counselors. S.F. 1199 provides licensed student services personnel aid to improve student educational achievement, safety, and physical, emotional and social well-being. The aid is available to support licensed school counselors, school nurses, school social workers, school psychologists and alcohol and chemical dependency counselors, under the bill. Both S.F. 1526 and S.F. 1199 were forwarded to the Finance Committee.

In other action, committee members considered several additional bills. S.F.

Committee update



Minnetonka High School physics teacher Kim Hoehne demonstrates how she has incorporated the use of an interactive whiteboard into her classroom to members of the Education Committee, Wed., Mar. 7, as Minnetonka Public Schools Communications Director Janet Swiecichowski, center, and Sen. Terri Bonoff (DFL-Minnetonka) look on. Photo by David J. Oakes

989, authored by Sen. Linda Berglin (DFL-Mpls.), allows students over age 21 to enroll in high school. Sen. Kathy Saltzman (DFL-Woodbury) carried S.F. 1190, creating early intervention to make adequate yearly progress grants. S.F. 752, sponsored by Sen. Jim Carlson (DFL-Eagan), eliminates duplicative and unnecessary school district reserve reporting requirements. S.F. 578, carried by Sen. Patricia Torres Ray (DFL-Mpls.), provides \$1.5 million in annual grants to support statewide science, technology, engineering and math programs operated by the Science Museum of Minnesota. S.F. 1220, carried by Carlson, authorizes funding for voluntary, all-day, everyday kindergarten. The preceding bills were all re-referred to the Finance Committee.

Wiger also carried a bill, S.F. 387, extending until 2008 the authority of the Board of School Administrators to adopt

rules reflecting the changes in duties, responsibilities, and roles of school administrators. The bill was sent to the full Senate.

The remainder of the hearing was devoted to review of the Dept. of Education's proposed policy bill, S.F. 1246. Carried by Wiger, the bill makes a variety of changes in general education, education excellence, special education, early childhood education, and adult education policy statutes. Deputy Commissioner Chas Anderson, Program Finance Director Tom Melcher and other Department of Education staff reviewed the provisions in the bill. The measure was forwarded to the Finance Committee.

Variety of bills heard

The Education Committee, chaired by Sen. Charles Wiger (DFL-North St. Paul), tackled a lengthy agenda at its Wed., Mar.

7, hearing, which lasted well into the evening. Members considered bills ranging in subject area from tax credits for contributions to prekindergarten scholarship organizations to encouraging alternative school year calendars. Unless otherwise noted, all the bills were approved and advanced to the Finance Committee.

S.F. 1089, sponsored by Sen. Dan Larson (DFL-Bloomington), allows corporations to claim an income tax credit for contributions made to prekindergarten scholarship granting organizations. The measure was approved and re-referred to the Taxes Committee. S.F. 987, sponsored by Sen. Kathy Saltzman (DFL-Woodbury), establishes the Minnesota Reading Corps program. The bill establishes the program to provide training in a data-based problem-solving model of literacy instruction to Americorps members working with local Head Start organiza-

tions or other prekindergarten settings. Sen. Sharon Erickson Ropes (DFL-Winona) sponsored a bill, S.F. 663, encouraging school programs with alternative school year calendars. She said the alternative calendars may include, but are not limited to, various 45-15 plans, four-quarter plans, quinmester plans, extended learning year plans, flexible all-year plans, and four-day week. Erickson Ropes said the current school year calendar was developed for an agrarian society that no longer exists.

S.F. 588, authored by Sen. Sandra Pappas (DFL-St. Paul), provides for comprehensive family life and sexuality education programs. The bill requires school districts to offer comprehensive family life and sexuality education that is age appropriate. The measure also allows school districts to independently establish policies, procedures and curriculum and services for providing comprehensive family life and sexuality education. Sen. David Hann (R-Eden Prairie) offered an amendment making the offering of family life and sexuality education permissive rather than mandatory. The amendment failed on a 4-8 roll call vote. The bill was approved and re-referred to the Finance Committee on a 10-3 roll call vote.

Sen. Terri Bonoff (DFL-Minnetonka) carried a bill authorizing a pilot program using SMART Board interactive whiteboards. S.F. 616 authorizes grants for eligible school districts to obtain the SMART Board technology in every classroom. Janet Swiecichowski, Minnetonka Schools, said the use of the technology engages students and is more adapted to the way students learn in a wireless society.

S.F. 1106, authored by Sen. Linda Scheid (DFL-Brooklyn Park), permits open enrollment students to participate in academic courses and extracurricular and cocurricular activities on the same basis as resident district students. Scheid said passions run deeply on the issue because of the potential for gifted athletes to be recruited for a particular sport. That is probably happening right now but it is being done by adults, she said, and we shouldn't be penalizing all students for what adults may be doing. Joe Nathan, University of Minnesota, said the bill allows more students to participate in after school activities and that one of the lessons of high school athletics is that someone is better. Representatives of the

Minnesota State High School League spoke in opposition to the bill. David Stead, executive director, State High School League, said there are ways for young people to be eligible for athletics, through waivers, rather than a blanket authorization. Members adopted an amendment, offered by Sen. Hann, specifying that anyone who solicits children to play on another school's team must be barred from State High School League activities for one year. The bill failed to gain the panel's approval on a divided voice vote.

S.F. 796, carried by Sen. Tom Saxhaug (DFL-Grand Rapids), makes changes in the Online Learning Act. Members approved the bill and forwarded the bill to the full Senate. S.F. 1499, carried by Bonoff, ensures students' ability to participate in league-sponsored activities after completing licensed treatment programs and attending a school other than their resident school district. S.F. 586, sponsored by Sen. Patricia Torres Ray (DFL-Mpls.), establishes a Council on Indigenous Languages to help students learn the Dakota and Ojibwe languages. Torres Ray said there are very few speakers of indigenous languages left in the state and the council will help keep the languages alive. Sen. Katie Sieben (DFL-Newport) authored S.F. 448, which provides for an elementary and middle school years International Baccalaureate pilot program in South St. Paul. S.F. 589, authored by Bonoff, appropriates \$7.3 million to spur student participation in the International Baccalaureate, pre-Advanced Placement and Advanced Placement programs. Bonoff said the programs raise kindergarten through grade 12 academic achievement.

S.F. 829, carried by Sen. Rick Olseen (DFL-Harris), provides for a targeted all-day, everyday kindergarten program for the North Branch School District. Rodney Reisnauer, superintendent, North Branch School District, said the program is to determine whether or not all-day, everyday kindergarten improves student achievement. S.F. 317, sponsored by Bonoff, requires school districts to comply with the Schools Interoperability Framework specifications. Bonoff said the bill provides for efficient student data sharing. The measure was re-referred to the State and Local Government Operations and Oversight Committee. Another Bonoff bill, S.F. 1438, clarifies that reading

instruction must support children with dyslexia and related language disorders.

Hann sponsored a bill, S.F. 603, providing teacher training for qualified professionals as an alternative to postsecondary teacher preparation programs. The bill specifies that the program providers, approved by the Board of Teaching, may offer the program in the instructional fields of science, mathematics, world languages, English as a second language and special education. The bill also specifies the contents of the alternative teacher training. Hann said we all agree there is a shortage of teachers and the bill will encourage more people to enter the field. The bill failed to gain the committee's approval.

Wiger sponsored two bills. S.F. 939 establishes a pilot program to explore the development of a regional center for visual arts. Wiger said the bill would allow students to seek careers in the graphic arts and printing industries. S.F. 1228 requires literacy skills for students by the second grade. The bill specifies that a student who is unable to read by the end of second grade, based on a locally adopted assessment method, must not advance to the next grade level until the goal of learning to read has been reached. The bill also allows a student to advance upon recommendation of the school principal, if the student has participated in a reading intervention program. Wiger said the bill isn't meant to hold students back, but to allow everyone to move forward and to get early intervention for students who cannot read.

Scheid sponsored S.F. 1425, a bill providing for 3R high school and academic rigor. She said that the bill requires high school students to complete one full school year of dual credit secondary and post secondary academic or career and technical courses or programs as a condition of graduating from high school. The bill also provides that a high school may apply to the commissioner of education to receive 3R high school aid. A 3R high school must contract with a provider to implement a college access program that helps students and their families determine students' interest in post secondary education and employment, under the bill. Scheid said the bill also requires a 3R high school to implement a personal graduation plan for every student. Education Commissioner Alice Seagren said programs that encourage high achievement are critically urgent for the state and for students.

Committee update

Energy, Utilities, Technology and Communications

Radio system, energy bills heard

The Energy, Utilities, Technology and Communications Committee met Tues., Mar. 6, to hear bills containing appropriations. The committee, chaired by Sen. Yvonne Prettner Solon (DFL-Duluth), began by hearing a bill providing for completion of the statewide public safety radio communication system.

S.F. 1151, authored by Sen. Ron Latz (DFL-St. Louis Park), completes the build-out of the statewide radio system and increases the 911 emergency telecommunications service fee by ten cents a month in 2008, 2009 and 2010 to help fund the completion of the system. Latz said some areas of the state already have the system in place, but other parts of the state do not have the communications system. Ron Whitehead, Dept. of Public Safety, said the seamless operability of the plan will lower costs for local units of government in the long term. The bill provides that the backbone of the system be paid for by the state, Whitehead said. He said the measure appropriates \$3.75 million from the 911 account for site acquisition and development, \$1.85 million for design of the remaining phases of the system and \$5.7 million for debt service on the bonds sold to construct the remaining phases. The measure also appropriates \$186 million in bond proceeds to construct the system backbone. The measure was approved and re-referred to the Finance Committee.

Sen. Tom Saxhaug (DFL-Grand Rapids) authored a bill, S.F. 477, that appropriates \$40,000 for a feasibility study for a plasma torch gasification facility that converts municipal solid waste into energy and slag. The measure was approved and sent to the Finance Committee.

Several bills authored by Sen. Gary Kubly (DFL-Granite Falls) were also heard. S.F. 480 establishes a bioenergy producer payment program for cellulosic biofuel production and establishes a bioenergy production incentive program. The measure also establishes a bioenergy working lands conservation program and provides an appropriation. The bill was approved and re-referred to the Finance Committee. S.F. 904 creates a revolving loan fund for geothermal heating and cooling application in public buildings.

S.F. 1011 establishes geothermal energy incentives by requiring public utilities to offer a one time credit of \$200 per ton for geothermal equipment. The measure also provides a sales tax exemption for geothermal equipment and installations. Members deleted the portion of the bill requiring utilities to provide a credit and sent the balance of the bill to the Committee on Taxes. S.F. 538 requires geothermal and other renewable energy applications to be considered for heating and cooling all buildings subject to a predesign review and funded with state dollars. The measure was approved and advanced to the Senate floor.

The panel also approved a bill creating a renewable hydrogen initiative. S.F. 1282, sponsored by Sen. Ellen Anderson (DFL-St. Paul), requires the Dept. of Commerce, the Pollution Control Agency and the Dept. of Administration to identify opportunities for deploying hydrogen, fuel cells and related technologies within state owned facilities, vehicle fleets and operations. The measure also requires the commissioner of commerce to operate a competitive grant program for projects to assist the state in attaining its hydrogen energy goal. The measure also requires the development of standards and uniform codes for hydrogen infrastructure, fuel cells and related technologies. The measure was approved and re-referred to the Finance Committee.

Conservation bill gains

The Energy, Utilities, Technology and Communications Committee met Thurs., Mar. 8, to consider a variety of bills, including a major conservation proposal.

S.F. 997, authored by Sen. Scott Dibble (DFL-Mpls.), sets a 1.5 percent annual savings goal for each utility in the state. He said the bill allows the goal to be reduced to 1 percent if a utility finds the costs to realize the efficiencies are more than anyone would save. Another portion of the bill requires the Department of Commerce to get research out in the field to encourage the application of new technologies, he said. Dibble said the bill also contains provisions related to decoupling. Decoupling means a ratemaking strategy that recognizes the impact of a variety of factors that affect energy sales, including energy conservation, and eliminates incentives to sell energy beyond approved profit requirements, he said. The measure was approved and re-referred to the Finance Committee.

The panel also approved a bill, S.F. 144, authorizing Winona County to own and operate an electric wind power generation facility. The bill, sponsored by Sen. Sharon Erickson Ropes (DFL-Winona), was approved and re-referred to the State and Local Government Operations and Oversight Committee. S.F. 1510, authored by Sen. Rick Olseen (DFL-Harris), authorizes grants to Chisago, Isanti, and Pine Counties for a feasibility study of a renewable energy biofuels research and production facility to be located in one of the counties. The measure was approved and advanced to the Finance Committee. S.F. 1244, authored by Sen. Ellen Anderson (DFL-St. Paul), authorizes a rural wind energy development revolving loan fund to provide assistance in partnership with local owners and communities to develop community wind energy projects. The measure was also approved and advanced to the Finance Committee.

Environment, Energy and Natural Resources Budget Division

Appropriations considered

The Environmental, Energy and Natural Resources Budget Division considered several appropriation bills for environmental projects Tues., Mar. 6. Chair Ellen Anderson (DFL-St. Paul) and members laid the bills on the table for possible inclusion in the omnibus bill.

S.F. 216, authored by Sen. Jim Vickerman (DFL-Tracy), appropriates \$4.2 million for general service grants to soil and water conservation districts. The grants provide the base funding for soil and water conservation districts, said Leanne Buck, executive director, Minnesota Association of Soil and Water Conservation Districts. The districts work one-on-one with land owners to improve their conservation practices, Buck said.

Authored by Sen. Kathy Sheran (DFL-Mankato), S.F. 374 appropriates funds to improve ditch systems and waterways in the Lake Titlow watershed. The bill uses both general fund and bonding dollars. The proposed project will divert water into holding ponds instead of draining directly into the lake in order to prevent lakeshore erosion, Sheran said. Lake Titlow is a tributary to the Minnesota River and cleaning up the lake will benefit the entire region, said Scott

Sparlin, Friends of the Minnesota Valley Watershed Initiative. The division voted to recommend approval of the bond portion of the bill to the Capital Investment Committee.

S.F. 244, authored by Sen. Steve Murphy (DFL-Red Wing), appropriates \$350,000 for design and engineering for restoration of Lake Zumbro. Sen. David Senjem (R-Rochester), who presented the bill, said the funds will be used to study the possible restoration of Lake Zumbro by removing sediment.

Carried by Sen. Rod Skoe (DFL-Clearbrook), S.F. 895 appropriates money for bovine tuberculosis disease transmission prevention. The appropriation will help continue the surveillance of wild deer to diminish the risk of disease transmission, Skoe said. The bill also funds a program to fence cattle feeding areas in bovine tuberculosis control zones to prevent the spread of the disease, he said.

Skoe also authored S.F. 895. The bill appropriates money for the construction of flood protection farmstead ring levees in the Red River Valley. Since the flood in 1996, there has been an ongoing project to build farmstead ring levees, he said. John Finney, Joe River Watershed District said about 40 farmsteads are still waiting for flood protection. The money appropriated by the bill should finish the job, Finney said.

S.F. 941, authored by Sen. Dan Sparks (DFL-Austin), authorizes the sale of bonds and appropriates money for the Albert Lea landfill remediation construction costs. Within a few yards of Edgewater Park, a popular park in Albert Lea, there is an old dump site, Sparks said. The appropriation will help cleanup the contamination, he said. The division voted to recommend approval of the bill to the Capital Investment Committee.

Authored by Sen. Gary Kubly (DFL-Granite Falls), S.F. 1342 appropriates money for the implementation of the Red River mediation agreement. Citizens, environmental groups and public agencies are working together and the appropriation will help keep the project moving forward, said Jerome Deal, Bois de Sioux River Watershed District.

The final bill considered by the division was S.F. 494. Authored by Sen. Satveer Chaudhary (DFL-Fridley), the bill authorizes the sale of bonds and appropriates money for the Wildlife Rehabilitation Center of Minnesota (WRC). The funds

will retire construction loans on the new facility and provide for the completion of educational technology infrastructure at the center, said Phil Jenni, director, WRC. The WRC admitted 8,585 animals in 2006, Jenni said. Animals came from 234 communities across the state, he added. The division voted to recommend approval of the bill to the Capital Investment Committee.

Water bills heard

The Environment, Energy and Natural Resources Budget Division spent the Thurs., Mar. 8, meeting considering water related bills. All of the bills heard by the division were laid over for possible inclusion in the omnibus bill.

S.F. 1080, authored by Sen. Dennis Frederickson (R-New Ulm), appropriates money to the Minnesota River Basin Joint Powers Board. The board works to improve and protect water quality in the Minnesota River Basin, said Shannon Fisher, director. Frederickson said the appropriation ensures that the state does its part in the partnership to protect the Minnesota River.

Authored by Sen. Jim Vickerman (DFL-Tracy), S.F. 379 appropriates \$280,000 in the next biennium to Area II Minnesota River Basin Projects, Inc. for floodplain management. Located in southwest Minnesota, Area II has worked to construct floodwater retention projects in a stair-step fashion down the slopes of Buffalo Ridge, said Kerry Netzke, coordinator, Area II Minnesota River Basin Projects, Inc. The approach allows for landowner friendly and voluntary solutions to control the erosive forces of floodwaters, she said. The efforts of Area II to prevent flooding also have a large impact on people downstream, Vickerman said.

Sen. Julie Rosen (R-Fairmont) carried S.F. 530. The bill appropriates \$60,000 for a study of the Rapidan Dam in Blue Earth County. In addition to state funds, \$79,000 in federal funds and \$60,000 from local sources will be used to complete the study, Rosen said. Alan Forsberg, county engineer, Blue Earth County, said the study will look at the economic, social and environmental effects of doing nothing, repairing or removing the dam.

S.F. 642, authored by Sen. Dan Sparks (DFL-Austin), modifies requirements for ditch buffers. The division looked at the appropriations made in the bill. S.F. 642

appropriates \$150,000 to develop guidelines for drainage records preservation and modernization, said Doug Thomas, assistant director, Minnesota Board of Water and Soil Resources. Another \$2 million in matching grants are for counties and watersheds to carry out records preservation and modernization activities, Thomas said. The bill was not formally in front of the division, so no action was taken.

Two bills to help low-income Minnesotans with home heating costs were heard by the division. Authored by Chair Ellen Anderson (DFL-St. Paul), S.F. 1280 provides funding for low-income heating assistance. Even though it has not been in the news this year as much as it was last year, low-income families who cannot pay their heating bill are an ongoing issue, Anderson said. Minnesota will run out of home heating assistance funds for the year in April, said Pam Marshall, Energy Cents.

Rosen carried the second home heating bill. S.F. 1068 provides funding to pre-purchase propane for the low-income home energy assistance program. The pre-purchase program buys propane at a time when it is cheaper, generally during the summer, to be used for heating low-income families' homes during the winter months, said Edward Garvey, deputy commissioner, Department of Commerce. Marshall said about 19 percent of families who received home heating assistance last year used propane to heat their homes.

The division also considered S.F. 474. Authored by Sen. Rick Olseen (DFL-Harris), the bill funds a study of the potential use of geothermal heat pumps in Minnesota.

In other action, the division considered S.F. 235. Authored by Sen. Linda Higgins (DFL-Mpls.), the bill provides for the collection, transportation and recycling of video display devices. Also known as the e-waste bill, the bill helps set up and pay for a way for counties to deal with recycling televisions and computer monitors, Higgins said. About eight pounds of hazardous waste is in each television and computer monitor, she said. Judy Cook, Hewlett-Packard, spoke against the bill. Under the bill, penalties paid by manufacturers for not meeting recycling goals will be used to fund private recycling projects in rural areas that will be in competition with manufacturers' programs, she said. The bill was recommended to pass and re-referred to the Finance Committee.

Committee update

Proposals heard

Members of the Environment, Energy and Natural Resources Budget Division met Fri., Mar. 9, to consider several appropriations measures. The panel, chaired by Sen. Ellen Anderson (DFL-St. Paul), laid all the bills over for further consideration as part of its omnibus budget proposal.

S.F. 1029, authored by Sen. Tom Saxhaug (DFL-Grand Rapids), provides \$350,000 annually from the game and fish fund for grants to Let's Go Fishing of Minnesota to promote opportunities for fishing. Under the bill, the grants must be matched with cash or in-kind contributions from nonstate sources. S.F. 742, carried by Sen. Pat Pariseau (R-Farmington), appropriates \$200,000 for a master planning process and resource inventory of UMore Park, in order to provide prairie and wetland restoration.

Sen. Satveer Chaudhary (DFL-Fridley) authored S.F. 1256, which appropriates \$150,000 annually for the roadsides for wildlife program. S.F. 1485, sponsored by Sen. Sandy Rummel (DFL-White Bear Lake), provides \$3 million annually for collecting and delivering ecological information on Minnesota's waters to state agencies, local units of government, and individual citizens to support implementation of the Clean Water Legacy Act.

S.F. 1486, also carried by Rummel, appropriates \$2 million annually from the heritage enhancement fund for collecting and delivering ecological information on Minnesota's native habitats and associated species to state agencies, individual citizens, and local units of government and to assist with local community and state efforts to manage and restore native habitats.

Environment and Natural Resources

Wildlife area bill gains

The Environment and Natural Resources Committee, chaired by Sen. Satveer Chaudhary (DFL-Fridley), met Mon., Mar. 5, to consider several bills.

The first measure to come before the panel, S.F. 711, authored by Sen. Pat Pariseau (R-Farmington), designates land in Dakota County as the Vermillion Highlands Wildlife Management Area. Ed Boggess, Dept. of Natural Resources, said that as part of the stadium bill last year, the department was directed to assess the need for recreational and wildlife land. The bill spells out the acceptable uses for the land, such as providing for education and outreach, providing for research by the University of Minnesota, hunting, fishing, trapping, providing trails for hiking, biking and cross-country skiing, maintain-



Senators Sharon Erickson Ropes (DFL-Winona) and Michael Jungbauer (R-East Bethel) take a close look at proposed legislation during the Senate's floor session, Thurs., Mar. 8.

Photo by David J. Oakes

ing a shooting sports facilities and leasing for small-scale farm to market vegetable farming. The measure was laid over for possible inclusion in the committee's omnibus policy bill.

S.F. 1131, sponsored by Sen. Thomas Bakk (DFL-Cook), provides for increased assessment netting of Lake Superior lake trout by commercial fishing operations. Bakk said the bill provides that the department has the ability to limit taking lake trout if the resource declines. George Wilkes, Grand Marais, said there are 22 small commercial operations that, in addition to providing fish for local restaurants, also contribute to the tourism industry. Wilkes said commercial fishing on Lake Superior is at the heart of North Shore culture. The measure was approved and was re-referred to the State and Local Government Operations and Oversight Committee. S.F. 919, authored by Sen. Tom Saxhaug (DFL-Grand Rapids), makes a number of changes to fish and wildlife provisions. The bill changes the license year for fishing, fish house and dark house licenses, modifies the nonresident archer deer license fee, allows the use of scopes on muzzleloaders, and establishes a moratorium on licensing new public waters for aquaculture. Discussion on the bill centered on the provisions relating to the moratorium on licensing new public waters for aquaculture, with opponents contending that the measure would kill the aquaculture business. Supporters contended that the provision will help maintain wetlands. Both opponents and supporters agreed to arrive at language representing a compromise. The measure was laid over for possible inclusion in the omnibus bill.

S.F. 332, authored by Sen. Michael Jungbauer (R-East Bethel), provides zero discharge grants to municipalities for wastewater treatment facilities. He said we need to provide funds for treatment plants that will allow development of systems to let water filter back to the aquifer. The measure was approved and advanced to the Finance Committee.

ATV bill heard

The Environment and Natural Resources Committee met Tues., Mar. 6, to consider several bills relating to all-terrain vehicles (ATVs). Committee Chair Satveer Chaudhary (DFL-Fridley) said after becoming chair, he had traveled to

all parts of the state to talk with stakeholders in the ATV issue.

He said that both sides of the issue, environmentalists and ATV clubs, were interested in preserving the environment and eliminating the damage caused by the bad actors using ATVs. Chaudhary said both sides have more in common than they have differences. He said the bill he was sponsoring, S.F. 1538, tries to bring about a compromise. He said in 2005, the main issue was managed land classification and the separate treatment of land north of Highway 2. Chaudhary said land used for ATVs is a checkerboard of land use, with some state lands, some federal lands, some con-con lands and some private lands. He said the posting of trails open, with all other trails being closed, or the posting of trails closed, with all other trails open, is problematic. He said the discussion always came back to what trails are being mapped by the DNR. He said the idea came to him that all riding must be on the trails that are on the map. The bill specifies that a person must not operate an off-highway vehicle on state land that is not mapped for the type of off-highway vehicle.

Chaudhary said the next issue seemed to be enforcement. He said the bill specifies that the ATV registration fee be used for enforcement. Under the bill, he said, the fee is raised by \$15, from \$30 to \$45, payable every three years. He said the increased fee would be the same as the current fee for snowmobiles. The increased dollars would be used for enforcement and to increase funding for grant-in-aid trails. Another issue, Chaudhary said, is education about the trail system and the proper use of the trails.

Members heard extensive testimony on the measure and on the issue of ATV use. Members adopted an amendment adding trapping to a definition of state forest traditional area and deleting language relating to tax forfeited lands. Members approved the measure and re-referred the bill to the Finance Committee.

Lands bills heard

The Environment and Natural Resources Subcommittee on Public Lands and Waters met to hear several bills dealing with tax forfeited lands. The subcommittee, chaired by Sen. Dan Skogen (DFL-Hewitt), began by considering S.F. 707.

The bill, authored by Sen. Thomas Bakk (DFL-Cook), provides for renaming

6,085 acres of forest land as the Clair A. Nelson Memorial Forest. Bakk said the late Clair Nelson was a long time member of the Cook County Board and a tireless advocate for the environment. He said the land would be financed through the suspension of the apportionment of proceeds from the sale of tax forfeited lands. Bakk also carried a bill, S.F. 272, authorizes the private sale of tax-forfeited land in Lake County.

Sen. Tom Saxhaug (DFL-Grand Rapids) carried two bills. S.F. 849 exempts specific exchanged land from the tax-forfeited land assurance fee. The measure was amended to allow the Itasca County auditor to lease tax-forfeited land to a proposed steel mill in Itasca County for a period of 20 years, for use as a tailings basin and buffer area. S.F. 1119 modifies land acquisition requirements, modifies the land owners' bill of rights, modifies recordation requirements for mineral interests and adds to and deletes from various state parks and provides for the sale or conveyance of state lands in various counties. Members amended the previous three bills into S.F. 1119 and sent the bill to the full Environment and Natural Resources Committee.

Biofuel review considered

Members of the Environment and Natural Resources Committee met during the afternoon of Wed., Mar. 7, to consider a measure addressing the process by which biofuel production facilities undergo environmental review.

S.F. 1101, sponsored by Sen. Rod Skoe (DFL-Clearbrook), requires the Environmental Quality Board to develop an alternative environmental review process for biofuel production facilities producing less than 125 million gallons of biofuel annually. Members adopted an amendment, at the author's request, replacing the requirement with a report to the Legislature on the board's efforts to streamline the review process. Skoe said the bill is a response to concerns from Minnesota's congressional delegation that the state may miss out on federal funding for alternative energy sources because of the relatively long review process. Representatives of the EQB, PCA, and DNR discussed their ongoing efforts to shorten the review process for biofuel production facilities.

The panel, chaired by Sen. Satveer Chaudhary (DFL-Fridley), laid the

Committee update

measure over for inclusion in the omnibus environment and natural resources policy bill. Two other bills were also heard and laid over for possible inclusion. S.F. 1146, carried by Sen. Dan Sparks (DFL-Austin), provides that no professional license, other than a license issued by the Pollution Control Agency, is required to design, install, maintain or inspect an individual sewage treatment system with a flow of up to 10,000 gallons per day. Sen. Paul Koering (R-Fort Ripley) carried a bill, S.F. 1176, reconstituting the Cuyuna Country State Recreation Area Citizens Advisory Council. The bill also provides that a state park permit is not required and a fee may not be charged to enter two of the recreation area's facilities: Croft Mine Historical Park and Portsmouth Mine Lake Overlook.

Three bills were advanced to the Finance Committee. S.F. 963, authored by Sen. Michael Jungbauer (R-East Bethel), provides funds for the University of Minnesota Extension Service to study the impact of septic systems on the environment. S.F. 399, carried by Sen. Sharon Erickson Ropes (DFL-Winona), imposes a \$1 surcharge on deer licenses for DNR deer management activities, including reimbursing the cost of processing deer donated to charitable food assistance programs. S.F. 877, sponsored by Sen. Scott Dibble (DFL-Mpls.), establishes a grant program to encourage the purchase of idling reduction technology for heavy-duty, diesel-powered, on-highway motor vehicles.

Forestry bills heard

Several bills relating to forests and timber were considered during the evening meeting of the Environment and Natural Resources Committee, Wed., Mar. 7.

S.F. 260, authored by Sen. Tom Saxhaug (DFL-Grand Rapids), provides for the extension, cancellation or termination of timber permits due to economic infeasibility. The bill was re-referred to the Finance Committee. Saxhaug also carried S.F. 420, which regulates, for pest control purposes, firewood possession on land administered by the Department of Natural Resources. The measure was advanced to the State and Local Government Operations and Oversight Committee. S.F. 438, a third Saxhaug bill, establishes a forest resource assessment products and services account in the natural resources fund. The bill was forwarded to the Finance Committee. S.F. 1343, authored by Sen. Kathy

Sheran (DFL-Mankato), provides for community forest management, authorizes foresters to provide advice in community forest management and permits the commissioner of natural resources to establish experimental programs to control forest pests and shade tree pests. The bill was sent to the Agriculture and Veterans Committee.

Sen. Satveer Chaudhary (DFL-Fridley), committee chair, carried S.F. 1137. The bill prohibits ponds created for storm water management requirements from being used to satisfy wetland replacement requirements. Chaudhary also carried S.F. 1312, which modifies the DNR's authority to designate infested waters, water supply plan requirements and state park permit provisions. Both bills were laid over for possible inclusion in the committee's omnibus policy bill. Sen. Dan Skogen sponsored two bills. S.F. 1184 makes a variety of changes to game and fish laws; the bill was laid over for possible inclusion in the omnibus environment policy bill. S.F. 1250 allows nonresidents under age 16 to purchase deer hunting licenses at the resident rate. The bill was re-referred to the Committee on State and Local Government Operations and Oversight.

Health, Housing and Family Security

Committee approves six bills

Six bills were approved by the Health, Housing and Family Security Committee Mon., Mar. 5. Sen. John Marty (DFL-Roseville) chairs the committee.

The following bills were recommended to pass and re-referred to the Finance Committee.

S.F. 143, authored by Sen. Tom Saxhaug (DFL-Grand Rapids), establishes a formula to reimburse nursing facilities for Public Employees Retirement Association (PERA) costs. The bill will help approximately 30 facilities be reimbursed for their PERA obligation, said Kari Thurlow, Minnesota Health and Housing Alliance.

Also authored by Saxhaug, S.F. 769 modifies adult foster care licensing requirements. The bill broadens the criteria for adult foster care to allow a relative of the service recipient to be reimbursed for providing the services, Saxhaug said. A relative who meets requirements for licensure for adult foster

care may be reimbursed by the county for providing adult foster care services to a person age 18 or older, rather than 65 or older currently allowed, he said. Saxhaug said most of those affected by the bill are located in Greater Minnesota.

Carried by Sen. Mary Olson (DFL-Bemidji), S.F. 1172 increases funding for the block nurse program. The program helps senior members of the community stay in their homes by coordinating public and private services, Olson said. Services provided by block nurse programs include wellness education, meals, caregiver support and friendly visits, said Lee Greenfield, chair, board of directors, Elderberry Institute. As the population ages, the program is a cost-effective way to keep seniors in their homes, Greenfield said.

S.F. 434, authored by Sen. Terri Bonoff (DFL-Minnetonka), establishes a newborn home visiting program. The bill targets children most at risk to make sure they get into the programs that are available, Bonoff said. Rob Fulton, county health director, St. Paul-Ramsey County, said 96 percent of children who complete the program are up to date on readiness exams. Sen. Betsy Wergin (R-Princeton) said she is concerned about how intrusive the program can be and that value judgments may be made.

The committee also considered S.F. 536. Authored by Sen. Claire Robling (R-Jordan), the bill reduces the license fees for family childcare providers. The bill also provides that the Department of Human Services will perform the required background checks, Robling said. Providers currently have to pay up to \$100 for a background check, she said. The licensing fee is reduced from a maximum of \$150 annually to \$50 annually, Robling said. S.F. 536 will create a more standard fee set across the state, she said. Deloris Friske, Minnesota Licensed Family Childcare Association, said 30 counties currently charge the full \$250 for the license and background check. Sen. Linda Berglin (DFL-Mpls.) said the bill does not address the cost to the state of performing the background checks.

Authored by Sen. David Tomassoni (DFL-Chisholm), S.F. 639 appropriates money to provide assistive technology for people with disabilities. The bill also requires a study to develop a statewide plan to provide access to adaptive equipment to seniors and people with

disabilities, said Carol Fury, executive director, Assistive Technology of Minnesota. Judy Moening, executive director, United Cerebral Palsy of Central Minnesota, said assistive technology can be as simple as a research or as complicated as a communication device. Assistive technology allows seniors and people with disabilities to live a more independent life, she said.

Hearing screening bill heard

The Health, Housing and Family Security Committee met Wed., Mar. 7, to consider a bill requiring all hospitals to establish a newborn and infant hearing screening program. Chair John Marty (DFL-Roseville), chief author, said the bill, S.F. 1095, will enable early detection of hearing problems and aid in providing services for infants and newborns with hearing difficulties. Marty said early detection could identify up to 240 children per year with hearing loss or deafness. He said if services are provided early, within the first six months of life, by the time the child starts school the child will be on a developmental par with his or her peers. Karl White, National Center for Hearing, spoke in support of the bill. He said early intervention allows children to develop skills that will allow them to be successful in school and other endeavors. The bill was approved and advanced to the Finance Committee.

Members also approved a bill appropriating funds for support services for families with children who are deaf or who have a hearing loss. The measure, S.F. 384, authored by Sen. Kathy Sheran (DFL-Mankato), specifies that services for parents include direct parent-to-parent assistance and information on communication, educational and medical options. Candace Lindow-Davies, Lifetrack Resources, spoke in support of the bill and said services for families are a critical need. The bill was also advanced to the Finance Committee.

S.F. 357, sponsored by Sen. Linda Berglin (DFL-Mpls.), regulates transactions between low-income and moderate-income housing developers and local units of government. The measure was approved and sent to the full Senate. Berglin also sponsored a bill, S.F. 196, providing a reverse mortgage incentive program to encourage elderly persons to use reverse mortgage proceeds to pay for long-term care services in their own homes. The bill

was approved and re-referred to the Finance Committee.

Sen. Richard Cohen (DFL-St. Paul) carried a bill, S.F. 442, to provide rental housing assistance and home ownership assistance. Cohen said the state has fallen behind in the ability to provide housing for a variety of income levels. The bill also changes the deed tax formula to provide funding for the programs. He said the bill is a reasonable solution for a problem that is only going to keep growing.

Michael Dahl, Minnesota Coalition for the Homeless, spoke in support of the bill. He said one out of eight Minnesota households will spend more than 50 percent of their income for housing and a growing number are becoming homeless. He said the bill would help with rental housing and would provide a leverage fund for matching grants for low-income housing. Hal Clapp, Realtor, said that the bill is a great start and will leverage hundreds of thousands of dollars. However, Susan Dioury, Minnesota Realtors Association, spoke in opposition to the bill. Dioury said the average mortgage and deed tax will almost double to nearly \$2,000 and will make housing less affordable, rather than more affordable. The bill was advanced to the Committee on Finance on a 9 – 4 roll call vote.

Members also approved a bill, S.F. 1052, allowing a tax credit for contributions made by a taxpayer for affordable housing. Sen. Mee Moua (DFL-St. Paul) said the bill allows a taxpayer to receive a credit equal to 50 percent of a qualifying housing contribution. The measure was advanced to the Taxes Committee. Berglin sponsored a bill, S.F. 1178, that establishes an advisory committee to simplify program administration. The measure was approved and re-referred to the Finance Committee.

Problem gambling discussed

Members of two committees met jointly, Wed., Mar. 7, to consider problem gambling. The Health, Housing and Family Security Committee, chaired by Sen. John Marty (DFL-Roseville), and the State and Local Government Operations and Oversight Committee, chaired by Sen. Ann Rest (DFL-New Hope), heard about the impact of problem gambling, currently available resources for addressing problem gambling and the future of treatment. Committee members heard from treatment providers, researchers and advocates for problem gambling assistance. Members

also heard from Randy, a recovering problem gambler, on his personal experience struggling with problem gambling and seeking treatment.

Health and Human Services Budget Division

Comprehensive health bill heard

A measure requiring the development of a comprehensive plan to expand health coverage was the focus of the Tues., Mar. 6, meeting of the Health and Human Services Budget Division.

S.F. 2, authored by Chair Linda Berglin (DFL-Mpls.), requires all hospitals and health care providers to have in place an interoperable electronic health records system by 2015, establishes a prescription drug discount program, and provides for outreach efforts for state health care programs. The division spent the majority of its time hearing comments on the bill from various stakeholders, including patients, health care providers, advocacy groups, and others. Members also examined a draft fiscal note from the Dept. of Finance. Berglin emphasized that work still needed to be done on the bill and that the fiscal note did not reflect recent changes to the proposal.

Division hears COLA bills

Three bills proposing cost of living adjustment (COLA) increases at long term care facilities were considered at the Health and Human Services Budget Division meeting Wed., Mar. 7. All of the bills considered by the division were laid over for possible inclusion in the omnibus bill.

Authored by Sen. Yvonne Prettnier Solon (DFL-Duluth), S.F. 281 provides a nursing facility rate increase of seven percent the first year of the biennium and six percent the second year, and includes other nursing facility rate increases. The division adopted an amendment that rebases the nursing facility operating cost payment to align payments with the cost of providing care. The first time operating rates are rebased, it is going to cost real money because it has been so long since the rate has been changed, said Patty Cullen, CareProviders of Minnesota. Sen. Mary Olson (DFL-Bemidji) said avoiding rebasing is avoiding the problem of increased healthcare costs. Under the bill, a percentage of the money from the rate

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adjustment must be used for increases in compensation related costs of employees, Cullen said.

Chair Linda Berglin (DFL-Mpls.) authored S.F. 843. The bill provides an unspecified rate increase for intermediate care facilities for persons with mental retardation (ICFs/MR), nursing facilities and community based service providers. The bill divides the COLA and specifies a certain amount for wages and a certain amount for other parts of employee compensations, such as healthcare benefits, Berglin said. The goal is to make sure at least some of the COLA goes to wages, she said.

S.F. 679, authored by Sen. John Marty (DFL-Roseville), provides annual rate increases to ICFs/MR, nursing facilities and community based service providers. The bill also makes it easier for nursing facility employees to qualify for MinnesotaCare, Marty said. Jane Ochrymowycz, Alzheimer's Association, said the bill provides a five percent rate increase in each year of the next biennium. At least 75 percent of the increase must be used for employee wages and benefits, she said. The bill also provides a one percent rate increase to increase the number of hands-on staff at facilities, Ochrymowycz said.

The division considered three other bills. Authored by Sen. Gary Kubly (DFL-Granite Falls), S.F. 377 authorizes a planned closure rate adjustment for a nursing facility in Big Stone County. The closure rate adjustment was denied to the Graceville Health Center because of a glitch in the paperwork, said Todd Howell, administrator and chief executive officer. The facility acted in good faith and would like to be able to receive the adjustment, Howell said.

S.F. 612, authored by Berglin, appropriates money and authorizes licensure of two intermediate care facilities for persons with developmental disabilities to replace one larger facility. The current location is an old building with accessibility problems, said Nita Hayes, regional director, REM Minnesota. The new facilities will prevent current residents from being forced into higher level of services, Hayes said.

Also authored by Berglin, S.F. 261 authorizes \$10 million for nursing facility moratorium exception projects and modifies the criteria for selection of projects. More than 50 percent of nursing

homes in Minnesota will need to be replaced or renovated in the next ten years to keep up with standards, Berglin said.

Hospital payment rate bills heard

The Health and Human Services Budget Division, chaired by Sen. Linda Berglin (DFL-Mpls.) met Thurs., Mar. 8, to consider several bills relating to hospital payment rates.

S.F. 502, sponsored by Sen. Ann Lynch (DFL-Rochester), adjusts payment rates for Bethesda Rehabilitation Hospital and provides a 13 percent Medical Assistance (MA) rate increase. S.F. 635, also authored by Lynch, eliminates some MA ratable reductions for inpatient hospital services and eliminates some MA ratable reductions for outpatient hospital facility fee services.

S.F. 1239, carried by Berglin, establishes a new MA reimbursement rate, equal to the fee-for-service rate plus 93 percent for Gillette Children's Hospital for outpatient, emergency and ambulatory surgery facility fee services. S.F. 1240, sponsored by Berglin, establishes a new MA reimbursement rate for Gillette Children's Hospital for the actual cost of inpatient and outpatient services. S.F. 1241, also carried by Berglin, eliminates ratable reductions enacted after 2001 from payment rates for inpatient services provided at Gillette.

S.F. 676, authored by Sen. Tony Lourey (DFL-Kerrick), appropriates \$400,000 for the Remembering with Dignity project. Lourey said the project purchases and installs headstones with properly inscribed with the names of those residents of state hospitals and regional treatment centers who were buried in numbered or unmarked graves.

All of the above bills were laid over for possible inclusion in the division's omnibus bill.

Members advanced one measure to the full Finance Committee. S.F. 841, sponsored by Berglin, requires inpatient hospital services to be paid on a fee-for-services basis for the General Assistance Medical Care program.

The panel also began discussion of S.F. 1380, authored by Sen. Mary Olson (DFL-Bemidji, a bill that appropriates \$80,000 for a statewide deaf and hard-of-hearing mentor program for families of infants and children who have hearing loss.

Higher Education Budget and Policy Division

Appropriations bills heard

Several measures proposing appropriations and grants were considered by the Higher Education Budget and Policy Division at its Tues., Mar. 6, afternoon meeting. The panel, chaired by Sen. Sandra Pappas (DFL-St. Paul), laid the bills over for possible inclusion in the omnibus higher education budget bill.

S.F. 1216, carried by Sen. Lawrence Pogemiller (DFL-Mpls.), establishes a postsecondary study abroad grant program. S.F. 1522, authored by Sen. Patricia Torres Ray (DFL-Mpls.), appropriates \$890,000 annually to expand the learning dreams program at the University of Minnesota School of Social Work. The program is designed to enable more parents to participate in the education of their children through highly effective parent and community involvement in learning that leads to improved outcomes for at-risk children. Sen. Mary Olson (DFL-Bemidji) sponsored a bill, S.F. 1351, transferring administrative responsibilities for the American Indian scholarship program from the Department of Education to the Office of Higher Education. The bill also appropriates \$1.875 million annually for American Indian scholarships.

Sen. Yvonne Prettner Solon (DFL-Duluth) carried S.F. 307, which modifies the Minnesota-Wisconsin tuition reciprocity program. S.F. 1010, carried by Sen. Rod Skoe (DFL-Clearbrook), provides a one-time \$250,000 grant to Augsburg College for a program that provides educational opportunities to chemically dependent students. S.F. 1264, authored by Sen. Steve Dille (R-Dassel), requires public colleges and universities to provide students, during initial registration, information and skills training in personal financial management. Pappas carried S.F. 521, providing grants to train teachers of indigenous languages. S.F. 313, sponsored by Sen. Thomas Bakk (DFL-Cook), provides an additional \$40,000 annually, for an annual total of \$120,000, to the Minnesota State Colleges and Universities system to provide educational programs and academic support services to remote regions in northeastern Minnesota. Sen. Terri Bonoff (DFL-Minnetonka) authored a bill, S.F. 1437, appropriating funds for the Office of Educational Accountability.



Senators Warren Limmer (R-Maple Grove), left, and Ray Vandever (R-Forest Lake) examine the details of a bill during a Senate floor session, Thurs., Mar. 8.

Photo by David J. Oakes

Research bills heard

Two bills providing state support for two research initiatives, along with other measures proposing appropriations and grants, were considered by the Higher Education Budget and Policy Division at its Tues., Mar. 6, evening meeting. The panel, chaired by Sen. Sandra Pappas (DFL-St. Paul), laid the bills over for possible inclusion in the omnibus higher education budget bill.

Sen. Kathy Sheran (DFL-Mankato) carried S.F. 1026. The bill appropriates \$125,000 annually to the Minnesota Institute for Sustainable Agriculture at the University of Minnesota for alternative livestock research and outreach. S.F. 1027, authored by Sen. Sharon Erickson Ropes (DFL-Winona), appropriates \$1.1 million annually to the University of Minnesota College of Food, Agricultural, and Natural Resources Sciences to establish and

maintain a statewide organic research and education initiative. S.F. 770, carried by Sen. David Tomassoni (DFL-Chisholm), creates a teacher education and compensation helps program to provide tuition scholarships, education incentives and an early childhood teacher retention program to provide retention incentives to early child care and education providers.

S.F. 1016, sponsored by Sen. Ron Latz (DFL-St. Louis Park), establishes a loan forgiveness program for speech-language pathologists. Sen. Charles Wiger (DFL-North St. Paul) carried two bills. S.F. 1428 appropriates \$6.081 million annually to the Office of Higher Education for the Minitex program, which is a publicly supported network of academic, public, state government, and special libraries working cooperatively to improve library service for their users. S.F. 1314 regulates postsecondary textbook pricing and

production practices and creates a textbook rental pilot program.

Regent election change considered

A measure proposing to scrap the process by which members of the University of Minnesota Board of Regents are selected was heard by the Higher Education Policy and Budget Division, Thurs., Mar. 8.

S.F. 776, authored by Sen. David Tomassoni (DFL-Chisholm), repeals the laws establishing the Regent Candidate Advisory Council (RCAC) and governing the regent selection process. The current process requires persons interested in serving as regents to submit applications to the RCAC and be interviewed by the council. The RCAC then submits a list of recommended candidates to the governor, who creates a slate of nominees. The governor's nominees are screened by a

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special joint committee of Legislators. The joint committee may only send the governor's nominees to a joint convention of the Legislature; it cannot recommend alternate candidates. If the joint committee disapproves of a nominee, the governor must nominate a replacement candidate. At the joint convention, Legislators may nominate candidates in addition to the governor's nominees.

The Legislature, not the governor, has the constitutional responsibility to pick regents, Tomassoni said. The process has become more political by involving the governor, he said, even if the governor does not intend to act politically in nominating candidates. The current process has also discouraged candidates from meeting with Legislators, he said. Tomassoni noted that the past practice involved regent candidates meeting personally with as many Legislators as possible. Under the current process, many of us will make an uninformed choice about potential regents, he said.

Sen. Geoff Michel (R-Edina) said he disputed the idea that involving the governor is a bad idea. We need to change the process to make it easier on potential candidates, he said, but cutting out the governor is not the solution. I would prefer having the governor more involved, Michel said, such as by conducting personal interviews with all the candidates recommended by RCAC. The governor brings a different, valuable perspective as a statewide elected official, he said. The University is a major state institution and one of the most important relationships in Minnesota is the one between the governor and University leadership, he said.

Tomassoni withdrew his bill in favor of a provision contained in a draft proposal authored by Sen. Sandra Pappas (DFL-St. Paul), division chair. Pappas said her draft proposal for the policy provisions in the omnibus higher education bill includes a reform of the regent selection process. The draft retains the RCAC and utilizes a slightly different joint committee of Legislators from the current process, she said. However, the draft lets the joint committee recommend any candidates recommended by RCAC, not just the governor's nominees, Pappas said.

Division members considered two additional bills. S.F. 1590, carried by Sen. Tarryl Clark (DFL-St. Cloud), appropriates \$100,000 annually to Loan Repayment Assistance Program of Minnesota, Inc., for

loan repayment assistance awards to recent law school graduates working in public service. The measure was laid over for possible inclusion in the omnibus higher education bill. S.F. 1591, sponsored by Sen. Jim Vickerman (DFL-Tracy), extends a land lease agreement between the Minnesota State Colleges and Universities and the YMCA from 20 years to 40 years. The bill was advanced to the full Finance Committee.

In other action, Pappas distributed her draft recommendations for the policy provisions in the division's omnibus bill. While not all the proposals have been completed, she said, the draft serves as a useful tool to continue discussions with stakeholders and among division members. Pappas also revealed the division's recently established budget target: \$296 million over base funding for FY 08-09. She said the target was about \$80-100 million lower than her suggested minimum and much lower than the wish list. We need to do what we can with it, she said. However, it will be hard to move the state ahead if all we have is an inflationary budget, Pappas said.

Judiciary

Bill to expand drug free and prostitution free zones heard

Chair Mee Moua (DFL-St. Paul) and members of the Judiciary Committee met Tues., Mar. 6, to hear testimony on S.F. 1179. Authored by Sen. Linda Berglin (DFL-Mpls.), the bill expands drug free and prostitution free zones.

Drug free and prostitution free zones currently exist around schools and parks, said Kenneth Backhus, Senate counsel. Drug and prostitution crimes committed in the zones carry enhanced penalties, Backhus said. The bill expands the drug free and prostitution free zones to include the area within 300 feet or one city block of childcare centers, crisis nurseries and public transit stops, Berglin said. It is hard to believe, but these things are going on at the bus stops when children are trying to get to school, she said. The bill also appropriates money for increased enforcement, signage and to analyze the effectiveness of the pilot projects in Minneapolis and St. Paul, Backhus said.

Sherman Wilburn, Phillips co-chair, Phillips Association of Community Organizations for Reform Now, said he has

seen the plague of prostitutes and drug dealers doing business standing amongst the children waiting for the bus. They show no care or concern for the children standing there, he said.

Sen. Linda Scheid (DFL-Brooklyn Park) said in some areas, there are bus stops on every block. Pretty soon the entire city is part of a zone and that would dilute the effectiveness of the program, Scheid said. Sen. Warren Limmer (R-Maple Grove) said Senators should consider whether or not past changes in penalties have changed behavior. The committee will vote on and further discuss the bill at the Thurs., Mar. 8, meeting.

In other action, the committee considered two bills authored by Sen. Linda Higgins (DFL-Mpls.). The first bill, S.F. 851 expands the crimes for which sex offender assessments must be conducted. The new list for assessment after conviction includes bestiality, promotion of prostitution, possession of child pornography, as well as other crimes, Higgins said. The bill is a result of recommendations from a legislative task force regarding the management of sex offenders, she said. The bill was recommended to pass and referred to the Finance Committee.

Also authored by Higgins, S.F. 1340 requires a report to the Legislature on public defender services in the Fourth Judicial District. There has been a history of problems with the allocation and distribution of funds for public defenders in Hennepin County, Higgins said. Hennepin County is the only county that is required to allocate property tax dollars for public defenders, said Penny Steele, commissioner, Hennepin County. The state funds public defenders in other counties, she said. Kevin Kajer, chief administrator, Board of Public Defenders, said the study will be a good start to educate everyone on the history and issues surrounding the discussion. Kajer said his office can complete the study without a specific appropriation. The bill was recommended to pass and referred to the Senate floor.

S.F. 1053, authored by Sen. Sandra Rummel (DFL-White Bear Lake), amends provisions governing how Ramsey County operates its correctional facilities. The bill makes two technical changes to bring the statute for Ramsey County facilities into harmony with current law and what is being done in other counties around the state, said Chris Crutchfield, community

relations director, Ramsey County Corrections. The bill was recommended to pass and sent to the Senate floor to be placed on the Consent Calendar.

Gang public nuisance bill gains

The Judiciary Committee, chaired by Sen. Mee Moua (DFL-St. Paul), held an evening hearing Wed., Mar. 7, to consider several measures.

S.F. 680, authored by Sen. Ron Latz (DFL-St. Louis Park), authorizes payment of the driver's license reinstatement fee and surcharge in installment payments. The bill specifies that payment of the \$250 fee and the \$430 surcharge for license reinstatement after a DWI may be paid in two installments, if the person qualifies financially for a public defender. Latz said the bill provides, though, that after the first payment, the license must expire after two years unless the balance of the fee and surcharge is paid. Travis Schwantes, assistant public defender, 10th Judicial District, said for many individuals payment of the fee and surcharge all at once is prohibitively expensive. He said people may drive without a license because they couldn't afford to pay the fee and surcharge and may end up in even more legal trouble, compounding their difficulties. The measure was approved and advanced to the Finance Committee.

Sen. Rick Olseen (DFL-Harris) authored a bill, S.F. 447, establishing a petty misdemeanor violation for the owner of a vehicle that is involved in hit-and-run offenses. The hit-and-run offenses covered under the bill include failure to stop for collision with an individual, property, or an unattended vehicle, and failure to give required information. The bill provides an exception if another person is charged with the violation, the vehicle was stolen at the time of the violation or the owner allowed another person to use the vehicle. After considerable discussion the bill was laid over.

Moua authored the final two bills. S.F. 1005 creates a motor vehicle theft account and authorizes emergency grants to victims of motor vehicle theft. Moua said the persons who have had their car stolen are victimized twice because not only was the car stolen, but they must also pay towing and impound fees if the car is recovered. Moua said the bill authorizes grants to city or county attorneys' offices or victim assistance programs to provide help to victims of motor vehicle theft. Under

the bill, an award paid to a victim must compensate the victim for actual costs incurred, but not more than \$300. The measure was approved and re-referred to the Finance Committee. S.F. 493 establishes procedures under which a civil suit may be brought to stop a public nuisance involving gang activities. The bill specifies that a criminal gang that continuously or regularly engages in gang activities is a public nuisance and that if the gang continuously or regularly uses a place for gang activity knowingly permitted by the person who owns the place, the place is a public nuisance. The measure authorizes a county or city attorney or the attorney general to enjoin a public nuisance involving gang activity. The bill was approved and sent to the Senate floor.

Five bills gain

Members of the Judiciary Committee met Thurs., Mar. 8, to consider five measures on disparate topics, including mental health services, drug-free zones and vehicle protection products. The committee is chaired by Sen. Mee Moua (DFL-St. Paul).

Sen. John Marty (DFL-Roseville) carried S.F. 148, which is a comprehensive effort to address the availability of mental health services. Provisions in the committee's jurisdiction relate to the use of disciplinary confinement in correctional facilities, the use of a mental health screening tool by law enforcement to identify persons who may suffer from mental illness, and the creation of a council supporting the development of crisis intervention teams. The measure was approved and re-referred to the State and Local Government Operations and Oversight Committee.

S.F. 276, authored by Sen. Don Betzold (DFL-Fridley), creates a statewide health insurance pool for school districts. The only provision within the committee's jurisdiction relates to data practices governing information collected by the pool. Betzold said the provision is similar to protections in current law. The bill was advanced to the Health, Housing and Family Security Committee.

Three bills were advanced to the Finance Committee. S.F. 1179, sponsored by Sen. Linda Berglin (DFL-Mpls.), expands drug-free and prostitution-free zones. S.F. 1346, carried by Sen. Patricia Torres Ray (DFL-Mpls.), makes a variety of changes in the secretary of state's

business and nonprofit entity regulatory functions. S.F. 128, sponsored by Sen. Dan Sparks (DFL-Austin), regulates vehicle protection products, such as body part marking, steering locks, window etching, ignition locks and tracking devices. Data privacy and record keeping provisions within the bill brought the measure within the committee's jurisdiction.

Judiciary Budget Division

Theft and burglary bills heard

The Judiciary Budget Division, chaired by Sen. Leo Foley (DFL-Coon Rapids), met Tues., Mar. 6, to consider the financial impact of three bills. S.F. 727, carried by Sen. Satveer Chaudhary (DFL-Fridley), makes it a felony to commit theft of a computer that has identity information in its memory, other than a name, about the owner or any other person. Chaudhary said the measure increases the penalty in order to discourage theft of a computer containing information that could be used for identity fraud.

S.F. 1117, also carried by Chaudhary, adds new crimes to the definition of burglary in the second degree. Under the bill, whoever enters a government building, religious establishment or school building without consent and with intent to commit a crime, or enters those types of building without consent and commits a crime while in the building is guilty of second degree burglary. Chaudhary said the penalty for second degree burglary is imprisonment for not more than ten years or payment of a fine of not more than \$20,000 or both. He said incidents in which objects have been stolen from religious buildings, schools or government buildings and the accompanying vandalism are more egregious than similar crimes committed at a warehouse or other type of establishment.

S.F. 643, authored by Sen. Mee Moua (DFL-St. Paul), makes it a crime to use the Internet to solicit children to engage in sexual conduct, to communicate with children in a sexually explicit manner or to distribute sexually explicit material to children. Under the bill, the penalty for the crime is imprisonment for not more than three years or payment of a fine of not more than \$5,000.

All three bills were advanced to the full Finance Committee.

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Jail reentry project bill heard

The Judiciary Budget Division, chaired by Sen. Leo Foley (DFL-Coon Rapids), met Thurs., Mar. 8, to consider several measures. S.F. 859, sponsored by Sen. John Marty (DFL-Roseville), provides an appropriation for a reentry project for individuals leaving county jails. He said the bill will provide pre-release assessments, client-specific programming, discharge planning and follow-up for persons with mental illness, traumatic brain injury, chemical dependency, or a history of homelessness. He said the measure will help promote public safety, prevent recidivism and promote successful re-entry into the community. Provisions dealing with mental health courts were laid on the table for possible inclusion in the omnibus bill and the balance of the bill was approved and advanced to the Finance Committee.

A bill, S.F. 1614, sponsored by Sen. Terri Bonoff (DFL-Minnetonka), providing for an appropriation to develop and implement the use of a uniform statewide form for domestic abuse no contact orders was also heard. The bill also specifies to the degree feasible, the form require a photo of the subject of the order and the most pertinent information on the subject collected by the CrimNet system. The measure was laid on the table.

S.F. 624, authored by Sen. Don Betzold (DFL-Fridley), makes a number of changes to provisions governing marriage licenses and fees. Under the bill, the fee of \$100 is raised to \$110 with the additional \$10 remaining with the county. The bill retains the current distribution of the balance of the fee. Betzold said the costs associated with issuing and filing the licenses have gone up over the years and the additional money is needed to cover costs. The bill was approved and advanced to the full Finance Committee.

Property Tax Division

Variety of bills considered

Members of the Property Tax Division met Mon., Mar. 5, to consider nine measures on a range of topics. The panel, chaired by Sen. Rod Skoe (DFL-Clearbrook), laid all the bills over for possible inclusion in the division's omnibus property tax proposal.

S.F. 342, carried by Sen. Bill Ingebrigtsen (R-Alexandria), extends the



Senators Mee Moua (DFL-St. Paul), left, and Rick Olseen (DFL-Harris) converse in the Senate Chamber following the Senate's Thurs., Mar. 8, floor session.

Photo by David J. Oakes

abatement authority to delinquent taxes, interest and penalties. S.F. 389, sponsored by Sen. Betsy Wergin (R-Princeton), modifies the tax base used to calculate debt service levies. S.F. 545, authored by Sen. Keith Langseth (DFL-Glyndon), eliminates a distance limitation for agricultural homesteads, increases the agricultural market value homestead credit and reduces the class rate for agricultural homesteads. S.F. 486, carried by Sen. Michelle Fischbach (R-Paynesville), increases the city aid base for non-Metro Area cities with populations greater than 10,000.

Sen. Dennis Frederickson (R-New Ulm) carried S.F. 330, which extends homestead classification to buildings containing fewer than four residential units or to a single rented or leased dwelling unit located within or attached to a private garage or similar structure owned by the owner of a homestead and located on the premises of the homestead. S.F. 404, authored by Sen. Terri Bonoff (DFL-Minnetonka), changes the residential homestead market value credit. Sen.

Thomas Bakk (DFL-Cook) sponsored two bills. S.F. 978 provides a property tax exemption for modular homes used as models by dealers. S.F. 1065 exempts from the property tax the homesteads of permanently and totally disabled veterans or their spouses. Sen. Mee Moua (DFL-St. Paul) carried S.F. 1046, increasing the appropriation for local government aid and modifying the distribution formula.

Classification, valuation bills heard

Measures relating to the classification and valuation of property were among the proposals heard by members of the Property Tax Division, Wed., Mar. 7. The panel, chaired by Sen. Rod Skoe (DFL-Clearbrook), laid all the measures over for possible inclusion in the property tax article of the omnibus tax bill.

S.F. 370, authored by Sen. Richard Cohen (DFL-St. Paul), extends the limited market value program for two years. S.F. 824, carried by Sen. Mee Moua (DFL-St. Paul), lowers the threshold for the low-income rental property classification

program from 75 percent of units to 20 percent of units. The measure also adds rent and income restrictions imposed as a condition of local government assistance to the list of qualifications. S.F. 681, sponsored by Sen. Julianne Ortman (R-Chanhassen), creates a property tax cap for homeowners over age 65, with household incomes less than \$60,000, who have lived in their home for at least 25 years.

Sen. Scott Dibble (DFL-Mpls.) carried two bills. S.F. 947 limits homestead property taxes to a percentage of the homeowner's income. S.F. 633 reduces the assessed market value of energy-efficient new commercial property. S.F. 1255, authored by Sen. Katie Sieben (DFL-Newport), creates a property tax exemption for facilities used to operate a state or federally approved apprenticeship program. Sen. Dan Larson (DFL-Bloomington) sponsored S.F. 811, which eliminates the city of Bloomington's obligation to make additional contributions to the fiscal disparities pool.

Public Safety Budget Division

Child advocacy, homeless and domestic violence grants heard

The Public Safety Budget Division, chaired by Sen. Linda Higgins (DFL-Mpls.), met Mon., Mar. 5, to consider bills providing for grants to a variety of programs. All of the bills were laid over for possible inclusion in the division's omnibus appropriations bill.

Sen. Ron Latz (DFL-St. Louis Park) sponsored two measures. S.F. 1125 appropriates \$1 million each year of the biennium for grants for child advocacy centers. The bill specifies that to be eligible for a grant an advocacy center must offer support and services for alleged child abuse victims and their families and help coordinate investigations. The measure also specifies that the centers must help with the training of multidisciplinary child protection teams. Kayla Bjortomt, a victim, told division members that being able to talk with law enforcement officials in a more homelike setting than a police station and being able to receive services from individuals trained in helping child abuse victims helped ease her recovery from the ordeal.

The second bill, S.F. 1150, establishes a homeless outreach grant program. Latz

said the bill is aimed at individuals experiencing long-term homelessness and homeless individuals who have had repeated interactions with law enforcement. He said the bill also specifies that outreach services provide intervention strategies aimed at providing housing and services as an alternative to arrest. Cathy TenBroeke, city and county coordinator, Ending Homelessness in Minneapolis and Hennepin County, said that 266 individuals were responsible for 66,000 jail and shelter stays over the last five years. John Vomastek, inspector and commander, Downtown St. Paul Precinct, said current outreach programs have been of tremendous benefit to the police, because professionals are able to respond to incidents without tying up police resources. He said 60 percent of the homeless are mentally ill and need services, rather than jail.

Higgins also sponsored two bills. S.F. 1500 establishes a five-year demonstration project designed to promote the recovery and success of high-risk adults who frequently use costly public services such as emergency rooms, treatment programs, jails, prisons and detox facilities. Higgins said the bill defines a high-risk adult as someone with a history of some combination of substance abuse, mental illness, chronic unemployment, incarceration or homelessness. S.F. 1488 authorizes a grant to address domestic violence among offenders re-entering the community after a period of incarceration.

S.F. 780, authored by Sen. Thomas Neuville (R-Northfield), doubles the current value thresholds for ten-year felony theft from \$2,500 to \$5,000, for five-year felony theft from \$500 to \$1,000, gross misdemeanor theft from \$250 to \$500, and misdemeanor theft from \$250 or less to \$500 or less. Higgins said the fiscal note on the bill said the measure would result in fewer beds being needed in state facilities. The final bill, S.F. 1177, sponsored by Sen. Linda Scheid (DFL-Brooklyn Park), appropriates \$750,000 in each year of the biennium to fund the Hennepin County Violent Offender Task Force.

Safety appropriations considered

Chair Linda Higgins (DFL-Mpls.) and members of the Public Safety Budget Division heard several bills that will be considered for inclusion in the omnibus bill at the Wed., Mar. 7, meeting. The division voted to lay all of the bills on the table.

Authored by Sen. Mary Olson (DFL-Bemidji), S.F. 1307 appropriates money for programs that serve sexual assault victims, domestic violence victims, abused children and other crime victims. One part of the bill provides funds to create new programs in 13 counties that do not have state-supported sexual assault services, said Donna Dunn, executive director, Minnesota Coalition Against Sexual Assault.

S.F. 1613, authored by Sen. Terri Bonoff (DFL-Minnetonka), appropriates money for peace officer training related to domestic violence no contact orders. The bill requires the Peace Officer Standards and Training Board to develop training courses relating to no contact orders in domestic violence cases, Bonoff said. Vicki Swenson, a private citizen, said her sister was killed by her ex-boyfriend after he had violated the no contact order several times.

Carried by Sen. Ann Rest (DFL-New Hope), S.F. 1445 appropriates \$600,000 in the next biennium for a nonprofit youth organization in the northeast Metro. The MOSAIC Youth Center provides after school and summer activities, tutoring, mentoring and job assistance services, said Elyse Farnsworth, executive director. The programs decrease crime, engage youth and involve kids in healthy behaviors, she said. Lasaundra Higgins, a student at Cooper High School, said the youth center has given her academic support, helped her be part of the community and taught her to work with adults.

Sen. Satveer Chaudhary (DFL-Fridley) presented two bills to the committee. S.F. 727 makes it a felony to steal a computer that has identity information in its memory about the owner or any other person. Under current law, the crime is measured by the value of the computer, but it does not take into account the rapid depreciation of computers, Chaudhary said. Identity theft is a growing problem and people are increasingly using computers to store identity information, said Al Zdrzil, assistant attorney general.

Chaudhary's second bill, S.F. 1117, expands the crime of burglary in the second degree to include persons who enter a government building, religious establishment or school building to commit a theft crime or damage property. The bill increases the penalty for a burglary in a government building, religious establishment or school, Chaudhary said.

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Sen. Sandra Pappas (DFL-St. Paul), who also presented two bills, authored S.F. 969. The bill authorizes a legal advocacy trafficking victims grant. The bill appropriates \$300,000 for screening clinics that provide free legal, medical, dental, mental health, shelter and vocational counseling services to trafficking victims in Minnesota, Pappas said.

S.F. 1440, Pappas' other bill, appropriates money for a teen court program in St. Paul. Susan Armstrong, a teacher at Johnson High School in St. Paul, said a teen court allows teens who commit minor offenses and meet certain criteria to be sentenced by a panel of their peers. Teens appreciate that the panel understands what they are going through, Armstrong said. Offenders who go through the teen court have lower recidivism rates, she said. Sen. Julie Rosen (R-Fairmont) said Senators should look at how other teen courts in the state are funded so that they all get equal treatment.

S.F. 823, authored by Sen. Mee Moua (DFL-St. Paul), authorizes organizations providing mentoring services to request criminal background checks from the Bureau of Criminal Apprehension. The bill allows for up to 40,000 background checks for charitable, nonprofit mentoring organizations, Moua said.

Moua also authored S.F. 1549. The bill appropriates money for an emergency preparedness coordinator for the city of St. Paul. Sen. Leo Foley (DFL-Coon Rapids) said there may be a need for a coordinator during the 2008 Republican National Convention, but not necessarily as an ongoing position.

In other action, members heard three bills that were not formally in front of the division, so no action could be taken.

S.F. 1005, authored by Moua, authorizes emergency grants to victims of motor vehicle theft. Moua said the bill will help people whose cars were stolen and then impounded. Currently, victims have to pay the towing and impound fees, Moua said. The bill creates a mechanism for victims to be reimbursed for the cost, she said.

Also authored by Moua, S.F. 279 requires studies of collateral sanctions and the automatic sealing of arrest records. The Judiciary Committee decided the studies are necessary before moving forward with legislation on these issues, Moua said.

S.F. 680, authored by Sen. Ron Latz (DFL-St. Louis Park), authorizes the

payment of the DUI driver's license reinstatement fee in installments over two years. The current fee for DUI driver's license reinstatement is almost \$700, Latz said. The high cost is a significant financial barrier for many people to get their licenses reinstated, he said. Latz said not having a license does not stop a person from driving, which creates a public safety risk. A person must qualify financially for a public defender to be a part of the installment program, Latz said.

Rules and Administration

Constitutional amendment heard

The Rules and Administration Committee met Mon., Mar. 5, to consider a bill proposing a constitutional amendment removing the limit on the number of legislative days the Legislature may meet.

Sen. James Metzen (DFL-South St. Paul) said the limit of 120 legislative days was set 36 years ago. The bill, S.F. 101, which he authored, removes the limit, but does not allow the Legislature to spend more time in session. Metzen said the deadline of the first Monday after the third Saturday in May remains, but the limit on days actually spent in floor session is removed. A legislative day is any day in which either body meets in floor session, Metzen said. He said the bill is an attempt to provide more flexibility, and ultimately, to speed up the legislative process. Members decided to set the bill aside in order to consider it in conjunction with other proposals for constitutional amendments.

Members also considered a bill adding two ex officio legislative members to the Capitol Area Architectural and Planning Board. S.F. 118, authored by Sen. Sandra Pappas (DFL-St. Paul), specifies that in addition to the members already appointed to the board, the Senate and House members whose districts encompass the Capitol also be named to the board. Members laid the bill over for further consideration. S.F. 543, sponsored by Sen. David Tomassoni (DFL-Chisholm), was advanced to the Senate floor. The bill is a resolution urging Congress to enact the Employee Free Choice Act. The statewide smoking ban bill, S.F. 238, sponsored by Sen. Kathy Sheran (DFL-Mankato), was referred to the Finance Committee. The measure had been directed to the Rules and Administration Committee after a

member objected, under Senate Rule 4.9, to the committee reference for the bill.

State and Local Government Operations and Oversight

Committee considers new boards

Chair Ann Rest (DFL-New Hope) and members of the State and Local Government Operation and Oversight Committee heard several bills that create new boards and councils at the Mon., Mar. 5, meeting. The committee considered the governance structure of the boards, how the first meetings will be convened and the process for reporting back to the Legislature on the activities and accomplishments of the boards.

S.F. 276, authored by Sen. Don Betzold (DFL-Fridley), creates a statewide health insurance pool for school district employees. The bill creates the Minnesota School Employee Insurance Board with seven representatives of employers and seven representatives of employees, Betzold said. The board is required to design a system that will include at least six health plans for school employees to purchase, he said. The bill was recommended to pass and re-referred to the Judiciary Committee.

Authored by Sen. Betsy Wergin (R-Princeton), S.F. 303 extends the Municipal Boundary Adjustment Advisory Task Force. The bill extends the deadline for the task force to report to the Legislature to Jan. 1, 2008, Wergin said. The bill was recommended to pass and re-referred to the Finance Committee.

S.F. 586, authored by Sen. Patricia Torres Ray (DFL-Mpls.), establishes the Council on Indigenous Language. The Dakota and Ojibwa languages are indigenous to Minnesota, and it is important to preserve these languages before they disappear, Torres Ray said. There are only 14 tribal elders left that speak Dakota, said Evonne Leith, a student in Dakota language at the University of Minnesota. The council will seek more strategies to promote and preserve the Dakota and Ojibwa languages, Leith said. The bill was recommended to pass and re-referred to the Education Committee.

In other action, the committee heard S.F. 1033. Authored by Sen. Yvonne Prettner Solon (DFL-Duluth), the bill provides for compulsive gambling education, treatment and assessment. The

state needs to ensure that services are available to people who need treatment to deal with gambling addiction, said Steve Dentiner, executive director, Lake Superior Family Services, Gambling Intervention Services. Approximately 3 percent of all Minnesotans have a gambling problem, Prettner Solon said. The bill also requires a study of the social and economic costs of gambling, she said. The bill was recommended to pass and re-referred to the Health, Housing and Family Security Committee.

S.F. 329, authored by Sen. Scott Dibble (DFL-Mpls.), provides compensation to state employees for the time they were not able to work during the 2005

partial government shutdown. Through no fault of their own, employees were not allowed to work, Dibble said. The agencies were fully funded to pay for employees to work during that time, so the money to pay for the bill should already be there, he said. Tony Brown, assistant state labor negotiator, Department of Employee Relations, said a deal was reached with labor unions to pay employees 50 percent of their wages for the time off. Sen. Claire Robling (R-Jordan) said a deal's a deal and she doesn't want to bring the issue back after it has been settled. The bill was recommended to pass and re-referred to the Finance Committee.

Sen. Linda Higgins (DFL-Mpls.) authored S.F. 235. Also known as the e-waste bill, the bill provides for collection, transportation and recycling of video display devices. Under the bill, the Department of Administration must ensure that state acquisitions of video display devices are in accordance with the bill, Higgins said. The bill was recommended to pass and re-referred to the Finance Committee.

Authored by Robling, S.F. 801 appropriates money for general legislative and administrative expenses. The bill was amended to remove the portions of the bill about grants because they are a part of another bill, S.F. 1539, authored by Rest. The bill was recommended to pass as amended and re-referred to the Finance Committee.

S.F. 1539, authored by Rest, establishes a grants management process, governance and structure. The bill establishes a grants management office that will establish standards to ensure consistency in grant standards across all state agencies, said Dana Badgerow, commissioner of administration. The bill was recommended to pass and re-referred to the Judiciary Committee.

Rest also authored S.F. 416. The bill requires the state to maintain a website with a searchable database on state contracts and grants. The website will make information about state grants available in a more consumer friendly way, Rest said. The bill was recommended to pass and re-referred to the Judiciary Committee.

Automatic voter registration gains

A proposal to automatically register eligible voters when they apply for driver's licenses was approved by members of the State and Local Government Operations and Oversight Subcommittee on Elections, Wed., Mar. 7.

S.F. 1297, carried by Chair Dan Larson (DFL-Bloomington), also automatically registers eligible voters when they apply for instructional permits and identification cards. The measure also requires the secretary of state to update a voter's registration when the voter files a permanent change of address with the U.S. Postal Service. Secretary of State Mark Ritchie said the idea for the bill came from discussions with local elections officials. Because the Dept. of Public Safety is now collecting and verifying citizenship status



Senators Mary Olson (DFL-Bemidji) and Rod Skoe (DFL-Clearbrook) converse during a Senate floor session, Thurs., Mar. 8.

Photo by David J. Oakes

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when people apply for driver's licenses or other identification documents, Ritchie said, automatic registration is possible. He noted that the bill gives eligible voters the opportunity to opt out when they apply for the driver's license or other document. Sen. Chris Gerlach (R-Apple Valley) said automatic registration was controversial. The subcommittee rejected an amendment, offered by Gerlach, deleting the section of the bill providing for automatic registration. S.F. 1297 was advanced to the full committee.

Three other measures were also approved and advanced. S.F. 1527, also authored by Larson, provides for a non-binding presidential primary to be conducted on the first Tuesday after the first Monday in February. S.F. 1310, carried by Sen. Tony Lourey (DFL-Kerrick), is the elections housekeeping bill. S.F. 1298, sponsored by Sen. Linda Higgins (DFL-Mpls.), makes a variety of changes in voter registration, voting, and election conduct laws, at the recommendation of the Secretary of State's Office. The bill permits eligible voters to register online, prohibits paying persons engaged in voter registration efforts on a per-card basis, increases from four to six years the time during which a voter must have voted to retain active status in the statewide voter registration system, requires the secretary of state to obtain a list of all newly naturalized citizens in Minnesota and to mail them voter registration materials, and prohibits the media from photographing voters who object.

State Government Budget Division

Constitutional officers', Legislature's budgets heard

Members of the State Government Budget Division, chaired by Sen. Don Betzold (DFL-Fridley), turned their attention, Mon., Mar. 5, to the governor's budget recommendations for three constitutional offices and the Legislature.

The recommendation for the Governor's Office, which includes staff for the lieutenant governor, provides for \$7.359 million in general fund spending in FY 08-09, a 2.7 percent increase. The recommendation for the State Auditor's Office provides for \$17.043 million from the general fund, a three percent increase. The Secretary of State's Office budget

recommendation is \$12.221 million, a two percent increase. The governor's recommendation for the Legislature is \$126.663 million from the general fund, an increase of 8.9 percent. The governor did not include any line-item recommendations for the other constitutional officers or the Legislature, out of respect for separation of powers, according to the transmittal letters enclosed with each recommendation.

Bills heard

Members of the State Government Budget Division continued their examination of measures proposing appropriations, Wed., Mar. 7. The panel, chaired by Sen. Don Betzold (DFL-Fridley), laid the bills

over for possible inclusion in the omnibus state government budget bill.

S.F. 801, carried by Sen. Claire Robling (R-Jordan), contains the governor's recommendations for the various state agencies within the division's jurisdiction. S.F. 666, sponsored by Sen. Ann Rest (DFL-New Hope), authorizes the sale of state bonds to finance an expansion and restoration of the State Capitol. Rest authored two additional bills. S.F. 41 permits the Legislative Auditor's Office to retain the fees it charges to the State Agricultural Society, Metropolitan Sports Facilities Commission, Metropolitan Airports Commission, and Metropolitan Mosquito Control Commission. S.F. 1040 increases, from \$1.25 million to \$2 million



With mascot "General Election" offering support in the background, Sen. Sandra Pappas (DFL-St. Paul) presents an appropriation proposal to the State Government Budget Division, Fri., Mar. 9, for Kids Voting Minnesota.

Photo by David J. Oakes

per general election, the statutory appropriation from the general fund to the state elections campaign fund.

Sen. Rod Skoe (DFL-Clearbrook) sponsored two bills. S.F. 982 provides \$425,000 in annual equipment grants to Minnesota Public Radio, \$325,000 in annual community service grants to public educational radio stations, and \$100,000 in annual equipment grants to public educational radio stations. S.F. 622 appropriates \$80,000 in FY 2008 to the Indian Affairs Council for the acquisition of an Indian burial site in Becker County. S.F. 1047, carried by Sen. Gary Kubly (DFL-Granite Falls), provides \$14 million for grants to public television stations to assist with the federally mandated conversion to a digital broadcast signal.

S.F. 887, authored by Rest, abolishes the Department of Employee Relations and transfers the agency's functions to other state departments. S.F. 1308, carried by Sen. Dan Larson (DFL-Bloomington), appropriates \$734,000 to the Amateur Sports Commission and requires lease revenues to be used to offset the appropriation. S.F. 1506, carried by Skoe, provides \$3.8 million to Minnesota Public Radio to assist in the federally mandated conversion to a digital broadcast signal. S.F. 1214, authored by Sen. Scott Dibble (DFL-Mpls.), appropriates \$250,000 annually to the Legislative Commission to End Poverty in Minnesota by 2020.

Numerous bills heard

Members of the State Government Budget Division met Fri., Mar. 9, to consider a lengthy agenda. All the bills heard were laid over for further consideration.

S.F. 208, sponsored by Sen. Kathy Sheran (DFL-Mankato), expands the eligibility of voting by absentee ballot and eliminates references to reasons voters are unable to vote in person. The bill also provides for the use of an agent to transport absentee ballots between election officials and an absentee voter and permits voters to seek permanent absentee voting status. S.F. 1375, authored by Sen. Ann Rest (DFL-New Hope), appropriates \$65,000 to the Capitol Area Architectural and Planning Board for its required decennial comprehensive planning and zoning review. S.F. 394, carried by Sen. David Senjem (R-Rochester), provides

\$90,000 in FY 08 and \$70,000 in FY 09 to the Mississippi River Parkway Commission to support tourism and economic development along the Great River Road.

Sen. Sandra Pappas (DFL-St. Paul) authored two bills. S.F. 918 appropriates \$500,000 annually for grants to the Council on Developmental Disabilities to establish a statewide self-advocacy network for persons with intellectual and developmental disabilities. S.F. 1158 provides a \$250,000 grant to Kids Voting Minnesota, a program designed to educate children about voting and the democratic process. S.F. 326, sponsored by Sen. Claire Robling (R-Jordan), requires the State Lottery's unclaimed prize money to be distributed, at the end of each fiscal year, 60 percent to the general fund and 40 percent to the environment and natural resources trust fund.

Division Chair Don Betzold (DFL-Fridley) sponsored five measures. S.F. 130 requires the Legislative Coordinating Commission to oversee legislative training forums and provides \$20,000 in FY 08 to fund the forums. S.F. 1382 appropriates funds to the state auditor for two purposes. Under the bill, \$1.041 million is for staff retention efforts and \$370,000 is for job opportunity building zone audits. S.F. 1361 appropriates \$547,000 annually to restore the Land Management Information Center to full funding. S.F. 1568 provides the attorney general with \$1.745 million annually to fund 13 additional attorney positions and one investigator position to handle legal work involving the civil commitment of sex offenders, the prosecution of serious drug cases, predatory lending cases, antitrust violations, criminal appeals, and illegal actions of the pharmaceutical industry.

S.F. 1679 makes a variety of appropriations to the secretary of state. Under the bill, \$50,000 is for the operation of an instant runoff voting task force, \$150,000 is for improvements to the secretary of state's website, \$50,000 is for publication and distribution of the legislative manual in print and electronic formats, \$2.41 million is for improvements to business services, including the development of additional electronic filing systems, \$886,000 is for implementation of safe at home legislation, and \$3.164 million is for federally authorized Help America Vote Act purposes.

Taxes

Capital equipment tax bills heard

The Taxes Committee met Tues., Mar. 6, to consider several bills relating to the sales tax exemption for capital equipment. The panel, chaired by Sen. Thomas Bakk (DFL-Cook), also heard several other bills. Most of the measures were laid over for possible inclusion in the omnibus tax bill.

Four measures deal with the capital equipment sales tax issue. Bakk said that under current law, capital equipment is exempt from sales tax, but the tax must be imposed, collected and then refunded. The bills make the exemption automatic and eliminate the refund requirement. S.F. 117, carried by Sen. Ann Rest (DFL-New Hope), S.F. 146, sponsored by Sen. Dan Larson (DFL-Bloomington), S.F. 159, authored by Sen. Betsy Wergin (R-Princeton), and S.F. 234, carried by Sen. Chris Gerlach (R-Apple Valley), all address the issue. Proponents said not collecting and refunding the sales tax is more efficient and eliminates paperwork. No action was taken on the bills carried by Larson, Wergin and Gerlach. The measure carried by Rest, S.F. 117, was laid over for possible inclusion in the omnibus bill.

Bakk carried three measures. S.F. 977 modifies the sourcing rules for modular and manufactured homes for sales tax purposes. Under the bill, a sale of a manufactured or modular home is sourced to the site where the housing is first set up or installed. S.F. 709 specifies that sales of targets to shooting ranges are a sale of property for resale and are exempt from the sales tax. S.F. 1378 provides for the disposition of contraband cigarettes. Under the bill, the cigarettes may be used as evidence in an ongoing civil or criminal investigation or destroyed.

S.F. 884, sponsored by Sen. Michael Jungbauer (R-East Bethel), authorizes the city of Anoka to establish tax increment financing districts for development associated with a proposed rail transit station. The measure was laid on the table for further discussion. S.F. 999, carried by Sen. John Doll (DFL-Burnsville), authorizes the city of Burnsville to establish tax increment financing districts to pay for the cost of correcting the unusual terrain or soil deficiencies. S.F. 897, authored by Sen. Jim Carlson (DFL-Eagan), exempts construction materials and equipment for a

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legal reference and data center facility. S.F. 869, authored by Sen. Rod Skoe (DFL-Clearbrook), provides tax exemptions for emergency response vehicles and repair parts. S.F. 882, carried by Sen. Lawrence Pogemiller (DFL-Mpls.), provides a direct sales tax exemption for purchases of capital equipment by the printing industry.

Naturalization tax credit heard

A proposal to provide an income tax credit for expenses involved in becoming a U.S. citizen was heard by members of the Taxes Committee, Thurs., Mar. 8. The measure, along with several others, was laid over for possible inclusion in the omnibus tax bill.

S.F. 830, authored by Sen. Ann Lynch (DFL-Rochester), offers a tax credit for application fees, biometric fingerprint fees and other filing fees paid to the U.S. Citizenship and Immigration Services in connection with a naturalization application, the enrollment costs for English language classes and the costs of citizenship classes. To qualify for the credit, under the bill, taxpayers must not have household incomes higher than 200 percent of the federal poverty guidelines. While immigration and naturalization are primarily federal issues, the states can send a significant message in support of people on the path to citizenship, said John Keller, executive director of the Immigrant Law Center of Minnesota. Relieving some of the financial burden for low-income immigrants and refugees encourages them to continue pursuing naturalization, he said.

Lynch also carried S.F. 782, modifying the definition of a small city for tax increment financing purposes. S.F. 385, sponsored by Sen. Lawrence Pogemiller (DFL-Mpls.), provides an income tax credit for the rehabilitation of historic structures. S.F. 1136, authored by Sen. Katie Sieben (DFL-Newport), provides a sales tax exemption for construction materials and equipment used to construct a court facility in Washington County. S.F. 1139, also carried by Sieben, provides a sales tax exemption for materials used to construct and maintain local roads and bridges.

Committee Chair Thomas Bakk (DFL-Cook) carried three bills. S.F. 820 requires contractors to withhold, as Minnesota withholding tax, two percent of payments made to non-employee individuals when

the amount the contractors pay to the individuals during the calendar year exceeds \$600. S.F. 1394 permits the city of Proctor to impose a half-cent sales tax, subject to voter approval, with the revenues dedicated to various capital projects. S.F. 1024 was re-referred to the Judiciary Committee; the bill updates statutes governing the Department of Revenue's collection procedures.

The panel considered an additional bill sponsored by Bakk, but took no action on it. S.F. 611 makes a variety of technical changes in data practices laws governing the Department of Revenue. Because the bill was in the Judiciary Committee, members could not act on it, but did hear a review of the provisions from department staff.

Transit Subdivision

Transit funding bills heard

A major transit funding bill took center stage at the Tues., Mar. 6, evening meeting of the Transportation Budget and Policy Division Subdivision on Transit.

S.F. 1032, authored by Sen. Katie Sieben (DFL-Newport), is a comprehensive statewide transit funding bill. The bill, dubbed Transportation Choices 2020, implements the Metropolitan Council's 2030 transportation policy plan by 2020, provides for eight new transit lines, provides for renovation of the Union Depot in St. Paul, imposes a one half of one percent sales tax within the Metropolitan Area, with the proceeds dedicated to transit and transit oriented development and transfers a portion of the motor vehicle sales tax revenues to be used for transit purposes, Sieben said. There is tremendous demand for transit, Sieben said, and there is an opportunity to receive federal matching funds. The measure also addresses transit needs in Greater Minnesota, she said.

Mayor Jerry Miller of Winona said smaller cities like Winona have transit needs, too. He said that the transit system in his city is only available five days a week and then only during regular business hours. He said the transit system does not meet the needs of the people who most use the system. Representatives of several groups spoke in support of the bill. Supporters said that a stable funding source for transit is needed to reduce dependency on foreign oil and because of

climate change brought about by global warming.

Sen. Sandra Pappas (DFL-St. Paul) sponsored a very similar bill. S.F. 970 also creates a transit fund and provides for a one half of one percent sales tax in the Metro Area with the proceeds being used for transit. She said she fully supported Sieben's bill because it has been obvious for a very long time that a stable funding source for transit is needed.

Both measures were laid over to be considered in an omnibus transit bill.

The panel heard several additional bills all of which were laid on the table for consideration as part of the omnibus bill. Committee Chair Scott Dibble (DFL-Mpls.) explained a bill, not yet introduced, that authorizes the establishment of joint powers boards to impose a one half of one percent sales tax for transportation and transit purposes. He said the joint powers boards would allow local units of government to have governance of new transportation funds to ensure accountability to address local needs. Dibble said the joint powers boards would also be able to maximize federal funds.

S.F. 187, authored by Sen. Bill Ingebrigtsen (R-Alexandria), provides for transitional deposits of proceeds of the motor vehicle sales tax to highway user fund and transit funds. The bill specifies the amounts to be deposited into each account until July 1, 2011. After that time, the bill specifies that 60 percent be deposited in the highway user tax distribution fund, 35 percent be deposited in the Metropolitan Area transit fund and five percent be deposited in the Greater Minnesota transit fund. S.F. 1138, carried by Sen. Jim Carlson (DFL-Eagan), also provides for apportionment of proceeds from the sales tax on motor vehicles. Under the bill, 38 percent of the funds would be used for Metro Area transit, two percent for Greater Minnesota transit and 60 percent be deposited in the highway user tax distribution fund. Carlson said the bill follows the governor's recommendation on the apportionment of the motor vehicle sales tax.

S.F. 1411, carried by Dibble, encourages the coordination of paratransit services, establishes paratransit and special transportation service standards and requires subsidized paratransit providers to offer intercounty service. S.F. 1305, authored by Sen. Dan Larson (DFL-Bloomington), requires a referendum to



Following the Senate's floor session, Thurs., Mar. 8, Senators Yvonne Prettnner Solon (DFL-Duluth) and Tony Lourey (DFL-Kerrick) converse in the Senate Chamber.

Photo by David J. Oakes

impose a one half of one percent Metro Area sales tax for transportation and transit purposes and authorizes the imposition of county sales taxes for transportation purposes.

S.F. 1448, authored by Sen. Ron Latz (DFL-St. Louis Park), appropriates money from the bond proceeds fund for a draft environmental impact statement and preliminary engineering for the Southwest Transitway Corridor. The bill was approved and referred to the full Transportation Budget and Policy Division because the bill needs to be heard by the Capital Investment Committee. S.F. 1384, authored by Sen. Sandy Rummel (DFL-White Bear Lake), was also advanced to the full division. The bill appropriates \$1 million for a grant to the Ramsey County Regional Railroad Authority to acquire land for, design and construct park-and-

pool or park-and-ride lots located along the Rush Line Corridor from downtown St. Paul to Hinckley.

Representatives of the Twin West Chamber of Commerce and the Minnesota Chamber of Commerce spoke in opposition to increases in the sales tax. They said their organizations support more investment in transportation, but do not think tax increases are the appropriate way to fund those investments.

The panel also heard S.F. 1498. The measure, sponsored by Dibble, modifies provisions for planning, designing and constructing light rail transit in the Metropolitan Area. He said the bill allows the Metropolitan Council to oversee the development of light rail. Dibble also sponsored a bill, S.F. 1513, to provide that some costs for rail transit projects are not to

be funded by county regional railroad authorities.

East Metro transit discussed

Members of the Transit Subdivision held a joint meeting with the House Transportation and Transit Policy Subcommittee, Wed., Mar. 7. The panels, chaired by Sen. Scott Dibble (DFL-Mpls.) and Rep. Frank Hornstein (DFL-Mpls.), met in Woodbury to discuss transit issues with elected officials, government administrators, business leaders, representatives of community groups, and members of the public from the eastern Metro Area.

Transportation Budget and Policy Division

MAC oversight bill considered

The Transportation Subcommittee on Airways, Waterways and Railways considered a bill that would require legislative authorization for certain Metropolitan Airports Commission (MAC) agreements at the Mon., Mar. 5, meeting. Sen. Ann Rest (DFL-New Hope) chairs the subcommittee.

Authored by Sen. Steve Murphy (DFL-Red Wing), S.F. 580 requires the MAC to obtain legislative approval before entering into certain agreements. Under the bill, MAC cannot enter into any agreements with terms of longer than six months if the agreement results in reduction in lease payments, shared concession revenues, payment of rebates or otherwise reduces a carrier's costs of operations by more than \$100 million, said Sen. Scott Dibble (DFL-Mpls.), who presented the bill. MAC is trying to significantly reduce the lease rates for carriers, Dibble said. The rate reduction is a tremendous benefit to Northwest Airlines (NWA), which would save \$240 million under the proposed lease agreement, he said. Dibble said the bill ensures the deal is being done with the appropriate level of public debate and ensures public benefit. The new lease agreement reduces costs to make the Minneapolis-St. Paul airport a more attractive and competitive airport for carriers, said Jeff Hamiel, executive director, MAC. Lease negotiations are a regular event and it would be unusual to have legislative oversight, Hamiel said. Negotiations are a one year process and require a detailed understanding of the

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industry, he added. Dibble said there is precedent for legislative oversight of major MAC financial deals, such as the 1996 loan to NWA. The bill was recommended to pass and referred to the Transportation Committee.

In other action, the subcommittee approved several other bills. The bills were all referred to the full Transportation Committee.

S.F. 127, authored by Sen. Tom Saxhaug (DFL-Grand Rapids), appropriates \$800,000 for safety improvements at railroad crossings in Grand Rapids. Tom Pagel, City Engineer, Grand Rapids, said the average wait time when a train passes through the city is two and a half minutes. The wait causes traffic to back up on Trunk Highway 169 and Trunk Highway 2, Pagel said. The improvements will reduce wait time, he said.

Authored by Sen. Thomas Bakk (DFL-Cook), S.F. 1121 appropriates \$1.7 million for the North Shore Express Intercity Rail Initiative. The project will bring passenger rail, from Duluth to the Twin Cities back to Minnesota, Bakk said. Part of the funds will be used for acquisition and reconstruction of rail beds, said Bob Manzoline, director, St. Louis and Lake Counties Regional Railroad Authority.

Sen. Katie Sieben (DFL-Newport) authored S.F. 223. The bill appropriates \$10 million for the state's share of a high-speed rail line between St. Paul and Chicago. The regional project will connect the Midwest and introduce modern train equipment, Sieben said. Trains will be able to travel at speeds of 110 miles per hour, she said. Sieben said there are significant cost savings to doing the high-speed rail project and the Red Rock Commuter Line at the same time.

Carried by Rest, S.F. 958 is the Minnesota Department of Transportation's (MnDOT) housekeeping bill. The bill gives MnDOT the authority to enter property to do soil testing after notifying the owner, said Betsy Parker, government relations director, MnDOT. The bill also includes a list of what people may not do on rail bank property, Parker said. Prohibited activities include building fences, obstructing trails and driving in unauthorized areas, she said.

Members also heard two bills that were not formally in front of the subcommittee.

Authored by Dibble, S.F. 1534 enacts the Railroad Walkways Safety Act. The bill creates the position of rail safety inspector, authorizes administrative penalties for safety violations and creates safe walkway standards, Dibble said. Several other states have created similar standards, he said. Vegetation and other debris can block railroad walkways, creating hazards for employees, said Phil Qualy, Minnesota legislative director, United Transportation Union. Brian Sweeney, director of government affairs, Burlington Northern Santa Fe Railway, spoke against the bill. The solution in the bill is disproportionate to the problem and would have significant costs, Sweeney said. Industry and labor representatives should work together to find a solution, he said.

S.F. 351, also carried by Sieben, appropriates \$1.5 million for the Red Rock Corridor Transit Way. The funds will be used to build park-and-ride lots and for a feasibility study of expanding the line from Hastings to Red Wing, Sieben said.

Road proposals heard

Members of the Transportation Budget and Policy Division met Tues., Mar. 6, and heard a number of bills providing funds for various road projects. The panel's vice chair, Sen. Jim Carlson (DFL-Eagan), chaired the meeting.

Two measures dealing with the completion of the Trunk Highway 610 construction project. S.F. 412, sponsored by Sen. Linda Scheid (DFL-Brooklyn Park), and S.F. 89, authored by Sen. Warren Limmer (R-Maple Grove), both provide funds for completing Highway 610. Scheid said the traffic problems in the northwestern suburbs are very severe and the highway, which has been under construction for years, must be completed. Mayor Mark Steffenson, city of Maple Grove, said, "Highway 610 is the highest priority for the mayors of the northwestern suburbs." He said completion of the project would have a positive economic impact on the entire region. Limmer said his bill provides for a \$6 million appropriation from the trunk highway fund to match federal funds of \$29 million. Both measures were laid over for possible inclusion in the division's omnibus bill.

Sen. James Metzen (DFL-South St. Paul) sponsored a bill, S.F. 391, authoriz-

ing an appropriation of \$15 million from the trunk highway fund for construction of an interchange at Trunk Highway 55, Yankee Doodle Road, and Argenta Trail. Metzen said the interchange will promote safety and relieve traffic congestion. S.F. 866, carried by Sen. Terri Bonoff (DFL-Minnetonka), appropriates \$100,000 for construction of a cable median safety barrier on Interstate 494 from the intersection with Carlson Parkway to the intersection with Highway 55.

A bill adding Trunk Highway 194, between Trunk Highway 2 and Trunk Highway 53, to the highways on which special paper products vehicles may travel was also heard. S.F. 470, carried by Sen. Tom Saxhaug (DFL-Grand Rapids), also changes the effective date of the special paper products vehicle permit law to Aug. 1, 2007, and adds a certain type of truck to the list of vehicles that may operate with a special paper products vehicle permit. The measure was approved and sent to the full Senate.

S.F. 107, sponsored by Sen. Charles Wiger (North St. Paul), authorizes an appropriation of \$2 million for the preliminary planning, design, and engineering of the Rice Street bridge where it crosses Highway 36 in Ramsey County. S.F. 441, carried by Sen. Rick Olseen (DFL-Harris), appropriates \$6 million for construction of a new bridge on Trunk Highway 95 at its intersection with Interstate 35 in the city of North Branch. S.F. 8, authored by Sen. Don Betzold (DFL-Fridley), appropriates \$400,000 for construction of a noise barrier where not currently in place along Trunk Highway 10 from the Airport Road to Interstate 35W.

Two measures relating to Trunk Highway 14 in the southern part of the state were also heard. S.F. 1265, authored by Sen. Kathy Sheran (DFL-Mankato), appropriates \$23 million for reconstruction of an interchange at Trunk Highway 14 and Nicollet County State-Aid Highway 41. S.F. 97, carried by Sen. Dick Day (R-Owatonna), appropriates \$100 million for improvement of Trunk Highway 14 from the intersection with Interstate 35 in Owatonna to a point near Trunk Highway 56 in Dodge Center.

S.F. 1071, sponsored by Sen. Scott Dibble (DFL-Mpls.), authorizes cameras and sensors at traffic-control signals to photograph vehicles entering, or turning at, an intersection in violation of the

traffic signal. The bill provides that the fine for an automated enforcement traffic signal violation be the same as the fine for a police-enforced traffic signal violation. Supporters said in the eight months the system was in operation in Minneapolis, there was a significant reduction in right angle accidents in intersections with the cameras. Dibble said the bill reworks the language of the law struck down by the courts last summer. The measure was advanced to the Judiciary Committee.

Wide range of bills heard

The Transportation Budget and Policy Division met Thurs., Mar. 8, and considered bills ranging in topic from airport safety zones to funding of bridge construction.

The division, led by Vice Chair Jim Carlson (DFL-Burnsville), began by adopting a number of subdivision reports from the Transit Subdivision and several subcommittee reports from the Subcommittee on Airways, Waterways and Railways.

S.F. 218, sponsored by Sen. Ann Rest (DFL-New Hope), clarifies the disclosure requirements for real estate in airport safety zones. The measure was approved and referred to the State and Local Government Operations and Oversight Committee. S.F. 775, carried by Sen. James Metzen (DFL-South St. Paul), authorizes a \$5.25 million appropriation from the bond proceeds fund for planning, and construction of frontage roads of the east and west side of Trunk Highway 52 from 117th Street to Concord Boulevard in Dakota County. Metzen said the highway carries a great deal of traffic, which poses a safety hazard to a nearby school and a park along Highway 52. S.F. 658, authored by Sen. Kathy Saltzman (DFL-Woodbury), authorizes an appropriation of \$1 million from the bond proceeds fund for transportation and transit improvements in the Interstate 94 corridor. Saltzman said the Metropolitan Councils transportation plan does not address the needs of the eastern portion of the Metro Area. She said the corridor along Interstate 94 carries as much traffic as the corridor in the northwestern portion of the Metro Area.

Sen. Tom Saxhaug (DFL-Grand Rapids) carried a bill, S.F. 127, providing an \$800,000 appropriation for railroad safety improvements in Grand Rapids. The appropriation is to be used for improvements relating to the closing and upgrad-

ing of at-grade railroad crossings. Sen. Michelle Fischbach (R-Paynesville) carried two bills, S.F. 517 and S.F. 518, appropriating funds for projects in Sauk Rapids. S.F. 518 provides for a \$4 million appropriation from the bond proceeds fund for the Sauk Rapids Bridge project and S.F. 517 provides a \$4 million appropriation for the Sauk Rapids Bridge project.

Sen. Gary Kubly (DFL-Granite Falls) carried a bill, S.F. 236, appropriating \$600,000 for the biennium for regional transportation planning. S.F. 440, carried by Sen. David Tomassoni (DFL-Chisholm), requires the commissioner of transportation to compare the cost of state employee performance with the cost of a privatization contract before entering into a privatization contract. S.F. 924, carried by Sen. Ron Latz (DFL-St. Louis Park), requires the commissioner of transportation to file an annual report on major highway projects. S.F. 449, sponsored by Sen. Tony Lourey (DFL-Kerrick), requires the commissioner of transportation to reopen the Culkin Rest Area on I-35. S.F. 689, authored by Sen. Pat Pariseau (R-Farmington), appropriates \$1.5 million from the bond proceeds fund for a pedestrian bridge over the Cannon River. S.F. 1587, authored by Sen. Steve Murphy (DFL-Red Wing), but presented by Sen. Terri Bonoff (DFL-Minnetonka), requires the commissioner of transportation to perform life-cycle cost analysis to compare paving materials.

All of the bills were laid over for possible inclusion in the division's omnibus bill.

'Photocop' okayed

A bill permitting traffic signals to be enforced with automated systems was approved by members of the Transportation Committee, Fri., Mar. 9. The panel, led by Vice Chair Jim Carlson (DFL-Eagan), advanced the measure to the Judiciary Committee.

S.F. 1071, authored by Sen. Scott Dibble (DFL-Mpls.), permits the use of an electronic system using cameras and sensors, commonly called "photocop," to record violations of traffic signals. Under the bill, the owner or lessee of a vehicle is automatically assessed the petty misdemeanor and fine associated with a traffic signal violation. However, the bill allows owners and lessors to avoid liability if they can document that, at the time of the

violation, the vehicle was stolen, was under lease to a lessee, or had been sold to another person. The measure requires the photographs or video evidence of the violation to be reviewed by police personnel before the citation is issued. Additionally, municipalities utilizing the system must post signs notifying drivers that the system is being used.

In its capacity as a budget division, the panel considered several additional measures. All the bills were laid over for further consideration. S.F. 1672, also carried by Dibble, authorizes counties to form joint powers boards to impose a half-cent local sales tax for transportation and transit purposes. S.F. 1642, sponsored by Sen. Ann Rest (DFL-New Hope), permits driver's license, vehicle registration and title transaction fees to be paid by credit or debit card. To cover the transaction fees involved with credit and debit card transactions, the fees are raised, under the bill. Sen. Ron Latz (DFL-St. Louis Park) authored two bills. S.F. 1637 provides \$154 million to reconstruct Highway 100, between Excelsior Boulevard and Interstate 394, to six-lane freeway standards. S.F. 1638 provides \$9 million to match federal funds for the construction of a grade-separated interchange at Highway 7 and Wooddale Avenue in St. Louis Park.

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Next week's schedule

The schedule of committee meetings and floor sessions for next week can be found online at <http://www.senate.mn/schedule/schedule.php?ls=85&date=03/12/2007&type=weekly>

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With National Guardsmen in attendance, New Brighton's Bel Air Elementary School students give a rousing patriotic performance in the Capitol Rotunda, Wed., Mar. 14.

Photo by A.J. Olmscheid



March 16, 2007

Senate Highlights

Labor resolution gains

The Senate met Mon., Mar. 12, to grant final passage to three bills on the Senate Calendar and to consider several bills on General Orders.

S.F. 108, carried by Sen. Yvonne Prettner Solon (DFL-Duluth), designates the Walter F. Mondale Drive in Duluth. S.F. 112, authored by Sen. Rick Olseen (DFL-Harris), prohibits body piercing services for a person under the age of 18 without parental consent. S.F. 563, sponsored by Sen. John Doll (DFL-Burnsville), requires development of an economic strategy to maximize state economic development benefits from the renewable electric energy industry. All three measures were granted final passage.

Sen. David Tomassoni (DFL-Chisholm) carried two bills that gained preliminary passage. S.F. 805 requires health plans to cover hearing aids for individuals 18 years of age or younger for hearing loss that is not correctable by other covered procedures. Tomassoni said early intervention is critical for children with hearing loss and the measure will save money in speech therapy and education costs in the long run. S.F. 543 is a resolution memorializing Congress to support the Employee Free Choice Act relating to workers' rights to form and join unions. Tomassoni said the bill before Congress will safeguard workers' ability to make their own decisions on joining a union without coercion, provide for first contract mediation and arbitration, and establish meaningful penalties when employers violate workers' rights. Sen. Ray Vandever (R-Forest Lake) offered an amendment specifying that Congress may not enact legislation that will compromise the privacy of the vote. The amendment failed on a 22-43 roll call vote.

The final bill to get preliminary passage was S.F. 1499. The measure, carried by Sen. Terri Bonoff (DFL-Minnetonka), ensures a student's ability to participate in State High School League activities after completing treatment programs while attending recovery based high school. Sen. Thomas Neuville (R-Northfield) offered an amendment to allow anyone who attends a charter school to be able to participate in sports and other activities of their home districts. Bonoff said the adoption of the amendment would render the measure very controversial. She said that young people want to be able to try out for teams in the next few weeks and added controversy would slow the bill's progress. Neuville withdrew the amendment. The measure was approved.

Price of government debated

The Senate met Wed., Mar. 14, to consider several bills on General Orders, grant final passage to bills on the Calendar and debated the biennial price of government resolution.

Sen. Thomas Bakk (DFL-Cook), chief sponsor of the resolution, said the price of government is the percentage of state and local taxes in relation to personal income. He said this years percentage is 16.4, the same as last year. The state and local shares are changed because of proposed property tax relief measures, Bakk said. He said the state share will increase and the local share will decrease. Hann asked whether or not if maintaining the percentage represents a revenue increase. Bakk responded that the percentage is more than tax revenues, it includes tuition and all other sources of revenue. Sen. David Senjem (R-Rochester) said the other body arrived at a percentage of 16 percent and asked why the Senate's figure is more. Bakk responded that it is difficult to estimate

personal income so the Senate figure is a best guess that indicates the appropriations will be at least the same as the last biennium. House Concurrent Resolution 2 was approved on a 44-19 roll call vote.

Three measures were granted final passage on the Calendar. S.F. 805, authored by Sen. David Tomassoni (DFL-Chisholm), requires health plans to cover hearing aids for individuals 18 years of age or younger for hearing loss that is not correctable by other covered procedures. The bill was approved, 62-0. S.F. 543, also carried by Tomassoni, urges Congress to support the Employee Free Choice Act relating to workers' rights to form and join unions. The bill was approved, 41-23. S.F. 1499, sponsored by Sen. Terri Bonoff (DFL-Minnetonka), ensures the ability of students attending recovery-based high school to participate in State High School League activities after completing treatment programs. The measure was granted final passage, 62-0. One measure on the Consent Calendar was granted final passage. S.F. 1053, authored by Sen. Sandy Rummel (DFL-White Bear Lake), makes two technical changes to bring the statute for Ramsey County correctional facilities into harmony with current law and practices. Sen. David Hann (R-Eden Prairie) moved that the measure be removed from the Consent Calendar and placed on General Orders. The motion was approved.

Elected Met Council bill debated

Members devoted most of the Thurs., Mar. 15, floor session to debate on a bill providing for an elected Metropolitan Council.

Chief Author Charles Wiger (DFL-North St. Paul) said the Metropolitan Council was established 40 years ago to govern infrastructure and planning for the seven county Metropolitan Area. The bill, S.F. 81, does not change the powers of the Metropolitan Council, but it does empower the people to elect their representatives, Wiger said. Under the bill, 16 members would be elected and the 16 members would elect the chair. "The bottom line is this, if you support the right of the people to elect their government, you're for this bill," he said. Wiger said, "I believe the appointment process is very partisan and I believe the power should be with the people."

Sen. Claire Robling (R-Jordan) said, "I think the regional government was established to provide a regional view."

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With the help of his new bride, Brie, Sen. Steve Murphy (DFL-Red Wing) cuts a cake presented to the two newlyweds by fellow Senators in the Senate Retiring Room following the Wed., Mar. 14, floor session. Looking at an album of photos from the wedding, which occurred March 9, are, from far left, Senators Linda Scheid (DFL-Brooklyn Park), Linda Berglin (DFL-Mpls.) and Yvonne Prettner Solon (DFL-Duluth).

Photo by David J. Oakes

She said, right now, the governor has the open appointments process and we, the Senate, have the power to approve those appointments. We need a council that is not highly parochial, but maintains a regional perspective, Robling said. "An elected council would become very partisan," she said, "and my main concern is making the council more partisan."

Wiger said the problem is that the council is not accountable to the people. Sen. Geoff Michel (R-Edina) said the bill would provide power to the parochial. He said, elected members would not take a regional view. Sen. Terri Bonoff (DFL-Minnetonka) said the Metro Council provides an objective view for state and

community programming. "I think the timing is horrible for this year. We are putting together a transportation package that may actually pass and we need the Metro Council's support."

Sen. Warren Limmer (R-Maple Grove) offered an amendment to terminate the power of the Met Council to levy taxes and return the power to the Legislature, but still provide for an elected council. "We should keep taxing authority here in the Legislature," Limmer said. Wiger said he opposed the amendment because he supports the powers of the council. "An elected council would be accountable to the public," Wiger said. The amendment failed 20-40.

The bill failed on a 26-36 roll call vote.

In other action, members granted preliminary passage to three bills. S.F. 470, sponsored by Sen. Tom Saxhaug (DFL-Grand Rapids), makes changes to provisions relating to the transport of paper. The bill extends the permissible route for three unit paper products vehicles, allows certain trucks to qualify for special paper products vehicle permits and changes the effective date for authorizing the permits for special paper products vehicles. S.F. 538, carried by Sen. Gary Kubly (DFL-Granite Falls), establishes a heating and cooling policy for building projects funded with state appropriations. The bill

Senate Highlights

requires geothermal and other renewable energy applications to be considered for all building projects subject to a predesign review. S.F. 1168, sponsored by Sen. Dan Sparks (DFL-Austin), makes changes to insurance requirements for building contractors.

Omnibus drafts approved

The Transportation Budget and Policy Division finalized a comprehensive draft and a fiscally conservative draft of the omnibus bill at the Thurs., Mar. 15, meeting. Sen. Steve Murphy (DFL-Red Wing) chairs the division.

Before taking up the omnibus proposals, the division considered S.F. 924. Authored by Sen. Ron Latz (DFL-St. Louis Park), the bill requires the commissioner of transportation to file an annual report on major highway projects. The report will provide the public with a look into the Department of Transportation's decision making process, Latz said. The bill requires the department to include the status of jobs, a priority list of projects and any past or potential reasons for project delay, he said. Latz said there is no cost for the report because information is already there; the department just has to compile it. The bill was recommended to pass and sent to the Senate floor.

The fiscally conservative draft of the omnibus measure does not raise the metro sales and use tax or the gas tax. Revenue is raised by expanding the metro transit taxing district and raising fees. Murphy offered several amendments including a tax exemption for commuter and light rail construction equipment, a fee increase on vehicle leases from \$50 to \$75 and an amendment to include the provisions from Latz's bill heard earlier. Murphy also offered an amendment to use money from special licenses plates remaining in the World War II memorial donation account for services and programs for veterans and their families. Sen. Ann Rest (DFL-New Hope) authored an amendment to establish an Airport Funding Advisory Task force to study the best methods for funding airports in the state. Sen. Michael Jungbauer (R-East Bethel) offered an amendment requiring the commissioner of transportation to utilize all funds available to the state to develop and administer highway construction training. Sen. Mee Moua (DFL-St. Paul) offered the same amendment to the larger omnibus draft. All of the amendments were adopted and also included in the comprehensive

version. The draft was recommended for introduction as a Senate file.

The comprehensive omnibus draft includes a ten cent per gallon gas tax increase and a one-half of one percent sales tax increase for the Metro Area. Under the measure, 75 percent of the sales tax increase would be used for capital and operating costs of transportation, 20 percent for roads and five percent for bicycle paths. Rest sponsored an amendment to require no less than 40 percent of the funds be spent on transit, no less than 20 percent on roads and no more than five percent on bicycle paths. The amendment allows more flexibility in how the funds are spent, she said. Sen. Scott Dibble (DFL-Mpls.) spoke against the amendment. The percentages in the omnibus draft are needed to fulfill the vision of having a comprehensive transportation system, he said. The division adopted the Rest amendment.

The omnibus proposal also establishes an elected Met Council and expands the metro transit taxing district. Sen. Terri Bonoff (DFL-Minnetonka) offered an amendment to remove the met council election provisions from the draft. The amendment was adopted without debate.

The division also adopted an amendment, proposed by Sen. Katie Sieben (DFL-Newport), appropriating \$10 million for the state's share of a high-speed rail line connecting St. Paul with Chicago. Murphy offered amendments increasing the fee on car rentals, allowing people whose licenses have been revoked due to a DUI to pay the driver's license reinstatement fee in installments, and appropriating money for preliminary engineering to extend commuter rail service between Big Lake and Rice. All of the amendments were adopted. The draft was recommended for introduction as a Senate file on a roll call vote of 11-7.



Senators David Hann (R-Eden Prairie) and Julianne Ortman (R-Chanhassen) look over the details of a bill on the Senate floor following the Senate's Wed., Mar. 14, floor session.

Photo by David J. Oakes

Committee update

Agriculture and Veterans Budget and Policy Division

Omnibus package okayed

Members of the Agriculture and Veterans Budget and Policy Division met Tues., Mar. 13, to complete their work on an omnibus appropriations measure. The panel, chaired by Sen. Jim Vickerman (DFL-Tracy), approved the measure for introduction as a committee bill.

The package provides for \$419.977 million in FY 08-09 spending from all funds, including \$166.641 million from the general fund. The total is \$32.046 million in additional money, almost all from the general fund. The Department of Agriculture is appropriated \$156.365 million, or \$15.875 million above forecast. New spending in the department includes \$4.5 million for clean water legacy and \$3 million for bio-energy best management practices loans. The Animal Health Board is appropriated \$11.219 million. Most of the \$1.023 million in new spending is dedicated to efforts to eliminate bovine tuberculosis. The Agricultural Utilization Research Institute receives \$4.6 million, under the proposal, including \$1.4 million in new money for technical assistance and technology transfer to bio-energy crop producers and users. The proposal provides \$221.731 million for the Dept. of Military Affairs, an increase of \$4.186 million over the forecast. The additional funds include \$1.5 million for a reintegration program for returning soldiers. The final agency, the Dept. of Veterans Affairs, receives \$26.062 million, including a \$9.562 million increase, primarily for veterans outreach efforts.

Business, Industry and Jobs

Enforcement consolidation okayed

A measure codifying an executive order consolidating code enforcement and licensing functions in the Dept. of Labor and Industry was approved by members of the Business, Industry and Jobs Committee, Mon., Mar. 12. The panel, chaired by Sen. James Metzen (DFL-South St. Paul), considered four additional bills.

S.F. 998, the consolidation bill, sponsored by Sen. Linda Scheid (DFL-Brooklyn Park), also adopts uniform code and licensing enforcement provisions. Additionally, the measure requires

penalties collected by the department's construction code and licensing unit to be added to the workers' compensation assigned risk safety account. The bill was re-referred to the Judiciary Committee.

Sen. Keith Langseth (DFL-Glyndon) carried a bill, S.F. 1639, creating an investment tax credit for investment in qualified new biotechnology business ventures. S.F. 687, authored by Sen. Thomas Neuville (R-Northfield), extends the time period for JOBZ treatment for biodiesel fuel plants. Both measures were advanced to the Taxes Committee. Two bills were approved and forwarded to the full Senate. S.F. 1495, authored by Sen. Dan Sparks (DFL-Austin), modifies regulations on employers' use of payroll cards to pay employees. S.F. 221, carried by Neuville, requires employers to provide employees with written notice of their existing rights regarding their personnel files.

Nursing overtime bill heard

The Business, Industry and Jobs Committee met Wed., Mar. 14, to hear a number of bills. S.F. 962, sponsored by Sen. Yvonne Prettner Solon (DFL-Duluth), modifies aircraft facilities state financing to allow flexibility in obtaining a new lessee for a facility in Duluth. The bill was approved and sent to the Finance Committee. S.F. 1666, carried by Sen. Tarryl Clark (DFL-St. Cloud), establishes a bioscience business promotion and marketing program in the Dept. of Employment and Economic Development. The measure was approved and advanced to the Finance Committee.

S.F. 975, carried by Committee Chair James Metzen (DFL-South St. Paul), is the Department of Employment and Economic Development technical bill. Metzen said the bill makes numerous changes in provisions governing the agency. The bill also modifies contamination cleanup grant provisions, Metzen said.

A bill allowing the commissioner of labor and industry to issue orders of compliance relating to overtime for nurses was also approved. S.F. 817, sponsored by Sen. Ellen Anderson (DFL-St. Paul), provides that the commissioner may enforce the law for nurses employed by the state. Anderson said she has heard from nurses all over the state who were torn between their loyalty to their jobs and their own ability to perform the jobs after working double shifts. Mary Jo George,

Minnesota Nurses Association, said the bill does not prohibit mandatory overtime, but does prohibit employers taking action against a nurse solely on the grounds that the nurse fails to accept an assignment of additional consecutive hours because doing so may endanger patients. Paul Larson, chief labor negotiator, Dept. of Employee Relations, said the issue of overtime should be part of the bargaining process, rather than placed in law. He said facilities operate 24 hours per day and shifts must be covered whether or not there is an adequate number of staff. The measure was forwarded to the full Senate.

Metzen also carried a bill, S.F. 879, providing for a packinghouse workers bill of rights. Metzen said the bill specifies that employers must provide adequate facilities, adequate equipment and information in the employee's language detailing the employee's rights. The measure also establishes a position of meatpacking industry workers rights ombudsman. After hearing testimony on both sides of the issue, Sen. Kathy Saltzman (DFL-Woodbury) said the committee should also acknowledge the many plants that do provide good conditions for their workers. The measure was laid over.

Commerce and Consumer Protection

Coverage extension okayed

The Commerce and Consumer Protection Committee met Tues., Mar. 13, to consider three bills. The panel began by hearing a bill, S.F. 1628, providing a payment mechanism for technology used by the Dept. of Commerce in connection with licensing requirements for mortgage originators and servicers, insurance agents, and real estate agents. The measure, carried by Committee Chair Linda Scheid (DFL-Brooklyn Park), imposes a \$40 surcharge on licenses to pay a private vendor for the technology services. Susan Dioury, Association of Minnesota Realtors, urged support of the measure and said without the bill, every transaction would have a surcharge. The bill allows Realtors, insurance agents and mortgage originators to pay the surcharge all at once. Scheid also offered an amendment for training agents for the sale of a new long-term care insurance product. The amendment was adopted. The bill was approved and advanced to the Finance Committee.

Committee update

Sen. Dan Sparks (DFL-Austin) carried a bill, S.F. 744, regulating rental vehicle coverage. The bill provides that a driver's primary insurance company is responsible for coverage of rental vehicles. The measure also provides that the insurance policy of the rental car company applies whenever the renter is not covered by a personal policy. The measure was approved and sent to the Senate floor. S.F. 816, sponsored by Sen. Linda Higgins (DFL-Mpls.), expands private health insurance coverage of young adult dependents by including those not enrolled as full-time students. Higgins said one of the largest groups of uninsured individuals is young adults who are just starting out after completing their education. She said some young adults take a semester off and are not considered students, but still need coverage. The bill specifies that parents of young people who are dependents under the age of 25 may purchase coverage for their children. The bill was approved and sent to the full Senate.

Car buyers' bill of rights discussed

The Commerce and Consumer Protection Committee devoted much of the Thurs., Mar. 15, hearing to discussing a bill providing a car buyers' bill of rights for consumers.

S.F. 1333, sponsored by Sen. Ron Latz (DFL-St. Louis Park), requires disclosures, regulates the sale of "certified" used vehicles and requires a cancellation option on the purchase of a used motor vehicle. Latz said that some dealerships do not disclose the real costs of product additions, such as service contracts, credit insurance and theft deterrent devices in relation to the total price of the car or the amount of dealer compensation the dealer receives from providing retail installment contracts. He said the measure also sets standards for when a dealer advertises a used vehicle as "certified." Certified vehicles are supposed to have had more inspections and to meet the terms of a used motor vehicle certification program, he said. The bill also requires dealers to offer a cancellation option that allows the consumer to return the vehicle without costs, except for a restocking fee, within no less than two days. The bill provides that the restocking fee depends on the value of the car.

Supporters said the bill is needed to protect consumers who may not be sophisticated about the process of obtain-

ing financing for a vehicle or who may quickly decide the vehicle must be returned. Opponents countered that the measure places an undue burden on dealerships.

Sen. Chris Gerlach (R-Apple Valley) and Sen. Dan Skogen (DFL-Hewitt) both questioned a provision requiring dealers to disclose the amount of profit they made by providing financing for customers. Sen. James Metzen (DFL-South St. Paul) said the timing of the bill was unfortunate, because many dealerships are going out of business. Latz asked that the measure be laid on the table.

In other action, the panel approved several measures. S.F. 1581, sponsored by Chair Linda Scheid (DFL-Brooklyn Park), make numerous technical changes in insurance provisions. S.F. 504, authored by Sen. Patricia Torres Ray (DFL-Mpls.), requires insurance companies to provide coverage for amino-based acid elemental formulas for infants and children when prescribed by a physician. S.F. 1262, sponsored by Sen. Linda Higgins (DFL-Mpls.), regulates the manufacture and sale of jewelry products containing lead. Higgins said the bill began last year when a small child died after swallowing a token containing lead he received with a pair of athletic shoes. S.F. 1441, also sponsored by Higgins, requires paint retailers to provide a pamphlet about lead paint and offer for sale a lead testing kit. All four measures were advanced to the Senate floor.

Economic Development Budget Division

Appropriations considered

The Economic Development Budget Division met to consider nine appropriations bills Mon., Mar. 12. All of the bills were laid over for possible inclusion in the omnibus bill.

Sen. Mary Olson (DFL-Bemidji) authored S.F. 1473. The bill appropriates \$4.15 million in the next biennium for opportunities industrialization centers (OICs). OICs teach English classes, run GED programs and teach job skills, Olson said. In Minnesota, the program has helped take about 6,000 people off of welfare and has been an important tool for economic development, she said.

S.F. 546, authored by Sen. Dan Larson (DFL-Bloomington) appropriates money for emergency building stabilization at For

Snelling Upper Bluff. The bill will provide matching funds for a federal grant to patch roofs, cover open windows and basically stop deterioration, said Chuck Liddy, architect, Miller Dunwiddie. The work will be done by a sentenced to serve crew, said Robert Hunter, Hennepin County Sentence to Serve Program. The program helps teach job skills and reduces recidivism, Hunter said.

Carried by Sen. Tom Saxhaug (DFL-Grand Rapids), S.F. 778 appropriates money for the construction of a new municipal building in Northome. Fire damaged the existing building, said Jim Schneider, mayor. Because of the age of the building, the city council has decided to build new, he said. Schneider said the funding request will help build a city hall, council chambers, community center and remodel the library. With only 230 residents, it would be difficult for the city to raise the money to rebuild, he said.

S.F. 414, authored by Sen. David Tomassoni (DFL-Chisholm), who chairs the division, establishes the small business growth acceleration program (GAP). The bill appropriates \$2 million over the next biennium for the GAP program to help small businesses survive and grow, Tomassoni said. The funds would be used for financial resources and business know-how to help small manufacturing businesses implement technology and business improvements, said Kimberly Roden, chair, Minnesota Technology, Inc., Board of Directors.

S.F. 1272, authored by Sen. Ellen Anderson (DFL-St. Paul), appropriates money to WomenVenture. WomenVenture helps small business entrepreneurs get started and works primarily, but not exclusively, with women, Anderson said. Tene Wells, president, WomenVenture, said the demands for services are increasing. The appropriation will allow WomenVenture to help more business ventures, Wells said.

Also authored by Anderson, S.F. 582 appropriates money for University Enterprise Laboratories, Inc. (UEL). UEL is like a small business incubator that takes cutting edge bioscience ideas and allows them to develop and grow, Anderson said. UEL provides space for biotechnology startups to grow and share resources, said Bob Elde, chairman of the board, UEL. Randy Olson, general manager, UEL, said the appropriation will help maintain a competitive rate for resources.

Sen. Sandra Pappas (DFL-St. Paul) carried S.F. 573. The bill appropriates \$1 million in the next biennium to Lifetrack Resources. Lifetrack assists refugees and immigrants find work using culturally appropriate employment services, Pappas said. The appropriation will help Lifetrack serve more people with job seeking skills, workplace orientation, job coaching and developing functional English, she said.

S.F. 737, authored by Tomassoni, appropriates money for bioscience business development programs. The funds will be used for business development programs to promote and position the state as a global leader in biobusiness activities, Tomassoni said. Dale Wahlstrom, CEO, BioBusiness Alliance of Minnesota, said the state needs a long-term strategic plan to remain competitive.

Authored by Sen. Thomas Neuville (R-Northfield), S.F. 934 appropriates \$79,000 for lake cleanup in LeSueur County. After a tornado, no funds were available to help cleanup the debris that flew in the lake. Neuville offered an amendment which gives the Department of Natural Resources the authority to remove debris from public waters when a state disaster is declared. The amendment also creates a fund to cleanup the waters from a .087 percent surcharge on homeowner policies, Neuville said. The amendment was adopted. The division voted to divide the bill. The appropriation was laid over for possible inclusion in the omnibus bill. The rest of the bill was recommended to pass and re-referred to the Commerce and Consumer Protection Committee.

Economic development discussed

The Economic Development Budget Division, chaired by Sen. David Tomassoni (DFL-Chisholm), considered several measures to enhance economic development in Minnesota at the Wed., Mar. 14 meeting. All of the bills heard by the division were laid over for possible inclusion in the omnibus bill.

S.F. 165, carried by Sen. Tarryl Clark (DFL-St. Cloud), appropriates money to a Greater Minnesota business development investments program. The Minnesota Initiative Foundations help businesses develop across the state, Clark said. The bill makes a loan to the initiative program, said Tom Renier, president, The Northland Foundation. The initiative will make one percent interest payments each year and repay the loan after ten years, he

said. The funds will be used to finance small businesses across Minnesota, Renier said.

Sen. Kathy Sheran (DFL-Mankato) authored S.F. 1205. The bill provides \$15 million in the next biennium for rural renewable energy initiatives. The money will be used for zero interest loans to renewable energy related businesses starting or expanding in rural Minnesota and to provide technical support, workforce training and development of equipment for the industry, Sheran said. It's important to keep the growth and development that will come with renewable energy in the rural areas, she said.

Authored by Sen. Julie Rosen (R-Fairmont), S.F. 1303 establishes the nanotechnology development fund program. Nanotechnology is the science of the very small – a nano is one billionth of a meter, Rosen said. The bill will provide access to equipment and experienced research consultants for small businesses through matching grants, she said. Karen Arnold, Nanocopia, a nanotechnology business in Minneapolis, said it is important for small companies to have access to equipment, but they cannot afford to buy equipment and it can be very expensive to rent.

Carried by Sen. James Metzen (DFL-South St. Paul), S.F. 995 appropriates money for industry sector training initiatives. HIRED works with employers in high-demand industries to train employees to meet their needs, Metzen said. The program prepares low income workers to go to work, said Jane Samargia, executive director. HIRED currently works with the manufacturing and hospitality industries to recruit and train employees, she said.

The division also considered the following bills.

Authored by Sen. Patricia Torres Ray (DFL-Mpls.), S.F. 1569 appropriates money for the housing trust fund. The bill will help the state move toward the goal of ending long-term homelessness in Minnesota and represents \$15 million more than the governor's funding proposal, Torres Ray said. The funds will be used to support capital development needs for low income housing, rental assistance and operating support, said George Stone, director, Minnesota Program of the Corporation for Supportive Housing.

Sen. Linda Higgins (DFL-Mpls.) authored S.F. 828. The bill requires safe patient handling programs and committees

to be established. Sen. Sharon Erickson Ropes (DFL-Winona), who presented the bill, said the bill requires all healthcare facilities to adopt a policy on lifting patients to ensure safe patient handling. By developing policies and training employees to lift, hold and move patients, both employees and patients have fewer injuries, said Cindy Barnes, Minnesota Nurses Association.

Authored by Sen. Gary Kubly (DFL-Granite Falls), S.F. 1529 appropriates money to improve the Upper Sioux Community water system. The current water system is a liner system, so if one part fails, everything farther down the line also fails, said Kevin Jensvold, chairman, Upper Sioux Community. The community also needs to find a stable water supply, he said.

S.F. 1020, also authored by Sheran, appropriates money for a grant to the Nicollet County Historical Society for improvements to the Treaty Site History Center in St. Peter. The appropriation will improve the center's ability to tell the story of the Traverse de Sioux Treaty in a dynamic way, said Ben Leonard, director, Nicollet County Historical Society.

S.F. 1030, authored by Sen. Scott Dibble (DFL-Mpls.), appropriates money for a grant to a nonprofit organization to work on behalf of licensed vendors to coordinate responsibilities to solicitations or other requests to increase employment opportunities for persons with disabilities. Bill Harris, executive director, Winona ORC Industries, said the government sector provides a broad array of employment opportunities for people with disabilities.

Sen. Amy Koch (R-Buffalo) carried S.F. 797. The bill is the Department of Labor and Industry's bill and makes jobs and economic development appropriations, she said. The bill also modifies construction codes and licensing provisions, Koch said. The bill was amended to remove all of the code changes and policy and left only the fee structure changes. Koch said the policy changes will be in a different bill, but she would hate to see the policy hold up the budget portions of the bill.

Authored by Sen. Lawrence Pogemiller (DFL-Mpls.), S.F. 1788 appropriates money for a University of Minnesota area neighborhood alliance. The bill is part of an initiative to deal with the impact the University and the five

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surrounding neighborhoods have on each other. The appropriation will be used to facilitate, initiate or manage projects to maintain the district as a viable place to study, research and live, Pogemiller said. The bill also requires homestead properties for which the owner receives compensation for allowing occupancy of any part of the property to register with the city. The division recommended to pass the portion of the bill requiring registration of properties and referred it to the Finance Committee. The rest of the bill was laid over for possible inclusion in the omnibus bill.

S.F. 1103, authored by Sen. Satveer Chaudhary (DFL-Fridley), requires independent contractor exemption certificates. The bill sets up a certification process for independent contractors in the construction industry, Chaudhary said. The industry has a problem with employers misclassifying employees as independent contractors, he said. Chaudhary said employers are able to avoid taxes, workers compensation and benefit costs by misclassifying employees. The bill was not formally before the division, so no action was taken.

Preliminary budget reviewed

Members of the Economic Development Budget Division reviewed, Fri., Mar. 16, a preliminary proposal for their omnibus budget package. The draft proposal, suggested by Chair David Tomassoni (DFL-Chisholm), provides for \$229.401 million in one-time spending and \$396.919 million in ongoing spending for FY 08-09.

The one-time recommendations are divided between items to be funded with general fund cash and items to be included in a bonding bill. The cash items total \$164.383 million and include \$44.73 million to restore money previously transferred out of the 21st century minerals fund, \$12 million for business development loans in Greater Minnesota, \$30 million to support the biotechnology

research partnership between the University of Minnesota and the Mayo Foundation, \$25 million to retire debt related to the St. Paul Rivercentre, and \$4.5 million for a minority business retention initiative at the Midtown Global Market in Minneapolis. The bonding projects total \$65.018 million, including \$30 million for infrastructure related to a new steel plant in Itasca County, \$25 million to retire debt related to the Target Center in Minneapolis, and \$9 million to revitalize the Union Depot in St. Paul.

The ongoing spending recommendations support the operations of several state agencies and boards. The Dept. of Economic Development is slated to receive \$120.368 million, including \$100.028 million from the general fund. The recommendation for Explore Minnesota Tourism is \$22.885 million, all from the

funded at \$21.243 million. Both agencies are funded entirely from the general fund. The Iron Range Resources and Rehabilitation Board budget is derived primarily through statutory appropriations from various dedicated funds, amounting to \$86.731 million in FY 08-09. The total general fund impact of the FY 08-09 ongoing spending recommendations is \$318.616 million. Tomassoni said the recommendations are \$524,000 over the division's target. A future meeting will be dedicated to refining the proposal and bringing it in line with the target, he said.

In other action, the panel heard several bills. All the measures were laid over for further consideration. Division members also heard budget overviews for the Bureau of Mediation Services, the Accountancy Board, the Barber and Cosmetologist Examiners Board and the Boxing Commission.



From left, Senators Julie Rosen (R-Fairmont) and Claire Robling (DFL-Jordan) consult during a Senate floor session, Mon., Mar. 12.

Photo by David J. Oakes

Education

Four bills gain

Four measures were approved by members of the Education Committee, Mon., Mar. 12. The bills related to a variety of topics, including special election procedures and background checks.

S.F. 503, authored by Sen. Sandy Rummel (DFL-White Bear Lake), allows school districts to grant required high school credits in science, math or arts for satisfactory completion of a science, math or arts standards as part of a career and technical education program. S.F. 1665, sponsored by Chair Charles Wiger (DFL-North St. Paul), provides for the creation of a statewide hearing loss early education intervention coordinator. Both bills were advanced to the Finance Committee. S.F. 1577, authored by Sen. Terri Bonoff (DFL-Minnetonka), permits school districts to use third-party vendors to conduct required criminal background checks. The measure was sent to the Judiciary Committee.

Sen. Rick Olseen (DFL-Harris) carried a bill, S.F. 1350, closing a loophole in special election petition requirements. A school district special election must be called if a group of voters submits a petition seeking the special election. Under current law, the group must consist of at least 50 voters or five percent of the number of voters voting at the most recent regular school district election. The bill clarifies that the group must consist of the larger of the two standards. S.F. 1350 was re-referred to the State and Local Government Operations and Oversight Committee.

Anoka-Hennepin visited

Members of the Education Committee traveled to Anoka, Wed., Mar. 14, to hold their 14th hearing away from the Capitol this session. The panel, chaired by Sen. Charles Wiger (DFL-North St. Paul), discussed a variety of education issues with elected officials, administrators, educators, parents and others from Independent School District 11, Anoka-Hennepin.

E-12 Education Budget Division

School finance reform discussed

Members of the E-12 Education Budget Division devoted their Tues., Mar.

13, meeting to discussion of a bill seeking to reform school finance.

S.F. 1232, authored by Sen. Kathy Saltzman (DFL-Woodbury), makes a variety of phased-in changes to the education funding formulas, authorizes districts to offer voluntary all-day kindergarten, and creates a task force to study further education finance reform. Under the bill, the task force must study creating a standard and index to ensure long-term adequacy of the general education formula, examine simplifying other formulas, analyze categorical funding formulas, establish a schedule for implementation of the other new formulas, and examine the role of the regional delivery structure. Representatives of a variety of education groups spoke in support of the need to revamp how education is funded.

Division members, chaired by Sen. LeRoy Stumpf (DFL-Plummer), considered three additional bills. S.F. 1167, sponsored by Sen. Terri Bonoff (DFL-Minnetonka), creates a location equity index and offers location equity revenue. S.F. 1007, carried by Sen. Michelle Fischbach (R-Paynesville), permits a school district in statutory operating debt to transfer the excess balance in its debt redemption fund to decrease its statutory operating debt. S.F. 1451, sponsored by Sen. Julie Rosen (R-Fairmont), expands eligibility for the cooperative facilities grant program beyond secondary schools to schools of any grade level. The measure also permits consolidated districts to participate in the program.

All four bills considered were laid over for possible inclusion in the division's omnibus budget bill.

Levies, transfers heard

Members of the E-12 Education Budget Division met Wed., Mar. 14, to consider several bills relating to local levies and fund transfers. The panel, chaired by Sen. LeRoy Stumpf (DFL-Plummer), laid all the bills over for possible inclusion in the omnibus education budget package.

S.F. 1603, authored by Sen. Steve Dille (R-Dassel), permits ISD #463, Eden Valley-Watkins, to levy up to \$150,000 to cover the costs of environmental remediation efforts related to cleaning up a mercury spill. Under the bill, the levy may be spread out over up to three years. S.F. 991, sponsored by Sen. David Tomassoni (DFL-Chisholm), allows ISD

#698, Floodwood, to transfer up to \$226,550 from its disabled access fund to its general fund without making a levy reduction. S.F. 1279, carried by Sen. Paul Koering (R-Fort Ripley), authorizes ISD #181, Brainerd, to permanently transfer up to \$750,000 from its reserved for capital operating account to its undesignated general fund balance.

Sen. Tom Saxhaug (DFL-Grand Rapids) sponsored a bill, S.F. 1115, permitting ISD #361, International Falls, to use its building lease levy authority to purchase property under an installment contract. S.F. 12, authored by Sen. Charles Wiger (DFL-North St. Paul), removes a cap on the amount that may be levied for ice arenas. Current law permits districts operating ice arenas to levy up to 90 percent of the operational costs of the arena. Wiger said only 10 districts operate ice arenas. S.F. 1625, carried by Sen. Rod Skoe (DFL-Clearbrook), provides declining pupil unit aid to ISD #38, Red Lake.

Library funding considered

The E-12 Education Budget Division, chaired by Sen. LeRoy Stumpf (DFL-Plummer), heard a bill Thurs., Mar. 15, to raise state funding for regional library systems for the first time in more than ten years.

S.F. 623, authored by Sen. Rick Olseen (DFL-Harris), appropriates money for regional library basic system support and multi-county, multi-type library systems. Regional library funds from the state have not been increased in more than ten years, Olseen said. The libraries are depending more and more on local property taxes to continue services, he said. The appropriation will be used to add books and collections, improve automated library systems and for delivery of interlibrary loans, said Chris Olson, executive director, Metropolitan Library Service Agency. Regional libraries provide the breadth and depth that libraries cannot provide locally, said Janice Kunkel, director, Cannon Falls Library. The bill was laid on the table for possible inclusion in the omnibus bill.

The division also debated the following bills; all were laid on the table for possible inclusion in the omnibus bill.

S.F. 1183, authored by Sen. Ellen Anderson (DFL-St. Paul), appropriates money to increase professional development opportunities for St. Paul park and recreation staff and library staff. The bill

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will help maximize the opportunities to educate students outside of the school day so St. Paul can reach the highest standards, improve the graduation rate and improve outcome, Anderson said. The appropriation will be used for professional development opportunities to teach library and park and recreation staff how to incorporate age appropriate learning into their interactions with youth, she said. Chris Coleman, St. Paul mayor, said the focus on schools sometimes means people forget that parks and libraries can enhance the learning opportunities to help youth. It is shortsighted to think of education as only happening in our schools, he said.

Olseen also authored S.F. 715. The bill increases funding for career and technical programming by adding an aid component. It's important that students who are hands on learners are not forgotten, Olseen said. Tamara Uselman, superintendent, Perham-Dent School District, said the funds will be used for the technology and equipment necessary to offer career and technical programs. The programs create opportunities for students to show what they have learned – what they can do with what they know, Uselman said. Career and technical programs can include agricultural programs in the biosciences or carpentry programs teaching applied mathematics, she said.

Authored by Sen. Patricia Torres Ray (DFL-Mpls.), S.F. 908 authorizes the Minneapolis and St. Paul School Districts to sell bonds for building improvements. The bill renews and makes permanent the authority of the Minneapolis and St. Paul School Districts to issue bonds for building improvements, Torres Ray said. The two school districts are unique because they are landlocked and have older buildings, said Jim Grathwol, Minneapolis Public Schools. The authority to sell bonds allows the districts to maintain and improve facilities, he said.

S.F. 586, also authored by Torres Ray, establishes the Council on Indigenous Language. The bill will create a pilot project to promote the revitalization of the languages of the Dakota Ojibwe people, she said. It is urgent that the state provide funding to preserve languages that are on the verge of extinction, Torres Ray said. The appropriations made by the bill will help develop programs that will help pre-kindergarten through 12th grade students learn the language and identify programs

necessary to preserve the language, she said.

Authored by Sen. Kathy Saltzman (DFL-Woodbury), S.F. 295 authorizes a school district that is a member of an intermediate school district to levy for school safety activities at school facilities operated by an intermediate school district. Intermediate school districts provide special education for students who have a high level of need, said Sandy Lewandowski, superintendent, Intermediate School District #287. It's important to fund policies that make sure students and staff are safe when they come to school, Lewandowski said.

Energy, Utilities, Technology and Communications

Four measures gain

The Energy, Utilities, Technology and Communications Committee, chaired by Sen. Yvonne Prettner Solon (DFL-Duluth), met Tues., Mar. 13, to take action on four bills.

Two measures were recommended for placement on the Consent Calendar. S.F. 1019, authored by Sen. Sandy Rummel (DFL-White Bear Lake), makes a technical change relating to ex parte rules of the Public Utilities Commission. S.F. 1294, carried by Sen. Rick Olseen (DFL-Harris), makes technical and clarifying changes to the statute governing electronic filing with the Public Utilities Commission.

Sen. Michael Jungbauer (R-East Bethel) carried two bills. S.F. 1490 provides a property tax exemption for proposed electric generation peaking plant personal property. The measure was approved and re-referred to the Taxes Committee. S.F. 252 designates Elk River as Minnesota's energy city. The bill was approved and advanced to the Senate floor.

Payment arrangement bills heard

The Energy, Utilities, Technology and Communications Committee devoted the Thurs., Mar. 15, meeting to consideration of bills relating to low-income utility affordability. S.F. 1200, authored by Chair Yvonne Prettner Solon (DFL-Duluth), requires monthly reports from utilities to the Public Utilities Commission regarding residential accounts. Prettner Solon said

similar provisions are included in the omnibus energy bill. Under the bill, the reports must contain information on a variety of factors, including number of customers, number and total number of accounts past due, number of disconnection notices mailed, total revenue received from low-income home energy assistance programs and total number of accounts that remain disconnected grouped by duration.

S.F. 1335, carried by Sen. Rick Olseen (DFL-Harris), modifies the conditions for disconnecting and reconnecting utility service. The bill specifies that utilities may not be disconnected between October 15 and April 15, if specific income limits are met. The bill also provides conditions for disconnection if the disconnection must happen. The bill specifies that disconnection must not occur on a weekend, holiday, or the day before a holiday, when utility offices are closed or after the close of business on a day when disconnection is permitted.

Sen. Jim Carlson (DFL-Eagan) sponsored a bill, S.F. 1363, modifying payment arrangements for current and past due bills and undercharges. S.F. 1696, carried by Sen. Tarryl Clark (DFL-St. Cloud), specifies criteria for affordability programs for low-income residential customers.

All four measures were approved and advanced to the Senate floor.

Environment and Natural Resources

OHV account extension gains

A measure extending the life of the off-highway vehicle damage account was approved by members of the Environment and Natural Resources Committee. The panel, at its morning meeting, Mon., Mar. 12, advanced the measure to the Finance Committee.

S.F. 476, authored by Sen. Tom Saxhaug (DFL-Grand Rapids), also clarifies how funds in the account may be used. Under current law, the moneys are dedicated to repairing or restoring property damaged by the operation of an off-highway vehicle (OHV) in an unpermitted area. The bill changes the dedication to repair or restore of property damaged by the illegal operation of an OHV. Bill Johnson, DNR, said the change adopts the agency's interpretation of the statute and

clarifies the language for potential claimants against the account. Members adopted an amendment, offered by Saxhaug, retaining the current “unpermitted area” language while also adding the proposed “illegal operation” language. Extension of the account’s life permits the dollars to be used for the intended purpose and in a more efficient manner, Johnson said. He said that of the original, one-time appropriation of \$500,000, only \$160,000 has been spent. The agency has paid over 20 claims, he said, and denied two formal applications. However, it is hard to know how many potential claimants were turned away after they examined the statutory requirements, Johnson said.

In other action, committee members, chaired by Sen. Satveer Chaudhary (DFL-Fridley), considered two additional measures. S.F. 1251, carried by Sen. Terri Bonoff (DFL-Minnetonka), grants the Three Rivers Park District a variety of powers to protect and restore water quality in lakes within or bordering on its parks and reserves. John Barton, Three Rivers Park District, said the proposal seeks to accelerate the completion of total maximum daily load studies and water quality improvements on major lakes of regional significance. However, the Legislature already gave the Minnehaha Creek Watershed District authority over and direction regarding much of the land and water concerned, said Joel Carlson, representing the watershed district. He said the watershed district is concerned that enactment of the bill will result in overlap and duplicated efforts. Ray Bohn, representing the Minnesota Association of Watershed Districts, echoed Carlson’s concerns. Cort Holten, representing the park district, said watershed districts should not fear the proposal. This will add resources and a cooperative approach to restoring water quality, Holten said. S.F. 1251 was advanced to the State and Local Government Operations and Oversight Committee.

Sen. Gary Kubly (DFL-Granite Falls) sponsored S.F. 1410. The bill modifies the nonresident fishing fee by requiring nonresidents to pay their home state’s nonresident fishing license fee for the comparable license. Kubly said resort owners and operators have suggested Minnesota is forgoing revenue by charging lower nonresident fees than neighboring states. However, Assistant DNR Commissioner Bob Meier said the proposal

presents many administrative hurdles. The agency would need to gather and monitor a lot of data about other states’ fees, he said. Additionally, some states do not have nonresident licenses that compare to licenses Minnesota offers nonresidents, he said. For example, Meier noted, Iowa does not offer a nonresident seasonal license, but Minnesota does. No action was taken on the bill.

ATV gas tax bill gains

A bill that would increase the amount of gas tax dedicated to the all terrain vehicle account was approved by members of the Environment and Natural Resources Committee Mon., Mar. 12 at their afternoon hearing.

Chair Satveer Chaudhary (DFL-Fridley) authored S.F. 1210. The bill modifies the purposes of the all-terrain vehicle (ATV) account. A 2005 study found that the 235,000 registered ATVs in Minnesota use about .27 percent of the total gas consumption, up from .15 percent in 1984 said Bob Meier, deputy commissioner, Department of Natural Resources. The bill increases the percentage of unrefunded gas tax attributable to ATVs, producing an increase in the ATV funding account, Meier said. The additional revenue will be used for grant-in-aid trails, an off-highway vehicle safety and conservation grant program and for maintenance of minimum maintenance forest roads, he said. Gene Larimore, Jack Pine Coalition said some of the additional revenue should be used for enforcement. Chaudhary said if his bill proposing an ATV registration increase passes, revenue from both bills could go a long way to helping both sides of the debate by increasing both the number of trails and enforcement. The bill was recommended to pass and re-referred to the Finance Committee.

The committee considered two other bills. S.F. 1186, authored by Sen. Dennis Fredrickson (R-New Ulm), modifies provisions of the Minnesota Public Facilities Authority Act, making technical and housekeeping changes. The bill makes no major policy changes, he said. The bill establishes up-front technical assistance grants to help small communities analyze possible wastewater alternatives, Fredrickson said. The bill was recommended to pass and re-referred to the Finance Committee.

Also authored by Chaudhary, S.F. 1704 modifies provisions for wetland

conservation. One change made by the bill allows a local government to require a deed restriction that prohibits nonagricultural use of drained wetlands for at least ten years, said Dave Weirens, Board of Water and Soil Research. Renae Fry, city council, Columbus, said over 50 percent of her community is wetlands. Changes in wetland practices have a huge impact on the community, she said. Fry said no action should be taken on the bill without further study of Minnesota’s wetlands. The committee recessed until the evening to take up the bill again.

PBDE restrictions okayed

A measure restricting the sale and manufacture of certain fire retardants used in the electronics industry was approved at the Environment and Natural Resources Committee’s evening meeting, Mon., Mar. 12.

S.F. 651, authored by Sen. Sandra Pappas (DFL-St. Paul), restricts the manufacture, processing and distribution of two forms of polybrominated diphenyl ether (PBDE), known in the industry as “penta” and “octa,” beginning in 2008. The bill also prohibits the manufacture, processing and distribution of decabromodiphenyl ether, known as “deca,” beginning in 2010. Kathleen Schuler, Institute for Agriculture and Trade Policy, said the need for fire safety materials is clear. However, we also need to protect ourselves with safer alternatives, she said. Schuler cited studies indicating the harmful effects of PBDEs, especially deca, in humans and other species.

Manufacturers that use PBDEs spoke against the measure. The bill rests on the erroneous assumption that deca is harmful, said Paul Killian of RTP Company, a Minnesota-based plastics manufacturer. Banning the use of deca will harm the Minnesota electronics industry, he said. Our industry has voluntarily gravitated toward viable alternatives to alleged environmental risks, Killian said. For some uses of deca, there is no viable alternative, he said. A ban in Minnesota will not reduce the use of deca, Killian said, it will just drive manufacturers to other states. Laura Ruiz, Bromine Science and Environmental Forum, said policymakers need to weigh the known fire-safety benefits of deca against uncertain human and environmental risks. She said numerous scientific studies have shown no evidence that deca is harmful to humans.

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Members adopted an amendment, offered by Sen. Dennis Frederickson (R-New Ulm), delaying the deca prohibition to 2012. Frederickson said the additional time will give the industry an opportunity to find alternatives. Sen. Steve Dille (R-Dassel) offered an amendment deleting all provisions of the bill except a required study of deca, its alternatives and its environmental and health risks. The amendment was not adopted. S.F. 651 was approved and forwarded to the Commerce and Consumer Protection Committee.

In other action, the panel, chaired by Sen. Satveer Chaudhary (DFL-Fridley), considered two additional bills. S.F. 1560, authored by Sen. Yvonne Prettnier Solon (DFL-Duluth), asks the University of Minnesota to study the feasibility of using terrestrial and geologic carbon sequestration. Terrestrial carbon sequestration is the long-term storage of carbon in soil and vegetation, such as forestry, to prevent the carbon's collection in the atmosphere as carbon dioxide. Geologic carbon sequestration is the long-term underground storage of carbon dioxide to prevent its escape into the atmosphere. The measure was advanced to the Finance Committee.

S.F. 1085, sponsored by Sen. John Marty (DFL-Roseville), prohibits the sale of some mercury-containing products and modifies restrictions on the sale, use and disposal of some mercury-containing products. Members adopted an amendment, offered by Sen. Jim Vickerman (DFL-Tracy), deleting a provision requiring crematoria to either remove dental amalgam fillings from bodies before cremation or to install equipment to capture emitted mercury before it is released into the air. The bill was approved and re-referred to the Health, Housing and Family Security Committee.

Lands and waters bill okayed

Members of the Environment and Natural Resources Committee met Tues., Mar. 14, to approve the omnibus lands and waters bill.

Before taking up the omnibus lands and waters bill, Sen. Tom Saxhaug (DFL-Grand Rapids) presented two bills, both permitting the sale of tax-forfeited land bordering public waters, on behalf of other Senators. S.F. 1156, authored by Sen. Paul Koering (R-Fort Ripley), deals with public land in Crow Wing County. S.F. 1401, sponsored by Sen. Pat Pariseau (R-Farmington), deals with public land in

Dakota County. Both bills were laid over for possible inclusion in the omnibus lands and waters bill.

Saxhaug carried the omnibus lands and waters bill, S.F. 1119. The bill modifies land acquisition requirements, modifies the land owners' bill of rights, modifies recordation requirements for mineral interests, adjusts state park boundaries, and authorizes conveyances of various state lands. Members adopted an amendment, offered by Saxhaug, adding the provisions from S.F. 1156 and S.F. 1401. S.F. 1119 was approved and re-referred to the Judiciary Committee.

In other action, the panel, chaired by Sen. Satveer Chaudhary (DFL-Fridley), also considered a bill that authorizes the use, without requiring a permit, of remote-controlled animal noise callers in taking game. S.F. 142, authored by Sen. Kathy Sheran (DFL-Mankato), was laid over for possible inclusion in the omnibus game and fish bill.

Environment, Energy and Natural Resources Budget Division

Hydrogen bill advances

The Environment, Energy and Natural Resources Budget Division, chaired by Sen. Ellen Anderson (DFL-St. Paul), met Tues., Mar. 13, to consider a number of bills for possible inclusion in the division's omnibus bill. S.F. 1282, authored by Anderson, creates a renewable hydrogen initiative and modifies policies to foster use of hydrogen energy. The bill specifies that the commissioner of commerce operate a competitive grant program for projects to assist the state in attaining its hydrogen energy goals. In addition, the bill provides that the hydrogen initiative must oversee the development and implementation of a hydrogen road map that establishes a vision, goals, general timeline and measurable milestones for achieving the state's hydrogen goal. The bill also requires the road map to describe how hydrogen and fuel cells fit in Minnesota's overall energy system and to foster a consistent and predictable investment environment.

S.F. 1784, authored by Sen. Paul Koering (R-Fort Ripley), appropriates \$125,000 from the bond proceeds fund for development of a natural surface multiuse trail in the Cuyuna Country State Recreation Area. S.F. 1248, carried by Sen.

Charles Wiger (DFL-North St. Paul), appropriates \$650,000 for a tunnel crossing of the Gateway Trail at Highway 120. Members indicated the bill would be recommended to the Capital Investment Committee for inclusion in the bonding bill. S.F. 453, sponsored by Sen. Scott Dibble (DFL-Mpls.), provides funding for the removal and replacement of diseased shade trees. Dibble said the bill has statewide application, and is not meant just for the Metro Area. He said everyone is familiar with Dutch Elm disease, but there are other types of trees in danger because of a broad spectrum of tree diseases. He said the emerald ash borer kills all species of ash trees, sap beetles spread oak wilt fungus and the forest tent caterpillar can kill oak, aspen and birch.

Sen. Gary Kubly (DFL-Granite Falls) carried a bill, S.F. 904, creating a revolving loan fund for geothermal heating and cooling applications in public buildings. S.F. 407, carried by Sen. Thomas Bakk (DFL-Cook), provides \$350,000 for building renovations at the International Wolf Center. Walter Medwid, International Wolf Center, said the center is an attraction for visitors from all 50 states and provides education and information about wolves. He said the organization is a centerpiece of ecotourism in the Ely area. The measure was also recommended for inclusion in the Capital Investment Committee's bill.

Members also okayed a governor's recommendation for \$10 million in bonding for the Board of Water Soil Resources to provide funds for the conservation reserve enhancement program (CREP). Anderson said the funds will leverage significant federal funding. The recommendation is contained in a bill, S.F. 1704, sponsored by Sen. Satveer Chaudhary (DFL-Fridley), that was not before the committee. Anderson said the recommendation to the Capital Investment Committee was an informal method of transmitting the division's wishes.

The panel also considered two bills, S.F. 1485 and S.F. 1486, relating to keeping water clean. S.F. 1485 appropriates money from the general fund for collecting and delivering ecological information on Minnesota's waters, to provide biological assessments of the state's waters and to collect and deliver data to support the development of total maximum daily load plans. The measure also provides funding for expanding the

protection and restoration of Minnesota's waters. S.F. 1486 appropriates funds from the heritage enhancement fund to develop ecological expertise on Minnesota's native habitats and associated species and to manage and restore native habitats through private stewardship efforts. Both measures were authored by Sen. Sandy Rummel (DFL-White Bear Lake).

Conservation bill gains

A measure requiring the commissioner of commerce to set energy savings goals for utilities was approved by members of the Environment, Energy and Natural Resources Budget Division, Thurs., Mar. 15. The panel, chaired by Sen. Ellen Anderson (DFL-St. Paul), advanced the bill to the full Finance Committee.

S.F. 997, authored by Sen. Scott Dibble (DFL-Mpls.), sets the conservation goal at 1.5 percent, but permits the commissioner to lower the goal to one percent if the cost of achieving the higher goal is greater than the savings. The bill also allows the commissioner to assess utilities for costs related to providing applied research and development grants, evaluating energy conservation improvements and updating the sustainable building guidelines.

The panel also considered several additional bills. S.F. 367, sponsored by Sen. Kathy Saltzman (DFL-Woodbury), provides \$200,000 in bond sale proceeds for a flood hazard mitigation grant to the city of Stillwater. S.F. 1546, carried by Sen. LeRoy Stumpf (DFL-Plummer), provides \$4.1 million in bond sale proceeds for a flood hazard mitigation grant to the city of Roseau. S.F. 674, authored by Sen. Keith Langseth (DFL-Glyndon), appropriates \$600,000 from the bond proceeds fund for a high-resolution digital elevation model of the Red River basin. All three bills were laid over and recommended to the Capital Investment Committee for inclusion in a bonding bill.

S.F. 1244, sponsored by Anderson, creates a rural wind energy development revolving loan fund to assist in the development of community wind energy projects. S.F. 1471, carried by Sen. Yvonne Prettner Solon (DFL-Duluth), appropriates \$200,000 annually for a grant to the Natural Resources Research Institute for forest management research to improve the quality and quantity of timber fiber. Prettner Solon also authored S.F. 1560, which requests the University of Minnesota to study the long-term storage of carbon and carbon dioxide in soil,

vegetation and underground geologic formations. S.F. 477, sponsored by Sen. Tom Saxhaug (DFL-Grand Rapids), provides a \$400,000 grant to the Koochiching Economic Development Authority to study a plasma torch gasification facility that converts municipal solid waste into energy and slag. All four measures were laid over for possible inclusion in the division's omnibus budget bill.

Saxhaug also carried the DNR's forestry bill, S.F. 438. Division members removed the provisions with fiscal impacts and laid them over for possible inclusion in the omnibus budget bill. The remainder of the bill was forwarded to the full Finance Committee.

Lengthy agenda heard

The Environment, Energy and Natural Resources Budget Division, chaired by Sen. Ellen Anderson (DFL-St. Paul), met Fri., Mar. 16, to consider bills referred to the panel by other committees. The bills were laid over for possible inclusion in the division's omnibus bill.

S.F. 1381, sponsored by Sen. James Metzen (DFL-South St. Paul), provides a \$60,000 appropriation from the Dept. of Commerce telecommunications access fund to supplement the ongoing expenses of the Minnesota Commission Serving Deaf and Hard of Hearing People. S.F. 1250, authored by Sen. Dan Skogen (DFL-Hewitt), provides expedited rulemaking authority to describe zone or permit area boundaries to designate fish spawning beds or fish preserves to select hunters or anglers for areas to provide for registration of game or fish, to prevent or control wildlife disease or to designate and regulate prohibited invasive species to correct errors in existing rules. The measure also extends the expiration of the Mineral Coordinating Committee, modifies some fees and modifies license and stamp provisions.

S.F. 399, carried by Sen. Sharon Erickson Ropes (DFL-Winona), imposes a \$1 surcharge on deer licenses for deer management and for reimbursing the cost of processing deer donated for charitable purposes. Members amended the bill to provide for a voluntary check-off, rather than a mandatory surcharge.

S.F. 731, authored by Sen. Gen Olson (R-Minnetrista), provides for the issuance of free angling and hunting licenses to residents who have served outside the



From left, Senators Paul Koering (R-Fort Ripley), Bill Ingebrigtsen (R-Alexandria) and Dan Skogen (DFL-Hewitt) converse in the Senate Chamber during the Thurs., Mar. 15, floor session.

Photo by David J. Oakes

Committee update

United States as a members of the National Guard, a reserve component, or active duty armed forces. S.F. 1622, authored by Sen. Ann Rest (DFL-New Hope), provides for emergency management of invasive species. The measure appropriates \$650,000 in each year of the biennium for the terrestrial invasive plant management program and \$350,000 in each year for controlling emergency infestations of aquatic and terrestrial invasive species.

Sen. Tom Saxhaug (DFL-Grand Rapids) carried two bills. S.F. 260 provides for the voluntary termination of timber permits for an eligible sale of timber on nontrust land. Under the bill, in the case of a permit relating to trust land, the commissioner of natural resources may terminate the permit only if termination of the permit would secure the maximum long-term economic return from the land consistent with the fiduciary responsibilities imposed by law. S.F. 1866 appropriates \$1.115 million for the Minnesota wood public education program.

S.F. 115, sponsored by Sen. Steve Dille (R-Dassel), designates a canoe route along the North Fork of the Crow River and South Fork of the Crow River. S.F. 366, carried by Sen. Dennis Frederickson (R-New Ulm), designates the Redwood River as a canoe and boating route. S.F. 150, sponsored by Sen. Pat Pariseau (R-Farmington), adds trapping to the small game and sporting lifetime licenses.

Two measures relating to off-road vehicles were sponsored by Sen. Satveer Chaudhary (DFL-Fridley). S.F. 1538 creates an off-highway vehicle safety and conservation program, increases the registration fee for all-terrain vehicles and provides for state forest traditional areas. S.F. 1210 modifies the purposes of the all-terrain vehicle account to include maintenance of minimum-maintenance forest roads and county forest roads that are part of a designated trail system within state forest boundaries. In addition, the measure changes the amount of gasoline usage attributable to all-terrain vehicles to 0.27 percent of all gasoline purchased in the state.

Sen. Terri Bonoff (DFL-Minnetonka) sponsored a bill, S.F. 1251, providing for the protection and restoration of water quality in lakes and bodies of water of regional significance in the Three Rivers Park District. The appropriation provisions were taken out of the bill to be considered as part of the omnibus bill and the policy

provisions were forwarded to the full Finance Committee.

Health, Housing and Family Security

Universal health care bill heard

A bill leading to universal health care was the centerpiece of debate at the Fri., Mar. 9, hearing of the Health, Housing and Family Security Committee. S.F. 102, sponsored by Chair John Marty (DFL-Roseville), requires the commissioner of health to prepare a proposal for the Legislature that would establish a universal health care system by 2010. Marty said the citizens of Minnesota expect the Legislature to provide universal health care that is affordable and accessible. The bill also sets forth a number of criteria for a universal health care system. Marty offered an amendment to have the Legislative Commission on Health Care Access, rather than the commissioner of health, develop the plan. The amendment also doubles the size of the commission. Debate centered on whether or not the requirements the proposal must meet listed in the bill were too restrictive. Members divided the amendment, first adopting the portion of the amendment changing the number of the members of the Health Care Access Commission and providing that the commission develop the proposal. Sen. Linda Berglin (DFL-Mpls.) offered an amendment to the amendment specifying that the commission consider the requirements in developing the proposal, rather than have the proposal meet all the requirements listed in the bill. The amendment to the amendment failed. The second portion of the amendment was adopted. The bill was approved and advanced to the Committee on Finance.

In other action, the committee advanced several additional bills. S.F. 36, sponsored by Sen. Gary Kubly (DFL-Granite Falls), modifies provisions for ambulance service and interhospital transfer. The bill was approved and advanced to the Finance Committee. S.F. 641, authored by Sen. Yvonne Prettner Solon (DFL-Duluth), establishes a Health Care Access Fund Oversight Commission to develop criteria for acceptable uses of the health care access fund and review all legislative proposals for new uses of the fund. Prettner Solon said the goal is to maintain the integrity of the fund as a

source to expand access to health care services for low-income Minnesotans. Members adopted an amendment detailing membership of the oversight commission. The bill was approved and re-referred to the State and Local Government Operations and Oversight Commission.

Sen. Sharon Erickson Ropes (DFL-Winona) sponsored a bill that increases the Medical Assistance asset limit and excess income standard for aged, blind or disabled persons from \$3,000 to \$6,000. Erickson Ropes said the asset limits have not been changed since 1983. The bill, S.F. 695, was approved and re-referred to the Finance Committee. S.F. 473, carried by Sen. David Tomassoni (DFL-Chisholm), regulates Centers for Independent Living and establishes a process that allows nursing home resident to receive information, consultation and assistance from on the centers to help the resident transition back to community living if the person is under 65, has expressed a desire to live in the community and has authorized the release of information. The bill was approved and re-referred to the Finance Committee.

S.F. 1033, authored by Prettner Solon, provides for compulsive gambling, education and assessment. She said three percent of Minnesotans gamble problematically, which causes great difficulties in their lives. She said the bill will help identify the social and economic costs of problem gambling and help provide an evidenced-based assessment and treatment services. The measure was approved and advanced to the Finance Committee. S.F. 490, carried by Sen. Paul Koering (R-Fort Ripley), modifies the group residential housing statutes, by authorizing a supplemental rate, not to exceed \$700 per month, for a new 65-bed facility in Crow Wing County serving chemically dependent persons. The bill was also approved and sent to the Committee on Finance. S.F. 594, authored by Sen. Tony Lourey (DFL-Kerrick), changes the eligibility requirements for an adoption assistance program for children with special needs. Under the bill, a child five or older qualifies for the adoption assistance program. The measure was approved and re-referred to the Finance Committee.

S.F. 439, carried by Marty, requires the commissioner of human services to submit to the Legislature a report identifying all employers that employ 50 or more employees who are Minnesota health care

program enrollees. Marty said the bill is an attempt to throw light on those large employers who do not offer health care, but rely on the state's taxpayers to provide health care coverage. The measure was approved and re-referred to the Judiciary Committee. S.F. 312, authored by Sen. Linda Higgins (DFL-Mpls.), doubles the amount for the MFIP transitional standard grant. Higgins said the amount of the grant has not been raised for years and is wildly out of step with the current cost of living. The bill also indexes the amount for inflation. The measure was approved and re-referred to the Finance Committee. Higgins also sponsored a bill, S.F. 971, that requires the commissioner of human services to provide notice when a prescription drug is removed from the formulary. The measure was approved and advanced to the Senate floor. S.F. 1055, authored by Marty, modifies the parental contribution for services for persons with developmental disabilities. The measure was approved and re-referred to the Finance Committee.

Housing bill gains

The Health, Housing and Family Security Committee, chaired by Sen. John Marty (DFL-Roseville), met Mon., Mar. 12, to consider a number of measures.

One of the measures, S.F. 308, sets up a process for rehabilitation of blighted housing. Chief Author Linda Higgins (DFL-Mpls.) said hundreds of homes in Hennepin and Ramsey Counties are boarded up. "Our poorest areas desperately need investment in order to stabilize the neighborhoods of our cities," Higgins said. The bill establishes a process for nonprofit housing organizations to gain possession of property that has been declared a nuisance and has been unoccupied for a year. She said there are safeguards to ensure property owners receive notice and are informed about their property. Higgins said the housing organizations will rehabilitate the housing unit for low and moderate income persons. The bill was approved and advanced to the Judiciary Committee.

Sen. James Metzen (DFL-South St. Paul) carried a bill, S.F. 855, modifying the Medical Assistance coverage to include consultations with psychologists and increases Medical Assistance reimbursement rate for critical access mental health services. The measure was approved and advanced to the Finance Committee. Metzen also carried a bill, S.F. 636, changing the name of an award and

incentive program for emergency medical services personnel. Metzen said under the bill, the name of the award and incentive program would be called the Cooper/Sams volunteer ambulance program and the Cooper/Sams ambulance service personnel longevity award and incentive program. He said the name change reflects the work done for emergency services personnel by Roger Cooper and the late Dallas Sams. The measure was approved and advanced to the Senate floor.

S.F. 1072, authored by Sen. Julie Rosen (R-Fairmont), requires the commissioner of health to conduct a study to determine the extent of prenatal drug exposure, including methamphetamine, in babies born in Minnesota. Rosen said methamphetamine use has not abated, but the effect of prenatal exposure has not been quantified. She said no patient identity information will be collected, the study is to examine the effects of all types of prenatal exposure. Dr. Rob Payne, medical director, Children's Hospitals and Clinics of Minnesota, said he suspects the incidence of drug exposure is greatly under reported. Rosen said the bill will provide accurate information that will lead to development of plans for early intervention and the special needs of the infants. The bill was approved and re-referred to the Judiciary Committee.

S.F. 956, carried by Sen. Katie Sieben (DFL-Newport), requires a study of residential microbial pesticide applicator licensure. Sieben said currently, there are firms that claim to be able to remove mold from a home, but there are no criteria or standards for the application of microbial pesticides. The bill was approved and re-referred to the Finance Committee. Sieben also carried a bill, S.F. 1074, establishing an environmental health tracking and biomonitoring program. Sieben said the state does not have information on environmental related diseases. Samuel Yamin, public health scientist, Minnesota Center for Environmental Advocacy, said data about chronic disease associated with environmental factors is vital for public health purposes. Sieben presented an amendment, offered by Sen. Yvonne Prettner Solon (DFL-Duluth), that authorizes a working group to make recommendations about priorities for health tracking, priorities for biomonitoring, specific chronic diseases to study and specific environmental pollutant exposures to study. The amendment

was adopted and the bill was approved and re-referred to the Judiciary Committee.

Sen. Ann Lynch (DFL-Rochester), sponsored a bill that expands the region 10 quality assurance system to include services provided to Minnesotans with disabilities and Minnesotans with developmental disabilities. The bill, S.F. 759, also removes the sunset for the Quality Assurance Commission. The measure was approved and re-referred to the State and Local Government Operations and Oversight Committee. Higgins also sponsored two bills relating to lead abatement. S.F. 1015 allows filter paper testing for blood lead levels, lowers the blood lead level threshold from 15 to five for reporting and risk assessments, and prohibits the sale of children's items containing lead. The bill also requires Medicaid coverage to cover environmental investigations for children with elevated blood lead levels and requires landlords to know and disclose whether their properties contain lead hazards. The bill was amended to provide for a revolving fund to make loans to property owners to assist in the cost of replacing lead painted windows. The measure was temporarily laid over.

S.F. 1054, carried by Sen. Sharon Erickson Ropes (DFL-Winona), establishes a self-directed personal supports option to Medical Assistance for persons who are eligible to receive personal care assistance. Erickson Ropes said the bill also expands eligibility for Minnesota supplemental aid shelter needy payments and authorizes licensure of nonresidential programs for youth with disabilities. The measure was approved and re-referred to the Finance Committee.

Lead abatement, MH bills okayed

Members of the Health, Housing and Family Security Committee began the evening portion of their Mon., Mar. 12, hearing by continuing the discussion of S.F. 1015. The bill, authored by Sen. Linda Higgins (DFL-Mpls.), provides for filter paper testing for lead and makes other changes in lead abatement provisions. The panel also considered a bill, S.F. 1014, also sponsored by Higgins, changing the grant award process by requiring the commissioner of health to make grants to the CLEARCorps lead hazard reduction project to train workers to provide swab team services. Higgins said CLEARCorps is part of the AmeriCorps program. Under

Committee update



As Sen. Lawrence Pogemiller (DFL-Mpls.), left, tunes in a live audio feed of the House floor session, Sen. Don Betzold (DFL-Fridley) listens to debate on the Senate floor during the Thurs., Mar. 15, floor session.

Photo by David J. Oakes

the bill, the organization may participate in the program by providing lead reduction, providing lead dust cleanup equipment and materials, conducting blood lead testing, performing case management services or conducting mandated risk assessments. Sen. David Hann (R-Eden Prairie) questioned whether a definite organization should be named in a bill. Higgins agreed to lay the bill aside in order to draft an amendment. After Senate counsel had the opportunity to draft an amendment, members adopted language eliminating the name of the organization. Both bills were approved and re-referred to the Finance Committee.

Members also considered a bill, S.F. 276, creating a statewide health insurance pool for school district employees. The bill, sponsored by Sen. Don Betzold (DFL-Fridley), creates a board to create and administer the health insurance pool, requires the offering of at least six health plans or health benefits plans and permits geographic variations. The bill also requires plans to comply with health insurance laws and provide the best combination of coverage, cost, choice and stability. The measure also requires the

plans to include disease management and consumer education, including wellness programs and measures to encourage the wise use of health coverage. In addition, the bill requires the board to contribute to the Minnesota Comprehensive Health Association. Members heard testimony in support of the measure from teachers, Jan Alswager, Education Minnesota, and Bob Cooley, insurance consultant. Grace Schwab, Minnesota School Boards Association, and Jim Grathwol, Minneapolis Public Schools spoke in opposition.

Sen. Ann Lynch (DFL-Rochester) offered an amendment providing that debts or obligations incurred by the board are the responsibility of the statewide pool, rather than the school districts. She said under the amendment, districts would be protected. The amendment was adopted. The bill was approved and re-referred to the Finance Committee.

S.F. 485, carried by Sen. Mary Olson (DFL-Bemidji), creates a study group to make recommendations on the creation and operation of a voluntary statewide health plan purchasing pool. Olson said, "We are all struggling to find ways to bring down health care costs." She said the bill

provides another alternative for purchasing health care. She said large health plan purchasing pools can realize economies of scale, thus lowering administrative and operating costs. The measure was approved and re-referred to the State and Local Government Operations and Oversight Committee.

Higgins also carried S.F. 1387, which allows incarcerated individuals to remain eligible for Medical Assistance until conviction. Higgins said many people in jail with mental health conditions need medications if their psychological condition is not to deteriorate. The bill also specifies that upon release, the individual would continue to be eligible until the next determination period in order to maintain a continuum of care. Ronald Wiborg, Hennepin County, said the bill is supported by all 87 Minnesota counties. The bill was approved and re-referred to the Finance Committee. S.F. 827, sponsored by Higgins, requires coverage for interpreter services for health plan and Medical Assistance enrollees. Higgins said, "I can't fathom going to a doctor and not being able to communicate about symptoms and treatment." Phil Riveness,

Minnesota Medical Group Management Association, said many smaller counties have significant non-English speaking populations. He said if the interpreter services are not covered, the costs of interpreter services are more than the treatment. Julie Brunner, executive director, Minnesota Council of Health Plans, spoke in opposition and said the bill does nothing to ensure interpretive services in Greater Minnesota for persons working at large companies. Erin Sexton, Minnesota Chamber of Commerce, said at the end of the day, the small and medium sized businesses who purchase insurance are the ultimate payers in the form of increased premiums. She said a number of other mandates are being considered and the cumulative effect will be increased costs for consumers. The measure was approved and advanced to the Finance Committee.

Sen. Sharon Erickson Ropes (DFL-Winona) sponsored a bill, S.F. 1212, appropriating money to pay the state share of administrative and actuarial costs to implement the program for all-inclusive care for the elderly (PACE). The measure was approved and re-referred to the Finance Committee.

A governor's proposal, S.F. 1025, making changes in mental health provisions was also heard. The measure, sponsored by Sen. Linda Berglin (DFL-Mpls.), clarifies county board duties, institutes mental health service delivery reform, authorizes children's mental health grants, modifies Medical Assistance coverage for mental health services and modifies MinnesotaCare coverage. Wes Kooistra, Dept. of Health, said the bill provides significant investment in mental health care services. "We want to improve access to mental health services," he said. He said the bill provides for a uniform benefit set across public health programs, provides for integration of mental health services with other health care and social services and invests in development of the mental health infrastructure.

Berglin offered several amendments. One amendment sets up a system in which the Dept. of Administration reserves a portion of the state's janitorial contracts for supportive employment services for the mentally ill. The amendment was adopted. Another amendment requires monitoring of the program for two years, rather than one year, and clarifies provisions relating to discharge. The amendment was

adopted. The other amendments adopted were primarily technical.

Supporters said the bill places mental health services on the same level as other health services, improves the coordination of services throughout the system, and improves access to services. Speakers with concerns about the bill said they supported most of the bill and the ideas behind the measure. However, they wanted clarification of county and state responsibilities and identification of key social safety net service responsibilities.

Marty offered an amendment that specifies the state makes grants to counties which then contract with the health plans, allows the counties to continue providing social services, and eliminates the language relating to the county portion for cost of care. Berglin said she opposed the amendment. She said we cannot pay the county to provide a service and have the service be covered by the health plans. In addition, she said the bill would draw down federal dollars, but the amendment would not. Marty said the counties have a better handle on providing the services needed and health plans do not. Berglin countered that the health plans used by the state do provide those case management services. The amendment failed. Marty offered a second amendment that requires health plans to provide the same mental health benefits to all their clients. Berglin said she has had discussions with the private health plans to provide those benefits, but the idea would be better in a separate bill. The amendment failed. The bill was approved and advanced to the State and Local Government Operations and Oversight Committee.

Variety of bills heard

The Health, Housing and Family Security Committee met Wed., Mar. 14, to consider a wide range of bills. The panel, chaired by Sen. John Marty (DFL-Roseville), continued the meeting into the evening hours.

The committee began by hearing a bill, S.F. 696, providing a home care tax credit. Chief Author Ann Rest (DFL-New Hope) said in recent years one of the major initiatives of health care has been allowing persons who would otherwise need long-term care to remain in their own homes. She said the bill establishes a \$200 per month refundable tax credit for persons who provide care that delays or avoids transferring a person to a nursing home.

The measure outlines the criteria that must be met to qualify for the credit and limits the credit to \$2,400 per year. The bill was approved and advanced to the Taxes Committee.

Sen. Michelle Fischbach (R-Paynesville) sponsored a bill, S.F. 1215, making technical changes in provisions relating to the Dept. of Health. The bill eliminates a radioactive material license renewal fee, establishes fees for ionizing radiation-producing equipment, modifies requirements for operating X-ray equipment and changes provisions in the lead abatement program. The measure was approved and re-referred to the State and Local Government Operations and Oversight Committee.

S.F. 570, sponsored by Sen. Linda Higgins (DFL-Mpls.), modifies the competitive bidding process for Medical Assistance nonemergency medical transportation. Higgins said several concerns have been raised about the process of providing nonemergency rides for persons needing to visit the doctor, have dialysis or have other medical appointments. Higgins said the bill specifies criteria for level of need determinations and modifies criteria for need determination and increases reimbursement for Medical Assistance special transportation services. She said individuals do not need to repeatedly have level of need determinations and the bill specifies level of need determinations are not to be made more than semiannually, unless there is a significant change in circumstances. The bill also raises reimbursement from \$17 to \$17.50 for the base rate and from \$1.35 per mile to \$1.85 per mile for services to persons who need a wheelchair accessible van. The rate for services to persons who do not need a wheelchair accessible van goes from \$11.50 to \$11.55 for the base rate and from \$1.30 to \$1.35 per mile, under the bill. The bill also raises the rates for services to individuals needing a stretcher accessible vehicle from \$60 to \$63 for the base rate and \$2.45 per mile, with an attendant rate of \$9.

A number of individuals related experiences with rides not having the proper equipment or not showing up at all. Chris Reisdorf, Dept. of Human Services, said a provision in the bill removing the department's authority to broker special transportation services may prove detrimental to patients. The measure was approved and re-referred to the Finance Committee.

Committee update

S.F. 1593, carried by Sen. Yvonne Prettner Solon (DFL-Duluth), changes the public program volume factor for medical education and research cost (MERC) funding distribution formula by changing from revenue to charges submitted for payment to the state as well as to the contiguous states. The funds from MERC are used to offset clinical education costs at eligible clinical training sites and for additional training for doctors, dentists and pharmacists. The measure was advanced to the Finance Committee.

Sen. Linda Berglin (DFL-Mpls.) authored a bill to establish a controlled substances prescription electronic reporting system. Berglin said the bill, S.F. 714, is aimed at getting more information about what drugs are being prescribed and to whom the drugs are being prescribed. Berglin said one common practice is for patients to obtain prescription drugs and then sell them. David Schultz said prescription drugs are easily intercepted and diverted. The bill provides for a database to collect data on individuals receiving prescriptions on schedule II and schedule III controlled substances, and individuals presenting forged or otherwise false or altered prescriptions for controlled substances to dispensers. The measure was approved and advanced to the Judiciary Committee.

The panel also heard testimony on S.F. 1535, requiring training on personal safety for direct care staff. The bill, sponsored by Marty, was amended to specify that an employer that operates a facility that provides services for persons with mental illness or severe emotional disturbance must provide direct care staff and supervisors a minimum of eight hours of training in violence prevention and violence

reduction. The measure also requires employers to maintain training records. The measure was approved and re-referred to the Business, Industry and Jobs Committee. Marty also carried a bill, S.F. 1434, requiring the Dept. of Human Services to develop a quality of care impact statement prior to contracting for basic health care services to persons with disabilities. The measure was approved and sent to the Finance Committee.

Sen. Katie Sieben (DFL-Newport) sponsored two bills. S.F. 1508 provides for a child safety system and child safety fund. Sieben said all children should be able to be safe from abuse and neglect, live in permanent and stable homes where they are nurtured, and have the opportunity to reach their full potential. She said the bill sets up a performance based child safety

system that ensures the safety, permanency and well-being of children and establishes performance standards for the system. She said the measure requires the commissioner of human services to establish a work group to develop the standards and to provide the necessary information and assistance to each county for establishing performance baselines and performance targets. The bill was approved and re-referred to the Finance Committee.

Sieben's second bill, S.F. 1105, requires the commissioner of health to develop health risk limits for perfluorochemicals and requires a report on the health effects and health risk limits for perfluorochemicals. The measure was approved and advanced to the Senate floor.

Marty sponsored a bill, S.F. 1085, prohibiting the sale of certain mercury-containing products and modifying the restrictions on the sale, use and disposal of certain mercury-containing products. The bill also requires consumer information about mercury-containing products and modifies lamp recycling facility operation requirements. Marty said controversy on the bill centers on an amendment he is going to offer requiring the extraction of amalgam fillings, which contain mercury, from individuals prior to cremation. He said the bill also authorizes the use of scrubbers on crematoria if extraction of the fillings does not take place. He said about three percent of mercury released into the atmosphere comes from crematoria. Supporters said the removal of fillings before cremation is a way to make a significant difference in the amount of mercury released into the atmosphere. Opponents said the cost is prohibitive and the process would cause distress to families at a time when families are already upset.

No action was taken because the bill was not before the committee.



Cass Lake-Bena High School junior Beth Ann Michaud describes her experiences with substance abuse treatment as members of the Health and Human Services Budget Division consider legislation, Fri., Mar. 16, that appropriates funds for a Leach Lake Reservation youth treatment center.

Photo by David J. Oakes

Health and Human Services Budget Division

Budget changes heard

Members of the Health and Human Services Budget Division, chaired by Sen. Linda Berglin (DFL-Mpls.), devoted the first portion of the Tues., Mar. 13, meeting to hearing updates on the governor's budget recommendations in light of the latest budget forecast.

Members heard representatives of the Dept. of Human Services and the Dept. of Health review the budget proposals.

The governor's budget proposals were incorporated in a bill, S.F. 888, carried by Sen. Michelle Fischbach (R-Paynesville). The bill appropriates \$11.320 billion from all funds over the biennium for the Dept. of Human Services and \$331.14 million from all funds for the Dept. of Health. The bill establishes MinnesotaCare II, which would run parallel with MinnesotaCare for children from low income families. Under the bill, the program is voluntary and uses the commercial market to provide coverage. The bill also contains the governor's mental health initiative. No formal action was taken on the bill.

The panel also heard a bill, S.F. 637, providing an appropriation for regional emergency medical services. The measure, sponsored by Sen. Paul Koering (R-Fort Ripley), appropriates \$800,000 in FY 2008 to the eight emergency medical service regions. The measure was laid over for possible inclusion in the division's omnibus bill.

Family planning bill gains

Chair Linda Berglin (DFL-Mpls.) and the Health and Human Services Budget Division advanced the policy portions of a bill to increase access to family planning Wed., Mar. 14.

Chief Author John Marty (DFL-Roseville) said S.F. 184 prevents unintended pregnancies by increasing access to family planning. The bill increases payment rates for family planning services, reinstates base funding and appropriates \$8 million for family planning grants, he said. Marty said the bill also allows a registered nurse at a family planning agency to dispense birth control under the direction of a medical director and for non profit family planning agencies to be allowed to join the state drug plan. The bill requires the commissioner of human services to

work with clinics to adjust the Medical Assistance reimbursement rates to adequately cover the cost of doing business, he said. Peg LaBore, executive director, Family Tree and Safeplan, said the provisions in the bill are integral in establishing a stable family planning network. LaBore said rising drug costs mean the clinic is limited on the birth control options they can offer. Low reimbursement rates are also causing financial problems for family planning clinics, she said. Chi Ellis, board member, Midwest Health Center for Women, said her organization has had to turn away more than 900 women in recent years because of funding cuts. Family planning programs help prevent unwanted pregnancies, abortions and sexually transmitted infections and in the long run save taxpayers money, Marty said. The fiscal parts of the bill were deleted from the bill and laid over for possible consideration in the omnibus bill. S.F. 184 was recommended to pass and referred to the Finance Committee.

Sen. Paul Koering (R-Fort Ripley) authored S.F. 1229. The bill changes provisions for well contractor's license. The bill changes the bond requirement from \$10,000 to \$25,000 for well contractors to cover persons injured or suffering financial loss because of a failure to perform work, Koering said. The bill also caps the cost of three or more limited well/boring contractor licenses at \$225, he said. Koering said the bill has no fiscal impact. The bill was recommended to pass and referred to the Finance Committee.

The division voted to lay over the following bills for possible inclusion in the omnibus bill.

Authored by Sen. Gary Kubly (DFL-Granite Falls), S.F. 1287 appropriates money for a compulsive gambling program. The Northstar Problem Gambling Alliance, Inc. increases public awareness of problem gambling and provides education and training for those providing effective treatment services to problem gamblers and their families, said Lance Holthusen, executive director. The appropriation comes from the lottery prize fund, Berglin said.

Sen. Linda Scheid (DFL-Brooklyn Park) authored S.F. 754. The bill modifies childcare provisions. Childcare is a learning program and studies have shown that quality childcare gets children ready to learn, Scheid said. The bill conforms

the co-pay schedule so that no family would pay more than 10 percent of their income and consolidates the childcare sliding fee program, MFIP childcare program and transitional year childcare program, she said. The bill also extends the deferral period in which childcare continues from 30 days to 60 days, Scheid said. Childcare helps parents get work, said Deborah Schlick, Affirmative Option Coalition. The bill looks like a lot of money, but it is something the state should be doing, said Chad Dunkley, Minnesota Child Care Association, New Horizon Academy. Minnesota is ranked one of only 16 states that has a waiting list for childcare assistance, he said.

S.F. 771, authored by Sen. Linda Higgins (DFL-Mpls.), requires yearly inspections of child care centers and homes. Currently, childcare centers are inspected every other year. Inspections improve the health, safety and quality of childcare sites, said Ann Kane-Roth, executive director, Child Care Works.

Authored by Sen. Mary Olson (DFL-Bemidji), S.F. 1380 appropriates money for a statewide deaf and hard of hearing mentor program for families of infants and children that have a hearing loss. The bill appropriates \$80,000 to provide an adult deaf and hard of hearing mentor for families of a deaf or hard of hearing child, Olson said. The bill will provide children the opportunity to interact with language and culture like other children, she said.

S.F. 1559, authored by Sen. Sharon Erickson Ropes (DFL-Winona) provides a nursing facility rate increase for the costs of code compliance. The bill uses one time money to help care centers meet compliance standards such as sprinkler systems, elevator codes or the purchase of technology, Erickson Ropes said. Berglin said the bill appropriates money to every nursing home whether they need it or not. Kari Thurlow, Minnesota Health and Housing Alliance, said most facilities have capital or technology needs that are mandated at the local or federal level, but the proposal does not take into account the magnitude of the need.

Also carried by Higgins, S.F. 1387 allows incarcerated individuals to remain eligible for medical assistance until conviction. The bill allows those on Medical Assistance to have their benefits suspended rather than terminated when they are incarcerated, Higgins said. Ronald Wiborg, contracts and grant manager,

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Hennepin County Community Corrections, said when benefits are terminated, it takes 45 to 90 days to re-quality and during that time individuals released from jail must go to the emergency room to refill prescriptions, often at more cost to taxpayers. The bill was not formally in front of the committee, so no action was taken.

Meth, industrial acids discussed

Members of the Health and Human Services Budget Division gathered Thurs., Mar. 15, to consider bills on a variety of topics. The panel laid all the measures over for possible inclusion in the omnibus health and human services finance package.

S.F. 1683, authored by Sen. Kathy Saltzman (DFL-Woodbury), provides \$570,000 for a study of in-home water filtration systems and their effectiveness in removing perfluorooctanoic acid (PFOA), perfluorooctane sulfonate (PFOS), and perfluorobutanoic acid (PFBA) from drinking water. The industrial chemicals were used by 3M and disposed in the eastern Metro Area, Saltzman said, and are causing concerns about drinking water. She said other companies are now trying to sell water filtration systems to concerned residents, but no one knows which, if any, systems are effective.

Sen. Julie Rosen (R-Fairmont) carried a bill, S.F. 1731, providing grants to existing methamphetamine treatment programs. S.F. 594, sponsored by Sen. Tony Lourey (DFL-Kerrick), adds children age five or older to the list of special needs children for purposes of adoption assistance. S.F. 196, authored by Chair Linda Berglin (DFL-Mpls.), creates a reverse mortgage incentive program.

The panel also heard a review of and public comments on the governor's mental health bill. S.F. 1025, carried by Berglin, was not before the panel, so it could not take action on the measure.

Higher Education Budget and Policy Division

Omnibus package finalized

A proposal spending over \$3 billion on higher education in FY 08-09 was approved by members of the Higher Education Budget and Policy Division, Tues., Mar. 13. The panel, chaired by Sen. Sandra Pappas (DFL-St. Paul), approved

the package for introduction as a committee bill.

Dennis Albrecht, Senate fiscal analyst, reviewed a spreadsheet summarizing the appropriations in the proposal. It includes \$295.951 million in spending above the most recent forecast, including \$136.558 million more for the University of Minnesota, \$128.05 million more for the Minnesota State Colleges and Universities, \$160,000 more for the Mayo Medical Foundation, and almost \$31 million more for programs administered by the Office of Higher Education. The office also receives \$194,000 more to reflect a 3.25 percent annual compensation adjustment.

Albrecht explained that a \$10.884 million reduction in spending for the state grant program is caused by lower demand and federal changes to the Pell grant program. Maja Weidmann, Senate analyst, said the proposal increases the state grant program's tuition and fee maximum by \$400 and the living and miscellaneous expense allowance by \$200.

The package provides \$2.954 million more for the child care grant program. Most of the additional funds for MnSCU, \$104 million, are dedicated to covering inflationary costs. The remainder is split between efforts to retain and recruit students from underrepresented populations (\$14.05 million) and technology infrastructure improvements (\$10 million). Almost all of the new money for the University, under the proposal, is undedicated. Albrecht said the proposal indicates the University's Board of Regents should allocate the money based on their already-articulated priorities.

Other than the appropriations, the package also includes several policy provisions heard by the panel over the course of the session. It creates statewide objectives for higher education investments, requires the University and MnSCU to submit detailed reports to the Legislature on their use of state funds, graduation rates and other information, requires public colleges and universities to provide personal financial management information during student's initial registration process, and limits colleges', universities' and their affiliates' ability to market credit cards to students. The package also includes a proposal to extend resident tuition rates to students who attend a Minnesota high for at least three years, graduate from a state high school, and register at a public college or university in

Minnesota. The proposal requires students who are not U.S. citizens or permanent residents to provide an affidavit that they will file applications to become permanent residents or citizens at the earliest opportunity they are eligible to do so.

Members adopted a series of amendments to the package. Sen. Ann Lynch (DFL-Rochester) offered an amendment creating a Minnesota GI Bill program. The amendment caps education assistance at \$1,000 per semester, \$3,000 per year and \$10,000 total. Funding for the program was already included in the proposal, at \$10 million for the biennium. An amendment offered by Sen. Charles Wiger (DFL-North St. Paul) requires MnSCU instructors to consider pricing and other information about textbooks before placing final orders with college bookstores. Sen. Kathy Sheran (DFL-Mankato) offered an amendment extending the lives of the Higher Education Advisory Council and the Student Advisory Council until 2009. Sen. Claire Robling (R-Jordan) offered two amendments. One increases the borrowing limit for the Higher Education Facilities Authority from \$800 million to \$950 million. The other provides \$200,000 to a MnSCU campus for a textbook rental pilot program. Pappas also offered two amendments. One amendment dedicates \$150,000 of the additional funding for the University to industrial relations education. The other earmarks \$8 million of the MnSCU appropriation to eliminating nonresident tuition at technical and community colleges.

Before considering the omnibus budget package, division members also heard two measures. S.F. 1751, authored by Sen. Ron Latz (DFL-St. Louis Park), appropriates funds for a pilot program offering scholarships to Minnesota students taking part in internships in the nation's capital. S.F. 1778, carried by Sheran, appropriates funds to support the Campus Compact, which promotes community service, civic engagement, and service learning in higher education. Both bills were laid over. Pappas said language similar to that in S.F. 1751 was already in the omnibus package. Some funds for the Campus Compact were also included in the proposal, she said, but not as much as was requested. Pappas said the higher request came too late in the process to accommodate it.

Judiciary

Grants bills okayed

Two measures relating to state grants were among the legislation approved by

members of the Judiciary Committee, Tues., Mar. 13. The panel, chaired by Sen. Mee Moua (DFL-St. Paul), also considered bills adding legislative members to councils overseeing criminal task forces, modifying background check requirements, and creating a process for independent contractors to become exempt from various employment laws.

Sen. Ann Rest (DFL-New Hope) carried both grant-related bills. S.F. 1539 establishes a grant management program in the Dept. of Administration. The bill provides for the classification of grant-related data, such as requests for proposal, throughout the grant evaluation and awarding process. The measure also extends whistleblower protection to state employees who make good-faith reports of alleged violations to their supervisors, the commissioner of administration or the legislative auditor. S.F. 416 requires the commissioner of administration to maintain a searchable, online database of information about state contracts and grants valued in excess of \$30,000. Both bills were advanced to the Finance Committee.

S.F. 1103, authored by Sen. Satveer Chaudhary (DFL-Fridley), creates a process for independent contractors to seek exemption from workers' compensation, labor standards and wages, child labor, occupational safety and health, and unemployment insurance laws. Under the bill, a person may not work as an independent contractor without obtaining the exemptions. The bill was approved and re-referred to the Committee on State and Local Government Operations and Oversight. S.F. 985, carried by Moua, makes technical changes to background check requirements for the emergency placement of children. Julie LeTourneau Lackner, Bureau of Criminal Apprehension, said the changes are needed to conform to federal requirements. The measure was recommended for placement on the Consent Calendar.

Sen. Bill Ingebrigtsen (R-Alexandria) sponsored S.F. 1540. The measure adds two Legislators to the Gang and Drug Oversight Council, which oversees the Gang and Drug Strike Force. Members adopted an amendment adding two Legislators to the Financial Crimes Oversight Council, which supervises the Financial Crimes Task Force. The amendment also contains the language of a bill, S.F. 615, authored by Moua, requiring the

Financial Crimes Oversight Council to submit an annual report to the Legislature on the council's goals, achievements, legislative recommendations and financial activity. S.F. 1540 was advanced to the State and Local Government Operations and Oversight Committee.

Employer disclosure bill okayed

A measure requiring the disclosure of businesses that employ more than 50 enrollees in public health care programs gained the approval of the Judiciary Committee, Thurs., Mar. 15. The panel, chaired by Sen. Mee Moua (DFL-St. Paul), advanced the measure to the Finance Committee.

S.F. 439, authored by Sen. John Marty (DFL-Roseville), requires the commissioner of human services to compile a report identifying the employers. The report must be submitted to the Legislature by Jan. 15, 2008, and made available on the department's website. The bill requires the commissioner to protect the identity of enrollee-employees. Sen. Ellen Anderson (DFL-St. Paul), presenting the bill on Marty's behalf, said the bill seeks only to determine aggregate information about employers, not the identity of enrollees in Medical Assistance, General Assistance Medical Care or MinnesotaCare. We have an employer-based health care system, Anderson said, but some employers who can afford to offer coverage are not doing so. Instead, the companies are placing the burden on taxpayers by pushing their employees to enroll in public health care programs, she said. Before we can address this problem, we need to understand its scope and nature, Anderson said.

In other action, committee members considered several additional bills. S.F. 241, sponsored by Sen. Warren Limmer (R-Maple Grove), prohibits consumer reporting agencies from selling information regarding a credit inquiry arising from a consumer mortgage loan application. Limmer said many applicants for mortgages, after they have selected a lender, are barraged with solicitations from other lenders. S.F. 358, authored by Sen. Mary Olson (DFL-Bemidji), permits the commissioner of human services to advise persons who were adopted that they have siblings. The bill also extends to persons who were committed to the commissioner's guardianship because of a termination of parental rights. Both S.F. 241 and S.F. 358 were sent to the full Senate.

S.F. 1074, carried by Sen. Katie Sieben (DFL-Newport), creates an environmental health tracking and biomonitoring program. Allison Wolf, Minnesota Center for Environmental Advocacy, said the program will track aggregate environmental health data to correlate disease and exposure rates, and will conduct biomonitoring to track exposure to hazardous substances. Other states have undertaken similar initiatives, she said, and Minnesota needs to catch up to better address public health hazards. The bill was re-referred to the Finance Committee.

Four additional bills were also advanced to the Finance Committee. Sen. Linda Berglin (DFL-Mpls.) authored a bill, S.F. 714, establishing an electronic reporting system for physicians and pharmacists to monitor the prescription and dispensation of controlled substances. Members adopted an amendment, suggested by Moua, requiring pharmacists to provide notice to consumers that prescriptions of schedule II and III drugs are reported to the system. S.F. 1061, presented by Sen. Ann Rest (DFL-New Hope) on behalf of Sen. Sandra Pappas (DFL-St. Paul), requires businesses entering into state contracts of more than \$500,000 to obtain certificates of compliance with pay equity standards. Sen. Julie Rosen (R-Fairmont) sponsored S.F. 1072, which requires the commissioner of health to study the prevalence of prenatal exposure to illicit drugs. S.F. 1799, authored by Sen. Terri Bonoff (DFL-Minnetonka), requires the CrimNet system to include orders for protection and no-contact orders, requires no-contact orders to be accompanied by the defendant's photograph, and requires the POST Board to providing peace officers with in-service training about domestic abuse no-contact orders and how law enforcement resources relating to no-contact orders can be coordinated. Bonoff also sponsored a bill, S.F. 1577, that was laid over for further consideration. The measure permits school districts to contract with third party vendors to conduct background checks.

Sen. Thomas Bakk (DFL-Cook) carried three bills; all the measures were re-referred to the Taxes Committee. S.F. 1024 modifies the commissioner of revenue's debt collection practices. S.F. 611 updates data practices provisions for the Dept. of Revenue. S.F. 1378 requires the commissioner of revenue to destroy

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forfeited cigarettes and tobacco products. Under current law, the commissioner may destroy the contraband, sell it at a public auction or transfer it to the commissioner of human services for use by patients in state institutions.

Judiciary Budget Division

Omnibus bill advances

The Judiciary Budget Division, chaired by Sen. Leo Foley (DFL-Coon Rapids), approved a measure containing the division's appropriations recommendations for the courts. Foley said the proposal totals \$753.394 million from the general fund for the courts, public defenders, the Board on Judicial Standards and the Uniform Laws Commission.

The measure authorizes \$89.18 million for the Supreme Court and Civil Legal Services and \$20.243 million for the Court of Appeals. Foley said the proposal authorizes a 3.25 percent compensation adjustment for all courts and boards. The Court of Appeals appropriation includes provision for a three judge appeals panel and for caseload increases. The District Court appropriation is \$496.766 million and includes full funding for all the state mandated services, Foley said. The mandated services include guardians ad litem, interpreter services, psychological services, in forma pauperis services, maintenance of the current Drug Courts, an increase for new problem solving courts, and a virtual self-help center, he said. Foley said the governor requested funding for nine new judges, but the measure provides for seven new District Court judges. The proposal appropriates \$1.6 million for the Tax Court, \$110,000 for the Uniform Laws Commission, and \$912,000 for the Board of Judicial Standards.

Under the proposal, the Public Defense Board receives an appropriation of \$144.56 million. Of that amount, Foley said the public defender appellate operation receives \$1.160 million, the public defender shortfall is funded with \$6.463 million, an additional 34 lawyers and 11 support staff for increased caseloads receive \$6.775 million, and drug court and problem solving court public defender services are provided \$1.053 million.

Sen. Richard Cohen (DFL-St. Paul) offered an amendment specifying that beginning with FY 2009-2010, the salaries of the justices of the Supreme Court,

judges of the Court of Appeals and District Courts will be increased by the average of the percentage increase in total compensation for state employees provided in collective bargaining agreements. Cohen said judges in Minnesota do not receive adequate pay and that Minnesota judge salaries are 28th in the nation. "Some recent graduates of law school who join one of the big law firms may get higher salaries than judges in the state," Cohen said. The amendment was adopted.

The panel adopted the spreadsheet and approved a motion that the bill be introduced as a division bill.

Property Tax Division

LGA bills considered

The Property Tax Division, chaired by Sen. Rod Skoe (DFL-Clearbrook), considered several bills proposing changes in Local Government Aid (LGA) at the Mon., Mar. 12 meeting. All of the bills heard by the division were laid over for possible inclusion in the omnibus bill.

Authored by Sen. Rick Olseen (DFL-Harris), S.F. 1548 increases the LGA payment to Taylors Falls. Taylors Falls State Park is within the city of Taylors Falls and is the only state park that allows technical climbing, Olseen said. About 350,000 people visit the park each year, said Michael Buchite, mayor. The park attracts many rock climbers and each year the city's fire department responds to six to eight rock falls, he said. The city has invested in the training and equipment necessary to respond to rock falls, Buchite said. The city currently provides the service at no cost to the state, he said. Buchite said the bill increases LGA payments to the city to help cover the cost.

Sen. Tarryl Clark (DFL-St. Cloud) authored S.F. 1372. The bill increases the city aid base for Rockville. The city of Rockville consolidated two cities and a township in 2002, Clark said. With changes in LGA, the burden on local residents has become very high, she said. Over time, the city will grow enough to meet the challenge, but until then the bill will help the city offer basic services, Clark said.

S.F. 1227, carried by Sen. Dan Skogen (DFL-Hewitt), modifies local government aid programs and program appropriations. The bill creates permanent property tax relief evenly across Minnesota, Skogen said. Steve Peterson, Coalition of Minne-

sota Cities, said the bill modifies the LGA formula by increasing maximum aid caps, including inflation increases and offering supplemental aid.

Authored by Sen. Mee Moua (DFL-St. Paul), S.F. 1258 amends the distribution mechanism for LGA to decrease volatility. The bill makes two changes to how the LGA formula works Moua said. Half of the LGA payment will be based on the previous year's data and half on the current year's data, she said. The bill also provides that no city's LGA can decrease by more than \$15 per capita per year, Moua said. The bill smoothes out the peaks and valleys in LGA and will help cities with budgeting, she said.

In other action, the division considered S.F. 1154. Authored by Sen. Tom Saxhaug (DFL-Grand Rapids), the bill increases the amount of payments in lieu of taxation to land utilization project (LUP) land. The bill increases payment for LUP from 75 cents per acre to three dollars per acre, said Todd Beckel, county commissioner, Lake of the Woods.

Olseen also authored S.F. 1044. The bill provides for a study evaluating the truth in taxation property tax program. Keith Carlson, Minnesota Inter-County Association, said cities and counties spend money on advertising, sending letters and holding hearings for truth in taxation, often with a low turnout. The bill does not propose any changes in the truth in taxation law, just a study of the costs and public participation, Carlson said.

S.F. 807, authored by Sen. Steve Dille (R-Dassel), exempts from the definition of household income the amount of any military disability pay received by a veteran from the federal government. The bill provides another idea on how to help veterans and military personnel, Dille said. By subtracting disability pay from their income, more veterans will be eligible for property tax and rent credit savings, he said.

Authored by Sen. Bill Ingebrigtsen (R-Alexandria), S.F. 1594 changes the market value included in tier I homestead resorts. In 1973, there were 3,600 resorts in Minnesota, but today there are only 900 resorts, Ingebrigtsen said. The bill changes the classification of homestead resorts to provide some tax relief, he said. Joel Carlson, Congress of Minnesota Resorts, said the best way to address the resort tax issue is to adjust the tiers.

Authored by Sen. Satveer Chaudhary (DFL-Fridley), S.F. 1420 provides a



Senators Kathy Sheran (DFL-Mankato) and David Senjem (R-Rochester) discuss the details of a bill on the Senate floor during the Wed., Mar. 14, floor session.

Photo by David J. Oakes

reduced class rate for certain property bordering public waters. The bill creates a new classification for unimproved shoreline, Chaudhary said. The bill gives people an incentive to not develop shoreline property and to enjoy it in a different way, he said. Jeff Forester, Minnesota Seasonal Recreational Properties, said unimproved shoreline has economic and biological benefits. The bill shifts the tax from someone's secondary property to the primary residences in the area, who are not seeing the benefits, said Sen. Julianne Ortman (R-Chanhassen).

Sen. Kathy Sheran (DFL-Mankato) authored S.F. 1021. The bill increases the maximum homeowners' property tax refunds. The maximum refund by income is increased and adjusted for inflation, Sheran said.

S.F. 1290, authored by Sen. Paul Koering (R-Fort Ripley), modifies the senior citizen's property tax deferral program. The program currently exists and allows seniors to defer their property taxes until they pass away by putting a lien on their property, Koering said. Seniors must meet certain criteria, he said. Koering said he bill removes the interest that must be paid and changes the eligibility require-

ments to require only one spouse be over the age of 65.

Property tax relief gains

A measure providing tax relief to homeowners was approved by members of the Property Tax Division, Fri., Mar. 16. The panel, chaired by Sen. Rod Skoe (DFL-Clearbrook), advanced the proposal to the full Taxes Committee.

Members adopted two amendments to S.F. 1, authored by Sen. Thomas Bakk (DFL-Cook), containing the tax relief and other property tax provisions heard by the panel over the course of the session. The proposal provides \$41.9 million in increased funding for the market value credit and \$24.4 million in additional property tax refunds. It also provides additional aid to local units of government, to the tune of \$150 million in additional local government aid for cities, \$60 million in new county program aid, and \$15 million in aid to townships.

The Senate's first priority is offering property tax relief to homeowners, Skoe said. We have also heard that local governments have been pushed to increase their local levies as state aid has fallen, he said. Government works best when there is

a strong partnership between the state and local governments in providing necessary services, he said. Bakk said the bill does not just freeze or reduce the growth in property taxes, but it actually reduces property taxes. Outside of escalating home values or local decisions to increase taxes, he said, homeowners can expect smaller tax bills. Sen. Julianne Ortman (R-Chanhassen) said she was concerned that the proposal does not require the additional aid to cities to be passed on to homeowners. Additionally, we are creating new dependents on state revenue, especially the income tax, by adding more cities to the local government aid program, she said.

Public Safety Budget Division

Omnibus bill approved

The omnibus public safety appropriations bill and a bill providing for one-time spending were unveiled at the Wed., Mar. 14, meeting of the Public Safety Budget Division. The two proposals, carried by Chair Linda Higgins (DFL-Mpls.), provides appropriations to the Dept. of Public Safety, the Dept. of Corrections, the Dept. of Human Rights and community services. Higgins said the target for the division was \$25 million under the governor's recommendation and the bills abide by the target.

The measure appropriates \$171.045 million from the general fund for the Dept. of Public Safety, and \$929.15 million for the Dept. of Corrections. Higgins said a number of bills heard by the division over the course of the session were also included in the proposal. The measure appropriates \$5.240 million for emergency management services, \$87.1 million for the Bureau of Criminal Apprehension, \$10.6 million for the State Fire Marshall's Office, \$3.64 million for the Gambling and Alcohol Enforcement Division, \$77.1 million for the Office of Justice programs and \$106.066 million for 911 Emergency Services. Higgins said the Office of Justice programs took a big hit when the bill containing federal funding did not pass and the appropriations go a little way toward making up the loss of those funds. Office of Justice programs receiving appropriations include the Gang and Drug Task Force, the victim notification system, squad car technology upgrades, law

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enforcement overtime grants, aid to families of victims of murder or suicide, grants for services for victims of sexual assault and grants for services for victims of domestic violence.

The measure also includes \$9.189 million for the Peace Officer Training and Standards Board and \$262,000 for the Private Detective Board. The Department of Human Rights receives \$8.742 million under the bill.

Dept. of Corrections appropriation is \$656.208 million, the community services appropriation is \$237.882 million, and the Sentencing Guidelines Commission appropriation is \$1.316 million. Higgins said the appropriation for the Dept. of Corrections include an increase in health services, an increase in fuel and utility costs, offender reentry services and a compensation adjustment of 3.25 percent. The community services portion of the proposal contains appropriations for sex offender management, offender reentry services and for mentoring children of incarcerated parents.

The proposal containing one-time appropriations provides \$1.6 million for the CriMNet e-charging system, \$5.4 million for replacement of live scan units, \$1.98 million for other CriMNet projects, \$100,000 for defibrillators for Greater Minnesota law enforcement officers, \$500,000 for integrated domestic violence response training, and \$620,000 for services to children under the age of ten who are involved or are at highest risk of becoming involved in the juvenile justice system. The measure also provides \$300,000 for legal advocacy for trafficking victims, \$400,000 for homeless outreach grants, \$100,000 for the Hennepin County Violent Offender Task Force and \$1,000 for a high risk adult demonstration project.

Members adopted an amendment specifying that the \$1 million appropriation for law enforcement squad car camera technology upgrades may also be used for camera technology acquisition. The amendment also specified that grants for acquisition must have a 25 percent local match. Another amendment, offered by Sen. Thomas Neuville (R-Northfield), directs the Sentencing Guidelines Commission to propose changes to the sentencing guidelines grid for controlled substance offences. The amendment also specifies that the proposal must make the presumptive sentences proportional with

similarly severe offenses in Minnesota and proportional with similar offenses from the federal government and other states. The amendment was adopted.

Neuville also offered an amendment containing the language of a bill making changes to the process for obtaining expungements of criminal records. Sen. Mee Moua (DFL-St. Paul) said she supported the concepts in the bill, but that a proposed study on the sealing of arrest records and collateral consequences should be completed before enacting the expungement bill. She said the study could be expanded to include expungements and provide a more thoughtful basis upon which to take action. Higgins said she also supported the legislation but that she had received conflicting information about the costs of the measure. Neuville withdrew the amendment.

Members approved a motion to introduce the proposal as a division bill and to forward the proposal for one-time spending as a recommendation to the Finance Committee.

Rules and Administration

Rule discussed

Members of the Rules and Administration Committee met Tues., Mar. 13, to take action on two bills and to discuss possible changes to the process for amending omnibus budget bills on the Senate floor.

The two bills were before the panel because all bills creating a legislative task force or legislative commission must be referred to the committee. S.F. 1081, authored by Sen. Ann Rest (DFL-New Hope), creates the Minnesota Commission on New Americans to identify the strengths of the immigrant community in the state. Rest said under the bill, the commission is directed to identify underutilized resources within immigrant communities and to make recommendations to the Legislature and state agencies to facilitate the full participation of immigrants in the social, cultural and economic life of the state. Rest said the bill is a workforce and economic development tool to capitalize on the assets of the immigrant community. The bill was approved and re-referred to the Finance Committee.

S.F. 15, sponsored by Sen. Yvonne Prettner Solon (DFL-Duluth), is the

Children's Health Security Act. Prettner Solon said the bill provides health care coverage for eligible children in the state. The measure also creates a Task Force on Children's Health Care Coverage to study health care reform and cost-containment options for the children's health security program and provide recommendations to the Legislative Commission on Health Care Access. The measure was also approved and re-referred to the Finance Committee.

Chair Lawrence Pogemiller (DFL-Mpls.) led members in a discussion about Rule 7 in the Permanent Rules of the Senate and a proposed resolution. Rule 7 specifies that within 30 days of the last general fund revenue and expenditure forecast and after receiving a resolution from the Taxes Committee containing recommendations on the maximum limit on revenues, the Finance Committee must adopt and send to the floor a budget resolution containing the net appropriations from the general fund. The rule goes on to specify that within 14 days, the Finance Committee must set limits for each major appropriations bill and specifies that amendments to budget bills on the Senate floor are out of order if they cause the limits set by the Finance Committee to be exceeded. Pogemiller said the budget resolution has not been completed the last two bienniums and that members should either repeal or comply with the rule. He offered a proposed resolution specifying that amendments to a major appropriations or tax bill are out of order if they increase net appropriations from a fund or reduce net revenue to the fund compared with the bill as it was reported to the floor of the Senate. Sen. Gen Olson (R-Minnetrista) said that both the rule and the proposed resolution serve to limit amendments and discussion on the floor. Pogemiller said the discussions on priorities normally takes place in the Finance Committee when the targets are set for each budget division. Members took no formal action on either the rule or the resolution.

State and Local Government Operations and Oversight

Domestic partner benefit bill gains

The State and Local Government Operations and Oversight Committee heard 20 bills during a marathon meeting

Fri., Mar. 9. The committee, chaired by Sen. Ann Rest (DFL-New Hope), heard bills ranging from a domestic partner benefits bill to the maintenance of electronic records.

S.F. 1369, authored by Sen. Sandra Pappas (DFL-St. Paul), requires that health insurance benefits be made available to domestic partners of state employees if they are also made available to spouses. Pappas said the bill allows the state to achieve consistency with private sector practices. The state's inability to provide complete benefit packages means the state cannot attract the top employees, she said. The state needs to treat all its employees with fairness and respect, said Lori Lippert, a state employee. Patricia Anderson, commissioner, Department of Employee Relations, said benefits are something that are negotiated in contracts and the Legislature should not be telling the department what to put in contracts. The Legislature has created a number of laws and policies that bind the commissioner in the bargaining process, Larson said. The bill was recommended to pass and re-referred to the Finance Committee.

Members also considered several bills making changes to election law. S.F. 1298, authored by Sen. Linda Higgins (DFL-Mpls.), makes miscellaneous voter registration and ballot requirement modifications. Higgins said S.F. 1298 is a housekeeping bill from the Secretary of State's office and removes things that are not working well or are inconsistent. The bill pushes back the date voting machines for people with disabilities must be used in township elections to 2010 because the machines are not ready, she said. The bill was recommended to pass and re-referred to the Finance Committee.

Also authored by Higgins, S.F. 954 makes modifications to voter registration provisions. The bill allows driver's licenses from other states to be used as identification for voters, said Scott Cooper, director, TakeAction Minnesota Education Fund. The bill also expands the list of utility bills that can be used to verify a voter's address to include electronic bills and digital cable bills, Cooper said. S.F. 954 was recommended to pass and re-referred to the Finance Committee.

Authored by Sen. Dan Larson (DFL-Bloomington), S.F. 1297 provides for automatic voter registration of applicants for a driver's license. The bill creates an opt-out system rather than an opt-in system

when residents apply for a new driver's license, Larson said. Mark Ritchie, secretary of state, said the change will decrease the number of and costs associated with people who register on election day. The bill was recommended to pass and re-referred to the Finance Committee.

Larson also authored S.F. 1527. The bill establishes a nonbinding presidential primary. The country is seeing states move towards having a greater role in selecting the president, Larson said. The bill will allow Minnesotans to have more of a voice, he said. The bill was recommended to pass and re-referred to the Finance Committee.

Both Sen. Don Betzold (DFL-Fridley) and Sen. Claire Robling (R-Jordan) authored bills to help municipalities establish trusts to pay post employment benefits. S.F. 892, carried by Betzold, and S.F. 917 authored by Robling, authorize local governments and school districts to establish trusts to pay post employment benefits to retired employees. Betzold said his bill allows the creation of either a revocable or an irrevocable trust. Tom Deans, Minnesota School Boards Association, said the bill allows groups to use the Public Employee Retirement Association, an insurance agency or a bank to administer the trust. Robling said her bill only allows irrevocable trusts to be established. If post employment benefits have been promised, it's important to make sure the money is there to pay for them, she said. Rest said she was inclined to support the bill that provided more flexibility. The committee voted to lay Robling's bill on the table. Betzold's bill was recommended to pass and re-referred to the Taxes Committee.

Sen. Thomas Bakk (DFL-Cook) offered another solution for municipalities to pay post employment benefits. S.F. 1169 authorizes municipalities to issue bonds to fund actuarial liabilities to pay post employment benefits to retired officers and employees. The bill gives municipalities flexibility to deal with post employment liabilities, Bakk said. The bill was recommended to pass and re-referred to the Taxes Committee.

S.F. 828, authored by Higgins, establishes the Safe Patient Handling Act. The bill was in front of the committee to look at portion of the bill that makes changes to Minnesota Rules. The committee adopted an amendment that removed the rule changing part of the bill. The bill

was recommended to pass as amended and re-referred to the Finance Committee.

Authored by Sen. Yvonne Prettner Solon (DFL-Duluth), S.F. 962 modifies aircraft facilities state financing to allow flexibility in obtaining a new lessee for the facility. The bill will help the city of Duluth find a new tenant for an aircraft maintenance facility in Duluth, Prettner Solon said. The bill was recommended to pass and re-referred to the Business, Industry and Jobs Committee.

S.F. 471, authored by Pappas, requires state agencies to certify that no state employees on recall lists are able to perform specified services before seeking approval of certain contracts. The bill establishes under what circumstances the state can contract out for services and when the state must use employees on recall lists, Pappas said. Paul Larson, deputy commissioner, Department of Employee Relations, said the issue belongs on the bargaining table, not in statute. The bill was recommended to pass and re-referred to the Finance Committee.

Authored by Betzold, S.F. 131 requires a study of how electronic records can be created, maintained, exchanged and preserved. It is important that government documents created today are available in the future, Betzold said. Mark Bohannon, Open Document Format Alliance, said open standards allow products from different companies to access information. But Jonathan Zuck, president, Association for Competitive Technology said there is no silver bullet that ensures access forever. The bill was recommended to pass and re-referred to the Finance Committee.

Pappas carried S.F. 1061. The bill requires certificates of pay equity compliance as a condition for certain state contracts. Earnings for women have always remained less than for men, said Bonnie Watkins, Pay Equity Coalition. Companies are already required to submit an affirmative action plan to the Department of Human Rights and be certified in order to bid on state contracts, Pappas said. The bill requires companies to also submit a pay equity plan, she said. The bill was amended to increase the size of the contracts that require the pay equity plan from \$100,000 to \$500,000. The bill was recommended to pass and re-referred to the Judiciary Committee.

S.F. 104, authored by Betzold, provides for the inclusion of certain former

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University of Minnesota steam plant employees in the state health insurance group. The bill affects about 40 employees who were allowed to stay in the state's pension plan, but not the health insurance plan when the steam plant was transferred to private ownership, Betzold said. The bill may not solve the problem, but it keeps the issue alive so Senators can continue to work towards a solution, he said. The bill was sent to the Finance Committee without recommendation.

The committee considered several bills that establish advisory boards and commissions. Members considered the process by which people are appointed to the group, how the first meeting is convened, who the group reports to and when the group is dissolved.

S.F. 92, carried by Sen. Terri Bonoff (DFL-Minnetonka), establishes an advisory school readiness board to make recommendations to the governor and the Legislature on developing a coordinated, efficient and cost effective system for delivering early childhood programs throughout the state. The bill requires five public members of the 13 member board, who are experts in early childhood education, to be appointed by the majority and minority leaders in the Senate and the Speaker of the House and minority leader of the House of Representatives. Rest said the bill does not address what happens if the leaders cannot agree. The bill was laid over so the author can address the committee's concerns.

Bonoff authored S.F. 317, requiring school districts to comply with the Schools Interoperability Framework specifications. The bill creates a working group to evaluate the feasibility and costs of how schools can share data, Bonoff said. The bill was not formally in front of the committee so no action was taken.

Also authored by Bonoff, S.F. 1143 creates a unified technology funding stream. The bill establishes a task force that will make sure all schools across the state have a minimum level of technology infrastructure, Bonoff said. The task force will also make grants to schools for technology improvements, she said. The bill was recommended to pass and re-referred to the Finance Committee.

S.F. 655, authored by Sen. Steve Dille (R-Dassel), provides for a checkoff for fertilizer and establishes a Minnesota Agricultural Fertilizer Research and Education Council and program. The bill

establishes a 40 cent per ton fee on fertilizer that is sold in Minnesota, Dille said. The money raised by the fee will be used for fertilizer research he said. The bill was recommended to pass and re-referred to the Finance Committee.

Authored by Rest, S.F. 1081 establishes the Minnesota Commission on New Americans. The commission will look at the great range of assets immigrants bring to Minnesota in a social, cultural and economic context, Rest said. The bill was recommended to pass and re-referred to the Rules and Administration Committee.

Sen. Mee Moua (DFL-St. Paul) authored S.F. 279. The bill requires studies of the automatic sealing of arrest records and collateral sanctions. Moua said the bill makes changes to the Collateral Sanctions Committee and establishes a working group to look at the automatic sealing of arrest records. The bill was recommended to pass and re-referred to the Finance Committee.

Variety of local bills heard

The State and Local Government Operations and Oversight Committee, chaired by Sen. Ann Rest (DFL-New Hope), met Mon., Mar. 12, to consider a variety of bills.

S.F. 1250, authored by Sen. Dan Skogen (DFL-Hewitt), modifies Dept. of Natural Resources rulemaking authority, modifies provisions for designating infested waters, extends expiration of the Mineral Coordinating Committee, provides for and modifies fees, modifies license and stamp provisions and provides that nonresident youth under the age of 18 may purchase a deer hunting license at the resident fee. The bill was approved and re-referred to the Finance Committee.

S.F. 585, authored by Sen. Paul Koering (R-Fort Ripley), removes restrictions on the sale or lease of property in Little Falls listed on the National Register of Historic Places. Koering said the properties contain two historic houses and a library, but a law enacted last year effectively tied the hands of the city from doing anything with the properties. The measure was approved and sent to the full Senate. Koering also sponsored a bill, S.F. 1176, creating a Citizens Advisory Group for the Cuyuna Country State Recreation Area and modifying state park permit exemptions. Rest said the bill needs to have several amendments in order to meet the requirements for an advisory group.

Members adopted an amendment satisfying the requirements for an advisory group established by the committee. The bill was approved and advanced to the Finance Committee.

Sen. Terri Bonoff (DFL-Minnetonka) sponsored a bill, S.F. 317, requiring school districts to comply with the Schools Interoperability Framework specifications. The measure also establishes a working group. The bill was approved and re-referred to the Finance Committee.

S.F. 1131, authored by Sen. Thomas Bakk (DFL-Cook), modifies Lake Superior commercial fishing provisions. The bill was before the panel because of a provision authorizing the commissioner of natural resources to use the good cause exemption to amend rules to conform to statutes. S.F. 1048, carried by Sen. Tony Lourey (DFL-Kerrick), restructures the Indian Affairs Council. He said the bill restructures the membership, restates the duties and provides for an annual summit of elected tribal leaders, legislative leaders and the governor. S.F. 1236, authored by Sen. Geoff Michel (R-Edina), makes technical and housekeeping changes in provisions relating to the Dept. of Employee Relations and repeals language providing an early retirement incentive for employees of the Bureau of Criminal Apprehension. All three measures were advanced to the Senate floor.

Several county bills were also heard. S.F. 837, sponsored by Sen. Amy Koch (R-Buffalo), authorizes the Hennepin County Board and the Wright County Board to initiate a process for the change of county boundaries by resolution. Koch said the city of Rockford has 12 percent of its land parcels in Hennepin County and 88 percent of its land parcels in Wright County. She said a number of services are split between the two counties such as police, ambulance and 911 services and the bill will simply respond to emergencies. The bill was sent to the full Senate. S.F. 547, carried by Sen. Julianne Ortman (R-Chanhassen), makes the Scott County Library Board advisory to the Scott County Board. Under the bill, the library board determines the contents of the collections of the library system and is responsible for the use of library meeting rooms. The bill was also advanced to the full Senate. S.F. 1045, also sponsored by Ortman, renames the Scott County Housing and Redevelopment Authority the Scott County Community Development Agency. The measure

was approved and recommended for placement on the Consent Calendar.

S.F. 960, authored by Sen. Linda Higgins (DFL-Mpls.), authorizes local governments to define the word dependent for the purpose of providing group benefits, rather than the definition in the general law that defines a dependent as a spouse or unmarried child under the age of 18 or a dependent student under 25. Mayor Chris Coleman, St. Paul, said the bill would allow local governments to provide benefits to domestic partners, if they choose to do so. He said the ability to provide benefits to domestic partners will make the city more competitive in attracting the best and the brightest employees. The measure was approved and sent to the floor.

Sen. Charles Wiger (DFL-North St. Paul) authored two measures. S.F. 1246 makes technical and noncontroversial changes in provisions relating to education. Wiger said the bill was before the panel because of provisions relating to rulemaking. S.F. 387 extends rulemaking authority of the Board of School Administrators for one year. Both measures were approved and re-referred to the Finance Committee.

Rest carried several bills. S.F. 981 makes modifications in the Metropolitan Land Planning Act. Rest said most of the modifications were flexible in nature. S.F. 1017 increases charter commission expense limits from \$1,500 to \$5,000. Rest said the bill applies to cities that are not cities of the first class. She said the limit was set at \$1,500 in 1961 and has not been raised since. Both measures were sent to the Senate floor. S.F. 1377 makes changes in provisions relating to state boards and advisory groups. The bill also repeals advisory groups where the continuing state of the group is uncertain. The measure was approved and re-referred to the Judiciary Committee.

Sixteen bills gain

Members of the State and Local Government Operations and Oversight Committee met Wed., Mar. 14, to approve over a dozen bills.

Five measures were approved and advanced to the full Senate. S.F. 380, sponsored by Sen. Charles Wiger (DFL-North St. Paul), eliminates the requirement that a county, municipality, or school district get the approval of the county auditor before conducting an

election by mail, permits a school board to decide whether or not to hold a primary election, and confirms school boards' authority to use electronic voting systems in elections not held in conjunction with a statewide election. S.F. 1165, carried by Sen. Rick Olseen (DFL-Harris), permits governmental bodies to meet by telephone or other electronic means in an emergency situation, such as a health pandemic, natural disaster or national security emergency. S.F. 124, authored by Sen. Mary Olson (DFL-Bemidji), permits vacancies in the office of county commissioner to be filled by appointment and permits the office of county auditor-treasurer to be made appointive without a referendum.

S.F. 753, carried by Sen. Sandy Rummel (DFL-White Bear Lake), replaces a requirement that election judges be appointed from lists furnished by political parties with permissive authority for election judges to be appointed from the lists. Under the bill, every polling place must have at least two election judges affiliated with major political parties, while other election judges may be unaffiliated with major political parties. S.F. 248, sponsored by Sen. Don Betzold (DFL-Fridley), provides an exception to the \$50 limit on charitable contributions made by principal campaign committees. Under the bill, the limit is lifted for principal campaign committees that dissolve within one year after the contribution is made.

Six bills were approved and re-referred to the Finance Committee. S.F. 1073, authored by Sen. Linda Scheid (DFL-Brooklyn Park), ratifies the state's labor agreements with the Minnesota Law Enforcement Association and the Minnesota Nurses Association. The measure also approves amendments to the compensation plan for unrepresented employees in the Office of Higher Education. Members adopted an amendment ratifying the salary increase for the director of the Gambling Control Board. S.F. 1025, carried by Sen. Linda Berglin (DFL-Mpls.), is the governor's mental health initiative. The provision within the committee's jurisdiction reserves a portion of the state's janitorial services contracts for supportive service providers.

S.F. 92, sponsored by Sen. Terri Bonoff (DFL-Minnetonka), creates an Advisory Board on School Readiness. S.F. 1251, also carried by Bonoff, grants the

Three Rivers Park District a variety of powers to protect and restore water quality in lakes within or bordering on its parks and reserves. S.F. 1095, authored by Sen. John Marty (DFL-Roseville), creates a Newborn Hearing Screening Advisory Committee. S.F. 148, also sponsored by Marty, is a comprehensive mental health proposal. At the author's request, the committee removed a provision creating a Crisis Intervention Team State Council and replaced it with a grant review process.

Three bills were advanced to the Rules and Administration Committee. S.F. 1178, authored by Berglin, creates an advisory committee to identify ways to simplify and streamline human services administration. Berglin said the advisory committee is a response to a recent legislative auditor's report. S.F. 641, sponsored by Sen. Yvonne Pretzner Solon (DFL-Duluth), creates a Health Care Access Fund Oversight Commission. S.F. 1753, carried by Chair Ann Rest (DFL-New Hope), creates an Airport Funding Advisory Task Force.

S.F. 1311, carried by Sen. Tony Lourey (DFL-Kerrick), allows cities to establish and operate employee preventive health and recognition programs. Under current law, only counties may establish and operate wellness programs. The bill was approved and recommended for placement on the Consent Calendar. S.F. 218, authored by Rest, exempts real estate brokers, real estate salespeople and sellers of real estate from a duty to disclose airport zoning regulations if the prospective purchaser is informed that the regulations can be obtained from the county recorder. The bill was forwarded to the Committee on Commerce and Consumer Protection.

Non-English materials okayed

A measure providing for the development of voting materials in languages other than English was approved by members of the State and Local Government Operations and Oversight Subcommittee on Elections, Wed., Mar. 14. The panel advanced the bill, along with several other measures, to the full State and Local Government Operations and Oversight Committee.

S.F. 1651, sponsored by Sen. Patricia Torres Ray (DFL-Mpls.), requires the secretary of state to develop and publish voting instructions, voter registration applications, absentee ballot applications and absentee ballot instructions written in

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languages other than English. The bill requires non-English voting instructions to include illustrations of the voting process. Non-English languages that must be used, under the bill, will be determined by the state demographer's evaluation of which languages are so common in Minnesota to need translated voting materials. The non-English voting materials would only be used in precincts where they are needed, based on the prevalence of non-English language speakers, under the bill.

Torres Ray said she encountered many citizens, especially seniors, who do not have sophisticated English skills. They did not understand how many different offices were up for election last year, she said, or how complex the voting process can be. Torres Ray said she developed some voting instructions in one other language, using campaign resources. She noted that the state has previously provided voting materials in other languages, such as German, but that different languages are more prevalent now, including Somali, Spanish and Russian.

S.F. 1366, authored by Sen. Tarryl Clark (DFL-St. Cloud), makes a variety of changes to how special elections are run. Among other things, the bill prohibits holding a special election within five days of a holiday. Sen. Rick Olseen (DFL-Harris) carried a bill, S.F. 1350, closing a loophole in special election petition requirements. A school district special election must be called if a group of voters submits a petition seeking the special election. Under current law, the group must consist of at least 50 voters or five percent of the number of voters voting at the most recent school district general election. The bill clarifies that the group must meet the larger of the two standards.

Sen. Ann Rest (DFL-New Hope) sponsored a bill, S.F. 758, exempting from campaign finance reporting requirements lobbying activities related to a ballot question. Chair Dan Larson (DFL-Bloomington) carried S.F. 1558. The bill sets contribution limits for candidates for judicial office. Under the bill, the limits are \$2,000 in election years and \$500 in other years; the limits are the same as candidates for governor.

One bill was sent forward without recommendation. S.F. 50, authored by Sen. John Marty (DFL-Roseville), prohibits former Legislators, constitutional officers and senior agency staff from lobbying for two years after they leave

their office or position. Members adopted an amendment, offered by Rest, reducing the period to one year.

State Government Budget Division

Partner benefits considered

A measure extending insurance coverage to the domestic partners of state employees was approved by members of the State Government Budget Division, Mon., Mar. 12.

S.F. 1369, authored by Sen. Sandra Pappas (DFL-St. Paul), requires dependent coverage under state employee health insurance benefits to be offered equally to spouses and same-sex domestic partners. Offering this coverage to both married couples and committed same-sex couples is the fair thing to do, said Scott Cooper, representing OutFront Minnesota. Insurance coverage is a significant part of the state employee benefits package, he noted, and extending coverage to same-sex domestic partners will help the state attract and retain quality employees. However, Tom Prichard, Minnesota Family Council, spoke against the measure. The bill contradicts the state's marriage law and the policy behind it, he said. He said extending coverage is unfair to married persons, who have a legal duty to care for each other, and to other adult family members, who may be cared for by the employee but nonetheless ineligible for coverage. S.F. 1639 was approved for inclusion into the division's omnibus budget package on a 6-3 roll call vote.

The panel, chaired by Sen. Don Betzold (DFL-Fridley), considered several additional bills.

S.F. 131, sponsored by Betzold, requires the chief information officer to study how electronic data, hardware, software, and media can be created, maintained, exchanged, and preserved by the state to ensure access, competition and interoperability. S.F. 1297, authored by Sen. Dan Larson (DFL-Bloomington), provides for automatic registration of eligible voters when they apply for driver's licenses, instructional permits and identification cards. S.F. 1527, also carried by Larson, creates a nonbinding presidential primary, beginning in 2008. Sen. Linda Higgins (DFL-Mpls.) carried S.F. 954, which authorizes additional forms of identification to be used for Election Day

registration, requires a person who challenges a voter's registration to prove the challenger is a Minnesota resident, and requires challengers to swear they understand and will abide by the law governing challenges. All four bills were laid over for possible inclusion in the omnibus state government budget bill.

Two measures were advanced to the full Finance Committee, after being stripped of provisions with fiscal impacts. S.F. 1298, authored by Higgins, makes a variety of changes in voter registration, voting, and election conduct laws, at the recommendation of the Secretary of State's Office. S.F. 1346, sponsored by Sen. Patricia Torres Ray (DFL-Mpls.), is a housekeeping bill updating statutes governing the secretary of state's business and nonprofit entity regulatory functions. The fiscal-impact provisions from each bill were laid over for possible inclusion in the division's omnibus budget bill.

Omnibus and one-time spending recommendations approved

The State Government Budget Division, chaired by Sen. Don Betzold (DFL-Fridley), approved a draft of the omnibus bill for introduction and a list of one time appropriations Wed., Mar. 14.

The omnibus proposal includes about \$10 million in new spending for the next biennium, Betzold said. The new spending includes a 3.25 percent compensation increase each year for all state employees and \$2 million each year in the biennium for the Senate, he said. Betzold said the Senate has fallen behind in making investments in technology and staff salaries. No one will advocate for the Senate except the Senate, he said. The measure reflects \$500,000 in additional savings by moving the Department of Employee Relations merger up to January 2008, Betzold said. Domestic partner benefits are also included in the proposal, said Tom Bottern, Senate counsel. The division voted to recommend the measure to be introduced as a bill.

The division put together a \$16 million proposal for one time appropriations. Sen. Claire Robling (R-Jordan) said some of the projects the division considered were essential. Some of the things, by their very nature have to be pulled to the top, she said. Recommended appropriations included several investments in technology including the Minnesota

electronic licensing system, providing technology for small agencies and completing the Legislative Coordinating Commission XTEND bill draft system. The division also included \$2.5 million for Minnesota Public Television and \$500,000 for Minnesota Public Radio to help with digital conversion. Bill Strusinski, a lobbyist for Minnesota Public Television, said the federal government will end analog signals in March 2009, so the switch to digital is necessary.

Taxes

Price of government set

The Taxes Committee, during the Tues., Mar. 13, meeting, recommended for introduction a resolution on the price of government. The Senate is required to submit the resolution before March 15, said Chair Thomas Bakk (DFL-Cook). Matt Massman, senate fiscal analyst, said the price of government is a measure of how much money is collected to pay for state and local government in Minnesota. The measurement includes state and local taxes, fees and public college tuition, Massman said. The resolution sets the maximum share of personal income to be collected in taxes and other revenue at 16.4 percent for FY 2008-2009 and FY 2010-2011, he said. Bakk said the 16.4 percent of personal revenue is equal to what is currently happening. The resolution expects the state's share of the personal income to increase and the local share to decrease as a result of property tax relief, he said. The governor and the House of Representatives are also required to make a recommendation for the price of government.

S.F. 892, authored by Sen. Don Betzold (DFL-Fridley), authorizes local governments and school districts to establish trusts to pay post-employment benefits to retired employees and officers. The bill is a statewide approach to help local governments fund post-employment benefits, Betzold said. Under the bill, local governments and school districts can establish revocable trusts, which can be terminated, or irrevocable trusts, which must meet their obligations before being terminated, he said. Tom Deans, Minnesota School Boards Association, said the bill allows the trust to be administered by the Public Employee Retirement Association, banks or insurance agencies. Sen. Julianne Ortman (R-Chanhassen) said

local governments are trying to do the right thing and use the best accounting practices to meet the post employment benefit liability. Even if the trust is revocable, the bill requires local entities to fund liabilities first, she said. Bakk said the bill represents a major change and Senators need time to think about possible ramifications. The bill was laid on the table until a later hearing.

The committee laid over the following bills for possible inclusion in the omnibus bill.

Authored by Bakk, S.F. 1169 authorizes municipalities to issue bonds to fund actuarial liabilities to pay post-employment benefits to retired officers and employees. The bill gives local governments authority to issue bonds to help pay post-employment benefits, said Keith Carlson, Minnesota Inter-County Association. Local governments can currently issue bonds to pay for pension benefits, Carlson said.

Sen. Dan Skogen (DFL-Hewitt) authored S.F. 1634. The bill provides a tax free renaissance zone for the site of the Fergus Falls regional treatment center campus. The state regional treatment center is over 100 years old and has more than 740,000 square feet of building space, Skogen said. The campus' usefulness as a regional treatment center has come to an end, he said. The bill would create a renaissance zone on the campus and spur economic growth and reuse of the buildings, said Harold Stanislawski, director, Economic Improvement Commission. The city would like to see the campus have mixed use – housing, retail and offices, he said. Rick Anderson, a local business person, said the renaissance zone would provide tax incentives for individuals that reside in the zone and qualified businesses that operate in the zone. The tax incentives include exemptions from corporate franchise tax, state and local property tax and individual income tax for 15 years, Anderson said.

S.F. 1400, authored by Sen. Amy Koch (R-Buffalo), exempts materials and equipment used in construction and upgrading of a wastewater treatment facility in Buffalo from sales tax. Much of the material is already exempted from sales tax by state law, but the bill extends the exemption to include all of the supplies and materials that will be used, Koch said.

Also authored by Koch, S.F. 1562 authorizes the city of Rockford to impose a

sales and use tax. The city of Rockford is looking for a local sales tax option to help pay for repairs and improvements to the levee system, Koch said. The bill requires a local election to approve the tax, she said.

Bakk also carried S.F. 1771. The bill authorizes the extension of the local sales tax in Cook County. Bob Fenwick, county commissioner said summer tourism means there are needs in the area that far exceed the size of the community. For example, one-third of the people who use the community pool come from outside the region, Fenwick said. The money raised will be used for construction and improvements to the community center, the Grand Marais pool, and the library, he said.

Authored by Sen. LeRoy Stumpf (DLF-Plummer), S.F. 1611 authorizes the city of Crookston to impose a local sales and use tax. The bill increases the local sales tax by one-half cent to pay for the replacement of the ice arena, Stumpf said. The arena sits in the cay of a dike that is being built to protect a neighborhood of 160 homes from flooding, said Aaron Parrish, city administrator.

S.F. 1409, authored by Sen. Sandy Rummel (DFL-White Bear Lake), provides a sales and use tax exemption for re-refined motor oils and recycled paper. The bill provides an incentive to government and private agencies to use and purchase re-refined motor oil and recycled paper, Rummel said. Approximately 25 percent of Minnesota's garbage is recyclable paper, she said.

Authored by Sen. Satveer Chaudhary (DFL-Fridley), S.F. 1476 allows the city of New Brighton to expend increments derived from the city's Tax Increment Financing (TIF) district for eligible activities outside of the district. The city of New Brighton wants to use the funds to do environmental cleanup for an area being developed for multiuse, including residential, Chaudhary said.

Local tax bills heard

Members of the Taxes Committee met Thurs., Mar. 15, to consider several bills relating to local taxes and to receive a report from the Dept. of Revenue. All of the bills were laid over for possible inclusion in the committee's omnibus bill.

S.F. 1284, authored by Sen. Tony Lourey (DFL-Kerrick), provides a sales tax exemption for construction materials, supplies and equipment for the Pine County Judicial Center. S.F. 1630, carried

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by Sen. Warren Limmer (R-Maple Grove), authorizes the city of Dayton to establish an economic development tax increment financing district. Limmer said the increments from the district are to be used for the Brockton interchange project on I-94. He said there is no exit for an 11 mile stretch between Maple Grove and Rogers, which creates congestion and hazardous conditions as drivers try to exit the freeway.

S.F. 1793, carried by Chair Thomas Bakk (DFL-Cook), authorizes the city of Ely to impose a local sales and use tax of up to one percent for infrastructure improvements and economic development. S.F. 1639, carried by Sen. Keith Langseth (DFL-Glyndon), provides an income tax credit for investments in bioscience business ventures. Bakk also carried a bill, S.F. 1864, authorizing Cook County to impose an additional one percent lodging tax and up to a three percent admissions tax to entertainment and recreations facilities and the rental of recreation equipment.

S.F. 1737, authored by Sen. Amy Koch (R-Buffalo), authorizes the city of Clearwater to impose a local sales and use tax of up to one-half of one percent. S.F. 687, carried by Sen. Thomas Neuville (R-Northfield), increases the maximum duration of a JOBZ zone from 12 years to 15 years for a biodiesel fuel plant.

The panel also heard a report on limited market value. Paul Wilson, Dept. of Revenue, said the limited market value law was enacted in 1993 in an attempt to slow the growth in property taxes, particularly for favored classes, since the 1960s. He said preferential valuations redistribute local property tax bases by shifting taxes across and within classes of property. He said the law has excluded over \$33 billion in property valuation statewide for farms, residential property and cabins.

Transit Subdivision

Omnibus provisions assembled

Members of the Transit Subdivision met Mon., Mar. 12, to assemble the subdivision's portion of the omnibus transportation bill. Chair Scott Dibble (DFL-Mpls.) said the measure contains numerous provisions taken from various bills referred to the subdivision.

The bill appropriates \$720,000 from the trunk highway fund and \$18.8 million

from the general fund in each fiscal year for Greater Minnesota transit. The measure also appropriates \$73.45 million from the general fund each year for bus system operations in the Metro Area and appropriates \$5.3 million each year for Hiawatha light rail operations.

Dibble offered, and members adopted, an amendment providing deficiency appropriations for both Metro Area and Greater Minnesota transit. The amendment specifies \$5.87 million be appropriated to the Metropolitan Council for the Metro Transit system deficiency and \$391,000 for the Greater Minnesota deficiency.

The bill also establishes a transit assistance fund to receive revenues allocated under the bill from the motor vehicle sales tax and the motor vehicle lease sales tax. The measure specifies that 50 percent of the revenue from the sales tax on motor vehicle leases, after a five-year phase-in, be allocated to the highway user tax distribution fund and that 50 percent be allocated to the transit assistance fund. The measure also changes the allocation of revenue from the sales tax on motor vehicles to specify that 36 percent of the revenue be deposited in the Metropolitan Area transit account and four percent be deposited in the Greater Minnesota transit account.

Dibble said the bill also contains language authorizing the county boards of the seven county Metropolitan Area to impose a half-cent transportation sales tax and an excise tax of \$20 on the sale of new motor vehicles. The bill specifies that 75 percent of the revenue be used for planning, capital and operating costs of specified transit ways, 20 percent of the revenue be used for trunk highways and local roads located within the counties and five percent for transit, bicycle programs, pedestrian programs and for local matches for federal programs.

One article of the bill contains various bills heard by the subdivision. One provision encourages the coordination of paratransit services statewide, one measure creates a transportation endowment fund that captures 25 percent of future general fund surpluses, another measure requires the election of the members of the Metropolitan Council and still another requires the construction of a commuter rail station in Fridley for the Northstar commuter rail line. The measure also increases vehicle registration fees, license

plates and validation stickers, vehicles titles and duplicate titles, drivers licenses and identification cards, drivers license reinstatement and fees charged for State Patrol escort services.

The measure was approved and advanced to the full division.

Transportation Budget and Policy Division

Omnibus bills reviewed

The Transportation Budget and Policy Division considered two possible versions of the omnibus bill – one comprehensive and one fiscally conservative – at the Tues., Mar. 13, meeting. Chair Steve Murphy (DFL-Red Wing) said the fiscally conservative version will be brought forward if the larger funding bill fails.

The division began by adopting the Transit Subdivision report for S.F. 1672, authored by Sen. Scott Dibble (DFL-Mpls.). The bill is the division's portion of the omnibus bill. Dibble said the bill requires that motor vehicle lease taxes be used for transportation. The revenue will be divided with 50 percent deposited in the highway user tax distribution fund and 50 percent in the transit assistance fund and allocated 37.5 percent to the Metropolitan Area and 12.5 percent to Greater Minnesota when the plan is fully phased in in 2011, he said.

The bill expands the transit taxing district to include the seven county Metro Area, Dibble said. The seven counties will enter into a joint powers agreement that will administer the funds raised by a one-half percent sales tax increase, he said. Of the revenue, 75 percent must be used for transit, 20 percent for roads and 5 percent for bicycle and pedestrian pathways, Dibble said. Sen. Julianne Ortman (R-Chanhassen) said the bill includes counties in the joint powers agreement and raises taxes without residents' consent. Someone should ask residents if they see a value in this and are willing to pay for it, she said. All of the counties will participate in the joint powers board and have a say in how the money is spent, Dibble said. Sen. Ann Rest (DFL-New Hope) also had concerns about the joint powers agreement. Hennepin County only has one representative on the board and representation is not weighted, she said. Rest said she would also like to see more flexibility in the spending, rather than the 75-20-5 split.

Dibble said the bill also requires that Metropolitan Council members be elected. Sen. Terri Bonoff (DFL-Minnetonka) said the Met Council elections are policy and should not be part of the omnibus bill. The elections portion takes away from the positive force of the bill, Bonoff said. Dibble said the Met Council is responsible for taxpayer dollars and should be held accountable. The bill also sets paratransit service standards to serve disabled individuals, Dibble said. Murphy said the whole subcommittee report is included in the large omnibus bill and portions of it are included in the smaller omnibus bill.

The fiscally conservative omnibus bill does raise revenue in order to meet the transportation needs of the Metro Area and the state, Murphy said. The measure expands the metro transit taxing district but does not include the half percent sales tax increase. The motor vehicle lease tax is also included, Murphy said. Driver and vehicle fees, such as driver's licenses fees, are raised in order to make the Division of Driver and Vehicle Services run on a fee basis, he said. As proposed by Rest, a

transportation endowment fund is established from future surpluses, Murphy said.

The proposal appropriates money for 40 more state patrol officers and authorizes bonds for construction and repair of the Department of Transportation's Mankato and St. Paul headquarters, he said. Under the measure, a Northstar Corridor Commuter Rail Line station will be located in Fridley, Murphy said. The bill was laid over for further consideration.

The inclusive omnibus bill also includes the Metro sales tax increase, the motor vehicle lease tax and increased driver and vehicle service fees. The proposal increases the gas tax from 20 cents per gallon to 30 cents per gallon, Murphy said. Residents aren't going to like the tax, but if they can see results they won't be hesitant to pay that at the pump, he said. Murphy also said the increase would not have a major impact on the average family. Revenue is also raised by evening out the vehicle depreciation value and allowing counties to increase the maximum wheelage tax from five dollars per vehicle to \$20 dollars per vehicle.

The proposal changes the percentages for un-refunded off-road use of gasoline by motorists, snowmobiles and all terrain vehicles. Murphy said the funds are used to provide services to these groups who also buy gas. While the percentages look smaller than other proposals introduced this session, the omnibus measure result in more money for these groups because the overall revenue is higher, he said.

The measure also includes Met Council elections, the creation of an endowment fund and paratransit service standards. Unlike the other omnibus bills, the inclusive bill includes a provision to allow credit and debit card payments of vehicle registration taxes and driver's license and identification card fees, Murphy said. The bill was laid over for further consideration.

Murphy said the full omnibus bill is necessary for the state's economy to continue to grow and attract people to the region. The need has kept growing, but the funding has not been there, he said. The proposal provides the money to get it done, Murphy said.



Senators Scott Dibble (DFL-Mpls.) and Ellen Anderson (DFL-St. Paul) peer intently at a laptop computer screen during a Senate floor session.

Photo by David J. Oakes

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Judell Anderson of Minnetonka listens as names of Minnesotans killed in the Iraq war are read in the Capitol Rotunda, Mon., Mar. 19, as part of a vigil marking the third anniversary of the start of the war.

Photo by A.J. Olmscheid



March 23, 2007

Senate Highlights

Seven bills passed

Senators met Mon., Mar. 19, to grant final passage to seven measures and preliminary passage to two bills.

Three measures were granted final passage on the Calendar. S.F. 470, authored by Sen. Tom Saxhaug (DFL-Grand Rapids), extends the permissible route for three-unit paper product vehicles and allows certain trucks to qualify for special paper products vehicle permits. S.F. 538, sponsored by Sen. Gary Kubly (DFL-Granite Falls), requires geothermal and other renewable energy applications to be considered for all state-funded building projects. S.F. 1168, carried by Sen. Dan Sparks (DFL-Austin), changes insurance requirements for building contractors. All of the measures were passed without dissenting votes.

Four bills were granted final passage on the Consent Calendar; none of the bills received dissenting votes. S.F. 1045, carried by Sen. Julianne Ortman (R-Chanhassen), renames the Scott County Housing and Redevelopment Authority as the Scott County Community Development Agency. S.F. 1019, authored by Sen. Sandy Rummel (DFL-White Bear Lake), makes a technical change to ex parte rules of the Public Utilities Commission. S.F. 1294, sponsored by Sen. Rick Olseen (DFL-Harris), authorizes electronic filing with Public Utilities Commission. S.F. 1311, authored by Sen. Tony Lourey (DFL-Kerrick), permits cities to institute employee wellness programs.

Three bills were considered on General Orders. S.F. 1340, carried by Sen. Linda Higgins (DFL-Mpls.), requires a report to the Legislature on public defender services in the Fourth Judicial District (Hennepin County). Higgins said that even though the state has assumed

primary responsibility for funding public defender services statewide, Hennepin County has continued to provide additional funding to continue public defender services. The report will compare costs and services between judicial districts and recommend how to accomplish full state funding for the Fourth Judicial District's public defense services.

S.F. 357, authored by Sen. Linda Berglin (DFL-Mpls.), regulates land transactions between low-income housing developers and local units of government. The bill requires land transfers to be at or below cost if the transfers are from cities and counties to nonprofit organizations receiving funding from the Housing Finance Agency for a project to construct or rehabilitate low-income or moderate-income housing. Sen. Warren Limmer (R-Maple Grove) offered an amendment requiring cost savings to be reflected directly in a reduced price if the property is being sold to a qualifying buyer. Berglin opposed the amendment, saying she believed the amendment was unnecessary. The amendment was not adopted, 25-31. Both S.F. 1340 and S.F. 357 were granted preliminary passage on voice votes.

S.F. 380, sponsored by Sen. Charles Wiger (DFL-North St. Paul), changes a variety of school district election provisions. Among the changes in the bill, primary elections are made optional for school board elections. We should not allow currently elected officials to decide whether to hold primary elections, said Sen. Julianne Ortman (R-Chanhassen). People want to know who the candidates are and primaries serve a winnowing function, she said. Sen. Terri Bonoff (DFL-Minnetonka) countered that not holding primaries is more efficient and cost-effective for many school districts. The bill was progressed for further consideration.

Nine bills gain

Senators gathered Wed., Mar. 21, to approve nine pieces of legislation.

Two measures on the Calendar were granted final passage without dissenting votes. S.F. 1340, authored by Sen. Linda Higgins (DFL-Mpls.), requires a report to the Legislature on public defender services in the Fourth Judicial District (Hennepin County). S.F. 357, sponsored by Sen. Linda Berglin (DFL-Mpls.), requires land transfers between low-income housing developers and local units of government to be at or below cost if the transfers are from cities and counties to nonprofit organizations receiving funding from the Housing Finance Agency for a project to construct or rehabilitate low-income or moderate-income housing.

Additionally, two measures on the Consent Calendar were granted final passage, also without dissenting votes. H.F. 1008, carried by Sen. Mee Moua (DFL-St. Paul), conforms background check requirements to federal standards. Moua said the bill is a technical correction requested by the Bureau of Criminal Apprehension. S.F. 1350, sponsored by Sen. Rick Olseen (DFL-Harris), clarifies the requirements for petitioning a school board to hold a special election.

On General Orders, five measures were granted preliminary approval. S.F. 547, sponsored by Sen. Julianne Ortman (R-Chanhassen), makes the Scott County Library Board advisory to the Scott County Board. S.F. 1053, authored by Sen. Sandy Rummel (DFL-White Bear Lake), makes two technical changes to bring the statute for Ramsey County correctional facilities into harmony with current law and what is being done in other counties around the state. S.F. 585, carried by Sen. Paul Koering (R-Fort Ripley), removes restrictions on the sale or lease of property located in Little Falls that is listed on the National Register of Historic Places. S.F. 252, authored by Sen. Michael Jungbauer (R-East Bethel), designates the city of Elk River as Minnesota's energy city. S.F. 144, carried by Sen. Sharon Erickson Ropes (DFL-Winona), authorizes Winona County to own and operate an electric wind power generation facility.

First budget bills passed

The Senate floor session Thurs., Mar. 22, was devoted to consideration of the first two budget bills of the year. However,

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Senators Geoff Michel (R-Edina) and Ann Rest (DFL-New Hope) strategize during a Senate floor session, Mon., Mar. 19.

Photo by David J. Oakes

before discussion moved to the budget bills, members debated a resolution setting priorities for floor amendments to the major appropriations and tax bills. The resolution, S.R. 59, authored by Sen. Lawrence Pogemiller (DFL-Mpls.), had received approval in the Rules and Administration Committee the day before.

The resolution specifies that an amendment to a major appropriation or tax bill that is a Senate file is out of order if it will increase net appropriations from a fund for a fiscal biennium without a corresponding increase in net revenue. Further, the resolution specifies that an amendment to a major appropriation or tax bill that is a Senate file is out of order if it will reduce net revenue to a fund for the biennium without a corresponding reduction in net appropriations. Finally, the resolution specifies that an amendment to a major appropriation or tax bill is out of order if it changes the appropriations or

revenues to an agency that was not in the bill as it was reported to the floor.

Pogemiller said the resolution is designed to bring order to the process of offering amendments. He said under the resolution, amendments must balance within bills. Sen. Michelle Fischbach (R-St. Cloud) said the resolution binds members to budget targets set by the chairs of the finance and tax panels that minority members have never seen. Pogemiller said he has been struggling with a way to have the full body vote on the budget targets. Fischbach said the resolution is essentially a gag rule on members' ability to offer

amendments. Sen. Betsy Wergin (R-Princeton) said the resolution might make sense, if the minority had had a part in setting the targets. "Not only have we been shut out of the target setting process, now we are shut out of offering amendments," Wergin said. Pogemiller said the resolution is designed to promote openness and transparency in the legislative process and that it will also promote debate on the issues, rather than on the appropriateness of an amendment. Sen. Thomas Neuville (R-Northfield) said the resolution prohibits members from reallocating funds between budget bills and is patently unfair.

Sen. David Senjem (R-Rochester) said that in light of the concerns raised, continuing with the resolution would just foster bitterness. "I don't think the resolution is quite ready," Senjem said. Pogemiller moved to lay the resolution on the table.

The Senate then turned to consideration of the higher education omnibus bill. The bill, S.F. 1989, is a status quo budget, said Sen. Sandra Pappas (DFL-St. Paul), chief author. I am very disappointed in the bill, but we only had \$296 million in new money, she said. The GI bill is just about the only new initiative included in the bill, Pappas said. We funded core functions and we had hoped to hold down tuition increases, she said, but by no means have we returned to the traditional two-thirds, one third state-student split on tuition. Instead we are at about a 50-50 split, Pappas said. We were able to provide \$61 million for financial aid, with \$10 million for returning veterans, she said. Pappas said the bill increases child care grants by \$2.5 million and increases two library programs. The bill also provides funding to train teachers in indigenous languages, because the languages are dying out, she said. It has been shown that about 80 percent of the students who enroll in higher education in the state wind up in the state, Pappas said, and the bill contains an incentive, with a flat residence rate for tuition in many of the Greater Minnesota institutions, to attract students from other states. She said, the bill does contain funding for the University of Minnesota-Mayo bioscience partnership in later years. The bill also requires the Office of Higher Education to conduct several studies including a loan repayment report and a study of the intervention for collage access program, Pappas said.

She said the measure also contains changes in the regent selection process by allowing the Regent Candidate Advisory Committee to make recommendations.

Pappas said the bill makes a general fund appropriation of \$377.59 million to the Higher Education Services Office, a general fund appropriation of \$2.25 million for the Mayo Foundation, a general fund appropriation of \$1.34 billion for the Minnesota State Colleges and Universities system (MnSCU) and a general fund appropriation of \$1.377 billion for the University of Minnesota.

Sen. Warren Limmer (R-Maple Grove) offered an amendment to increase the appropriation for GI benefits. He said the governor's original request was for \$30 million, but the bill only provides \$10 million. The amendment provides for \$20 million and restores a maximum grant of \$1,000 for part-time students. The amendment takes the moneys from the

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state grant fund. “We want to make sure any veteran coming back to Minnesota has the funds for education,” Limmer said. Pappas said, “If we had unlimited money, I would love to do this. But we are trying to benefit all students.” She said no one has any idea about how much will be needed for the veterans, which is why the program was front loaded. She said veterans are also eligible for a number of other state and federal programs and the amendment provides more for veterans at the expense of all other students. Limmer said the funds are taken from the increase appropriated for state grants so other students will not be harmed. The amendment failed on a 25-41 roll call vote.

An amendment, sponsored by Sen. Bill Ingebrigtsen (R-Alexandria), deletes

provisions relating to resident tuition and student aid eligibility. Ingebrigtsen said the provisions are the so-called DREAM act. He said the bill allows young people who are not citizens to have resident tuition rates. Ingebrigtsen said the \$8 million in the bill should be used for the state’s citizens. Pappas said removing the DREAM act does not provide more funds for other students. She said young people have been brought here, gone to school here and then find out that they can’t go to college. Pappas said, “It is a marginal cost, it just means these kids get to live their dreams.” She said it is also a workforce development issue. “We can’t afford to lose any talent in our state,” Pappas said. Sen. Claire Robling (R-Jordan) said she is a co-author on a stand alone bill with

similar language, but was going to support the amendment because of the very real possibility of a gubernatorial veto with the provisions included. Pappas said 12 or 13 other states provide in-state tuition for non-citizens, so the resident tuition will not draw people to the state. The amendment failed on a 23-43 roll call vote.

Sen. Steve Dille (R-Dassel) rose to support two particular provisions of the bill—restricting the offering of credit cards on by institutions and providing financial counseling for incoming MnSCU students.

Members also considered an amendment, offered by Limmer, freezing tuition at the current level for MnSCU and the University of Minnesota. Pappas responded that it is the Legislature’s fault that there have been rising tuition costs.



Former State Senator and current U.S. Rep. Collin Peterson (D-Minn.), left, reunites with former colleagues Senators Jim Vickerman (DFL-Tracy), middle, and LeRoy Stumpf (DFL-Plummer) on the floor of the Senate during the Senate’s Mon., Mar. 19, floor session.

Photo by David J. Oakes

The Legislature has not adequately funded the higher education systems in this state, she said. The amendment failed on a 28-37 roll call vote. Sen. Julie Rosen (R-Fairmont) offered an amendment limiting the tuition increases to three percent. The bill offers nothing for the average student, a tuition limit is the prudent thing to do, Rosen said. Pappas said it is unfair to say the bill offers nothing for the average student, because we offer more aid to students, more child care aid as well as other increases. I think it is unwise of us to tie the hands of the institutions, Pappas said. The amendment failed on a 31-34 roll call vote.

Robling said the measure was a fairly good bill in that it should help hold down tuition with increases for both the MnSCU system and the University. The bill also contains a text book rental provision and the veterans scholarship money, she said. Robling said, I am disappointed to see that the governor's ACHIEVE program is not in the bill. The program is an incentive for students to take college level courses in high school in order to be prepared for higher education, she said. Robling urged support of the measure.

The bill was granted final passage on a 64-2 roll call vote.

Senators also considered the omnibus agriculture and veterans bill, S.F. 1925. Sen. Jim Vickerman (DFL-Tracy), chief sponsor, outlined the appropriations for agricultural programs, military affairs and veterans. The bill makes general fund appropriations of \$87 million with an additional \$64.625 million from other funds for the Dept. of Agriculture. The measure also contains provisions encouraging bioenergy production. Sen. Gary Kubly (DFL-Granite Falls) said the ethanol producer payments total \$33 million from all funds. He said the measure contains bioenergy producer payments and an appropriation for bioenergy business development. He said the use of cellulosic material and biomass in ethanol production needs to be encouraged in the state.

Other appropriations include \$11.2 million for the Animal Health Board and \$4.6 million for the Agricultural Utilization Research Institute.

The Dept. of Military Affairs receives \$181.76 million from all funds and the Dept. of Veterans Affairs receives \$26 million, Vickerman said. The bill also contains funding for a number of veterans outreach programs, he said. Vickerman

said the bill shows our respect for the soldiers serving in Iraq. He said two programs were especially important to veterans speaking before the division, the veterans assistance program and the reintegration program to help returning veterans.

The bill was granted final passage on a 66-0 roll call vote.

Transportation bill passed

A package providing over \$4.5 billion in spending on transportation in FY 08-09 was granted final passage at the Fri., Mar. 23, Senate floor session.

S.F. 1986, sponsored by Sen. Steve Murphy (DFL-Red Wing), provides \$209.152 million from the general fund, \$51.251 million from the airports fund, \$1.115 billion from the county state-aid highway fund, \$294.671 million from the municipal state-aid street fund, \$96.988 million from the special revenue fund, \$18.176 million from the highway user tax distribution fund and \$2.723 billion from the trunk highway fund. The bill also includes several revenue raisers, such as a half-cent sales tax in the Metropolitan Area, a 10-cent increase in the gas tax, an increase in the wheelage tax counties may impose from \$5 to \$20 per vehicle, and an increase in the vehicle registration tax for vehicles purchased after the bill becomes law.

This bill is an attempt to meet the overall transportation need, "the Mount Everest of problems," Murphy said. Seventy-five percent of the unmet needs in land, water and air transportation and transit infrastructure are addressed in this bill, he said. A bill this big makes a lot of people uncomfortable, he said, but we need to have the political fortitude to do the right thing. Businesses complain that the slow movement of goods and people means they, and the state, are losing billions of dollars in economic opportunity, Murphy said. He said every state that has invested in its transportation infrastructure has an economy growing at least two percent above Minnesota's economy. Improving our transportation and transit infrastructure means thousands of jobs, he said. It is important for vehicle owners to know that the registration tax is not increased for their current vehicles, Murphy said. But once you trade that car in, he said, the new vehicle will be subject to the higher registration tax.

The bill authorizes \$200 million in trunk highway bonding every year for 10 years, he said, but also recognizes that bonding is not free by triggering a gas tax increase when the state cannot pay for the debt service with current revenue. The gas tax increase is on top of the 10-cent gas tax increase elsewhere in the bill, Murphy said. Projections indicate that for three years of the 10 year cycle, the gas tax increase will be triggered, meaning an additional eight-cent gas tax increase.

Sen. Scott Dibble (DFL-Mpls.) discussed the various transit needs throughout the Metro Area and Greater Minnesota. The bill begins to meet the needs, he said, by starting to make transit an integral, meaningful part of our comprehensive transportation system. We hope to advance the Met Council's 2030 strategic plan to 2020, Dibble said. The bill expands the metropolitan transit taxing district to include the entire Metro Area, he said. People throughout the entire area are excited to use transit in their communities, Dibble said.

Every conceivable tax is in this bill to pay for transportation, said Sen. Julianne Ortman (R-Chanhassen). That is a fantasy, she said, because it ignores who really has to pay for it: the average resident. We are looking at a 20 cent gas tax increase, when you combine the 10 cent increase, the debt service increase and the indexing feature, she said. People who don't use transit will be subsidizing it without any say, she said. I don't know who is going to operate a car in Minnesota after this, Ortman said, paying for their own roads and vehicles and the transit they don't use. This bill neglects hardworking people and imposes regressive taxes, she said. Murphy countered that gas tax revenue is dedicated to roads and cannot be used for transit. The property tax system is as regressive as it gets, he said. The bill removes the transportation burden on the property tax, he said, making transportation funding less regressive.

Members considered several amendments. Murphy offered three amendments at the outset. One replaces a provision permitting payment for various driver and vehicle licensing transactions by credit card with a study of payment by credit card. The second delays the effective date of the half-cent Metro Area sales tax to permit the Department of Revenue to prepare to collect the revenue. The third removes a sales tax exemption for materi-

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als, supplies and equipment for commuter rail, light rail and passenger rail. The exemption put the bill out of fiscal balance, Murphy said. Sen. Thomas Bakk (DFL-Cook) offered an amendment deleting a section making changes in the allocation of gas tax revenues to non-highway uses, such as snowmobile trails. We need to do more work with the Department of Natural Resources on the allocation amounts, Bakk said. Sen. Ann Rest (DFL-New Hope) offered an amendment adding language creating an Airport Funding Advisory Task Force; the task force is already funded in bill. All five amendments were adopted on voice votes.

Ortman offered an amendment requiring a referendum in the Metro Area on the half-cent sales tax. It is only right to let the taxpayers vote on this tax, she said. Murphy spoke against the amendment, saying the sales tax to support the Twins ballpark, a lesser priority, was not submitted to public vote. The amendment was not adopted, 26-36.

Sen. Dick Day (R-Owatonna) offered an amendment to replace the bill with the governor's transportation proposal. The measure invests \$1.7 billion in transportation and doesn't tax anyone because the measure uses bonding, Day said. Now is not the time to raise the gas tax, he said. The state has made significant investments in transportation recently—last year was the largest construction year ever in the state of Minnesota, Day said. The bill is very costly for Minnesotans, he said. Day said the governor's proposal fixes roads without increasing taxes. Murphy, who spoke against the amendment, said the original bill has costs for residents, but the costs of congestion are also high. The Minnesota Chamber of Commerce estimates the average Metro family loses \$700 each year sitting in congested traffic, he said. The governor's bonding program doesn't pay for 100 percent of the bonds and Minnesotans will end up paying later, Murphy said. The amendment was not adopted.

An amendment was offered by Sen. Betsey Wergin (R-Princeton) to require the county commissioners in each county to approve the half cent sales tax increase before it goes into effect. The amendment failed.

Sen. Ray Vandevor (R-Forest Lake) authored an amendment banning future expansion of toll roads. There is ample revenue to expand and maintain the transportation system raised by the bill

without tolls, he said. The amendment was not approved.

Ortman offered an amendment to remove Carver County and Scott County from the metro transit taxing district. There are no transit projects planned for the counties and residents shouldn't have to pay for transit in other counties. Murphy said many residents use park and rides and more will be built. The Ortman amendment was not adopted.

An amendment was offered by Sen. David Tomassoni (DFL-Chisholm) to add a bronze star veteran to the list of special veteran's license plates. The amendment is a way to commemorate veterans who have fought in wars, Tomassoni said. Murphy said the amendment should be considered in committee, not on the floor. The amendment was not adopted.

Sen. Claire Robling (R-Jordan) offered an amendment to remove a provision in the bill giving priority to road projects with a federal match. The provision means that Minnesota has to give to priority to projects that Washington wants to fund. Murphy said the provision is included in the bill so the money is not sitting around forever. The amendment was not adopted.

Robling said the bill is a budget buster for residents. To take all transportation needs on at one time is a tremendous burden to families in the state, she said. Sen. David Hann (R-Eden Prairie) said the Senate is asking families to take a hit when the state has a nine percent surplus. The body should be able to create a transportation plan without raising taxes, Hann said.

The bill was approved by a 42-24 vote.

In other action, eight measures were also granted final passage.

Five measures on the Senate Calendar were granted final passage. S.F. 547, sponsored by Ortman, makes the Scott County Library Board advisory to the Scott County Board. S.F. 1053, authored by Sen. Sandy Rummel (DFL-White Bear Lake), makes two technical changes to bring the statute for Ramsey County correctional facilities into harmony with current law and what is being done in other counties around the state. S.F. 585, carried by Sen. Paul Koering (R-Fort Ripley), removes restrictions on the sale or lease of property located in Little Falls that is listed on the National Register of Historic Places. S.F. 252, authored by Sen. Michael Jungbauer (R-East Bethel), designates the city of Elk

River as Minnesota's energy city. S.F. 144, carried by Sen. Sharon Erickson Ropes (DFL-Winona), authorizes Winona County to own and operate an electric wind power generation facility.

Three measures on the Consent Calendar were granted final passage. S.F. 1332, authored by Sen. Steve Dille (R-Dassel), permits the Meeker County Economic Development Authority to increase its membership from seven to nine members. S.F. 1133, sponsored by Tomassoni, permits the St. Louis County Board of Commissioners to appoint the civil service director. H.F. 1200, carried by Sen. Mee Moua (DFL-St. Paul), is the annual revisor's bill making technical corrections to existing law, such as correcting erroneous cross references and removing obsolete language. (A second revisor's bill is considered on the last day of the session, correcting legislation passed over the course of the year.)

None of the measures on the Calendar and Consent Calendar received dissenting votes.

Historical database available

The Legislative Reference Library has developed a database, "Legislators Past and Present," containing information about Legislators who have served since territorial times. The database's information was compiled from official legislative directories, obituaries, news clippings, family files and other sources. It contains information about terms of service, education, occupation, party or caucus affiliations, leadership positions, represented communities and more.

The database also includes information about Minnesota Legislators who served in other government functions, ranging from the local level to the national level. It even indicates which Minnesota Legislators also served in another state's legislature. (There were five: Cyrus Aldrich in Illinois, Francis Cornell in New York, Mark Dunnell in Maine, Willis Gorman in Indiana and Knute Nelson in Wisconsin.)

"Legislators Past and Present" is available online at <http://www.leg.state.mn.us/legdb/index.asp>

Committee update

Agriculture and Veterans Budget and Policy Division

Veterans bills advance

The Agriculture and Veterans Committee, chaired by Sen. Jim Vickerman (DFL-Tracy), met Tues., Mar. 20, to consider several bills relating to services for veterans.

Sen. Tony Lourey (DFL-Kerrick) carried two measures. S.F. 957 establishes the Minnesota National Guard nonappropriated fund instrumentality. Lourey said the bill establishes the instrumentality in order to allow the Guard the ability to create, operate and maintain morale, welfare and recreation facilities and activities at Camp Ripley. He said the funds come from donations and gifts and do not involve any state dollars. He said a federal audit discovered the Minnesota Guard did not have the authority to use the funds and the bill is needed to make the authority explicit. The measure was approved and re-referred to the Committee on State and Local Government Operations and Oversight. Lourey's second bill, S.F. 1675, expands the uses for money in the Minnesota "Support Our Troops" account to provide grants to a person who served in the military reserves or performed active service for any branch of the military who has current financial needs directly related to that service. The bill was approved and advanced to the floor.

S.F. 952, carried by Sen. Ann Lynch (DFL-Rochester), expands the reenlistment bonus program to include a National Guard member's acceptance of a commission as an officer in the National Guard. The bill also authorizes the adjutant general to award to highly qualified persons who agree to join the National Guard an amount not to exceed \$1,000 for the purpose of reimbursing postsecondary education expenses not covered by other awards. The bill was approved and sent to the full Senate.

Sen. Dan Skogen (DFL-Hewitt) carried two measures. S.F. 699 clarifies that a law ensuring the continuation of state licenses and certificates of registration for any trade, employment, occupation or profession while soldiers and essential employees are engaged in active military service applies to licenses and certificates of registration requiring firearms safety and usage training. The measure was approved

and advanced to the full Senate. S.F. 1318 exempts veterans from the shooting requirement of a firearm safety certificate. The measure does not change the requirement for the education portion of the firearm safety certificate. The bill was approved and re-referred to the Environment and Natural Resources Committee.

S.F. 251, authored by Sen. Sharon Erickson Ropes (DFL-Winona), is a resolution urging the President and the United States Congress to name the Rochester Minnesota Veterans Outpatient Clinic in honor of Marine Corporal Charles "Chuck" Lindberg. Erickson Ropes said the resolution was passed in the Senate last year with Lindberg looking on, but did not pass the other body. Lindberg is the last surviving member of the original flag raising on Iwo Jima. The measure was approved and sent to the Senate floor. Erickson Ropes also sponsored a bill, S.F. 683, authorizing employees of the Minnesota veterans homes who work a second shift that is consecutive with a regularly scheduled shift to be allowed meals at the veterans home. The bill was approved and sent to the Senate floor.

Sen. David Hann (R-Eden Prairie) sponsored S.F. 120, which appropriates \$1 million from the bond proceeds fund for a veterans memorial project grant program to provide funds for local government veterans memorials. The bill was approved and re-referred to the Finance Committee.

Ag bills gain

The Agriculture and Veterans Committee, chaired by Sen. Jim Vickerman (DFL-Tracy), met Thurs., Mar. 22, to consider several diverse agriculture bills. Sen. Betsy Wergin (R-Princeton) sponsored two bills. S.F. 1285 changes agricultural chemical incident provisions and eliminates a fee. Wergin said the bill changes the definition of incident to include events that release an agricultural chemical accidentally or otherwise into the environment and may cause unreasonable adverse effects on the environment. In addition, she said the bill repeals a penalty provision because the department needs the flexibility to impose harsher penalties. S.F. 1388 changes feed law provisions and expands the applicability of certain penalties. Both measures were approved and advanced to the Senate floor.

S.F. 1417, carried by Sen. Tony Lourey (DFL-Kerrick), changes provisions

of the best management practices loan program. He said the bill increases the maximum loan amount for all projects to \$100,000, increases the maximum term of conservation tillage loans to 10 years, expands eligible recipients of loans to water-quality cooperatives and allows the inclusion of initial project costs in the financing package. The bill was approved and sent to the Senate floor. Lourey also carried a bill, S.F. 1660, establishing a Food Safety and Defense Task Force. Lourey said the task force is to coordinate educational efforts regarding food safety, provide advice and coordination to state agencies, serve as a source of information and referral for the public, news media and others concerned with food safety and make recommendations to Congress, the Legislature, and others about appropriate action to improve food safety. The bill was approved and re-referred to the State and Local Government Operations and Oversight Committee.

S.F. 1260, authored by Sen. David Hann (R-Eden Prairie), prohibits below cost dairy sales and repeals portions of the Dairy Trade Practices Act. Members adopted an amendment reinstating almost all of the repealed language in the Dairy Trade Practices Act. The bill was approved and sent to the full Senate.

S.F. 1472, sponsored by Sen. Gary Kubly (DFL-Granite Falls), extends the prohibition on new open air swine basins. After some discussion, members laid the bill over because of time constraints.

Business, Industry and Jobs

Sick leave benefit change gains

The Business, Industry and Jobs Committee, chaired by Sen. James Metzen (DFL-South St. Paul), met Mon., Mar. 15, to consider several bills. One measure that sparked considerable discussion was a bill, S.F. 1128, allowing an employee to use sick leave to care for a spouse, sibling, parent, grandparent, or step-parent. Sen. Sharon Erickson Ropes (DFL-Winona), chief author, said changing demographics are causing employees to take time off work to care for elderly relatives, but the employees are unable to use their accumulated sick leave. Current law limits the use of sick leave to the employee or the employee's child. Erickson Ropes said by allowing employees to use sick leave to care for their parents, the burden on long term care facilities may be reduced.

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Paul Larson, chief state labor negotiator, said the bill would result in steeply increased cost for the state. He also said that in facilities operated 24 hours per day, an employee using sick time for a family member may cause other employees to have double shifts. He said the use of sick leave should be left to the bargaining process.

Erickson Ropes said employees need the flexibility the bill provides in order to get the long term results of being able to avoid the need for long-term care facilities. The bill was approved and advanced to the Senate floor.

Sen. Dan Larson (DFL-Bloomington) carried two bills. S.F. 1058 establishes a Plumbing Council to specify the plumbing code, maintain a review process for complaints and code enforcement and adopt rules for regulation and continuing education. S.F. 1059 establishes the Council of High Pressure Piping Systems to specify the code, maintain an appeals committee, adopt rules necessary for the licensing and regulation of high pressure pipe fitters and adopt rules necessary for continuing education. Both bills were approved and referred to the State and Local Government Operations and Oversight Committee.

Metzen sponsored a bill making technical and housekeeping changes in the Department of Employment and Economic Development. The measure was approved and re-referred to the Finance Committee.

Members also took up a bill, S.F. 879, establishing a meatpackers bill of rights. Metzen, chief author of the bill, offered an amendment deleting most of the measure and requiring the commissioner of labor and industry to implement a strategy for providing notice to employees of their rights. The amendment was further amended to require the commissioner to provide education on how to assimilate into the community. The amendments were adopted. Members also adopted an amendment refining language relating to providing workers with equipment meeting current OSHA requirements. The bill was approved and advanced to the Senate floor.

Scrap metal bill approved

A scaled back version of a bill to help reduce copper theft gained approval from the Business, Industry and Jobs Committee Wed., Mar. 21. Sen. James Metzen (DFL-South St. Paul) chairs the committee.

S.F. 443, authored by Sen. Linda Higgins (DFL-Mpls.), requires record keeping and registration for scrap metal dealers. Testimony on the bill was heard at a previous meeting. The committee adopted an amendment that scaled the bill back from its original version. Instead of using the automated pawn system, the amendment requires scrap metal dealers to be part of the Bureau of Criminal Apprehension interactive crime alert network, Higgins said. The network is similar to the Amber Alert system and would allow dealers to be notified by e-mail or fax when a copper theft has occurred, she said. Higgins said the scaled back bill also allows dealers to take digital photos of sellers instead of installing security cameras. Sen. Tom Bakk (DFL-Cook) said taking digital photos could make people uncomfortable and doesn't seem consumer friendly. Bakk offered an amendment to remove the camera and photo requirements from the bill. Higgins said not having a picture of the seller will hamstring law enforcement in their efforts to find and prosecute stolen copper. The amendment was adopted. Another amendment was offered to reinstate the camera requirement for dealers in the Metro Area and in cities with a population greater than 30,000 people. The amendment was defeated. The bill was recommended to pass and re-referred to the Judiciary Committee.

The committee okayed two other measures. Sen. Steve Murphy (DFL-Red Wing) carried S.F. 1806. The bill provides extra unemployment benefits for electricians. Not only has the downturn in the economy hurt electricians, but Minnesota State Colleges and Universities (MnSCU) continues to pump out new electricians, Murphy said. There's not enough work to go around, he added. Approximately 27 percent of electricians filed unemployment claims last year, said Dan McConnell, International Brotherhood of Electrical Workers Local 292. From 2000 to 2004, MnSCU graduated almost 6,000 new electricians from its trade programs, McConnell said. David Dederichs, Minnesota Chamber of Commerce, spoke against the bill. The bill sets a bad precedent for extending unemployment benefits, he said. The bill was recommended to pass and sent to the Senate floor.

S.F. 356, authored by Sen. Linda Berglin (DFL-Mpls.), requires window

screens in residential dwellings to comply with safety standards. Each year a number of children fall out of windows and are seriously injured and it is completely preventable, Berglin said. The purpose of the bill is to create a safer environment for children, she said. S.F. 356 requires the commissioner of labor and industry to adopt rules for window fall prevention devices as part of the state building code, Berglin said. Window fall devices could include safety screens, hardware or other devices, she said. The bill also requires an educational safety program and a yearly report to the Legislature on window falls, Berglin said. The bill was recommended to pass and re-referred to the State and Local Government Operations and Oversight Committee.

In other action, the committee considered S.F. 1370. Authored by Sen. John Marty (DFL-Roseville), the bill modifies provisions regulating amusement rides. The bill is a step up from the current minimal regulation of amusement rides in Minnesota, Marty said. The bill requires that rides be inspected annually before operating in the state and requires daily inspection by the operator, he said. Additionally, owners must have a documented policy for operating a ride and the operator must be at least 16 years old, Marty said. Randy Forcier, Gopher State Expositions, Inc., said requiring inspections each year is okay, but he has concerns about requiring inspections within a calendar year. The committee laid the bill over so the author can address the concerns that were raised.

Commerce and Consumer Protection

Car buyers' bill of rights okayed

The Commerce and Consumer Protection Committee began the Tues., Mar. 20, hearing by continuing discussions on S.F. 1333, the car buyers' bill of rights. The bill, sponsored by Sen. Ron Latz (DFL-St. Louis Park), outlines a number of consumer protections in the purchase of motor vehicles. The panel had heard extensive testimony on the measure at a previous hearing. Latz brought an amendment deleting references to the dealer's profit on providing a retail installment contract, deleting a reference to credit score and substituting language specifying that a consumer credit report was used, and

defining trade-in value. Members adopted the amendment. The bill was approved and sent to the Senate floor.

Members also considered a bill, S.F. 1152, creating liability for an insurer if the policy covers negligence, to any person entitled to recovery because of a death or injury to persons or property, irrespective of whether the liability is presently established or contingent or whether it remains to be fixed by a final judgment. In addition, the bill, sponsored by Sen. Tarryl Clark (DFL-St. Cloud), requires insurers to act in good faith and permits recovery of damages and a report to the commissioner of commerce if the insurer does not comply.

Wil Fluegel, Minnesota Trial Lawyers Association, said the bill is designed to aid consumers in obtaining recovery from insurance companies to which they have been paying premiums and that insurance companies act in good faith. He said the bill does not cover health carriers or units of government. He said because there is no good faith law, an insurance company may delay or deny payments. The bill is designed to assist consumers in obtaining recovery. Several consumers spoke of their difficulties in dealing with insurance companies after having made a claim.

Dale Thornsjo, Johnson and Condon, PA, spoke in opposition to the bill. He said remedies are already in place in the cases the bill is designed to cover. Bob Johnson, Insurance Federation of Minnesota, said the bill represents unwarranted and extravagant remedies. Pat Nelson, Dept. of Commerce, said the measure would likely result in higher premiums.

The bill failed to gain the committee's approval on a divided voice vote.

Sen. Sandra Pappas (DFL-St. Paul) sponsored a bill, S.F. 1533, that regulates transactions with homeowners whose homes are in foreclosure. The bill clarifies that it is a violation of the statute for a foreclosure consultant to offer a loan secured by the residence in foreclosure or any other real or personal property. The measure was approved and re-referred to the Judiciary Committee.

Predatory lending bills okayed

The Commerce and Consumer Protection Committee held an evening meeting to consider three measures prohibiting predatory lending. Two of the measures were authored by Sen. Linda Higgins (DFL-Mpls.). Higgins said there is

agreement among consumers and reputable mortgage brokers that something must be done to stop the flood of foreclosures. She said the two bills she authored, S.F. 809 and S.F. 988, are aimed at stopping the egregious practices of some mortgage brokers. The third measure, S.F. 1547, was authored by Chair Linda Scheid (DFL-Brooklyn Park).

Attorney General Lori Swanson said predatory lending practices have been a problem for a long time. Swanson said, "Mortgages are the most complicated financial transactions consumers enter into and one of the largest and because of that complexity there has been a rise of predatory practices by mortgage lenders." Some of the abuses and problems have included failure to verify a borrower's ability to repay, the "churning" or repeated refinancings that don't benefit the borrower, and providing risky loans, she said. In December, Minnesota had the sixth fastest rate of foreclosures and it is affecting all parts of the state, Swanson said. She said it is a very important issue affecting families, communities and neighborhoods that experience falling home values. She said the recent fall in the stock market was attributed to problems with the subprime lending market.

Higgins said the bills grew out of a study group convened by the attorney general to form a package of protection and enforcement tools to protect homeowners from predatory lending practices. Prentiss Cox, University of Minnesota Law School, said the egregious practices are a tragedy on three levels. He said the effects on individuals can be devastating and the effects on communities can result in a downward spiral in home values. Finally, the effects on the economy are significant, he said. Cox said now over 20 percent of mortgages are subprime. Finally, he said federal law does not regulate the lenders, but state law does.

Cox walked members through the provisions of S.F. 809. He said the bill contains common-sense restrictions on mortgages, limits unfair and deceptive lending practices and provides effect enforcement. The bill requires a reasonable verification of the borrower's ability to repay the loan, prohibits "churning" or the practice of making a residential mortgage loan to a borrower that refinances an existing loan when the new loan does not benefit the borrower, prohibits mortgage brokers from waiving their

existing duty to act in the borrower's best interest and prohibits negative amortization. The measure also ensures that payments from the lender to the broker, particularly for convincing the borrower to have a higher rate of interest, can not exceed five percent.

Cox said S.F. 988 reinstitutes a pre-1995 law prohibiting prepayment penalties, prohibits refinancing special mortgages such as a non-profit community loan unless the borrower receives loan counseling, provides that borrowers harmed by predatory lending practices have a private right of action and criminalizes the practice of brokers making loans they know the borrower can't repay or making loans based on information they know is false.

Scheid's bill modifies licensing and education requirements, provides examination powers to the commissioner of commerce and prescribes a criminal penalty. Scheid said the measure was brought forward by the Dept. of Commerce. Kevin Murphy, Dept. of Commerce, said the bill requires that mortgage originator licensees must be part of a partnership, limited liability partnership association, limited liability company, corporation or other form of business organizations that has either approval as a mortgagee or have a minimum net worth of at least \$250,000 or a bond of \$100,000. The bill also raises the initial residential mortgage originator license fee and the renewal fee. In addition, the bill requires a mortgage originator to complete 16 hours of educational training that covers state and federal law concerning mortgage lending. Finally, the bill creates the crime of mortgage fraud.

Members heard extensive testimony from consumers who had experienced predatory lending practices. In addition, representatives from the banking industry said they appreciated the attempt to curb predatory practices, but did not want to see the legitimate mortgage brokers penalized.

Eldon Spencer, Minnesota Association of Mortgage Brokers, spoke on the concept of fiduciary duty. He said the fiduciary language is more often used in trusts and does not apply to the mortgage industry. He said the term needs to be defined more exactly. Don Lamp, American Financial Services Association, said mortgage brokers do not want to all be tarred by the same brush as the predatory lenders. He said one concern is the

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language requiring lenders to verify the borrower's ability to repay means returning to a paper-based system, which would disallow streamlined loans. Lamp said the fiduciary duty is in statute, the criminal penalty language is problematic and that the bill has a nonstandard definition of churning. He said, "If Minnesota enacts over-reaching legislation, the good guys will be driven out and the lenders who don't care will stay."

At the conclusion of the public testimony, Scheid said, "I don't know that any of the bills are finished. I don't want to put anyone out of business, but there are legitimate concerns on both sides."

Members then began the process of considering amendments to S.F. 809. Higgins brought an author's amendment, offered by Sen. Mary Olson (DFL-Bemidji), that provides definitions of investment grade, prime loan, subprime loan and fully indexed rate. In addition, the amendment specifies that when verifying the borrower's reasonable ability to pay, real estate taxes, homeowner's insurance and private mortgage insurance must be included in the verification. The amendment also specifies that for loans in which the interest rate may vary, the reasonable ability to pay must be calculated based on a rate that is fully indexed according to the terms of the loan and a repayment schedule. Another provision of the amendment alters the definition of churning by adding language requiring a refinanced loan to have a reasonable tangible net benefit to the borrower considering all circumstances. The amendment also limits the definition to subprime loans. The amendment also requires disclosure to the borrower of payments for taxes and insurance each time the mortgage originator informs the borrower of a different periodic payment amount from that previously disclosed. Finally, the amendment specifies that the provisions do not apply to state or federally chartered banks, savings banks, credit unions or to a person making, providing or arranging a mortgage originated by a state agency or a tribal or a local unit of government. The amendment was adopted.

Sen. Dan Skogen (DFL-Hewitt) offered an amendment eliminating the five percent cap on lender fees. The amendment was adopted. Sen. Ray Vandever (R-Forest Lake) offered an amendment, which was not adopted, further refining



Senators Thomas Bakk (DFL-Cook) and Ellen Anderson (DFL-St. Paul) converse in the back of the Senate Chamber during the Mon., Mar. 19, floor session.

Photo by A.J. Olmscheid

the definition of churning by removing a presumption of churning when specified circumstances are met. Sen. Chris Gerlach (R-Apple Valley) offered an amendment deleting the provisions relating to fiduciary duty. Gerlach said the provisions were too extreme and the full impact of the provisions was not known. Higgins said that a strict standard must be in place to curb the bad practices. The amendment failed.

The bill was approved and advanced to the Senate floor.

Higgins' second bill, S.F. 988, provides criminal penalties and a private right of action of predatory lending practices. An amendment containing definitions of investment grade, prime loan and subprime loan and prohibiting prepayment penalties on subprime loans was adopted. The measure was approved and re-referred to the Judiciary Committee.

Scheid offered an amendment to her bill, S.F. 1547, that includes provisions from the other two bills. The amendment requires verification of the borrower's ability to pay, prohibits negative amortization, prohibits refinancing special loans without loan counseling and provides for a private right of action. The amendment was adopted. The bill was approved and re-referred to the Judiciary Committee.

Economic Development Budget Division

Budget proposals gain

Members of the Economic Development Budget Division completed their work on two budget packages, Mon., Mar. 19. The panel, chaired by Sen. David Tomassoni (DFL-Chisholm), approved an omnibus appropriations package for FY 08-09 and a onetime spending proposal.

The omnibus package includes net general fund appropriations of \$318.092 million. The general fund spending includes \$100.528 million for the Dept. of Employment and Economic Development, \$22.885 million for Explore Minnesota Tourism, \$89.876 million for the Housing Finance Agency, \$34.487 million for the Dept. of Commerce, \$3.777 million for the Mediation Services Bureau, \$3.373 million for the Workers' Compensation Court of Appeals, \$48.691 million for the Historical Society, and \$21.243 million for the Arts Board. The package includes \$1.937 million from the general fund for the Dept. of Labor and Industry; the bulk of the department's operations are supported by the workers' compensation special fund. Several smaller boards are also funded in the proposal, including the Accountancy Board at \$1.002 million, the Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience and Interior Design Board at \$1.618 million, the Board of Barber and Cosmetologist Examiners at \$1.859 million, and the Boxing Commission at \$50,000.

The onetime proposal totals \$229.609 million in FY 08 general fund spending. It includes \$44.73 million to restore money transferred out of the 21st century minerals fund, \$30 million to support a biotechnology research partnership between the University of Minnesota and Mayo Foundation, \$30 million to provide infrastructure supporting a new steel plant in Itasca County, \$25 million to retire debt related to the Target Center, \$25 million to retire St. Paul RiverCentre debt, and \$12 million to provide business development loans in Greater Minnesota.

Smoking ban gains

A measure banning smoking in public places, including bars and restaurants, gained the approval of members of the Economic Development Budget Division, Wed., Mar. 21. The panel, chaired by Sen. David Tomassoni (DFL-Chisholm), advanced the bill to the full Finance Committee.

Tomassoni said the measure, S.F. 238, was before the panel because of concerns about the effects of a smoking ban on hospitality workers and the state's economy, and because of a provision in the measure permitting employees laid off because of the smoking ban to access the dislocated worker program.

Chief Author Kathy Sheran (DFL-Mankato) said the state has a responsibility to protect citizens' individual liberties and to protect people from others who would do them harm. She said the bill seeks to protect both patrons and employees from the negative consequences of secondhand smoke. While there are anecdotal stories of establishments closing after a ban was enacted, Sheran said, analyses of aggregate effects shows no negative impact. There are anecdotes on other side, showing businesses thriving after going smoke free, she said.

Dr. Marc Manley, Blue Cross Blue Shield, said a smoking ban saves the state and employers money by preventing illness and death. A healthier population is better for the economy, he said. I fight for jobs with health care benefits and a living wage daily, said Kristin Beckmann of the Service Employees International Union (SEIU). But it is just as important that workers have a safe workplace, she said. Secondhand smoke is dangerous, Beckmann said, and a ban will help businesses grow, creating jobs.

Bloomington City Council member Steve Peterson said a review of unemployment data in the Metro Area showed that the three years after smoking bans were enacted in Hennepin and Ramsey Counties, unemployment growth was lower in the counties with bans than in the counties without bans.

We have seen significant decreases in charitable gambling revenues in areas with smoking bans, said King Wilson of Allied Charities, and only slight increases in the surrounding communities. He urged the panel to create an exception for bars and bingo halls. During the first year of St. Paul's ban, Mancini's has cut jobs and hours for employees, said Pat Mancini of Mancini's Char House. I want to protect my nonsmoking customers and employees, but I don't want my smoking customers to be treated like lepers, he said. If exceptions are going to be created, for patios or other smoking-permitted areas, Mancini said, the standards should be clearly defined now. Dick Anfang, Minnesota State Building and Construction Trades Council, said members should consider permitting ventilation systems. They offer another option, he said, and would create a lot of jobs involved in the installation and renovation of restaurants and bars.

Sen. Dan Sparks (DFL-Austin) offered an amendment creating a hardship

exemption for bars with at least 60 percent of their total sales from alcohol. The exemption also applies to bingo halls, under the amendment. The amendment delays the smoking ban for exempt facilities until 2009 and permits exempt facilities to build an outdoor patio where smoking is permitted if the exempt facility experiences a 12 percent loss of sales receipts during the first three months of the smoking ban. The amendment requires patios to have ventilation to circulate air, prohibits food and beverage service on patios and prohibits on-duty employees to smoke on patios. Sen. Julianne Ortman (R-Chanhassen) offered an amendment to the amendment permanently exempting bars and bingo halls from the smoking ban. The amendment to the amendment was not adopted. The Sparks amendment was adopted.

Sen. Ray Vandever (R-Forest Lake) offered an amendment prohibiting smoking on all public lands and in parks. The amendment was rejected, 1-12. Sen. Pat Pariseau (R-Farmington) offered an amendment providing a phased-in permission for bars to install ventilation systems and thus permit smoking. The amendment was not adopted.

In other action, the panel also approved S.F. 1103 and forwarded it to the full Finance Committee. Sen. Satveer Chaudhary (DFL-Fridley), chief author, said the bill strengthens enforcement of the prohibition on the misrepresentation of employees as independent contractors.

E-12 Education Budget Division

Omnibus draft overview

The E-12 Education Budget Division met Wed., Mar. 21, to hear an overview explanation of a draft of the division's omnibus bill.

The bill provides a total appropriation of \$13.4 billion for early childhood, elementary and high school education programs. Division Chair LeRoy Stumpf (DFL-Plummer) said the proposal will promote a more stable education funding system and provide property tax relief throughout the state. Stumpf said the division had a new spending target of \$498 million and that the bulk of the new moneys is targeted at fully funding special education. The measure also provides \$100 million in property tax relief.

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He said the federal government has not lived up to its promise of fully funding special education, but costs are rising. Special education funding was capped in 2003 in order to help balance the state budget. He said the proposal fully funds special education and restores funding to early childhood education program funding to 2003 levels. The measure also consolidates three levies into one and provides funding for science, technology, engineering and mathematics (STEM) programming grants and after-school enrichment learning grants, Stumpf said. He said the measure does not add dollars to the general education formula, but does provide as much money as possible to classroom programs.

The measure limits the alternative teacher compensation program (q-comp) and the number of charter schools in Minnesota, Stumpf said. The q-comp program continues as normal for schools that are currently enrolled, but no new schools can enroll until there is an opportunity to study the program, he said. Stumpf said there are currently approximately 130 charter schools in the state. The measure limits the number of charter schools to 150 so the state can study the role of charter schools in the education system, he said.

The measure also funds pre-kindergarten education allowances, after school community learning grants and Mandarin Chinese program grants, he said. A 3.25 percent compensation increase is included for state employees in the education agencies, Nauman said.

Omnibus amendments heard

The evening portion of the Wed., Mar. 21, E-12 Education Budget Division meeting was devoted to hearing amendments to the omnibus E-12 education appropriations bill. The division, chaired by Sen. LeRoy Stumpf (DFL-Plummer), began by adopting a number of technical amendments.

The liveliest discussion centered on an amendment, offered by Sen. David Hann (R-Eden Prairie), removing the limit on the number of charter schools and restoring lease aid and start up aid eliminated in the proposal. Hann said the proposal sends a terrible message to the public about charter schools—that the Senate is pulling the plug on the schools. He said the omnibus measure makes a significant policy change in an appropria-

tions bill that has not had a full discussion. Stumpf said charter schools will still get federal start up aid and the proposal makes sure that all current charter schools, and those in the pipeline, will be funded. Sen. Patricia Torres Ray (DFL-Mpls.) said she supported the amendment because of the difference charter schools have made in her district. Sen. Tarryl Clark (DFL-St. Cloud) said the proposal merely offers time to fully discuss the benefits of charter schools. The amendment was not adopted.

Another amendment generating considerable debate was a proposal requiring the commissioner of education to designate five percent of a school district's special education aid for an incentive for early literacy staff development. Sen. Gen Olson (R-Minnetrista), sponsor of the amendment, said there is evidence that intensive early intervention greatly improves literacy in the early grades. She said providing comprehensive, scientifically based reading instruction results in students having more success throughout their educational years. Stumpf said he agreed with the need outlined in the amendment, but that he was not sure holding back funds from special education aid was the appropriate way to achieve the amendment's goals. Olson withdrew the amendment and Stumpf said that he would continue working on the concept.

Sen. Kathy Saltzman (DFL-Woodbury) offered two amendments. The first clarified language regarding the St. Croix early literacy intervention program. The second amendment provides \$450,000 for reading intervention throughout the state using the responsiveness to intervention model of a scientific-based system of reading. Olson supported the amendment and said the program has proven effective. Stumpf said early investment is the only way to reduce long-term special education costs. Both amendments were adopted.

Sen. Linda Scheid (DFL-Brooklyn Park) offered an amendment providing for statewide standards for health and physical education. The amendment also required credits in health and physical education for graduation. Stumpf said there have been so many proposals for so many requirements for graduation, such as foreign language requirements, that the proposals were beginning to sound like the old Profiles graduation requirements. The amendment was not adopted. Scheid offered a second amendment providing for

best practices training. The amendment was adopted.

Sen. Betsy Wergin (R-Princeton) offered an amendment requiring schools to inform parents they have the right to opt out of early childhood screening. The amendment was adopted. Sen. Charles Wiger (DFL-North St. Paul) offered an amendment requiring schools undergoing renovation or repair to consider energy conservation measures in their plans. The amendment was adopted. Sen. Claire Robling (R-Jordan) sponsored an amendment allowing public school districts to provide English language learner programs to non-public school students. Robling said providing those services was purely voluntary on the part of the public school district. The amendment was adopted. Wiger also offered an amendment directing school boards to develop policies for parental and family involvement in education. The amendment was adopted.

Before approving a motion to have the proposal introduced as a division bill, several members had closing comments. Robling said that not adding revenue to the general education formula or providing more funding for early childhood and family education will cause the property tax relief in the bill to evaporate as districts end up raising taxes to fund those programs. Sen. Ellen Anderson (DFL-St. Paul) said she felt the proposal was just half a bill, but adequately funding early childhood and family education and increasing the general education formula requires additional revenue. Stumpf said the proposal is the first step down a long road and that all options are open. He said fully funding special education is not as exciting as adding money to other programs, but it attempts to correct a basic and systemic problem for future education funding. Members approved the motion to have the bill introduced as a division bill.

Education

Variety of bills advance

Several measures were approved by the Education Committee at its Mon., Mar. 19, meeting. All the bills approved were advanced to the Finance Committee.

S.F. 1976, authored by Sen. Ron Latz (DFL-St. Louis Park), creates a grant program to help communities promote, practice and cultivate positive child and youth development. S.F. 1729, carried by Sen. Linda Scheid (DFL-Brooklyn Park),

provides for special instruction for prekindergarten children with disabilities. S.F. 1832, sponsored by Sen. Ray Vandever (R-Forest Lake), clarifies staff development goals.

Sen. Patricia Torres Ray (DFL-Mpls.) carried a bill, S.F. 1519, modifying basic alternative teacher compensation aid. S.F. 1759, authored by Sen. Betsy Wergin (R-Princeton), increases the pupil unit count for school districts with more than 12,000 pupils and average annual growth of at least 2.5 percent. S.F. 1492, sponsored by Sen. Sharon Erickson Ropes (DFL-Winona), provides for the creation of parent and family involvement policies by school districts.

S.F. 1814, authored by Sen. David Hann (R-Eden Prairie), allows school districts to create essential services and priority purposes accounts in their general funds. Chair Charles Wiger carried two bills. S.F. 1618 provides \$1 million annually to support Words Work, an early childhood literacy program. S.F. 1667 updates provisions relating to charter schools.

One bill failed to gain the committee's approval. S.F. 1926, authored by Sen. Thomas Neuville (R-Northfield), permits charter school students to participate in Minnesota State High School League activities in their resident school districts. A motion to advance the measure to the full Senate failed on a divided voice vote.

Members also discussed a report prepared by the Dept. of Education on the delivery of special education to non-public school students by public school districts. The complete report is available online from the Dept. of Education: <http://education.state.mn.us> (click on "Reports to Legislature").

Energy, Utilities, Technology and Communications

School energy considered

A measure to increase the amount of wind energy a school can produce was heard by the Energy, Utilities, Technology and Communications Committee Thurs., Mar. 22. Sen. Yvonne Prettner Solon (DFL-Duluth) chairs the committee.

Carried by Sen. Gary Kubly (DFL-Granite Falls), S.F. 1635 increases the capacity of wind energy that a school

board may own. Ted Suss, superintendent, Wabasso Public School, said 14 schools from across the state were authorized to issue clean renewable energy bonds. The schools have formed a joint powers entity and are conducting a feasibility study to construct a wind farm, Suss said. The current 3.3 megawatt limit for wind energy ownership by schools may stand in the way of the maximum size farm the schools could develop with available funds, he said. Suss said the bill will raise the limit to 10 megawatts. The economy of building separate site towers is not as good as building on a single site, he said. The electricity generated by the wind farm would be sold and the profits would be used to offset utility and education costs in the districts, Suss said. Several committee members expressed concerns about schools entering into competition with the private sector. Schools should be running schools and educating children, said Sen. David Senjem (R-Rochester). The bill was laid over for possible inclusion in the committee's omnibus bill.

The committee approved several other measures.

Sen. Julie Rosen (R-Fairmont) authored S.F. 1449, modifying requirements for 911 emergency communication fees. The bill is a procedural change to improve compliance, Rosen said. If the public utilities commissioner disputes the accuracy of 911 fees submitted by a telecommunication provider, the provider must submit a sworn statement that the fee submission is true and correct, she said. The bill was recommended to pass and re-referred to the Finance Committee.

S.F. 1902, authored by Sen. Rick Olseen (DFL-Harris), includes definitions of terms for energy forward pricing mechanisms. State agencies use forward pricing mechanisms to buy fuel in bulk when the price is at its lowest point, said Tim Morse, director of travel management, Department of Administration. The bill allows agencies to buy transportation fuel in the same way, he said. Forward pricing mechanisms are a way to insulate budgets against price spikes, Morse said. The bill was recommended to pass and re-referred to the State and Local Government Operations and Oversight Committee.

Sen. Ellen Anderson (DFL-St. Paul) authored S.F. 1857. The bill regulates service disconnections by public utilities during winter. The bill moves Public Utility Commission rules into statute,

makes clarifications and adds a few things, Anderson said. One change in the bill prohibits utilities from making disconnections on weekends, holidays or the day before a holiday unless the utility has contacted the customer and offered to work out a payment schedule, she said. The bill was recommended to pass and sent to the Senate floor.

S.F. 1193, authored by Sen. Debbie Johnson (R-Ham Lake), requires a person to be in close attendance to a dispenser nozzle while fuel is being dispensed into a motor vehicle. The committee looked at a provision in the bill establishing a definition for biodiesel. The bill was recommended to pass and re-referred to the Transportation Committee.

Environment and Natural Resources

Wetland replacement bill gains

A measure updating the state's policies governing the replacement of wetlands and drainage exemptions was approved by the Environment and Natural Resources Committee, Mon., Mar. 19. The panel advanced the bill, S.F. 1137, carried by Chair Satveer Chaudhary (DFL-Fridley), to the State and Local Government Operations and Oversight Committee. The bill institutes a new concept in wetland replacement, bank service areas. It also establishes separate replacement siting sections for different areas of the state and provides flexibility in locating replacement sites. The bill also updates and simplifies various exemptions, or categories of activities that are permitted without needing a wetland replacement plan.

Comprehensive plan gains

Two bills were the focus of the Wed., Mar. 21, Environment and Natural Resources Committee meeting. One measure, S.F. 1402, sponsored by Sen. Steve Dille (R-Dassel), requires counties to consider natural heritage data in adopting or amending comprehensive plans. The bill also requires comprehensive plans in Greater Minnesota to limit development on agricultural, forest, wildlife, and open space land. In addition, the bill requires development to occur in designated priorities. The measure was approved and advanced to the State and Local Government Operations and Oversight Committee.

Committee update

The panel, chaired by Sen. Satveer Chaudhary (DFL-Fridley), also approved a bill repealing the prohibition on the use of smokeless gunpowder. The bill, S.F. 1462, carried by Sen. Dan Skogen (DFL-Hewitt), allows the use of the gunpowder in muzzle loading guns during muzzle loading deer season. The measure was laid over for possible inclusion in the committee's omnibus bill.

Environment, Energy and Natural Resources Budget Division

Omnibus bill riders reviewed

Members of the Environment, Energy and Natural Resources Budget Division met Mon., Mar. 19, and unveiled the language that will be contained in the division's omnibus bill. Division Chair Ellen Anderson (DFL-St. Paul) said the dollar amounts in the bill will be filled in at a later hearing. She said the meeting was to review the language contained in a variety of provisions in the proposal. The omnibus proposal designates appropriations for environment and natural resources and energy and provides one-time appropriations for clean water legacy and several environment and energy projects.

Environment and energy projects receiving one-time funding include a feasibility study for a plasma torch gasification facility that converts municipal solid waste into energy and slag, a project for addressing surface and ground-water issues related to the development and expansion of ethanol production, a study for addressing the fragmentation and parcelization of large blocks of private forest land in the state, a project to accelerate efforts to preserve, restore and enhance grassland/wetland complexes on public and private land and a project for fencing cattle-feeding areas in bovine tuberculosis control zones. The measure also makes several other one-time appropriations.

The ongoing appropriations range from an appropriation to supplement the expenses of the Minnesota Commission Serving Deaf and Hard-of-Hearing People to appropriations for forest and water management activities.

Omnibus draft finalized

The Environment, Energy and Natural Resources Budget Division finalized an

omnibus draft Tues., Mar. 20. Chair Ellen Anderson (DFL-Mpls.) said the draft does as much as possible on priorities such as forestry, parks and trails and invasive species. The division also approved one time funding recommendations, including \$70 million for clean water initiatives.

The omnibus draft includes funding for the Pollution Control Agency, the Minnesota Zoo, the Department of Natural Resources and the Board of Water and Soil Resources. The measure proposes a 3.25 percent compensation increase for state employees, said Daniel Mueller, fiscal analyst. Nonresident hunting and fishing license fees are raised to fund invasive species programs, he said. The measure also includes a voluntary one dollar donation on deer licenses to assist with the costs of processing deer donated for charitable purposes, Mueller said. With the offset of additional revenues, the proposed omnibus bill appropriates \$20 million, he said.

Sen. Pat Pariseau (R-Farmington) objected to a provision in the draft that adds the Monticello nuclear generating plant to the list of nuclear plants required to transfer funds to the renewable development account each year. Pariseau said she wanted to hear testimony from the company affected by the provision. Anderson said the division was not taking testimony during the meeting. There will be more time to have a discussion about the issue later, she said.

Sen. Satveer Chaudhary (DFL-Fridley) offered an amendment to allow residents to buy a three year fish house license, rather than an annual license. The amendment was adopted. Sen. Thomas Bakk (DFL-Cook) also offered a fish house amendment. The Bakk amendment exempts fishing houses that are not left on the ice overnight from fish house license fees. The amendment raises nonresident fishing license fees by \$2 to offset the lost revenue. The committee voted to adopt the amendment. Bakk also offered an amendment to exempt all-terrain vehicles that are 25 years-old from registration. The amendment was adopted.

The division approved the omnibus draft, as amended, for introduction as a Senate bill.

The division also approved a list of one time funding recommendations. Projects funded include grants for wetland conservation, improvements to the land records management system and bovine tuberculosis disease fencing. The division

approved \$11 million in one time funding. A separate \$70 million in one time funding was approved for clean water legacy projects. The recommendations were referred to the Finance Committee.

Finance

Ag, vets omnibus bill sent to floor

The agriculture and veterans omnibus bill passed the last stop on the way to the floor Mon., Mar. 19, gaining approval from the Finance Committee. Sen. Richard Cohen (DFL-St. Paul) chairs the committee.

Before taking up the omnibus bill, the committee heard S.F. 167. Authored by Sen. Dan Sparks (DFL-Austin), the bill makes miscellaneous policy, housekeeping and style changes to the Minnesota Unemployment Insurance Law. The bill is overall cost neutral, Sparks said. The bill shortens from 30 days to 20 days the time employers and applicants can challenge a determination, said Lee Nelson, Department of Employment and Economic Development. The bill also makes available extra unemployment benefits for employees laid off from the Ainsworth Lumber Company plants because of lack of work, Nelson said. The bill was recommended to pass and re-referred to the Senate floor.

S.F. 1925, authored by Sen. Jim Vickerman (DFL-Tracy), is the omnibus bill appropriating money for agricultural, veterans and military affairs purposes. The bill makes significant investments in the next generation of biofuels, Vickerman said. The bill establishes cellulosic biofuel producer payments and a bioenergy production incentives, said Greg Knopff, legislative analyst. The bill also appropriates money for two feasibility studies for cellulosic ethanol plants, Knopff said. Other programs funded include organic certification and bovine tuberculosis eradication, he said. An amendment was adopted by the committee to remove portions of the clean water legacy provisions of the bill. The appropriations will be made in a separate bill, Cohen said.

The omnibus bill also appropriates money for military members activated for service as honor guards at funerals for Minnesota National Guard members, said Daniel Mueller, fiscal analyst. A reintegration program for Minnesota National Guard troops received \$1.5 million in funding, Mueller said. The bill also

appropriates money for an ombudsman for residents and family members of residents at the Minneapolis Veterans Home, he said. State employees receive a compensation increase under the bill, Knopff said. The omnibus bill, as amended, was recommended to pass and re-referred to the Senate floor.

Higher ed, transportation bills gain

Members of the Finance Committee met Tues., Mar. 20, to consider two bills representing the budget recommendations of two divisions. Both bills were approved by the committee, chaired by Sen. Richard Cohen (DFL-St. Paul).

S.F. 1989 is the omnibus higher education bill, carried by Sen. Sandra

Pappas (DFL-St. Paul), totaling \$3.098 billion in general fund spending for FY 08-09. The measure appropriates \$377.592 million to the Office of Higher Education. The appropriation is primarily targeted at various financial aid and assistance programs, with only \$6.257 million for administrative activities. The bill appropriates \$1.340 billion to the Minnesota State Colleges and Universities, \$1.377 billion to the University of Minnesota and \$2.25 million to the Mayo Foundation.

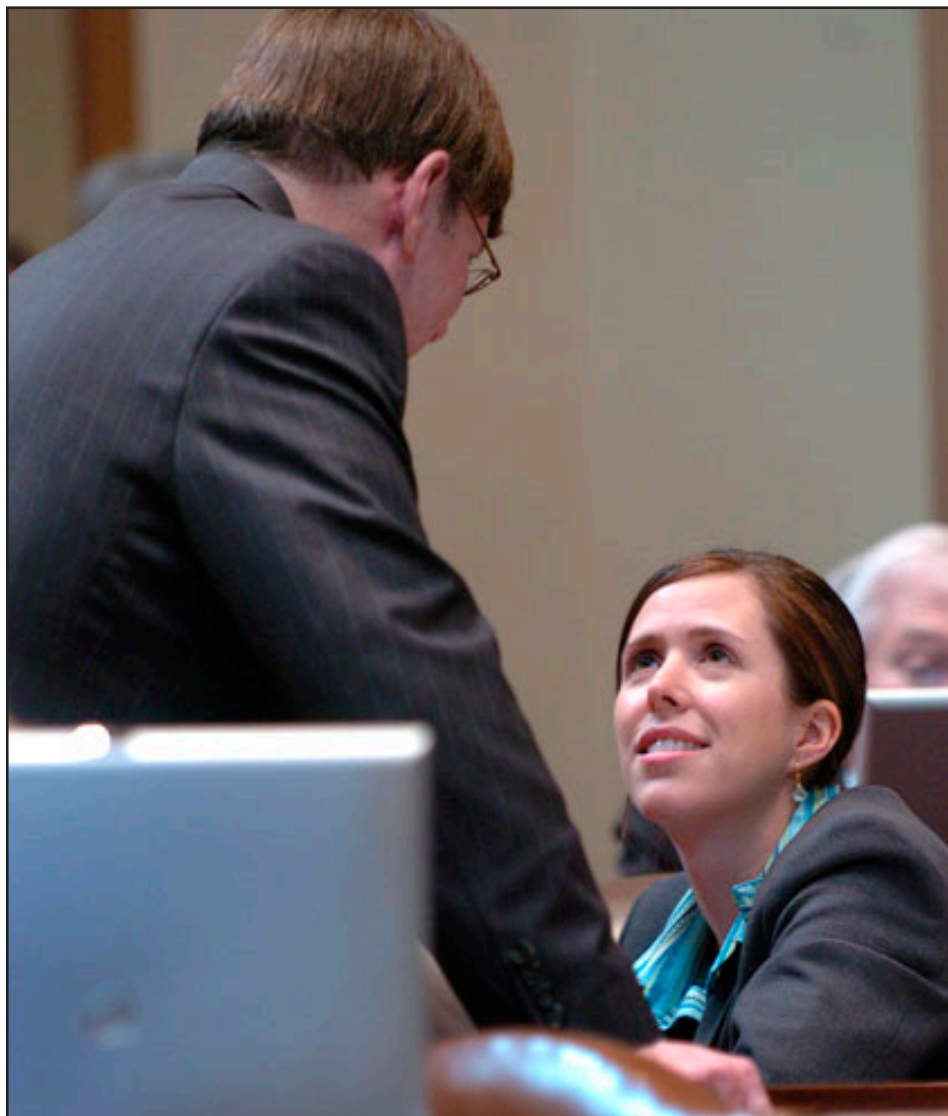
"I am very disappointed," Pappas said, because the bill represents only status quo funding. The package focuses on inflation and core operations of institutions and financial aid programs, she said. Except for more money for veterans, there are no new initiatives in this bill, Pappas said. She said

the division was given a target of only \$293 million in new spending, which is not going to move the state any closer to funding two-thirds of the cost of higher education. As recently as seven years ago, the state paid two-thirds and students paid one-third, she said. The current split is closer to 50-50, Pappas said.

Members adopted several amendments to the bill, at Pappas' request. Many of the amendments were technical or clarifying in nature. One amendment permits the University and MnSCU to raise private funds to offer financial aid to students who are made eligible, in the bill, for resident tuition. Pappas said the students, primarily undocumented immigrants, are not eligible for federal or state financial aid. Another amendment provides for study of the demand for higher education in the Mesabi Range region of northeastern Minnesota. The bill was approved and sent to the full Senate.

S.F. 1986 is the omnibus transportation bill, carried by Sen. Steve Murphy (DFL-Red Wing). The measure appropriates over \$4.5 billion for transportation from various funds. The measure also includes a variety of revenue increases. It raises the gas tax by 10 cents and provides for indexing the tax to inflation, with the adjustment to be made every April 1, beginning in 2009. The bill also provides for a half-cent sales tax increase in the Metro Area, with the proceeds dedicated to transit, transportation and bike and trail paths. The measure removes an offset from the CSAH formula for county wheelage taxes and raises the maximum wheelage tax from \$5 to \$20 per vehicle. The measure also increases the vehicle registration tax, but only for vehicles purchased after the increase takes effect. Under the bill, the depreciation schedule for vehicles is evened out and the cap on the renewal fee is removed.

Murphy said the measure is the most ambitious transportation bill to come through the Legislature in many years. He said the package addresses many realities in the transportation field, including the need for more state troopers and the necessity to find more revenue for road construction, road repair and transit. We are losing economic opportunities because goods and workers cannot travel as quickly as they need to, he said. Murphy said the economic reality has reached the business community, which supports the gas tax increase.



Senators Richard Cohen (DFL-St. Paul) and Katie Sieben (DFL-Newport) converse during the Senate floor session, Thurs., Mar. 22.

Photo by David J. Oakes

Committee update

Members adopted a series of amendments, at Murphy's request. Many of the amendments were of a technical or clarifying nature. One amendment restores the distribution of the Metro Area sales tax to the schedule adopted by the Transit Subdivision, rather than the schedule adopted by the full division. Murphy and Sen. Scott Dibble (DFL-Mpls.) said the subdivision's distribution schedule places greater emphasis on transit in order to advance the Metropolitan Council's 2030 strategic plan to completion in 2020, as originally intended. Another amendment clarified the representation of local governments on the joint powers board administering the Metro Area half-cent sales tax. Under the amendment, the board will have fourteen members, with each county having one representative on the board and the cities in each county having one representative. The bill was approved and advanced to the Taxes Committee.

Safety, state gov bills okayed

The omnibus public safety and state government bills were approved by members of the Finance Committee, Thurs., Mar. 22. The panel, chaired by Sen. Richard Cohen (DFL-St. Paul), advanced both measures to the full Senate.

S.F. 1992, carried by Sen. Linda Higgins (DFL-Mpls.), is the omnibus public safety appropriations bill. The measure provides for over \$1.1 billion in general fund spending in FY 08-09. It includes \$171.045 million for the Dept. of Public Safety, \$262,000 for the Private Detective Board, \$8.742 million for the Dept. of Human Rights, \$927.372 million for the Dept. of Corrections, and \$1.316 million for the Sentencing Guidelines Commission. In addition, the bill provides for over \$135 million in spending from other funds to the various agencies contained in the bill.

S.F. 1997, sponsored by Sen. Don Betzold (DFL-Fridley), funds the "back of the house" operations of state government, including the Legislature, constitutional officers, and administrative, human resources and financial agencies. It provides for \$591.541 million in general fund spending in FY 08-09. The measure appropriates \$132.889 million to the Legislature. The appropriations for the constitutional offices include \$7.48 million for the Governor's Office, \$18.084 million for the State Auditor's Office, \$48.491 million for the Attorney

General's Office, and \$12.386 million for the Secretary of State's Office. The Campaign Finance and Public Disclosure Board is funded at \$1.448 million, the State Board of Investment at \$302,000, the Office of Administrative Hearings at \$548,000, and the Office of Enterprise Technology at \$13.435 million. The bill funds the Dept. of Administration at \$41.659 million, the Dept. of Finance at \$30.893 million, the Dept. of Employee Relations at \$11.27 million, and the Dept. of Revenue at \$222.543 million. The measure provides the Capitol Area Architectural and Planning Board with \$626,000 and the Amateur Sports Commission with \$609,000. The state's minority councils are funded at a total of \$2.618 million: \$577,000 for the Council on Black Minnesotans, \$560,000 for the Council on Chicano-Latino Affairs, \$501,000 for the Council on Asian-Pacific Minnesotans, and \$980,000 for the Council on Indian Affairs.

E-12 budget advances

A measure providing more than \$13 billion in financial support for education in FY 08-09 was approved by members of the Finance Committee, Fri., Mar. 23. The panel, chaired by Sen. Richard Cohen (DFL-St. Paul), forwarded the bill to the Taxes Committee.

S.F. 2095, sponsored by Sen. LeRoy Stumpf (DFL-Plummer), appropriates \$13.368 billion for early and K-12 education in the coming biennium, along with an additional \$126.003 million in the current fiscal year. Stumpf said his funding target was \$498 million in new money. To put that figure in perspective, he said, his "must do" list totaled \$950 million and his list of primary and secondary priorities totaled over \$1.2 billion in new money. We stopped calculating the requests for new money a few weeks ago, when the sum broke \$2.1 billion, Stumpf said. However, Cohen noted that of the total new money across all 10 budget divisions, the E-12 Education Budget Division was given about 45 or 46 percent, reflecting the importance of education to the Senate.

Stumpf said the bill focuses on special education, instead of increasing the basic education revenue formula allowance. When we took the special education inflation factor away in 2002, he said, we exacerbated the funding problem for school districts. He noted that school

districts are required to provide special education services by federal law and that the requirement is judicially enforced. As a result, he said, districts have essentially shifted money from general education to special education, to avoid litigation. The bill seeks to reduce the cross-subsidy by increasing support for special education directly, Stumpf said, and to control the growth in special education costs by improving early education. Early education and early intervention, he said, have been proven to reduce the demand for special education.

Fiscal Analyst Eric Nauman walked members through spreadsheets detailing the various appropriations and property tax levies. Stumpf and Nauman also reviewed the policy provisions in the bill. The bill includes International Baccalaureate programs in the list of eligible programs for grants to raise student academic achievement, limits the number of charter schools in the state to 150, requires school boards to adopt parent and family involvement policies, and requires schools to use scientifically-based reading instruction in the regular classroom before referring students for special education evaluations. The measure also creates a pilot grant program to increase and enhance Mandarin Chinese programs, requires school districts to report their special education litigation costs, increases the school lunch reimbursement by 1.5 cents, and directs school districts to inform parents of their right to opt their children out of developmental screening. The bill increases the maximum GED test fee reimbursement by \$20 and establishes a pre-kindergarten education allowance finance system to provide choices for families with young children, close the achievement gap, and improve learning preparedness.

Members considered two amendments to the bill. Sen. Don Betzold (DFL-Fridley) offered an amendment deleting the requirement that school districts adopt parent and family involvement policies. He said the requirement lacks no enforcement mechanism. Cohen said he was concerned districts may be exposed to litigation if they do not follow the detailed procedural requirements in the provision. Sen. Sandra Pappas (DFL-St. Paul) said the state should be encouraging and ensuring family involvement in children's education. It is good for children to get and keep parents involved,

she said. The provision ensures that parent groups can hold districts accountable, Pappas said. This is not a big burden on districts and will not require spending or a lot of staff time, said Sen. Ellen Anderson (DFL-St. Paul). The amendment was defeated. Sen. Pat Pariseau (R-Farmington) offered an amendment restoring language requiring the Minnesota Early Learning Foundation to be subject to the Open Meeting Law, the Government Data Practices Act, public employee salary limits, and legislative audits. This is a private organization, but it is carrying out agency functions and should be subject to public agency requirements, Pariseau said. However, Sen. Tarryl Clark (DFL-St. Cloud) said the requirements were more appropriate when the foundation was going to be a public-private partnership. Now, however, the foundation is going to be a purely private entity, she said. The amendment was not adopted.

Members also reviewed the appropriations in S.F. 2089, the omnibus economic development bill, carried by Sen. David Tomassoni (DFL-Chisholm). Senate Fiscal Analyst Dave Jensen walked the panel through the spending provisions. The bill provides for \$398.619 million in FY 08-09 spending from all funds, with a net general fund impact of \$318.092 million. It appropriates funds to the Departments of Commerce, Employment and Economic Development, and Labor and Industry, Explore Minnesota Tourism, the Housing Finance Agency, Boxing Commission, Bureau of Mediation Services, Workers Compensation Court of Appeals, Historical Society, Arts Board, and Iron Range Resources and Rehabilitation Board. It also provides financial support to several regulatory boards, including the Accountability Board, Barber and Cosmetologist Examiners Board, and Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience and Interior Design Board. Because of time constraints, the committee took no action on the measure.

Health, Housing and Family Security

Two bills, resolution approved

The Health, Housing and Family Security Committee, chaired by Vice Chair Patricia Torres Ray (DFL-Mpls.), heard two bills authored by Sen. Ann Rest

(DFL-New Hope) at the Mon., Mar. 19, meeting.

The first bill, S.F. 1475, provides an exception to the nursing facility moratorium. The University Good Samaritan Nursing Home building is in poor shape, said Sharon St. Mary, administrator. The facility cannot keep up with the necessary capital improvements, she said. The bill allows a rate increase so a new facility can be built, St. Mary said. The home provides specialized services for patients that are difficult to care for such as patients with Huntington's disease or Alzheimer's, she said. The bill was recommended to pass and re-referred to the Finance Committee.

Also authored by Rest, S.F. 1528 clarifies the authority of the county housing and redevelopment authority. Currently, the Hennepin County Housing and Redevelopment Authority cannot operate where there is a city housing and redevelopment authority, Rest said. The bill removes the exclusion, she said. Carol Kelliher, director of housing, Hennepin County, said the change will create equity among all county residents. The bill was recommended to pass and referred to the Senate floor.

The committee also approved a resolution, authored by Sen. Tony Lourey (DFL-Kerrick), urging support for and reauthorization of the state children's health insurance program. The resolution urges support for reauthorization in a flexible manner that best meets the needs of the state so that Minnesota can continue to use the program to cover families and children, Lourey said. The resolution was recommended to pass and sent to the Senate floor.

Domestic partner hospital visitation bill heard

Members of the Health, Housing and Family Security Committee met Wed., Mar. 21, to consider a bill allowing patients the opportunity to designate a person as a domestic partner who will have the status of the patient's next of kin with respect to visitation and making a health care decision. S.F. 1398, carried by Chair John Marty (DFL-Roseville), said, "I don't believe it is right to deny partners the ability to visit one another in the hospital, particularly when one partner is severely ill or dying." Ann DeGroot, executive director, OutFront Minnesota, said, "This is an issue that affects the GLBT commu-

nity regularly." She said there are heart rending stories about partners not being able to visit their dying loved ones. In addition, she said there is a great deal of variance throughout the state about the status of domestic partners. The bill addresses all domestic partners regardless of sexual orientation and provides a uniform standard across the state.

Tom Prichard, Minnesota Family Council, said the council has no problem with adults designating someone to make health care decisions and have visitation rights. We do have a concern that the bill redefines family relationships and if laws are enacted that grant rights to similar to those of married couples it will lay the foundation to a legal challenge to our marriage law, he said.

Marty said the point of the bill is to make it as simple as possible for people to be with their loved ones in times of crisis. Sen. Betsy Wergin (R-Princeton) offered an amendment removing the words "domestic partner" in the bill and substituting the phrase "designated person." Marty responded that the amendment places another obstacle in the path of persons wanting to be with their loved ones. The words domestic partner are well understood, he said. The amendment failed on a 4-8 roll call vote. The bill was approved and re-referred to the Judiciary Committee.

In other action, the committee took action on three additional bills. S.F. 1221, sponsored by Sen. Patricia Torres Ray (DFL-Mpls.), changes child welfare provisions. The measure was amended to make a number of technical changes in provisions relating to Indian child welfare. The bill was approved and re-referred to the Judiciary Committee.

S.F. 967, authored by Sen. Linda Berglin (DFL-Mpls.), modifies the hospital public interest review and modifies the alternative approval process. The bill adds criteria for the department to consider when an applicant for a new hospital is an existing hospital including the ability of the applicant to maintain the current level of community benefit, the impact on the existing workforce and the commitment of the applicant to moderate any negative impact on employers. Berglin said it had been her understanding that when a new hospital was approved for Maple Grove, the existing hospital in an adjacent community—North Memorial—would continue providing the same services it

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does currently. Instead, Berglin said, units have been closed down and employees told they must quit their positions at North Memorial and reapply at the new hospital, rather than being able to transfer to new positions. The bill also requires the commissioner of health to monitor a hospital's adherence to the criteria. Proponents of the bill said the employees are losing jobs or having to give up seniority to apply at the new hospital. Proponents said the hospital is using the savings from North Memorial to finance the bonds for the new hospital. Opponents said North Memorial's corporate structure determines the activities of the hospital. Opponents also said the bill endangers the hospital's bond rating. Berglin countered that the bill is prospective, the intent is not to go back and retroactively change the moratorium law. The bill was approved and advanced to the Senate floor.

Marty also carried a bill, S.F. 14, providing for a constitutional amendment specifying that every Minnesota resident has the right to health care. The measure also specifies that it is the responsibility of the governor and Legislature to implement all necessary legislation to ensure affordable health care. The bill was approved and sent to the Senate floor.

Health and Human Services Budget Division

Insurance premium cap bill gains

A bill to cap insurance premium increases gained approval from the Health and Human Services Budget Division Fri., Mar. 16.

S.F. 857, authored by Chair Linda Berglin (DFL-Mpls.), extends the essential community provider designation to a mental health provider located in Hennepin County. The division adopted an amendment that establishes premium rate restrictions and expenditure limits. The bill caps premium increases at the Consumer Price Index plus three percentage points, to account for the aging population, the role of technology in healthcare and to provide financial assistance to health care providers to implement electronic medical records systems, Berglin said. The same cap is applied to healthcare expenditure limits, she said. Julie Brunner, Minnesota Council of Health Plans, said an arbitrary cap on healthcare premiums does not address the

issues that are driving costs up. There is waste in the insurance system that can be squeezed out – they have to get more discipline, Berglin said. The bill was recommended to pass and referred to the Finance Committee.

The division also considered S.F. 148, carried by Sen. John Marty (DFL-Roseville). The bill modifies mental health provisions. The bill increases funding to children's mental health programs, makes MinnesotaCare coverage for mental health services the same as Medical Assistance coverage and requires a study of options to ensure all college students have health insurance, said Sen. Linda Higgins (DFL-Mpls.), who presented the bill. Sen. Paul Koering (R-Fort Ripley) offered an amendment to remove the part of the bill mandating college students carry health insurance. The requirement would increase costs for students at a time when tuition prices are already high, he said. The bill doesn't require students to have health insurance, it's just a study, Higgins said. The amendment was adopted. The bill was laid over, but will be sent to other divisions that have authorization over other expenditures in the bill.

S.F. 1387, authored by Higgins, allows incarcerated individuals to remain eligible for Medical Assistance until conviction. The division heard testimony on the bill at a previous meeting. The bill was recommended to pass and referred to the Finance Committee.

The following bills, also heard by the division, were laid over for possible inclusion in the omnibus bill.

S.F. 515, authored by Berglin, establishes a certified peer specialist program. The bill will establish a program so that people who are consumers, who suffer from mental illness, would be trained to be peer specialists, Berglin said. The peer specialist would be a part of the mental health team to make sure consumers get the services they need, she said. The bill has a small fiscal cost to cover the training, Berglin said.

Carried by Berglin, S.F. 1025 is the governor's mental health bill. The division heard testimony on the bill at a previous hearing. Sen. Kathy Sheran (DFL-Mankato) offered an amendment to remove a provision in the bill requiring the commissioner of human services to administer a compliance system. The provision would significantly shift the

relationship between counties and the state, said Mark Ponsolle, assistant Ramsey County attorney. The issue deserves a full policy discussion, he said. The amendment was defeated.

Sen. Sharon Erickson Ropes (DFL-Winona) authored S.F. 1559. Under an amendment approved by the division, the bill authorizes a temporary rate increase to pay for the costs incurred by nursing facilities to install or remodel sprinkler systems in order to comply with the life safety code. A previous version of the bill, heard by the division Wednesday, allowed nursing homes to use the funds for improvements to meet additional compliance standards such as elevator codes.

Also authored by Higgins, S.F. 1015 contains lead abatement modifications. Members considered the financial parts of the bill. S.F. 1015 sets up a revolving loan fund to provide loans to property owners to replace windows with lead based paint, Higgins said. As people repay the loan, the money would be available to help other people, she said.

Sen. Mary Olson (DFL-Bemidji) authored S.F. 1424. The bill provides a planning grant for a youth treatment center in Leech Lake. The magnitude of the substance abuse problem and the lack of a nearby facility has brought the community together to build the center, said Greg Ramey, dean of students, Cass Lake-Bena Public Schools. George Goggleye, Jr., tribal chairman, Leech Lake Band of Ojibwe, said it is important to build a treatment center that is culturally relevant. The healing process will begin when the tribe's young people understand where they come from, he said.

Authored by Sen. David Tomassoni (DFL-Chisholm), S.F. 639 provides assistive technology for people with disabilities. The bill also requires a study of the assistive technology needs of people with disabling conditions and seniors, Tomassoni said.

Authored by Sen. Scott Dibble (DFL-Mpls.), S.F. 980 appropriates \$4 million in each year of the biennium for the Run-away and Homeless Youth Act. Under the bill, the funds will be used for community outreach and drop-in programs, emergency shelter programs and supportive housing and transitional living programs for runaway homeless youth, Dibble said. The funding will be directed to areas with the greatest need, he said.

S.F. 534, authored by Sen. Ron Latz (DFL-St. Louis Park), establishes a crisis



Senators Ray Vandever (R-Forest Lake), left, and Ron Latz (DFL-St. Louis Park) converse in the Senate Chamber during the Mon., Mar. 19, floor session.

Photo by A.J. Olmscheid

nursery grant program. The program existed for ten years until 2003, Latz said. The nurseries work with agencies and organizations to provide temporary child care for families experiencing crisis situations and are available 24 hours a day, he said.

Erickson Ropes also carried S.F. 944. The bill improves the quality of childcare and expands the professional development of childcare practitioners. One provision in the bill establishes a program to provide education and retention incentives for early care and education providers, Erickson Ropes said. It is important to ensure that young children have access to quality care, she said.

S.F. 1530, authored by Olson, modifies day training and habilitation transportation rates. The bill raises the rate by \$2 per day per client, she said. Also

authored by Olson, S.F. 1661 appropriates money to support activities to help people with disabilities relocate from nursing facilities to community settings. S.F. 1145, authored by Sen. Kathy Sheran (DFL-Mankato), appropriates \$25 million for long-term homeless supportive services.

Child health care bill heard

The Health and Human Services Budget Division met Tues., Mar. 20, to consider a variety of bills. One measure, S.F. 15, authored by Sen. Yvonne Prettnier Solon (DFL-Duluth) generated considerable discussion. The bill provides a two-phase expansion of health care coverage for children. In the first phase, children in families with income up to 300 percent of the federal poverty guidelines are covered. The second phase proposes to cover all children. The bill was laid over for

possible inclusion in the omnibus health and human services budget package.

S.F. 714, carried by Chair Linda Berglin (DFL-Mpls.), establishes a controlled substances prescription electronic reporting system. Berglin said prescription drugs are easily intercepted and sold on the street. The bill will help keep track of who is receiving which drug, she said. S.F. 461, also authored by Berglin, modifies food support requirements. The measure specifies that food support benefits may not be stored off line or expunged from a recipient's account unless the benefits have not been used for 12 months after the month they were issued. The bill also requires the Dept. of Human Services to create a simplified application for the food support program for persons over the age of 60 and persons with disabilities. Berglin indicated that the bill, S.F. 461, will be

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Senators Linda Higgins (DFL-Mpls.) and Thomas Newville (R-Northfield) exchange ideas during the Senate's Thurs., Mar. 22, floor session.

Photo by David J. Oakes

the vehicle for the division's one time appropriations.

Sen. David Tomassoni (DFL-Chisholm) sponsored a bill, S.F. 1585, providing an appropriation for oral health care innovation grants. The bill specifies the priorities for proposals receiving the grants. Under the bill, the priorities include providing oral health care for children ages birth to 18 years in St. Louis and Beltrami Counties and one other underserved area of the state, creating a single point of contact linking patients and providers through a Web site or a 1-800 telephone number, creating an open network of dental providers to serve children enrolled in public programs, using collaborative practice dental hygienists to provide assessment and referral of children in Head Start centers and schools, and establishing an electronic record keeping system.

Sen. Kathy Sheran (DFL-Mankato) sponsored a bill, S.F. 384, appropriating \$200,000 to provide family support and assistance to families with children who are deaf or have a hearing loss. Under the bill, the family support includes direct parent-to-parent assistance and informa-

tion on communication, educational and medical options. S.F. 490, authored by Sen. Paul Koering (R-Fort Ripley), modifies the supplementary payment rate and provides an exemption to the bed moratorium for a Crow Wing county group residential housing provider.

S.F. 848, carried by Sen. Mary Olson (DFL-Bemidji), appropriates money for the senior companion program, retired and senior volunteer program and the foster grandparent program. Olson also carried 1720. The bill appropriates \$350,000 to provide support to grandparents or relatives who are raising kinship children. Under the bill, services for grandparents may include legal services, education, information, family activities, support groups, mental health access, advocacy, mentors and information related to foster care licensing. Olson said 6.7 million children across the nation are in the care of grandparents or other relatives.

S.F. 1320, sponsored by Sen. Ann Lynch (DFL-Rochester), provides \$140,000 for a statewide hearing aid loan bank for infants and children who are deaf or who have a hearing loss. Lynch said early and consistent hearing aid use

provides significant improvement in speech and cognitive ability. She early intervention is critical for the child's development and allows family time to evaluate options for their child.

All of the above measures were laid over for possible inclusion in the division's omnibus bill.

S.F. 536, carried by Sen. Claire Robling (R-Jordan), sets the fees counties may charge, for background studies and licensing inspections, child care license holders and applicants at no more than \$50 for annual licenses or \$100 for two-year licenses. The bill also modifies background study and inspection duties for family and group family child care, adult foster care, family adult day care and child foster care. The duty modification provisions were removed from the bill and laid over for possible inclusion in the division's omnibus bill. The remainder of the bill, relating to fees, was advanced to the full Finance Committee.

S.F. 1742, authored by Sen. Dan Skogen (DFL-Hewitt), appropriates money from the bond proceeds fund for predesign of a multicounty regional chemical dependency treatment facility and

correctional center in west central Minnesota. Skogen said the measure is designed to provide treatment for individuals who are incarcerated in order to divert them from re-offending. The bill was approved and referred to the full Finance Committee.

Spreadsheet adopted

A spreadsheet containing the biennial appropriations for health and human services was unveiled before a standing room only crowd at the Fri., Mar. 23, meeting of the Health and Human Services Budget Division. Sen. Linda Berglin (DFL-Mpls.), division chair, said the division had a target of \$245 million and that the bill designates half of the target for cost of living increases for long term care staff. She said the bill makes major investments in chemical dependency treatment and mental health care. The bill also has appropriations for housing, for reducing homelessness and for a pay for performance program for agencies, Berglin said. She said the bill takes steps toward covering all uninsured children in the state and restores some funding to providing health care coverage for adults without children. There are many small programs from bills we heard in division included in the bill, Berglin said, but there simply wasn't enough money to do all we wanted to do. She said the bill contains a 3.25 percent across the board compensation increase for all employees.

The bill totals \$491.27 million in direct appropriations. The bulk of the appropriation, \$436.9 million, is for the Dept. of Human Services and \$43.102 million is directed to the Dept. of Health. The measure also adopts of the governor's recommendation of \$6.8 million for the Veterans Homes Board. In addition, the measure appropriates \$2.167 million for the health related boards, \$534,000 for the Emergency Medical Services Board, \$1.336 million for the Council on Disability and \$315,000 for the Ombudsman for Mental Health and Mental Retardation.

The bill makes numerous changes in the Minnesota family investment program, primarily in removing penalties, limitations, and barriers to work. The bill also increases child care provider reimbursement by three percent. Other provisions provide adoption assistance and relative custody assistance, implementation of the

long-term homeless prevention program, an appropriation for a hearing aid loan bank, an extension of critical access dental payments, grants for oral health care innovations, initiatives for fetal alcohol syndrome programs and a restoration of funds for family planning services. The measure also makes a number of changes to the MinnesotaCare program including increasing the inpatient hospital cap, permitting eligibility of undocumented children, expanding eligibility to the homeless, waiving premiums for military members and their families for 12 months and providing a MinnesotaCare option for small employers. The proposal also caps health care premium increases.

The proposal also provides funding for mental health initiatives, services for the deaf and hard-of-hearing, chemical dependency assessment and treatment and compulsive gambling programs. Appropriations for the Dept. of Health include funding for PFC water treatment point of use evaluation, newborn screening, public health laboratory operations, pandemic influenza preparedness and disease surveillance modernization.

Higher Education Budget and Policy Division

Tuition tax deduction okayed

A measure permitting taxpayers to subtract their contributions to tuition savings plans from their income for income tax purposes was approved, Tues., Mar. 20, by members of the Higher Education Committee.

S.F. 725, authored by Sen. Dan Larson (DFL-Bloomington), permits the subtraction for contributions of up to \$10,000 annually for married taxpayers or \$5,000 for other taxpayers. The proposal was advanced to the Taxes Committee.

The panel, chaired by Sen. Sandra Pappas (DFL-St. Paul), considered two additional measures. S.F. 1970, carried by Sen. David Tomassoni (DFL-Chisholm), requires a study of student demand and employer needs for higher education in the Mesabi Range region of northeastern Minnesota. Under the bill, the study is to be conducted jointly by the University of Minnesota and the Minnesota State Colleges and Universities system. The bill was re-referred to the Finance Committee. S.F. 153, sponsored by Pappas, provides a tax credit for employer postsecondary

education expenses. The bill was approved and re-referred to the Taxes Committee.

Judiciary

Guardians, conservators bills gain

The Judiciary Committee, chaired by Sen. Mee Moua (DFL-St. Paul), met Mon., Mar. 19, to consider a variety of bills.

The panel began by considering the annual revisor's bill, H.F. 1200. Revisor of Statutes Michele Timmons said the measure is the one that goes through in the early part of the session making corrections and technical changes to existing statutes. Timmons said it is the goal of the Revisor's Office to make the bill as noncontroversial and boring as possible. The bill, sponsored by Moua, was advanced to the full Senate.

Sen. Mary Olson (DFL-Bemidji) sponsored two bills. S.F. 795 provides for a study and report on guardianship and conservatorship issues. She said most guardians and conservators perform their duties conscientiously, but there have been a few who have committed major frauds. Olson said there is almost no oversight of guardians and conservators, the bill would authorize a study to clarify the rights of wards and protected persons, clarify the powers and duties of guardians and conservators, determine the proper complaint processes, training and auditing of guardians and conservators. The bill was approved and advanced to the Finance Committee. S.F. 215 authorizes juvenile court jurisdiction to continue until a child reaches age 19, if the court determines it is in the best interest of the child. The bill was laid on the table.

S.F. 792, authored by Sen. Linda Scheid (DFL-Brooklyn Park), changes terminology for limited purposes companies by substituting the words "guardian of the person, conservator of the estate, or person representative of an estate" for the words "executor of a will or administrator of an estate." The measure was recommended for placement on the Consent Calendar. S.F. 998, also sponsored by Scheid, recodifies and modifies construction codes and licensing provisions, modifies the State Building Code and provides penalties for enforcement. The bill was approved and re-referred to the Finance Committee.

S.F. 308, authored by Sen. Linda Higgins (DFL-Mpls.), creates a blighted housing rehabilitation program and

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provides for the transfer of possession or ownership of nuisance properties to nonprofit housing organizations. Higgins said there are hundreds of houses in St. Paul and Minneapolis that are boarded up and could be rehabilitated to provide low income housing. After considerable discussion, the measure was laid on the table.

Miscellaneous bills heard

The Judiciary Committee approved several bills proposing technical changes at the Tues., Mar. 20, meeting.

S.F. 1242, authored by Sen. Warren Limmer (R-Maple Grove), clarifies and updates laws governing MINNCOR prison industries. The committee adopted an amendment adding the Department of Corrections to the list of agencies who have access to state employment records, said Dennis Benson, deputy commissioner. The change will allow the department to track the employment history of offenders after they leave the system in order to measure the effectiveness of work placement programs, Benson said. The bill was recommended to pass, as amended, and referred to the State and Local Government Operations and Oversight Committee.

Sen. Tom Saxhaug (DFL-Grand Rapids) carried S.F. 1119. The bill is the annual Department of Natural Resources (DNR) land bill and makes miscellaneous land acquisitions, Saxhaug said. One change under the bill allows the department to share the appraised value with the landowner, said Kathy Lewis, DNR Land and Minerals Division. The information is currently protected data, but required by the land owners' bill of rights. Lewis said. The bill clears up the inconsistency, she said. The bill was recommended to pass and referred to the Senate floor.

Authored by Sen. Kathy Sheran (DFL-Mankato), S.F. 1336 authorizes independently licensed mental healthcare professionals to deliver services to inmates. The bill clarifies who can admit and discharge prisoners into the Oak Park Heights correctional mental health facility, said Nan Larson, director of health services, Department of Corrections. The bill was recommended to pass and referred to the Senate floor.

S.F. 1051, authored by Chair Mee Moua (DFL-St. Paul), adopts the Uniform

Environmental Covenants Act. The act is part of a national effort to create uniform rules for entering into an environmental covenant, said Michele Timmons, revisor, Office of the Revisor of Statutes. The bill was recommended to pass and referred to the Senate floor.

Authored by Sen. Leo Foley (DFL-Coon Rapids), S.F. 1157 makes miscellaneous changes to Bureau of Criminal Apprehension (BCA) provisions. The bill allows an individual to request public or private data about that individual collected by law enforcement agencies from a state or local law enforcement agency, said Dana Goltz, CrimNet program administrator, BCA. The bill also allows criminal justice agencies to access driver's license photos and clarifies language regarding the appointment of members of the Criminal and Juvenile Justice Information Policy Group, Goltz said. The committee adopted an amendment removing a provision in the bill authorizing the establishment of a secure subscription service by which the Department of Public Safety may obtain ongoing automatic electronic notices of any contacts an individual has with a criminal justice agency. Moua said the committee needs more detailed information about the subscription service before authorizing its creation. Sen. Julianne Ortman (R-Chanhassen) expressed concern about expanding access to driver's license photos. At the minimum, there needs to be a notification on the driver's license application informing the public about who has access to the photograph, she said. The bill was recommended to pass and referred to the State and Local Government and Operations and Oversight Committee.

Innocent record redaction okayed

A measure requiring the redaction of erroneous information from criminal history data was approved by members of the Judiciary Subcommittee on Data Practices, Wed., Mar. 21.

S.F. 1837, sponsored by Subcommittee Chair Mary Olson (DFL-Bemidji), requires that if a fingerprint verification determines a person is not the subject of a criminal history, but the person's name is erroneously associated with the criminal history, the name must be redacted from the public criminal history data. Under the

bill, the name is retained in the criminal history and classified as private data. Julie Letourneau Lackner, Dept. of Public Safety, said the data must be retained in the criminal history for law enforcement, because the erroneous information usually enters the system as an alias by the real criminal. However, she said, it is unfair to innocent persons to have the public criminal history reflect, even with disclaimers, erroneous information. The bill was approved for inclusion in the omnibus data practices bill.

Two additional measures were also approved for inclusion in the omnibus bill. S.F. 1166, authored by Sen. Ann Rest (DFL-New Hope), modifies data classification provisions for the Dept. of Transportation. The bill classifies names, addresses (except for ZIP codes), e-mail addresses and telephone numbers of respondents to MnDOT market research surveys as private or nonpublic data. The bill also classifies as private or nonpublic data financial statements, shareholder financial data, the schedule of audit adjustments and the overhead rate schedule used in establishing the overhead rate for a consultant. Finally, the measure classifies bid documentation materials held in escrow as private and nonpublic data. The bill defines bid documentation materials as materials used by a contractor in preparing its bid. S.F. 596, carried by Olson, makes a variety of technical changes recommended by the Dept. of Administration, which has primary authority for overseeing the state's data practices laws. Olson said the bill would serve as the vehicle for the omnibus bill.

S.F. 1142, sponsored by Sen. Don Betzold (DFL-Fridley), modifies data practices provisions governing the Dept. of Labor and Industry. Aside from technical provisions updating the statutes, the bill removes language relating to the public nature of the department's hearings, sets a per-page copy fee of 65 cents for workers' compensation data in the division file, and classifies data relating to department investigations and market research. Nancy Leppink, director of legal services for the department, said the department no longer holds hearings, so the language requiring them to be public is unnecessary. She said the copying fee for workers' compensation data represents the actual cost of retrieving and copying the information, which the department only keeps because it is the designated depository. The department

would not otherwise be keeping this information, she said, but serves as the source for everyone else who needs it. Because members had several questions and concerns requiring additional information from the department, the bill was laid over for further consideration.

Victim, family leave okayed

A measure expanding the list of crimes for which victims and their families may take leave from work to attend criminal proceedings was approved by members of the Judiciary Committee, Thurs., Mar. 22. The panel, chaired by Sen. Mee Moua (DFL-St. Paul), advanced the bill to the full Senate.

Current law permits victims and families to take leave for various heinous crimes. S.F. 927, authored by Sen. Ron Latz (DFL-St. Louis Park), adds various violent crimes, including robbery, labor trafficking and various degrees of murder, manslaughter, assault and criminal sexual conduct. Jennifer Nodes, Minnesota General Crime Victim Coalition, said the support of family members allows victims to move forward with the process of seeking redress in the criminal system. Other than the crime itself, she said, the proceedings are often the most daunting part of the experience. Nodes said the law really only affects employees who lack available paid or unpaid leave and who do not have supportive, sympathetic employers.

The panel approved three additional bills. S.F. 1221, sponsored by Sen. Patricia Torres Ray (DFL-Mpls.), updates a variety of Minnesota child welfare provisions that interact with federal law. S.F. 310, carried by Sen. Linda Berglin (DFL-Mpls.), includes pregnant women who have habitually or excessively used THC or alcohol during their pregnancies in the scope of the civil commitment and mandatory reporting laws. Sen. Don Betzold (DFL-Fridley) offered the contents of a bill he sponsors, S.F. 322, as an amendment to the bill. The amendment provides for early intervention services for pregnant women whose use of alcohol or controlled substances is habitual but not excessive. The amendment was adopted. Both S.F. 1221 and S.F. 310 were advanced to the full Senate. The third bill, S.F. 1525, authored by Sen. John Doll (DFL-Burnsville), updates the Pipeline Safety Code to meet federal standards. The

measure was recommended for placement on the Consent Calendar.

Members also considered a fifth bill, but laid the measure over for further consideration. S.F. 443, carried by Sen. Linda Higgins (DFL-Mpls.), regulates scrap metal dealers and requires them to participate in the Minnesota Crime Alert Network.

Rules and Administration

Floor amendment criteria okayed

The Rules and Administration Committee, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met Wed., Mar. 21, to consider a proposal setting criteria for floor amendments to appropriations and tax bills. The resolution specifies that an amendment to a major appropriation or tax bill that is a Senate file is out of order if it will increase net appropriations from a fund for a fiscal biennium without a corresponding increase in net revenue. Further, the resolution specifies that an amendment to a major appropriation or tax bill that is a Senate file is out of order if it will reduce net revenue to a fund for the biennium without a corresponding reduction in net appropriations. Finally, the resolution specifies that an amendment to a major appropriation or tax bill is out of order if it changes the appropriations or revenues to an agency that was not in the bill as it was reported to the floor. Members adopted an amendment, suggested by Sen. Thomas Bakk (DFL-Cook), to conform tax appropriations with the last portion of the resolution. The panel approved the resolution for introduction as a Senate file.

The committee also resolved a Rule 21 objection to the committee reference of S.F. 1085. The bill, sponsored by Sen. John Marty (DFL-Roseville), modifies provisions relating to mercury containing products and fluorescent and high intensity discharge lamps. The committee report from the Environment and Natural Resources Committee directed that the bill be re-referred to the Health, Housing and Family Security Committee. Sen. Paul Koering (R-Fort Ripley) had objected to the reference because the bill did not contain any language under the jurisdiction of the Health, Housing and Family Security Committee. The Rules and Administration Committee directed that the bill be re-referred to the Business, Industry and Jobs Committee.

State Government Budget Division

Restriction on contracting out eliminated jobs okayed

A measure requiring state agencies to consider hiring back laid off employees before contracting out previously eliminated jobs was approved by members of the State Government Budget Division, Mon., Mar. 19.

S.F. 471, presented by Sen. Ann Rest (DFL-New Hope) on behalf of Sen. Sandra Pappas (DFL-St. Paul), applies the restriction for four years after the job is eliminated. Richard Kolodziejski, MAPE, said the restriction simply ensures that laid off workers will not be overlooked when the state considers contracting out their former work functions. A representative of the Dept. of Labor and Industry, however, spoke against the bill, saying the restriction should remain a matter of negotiation between the state and its employee unions. S.F. 471 was advanced to the full Finance Committee.

In other action, the panel, chaired by Sen. Don Betzold (DFL-Fridley), also approved S.F. 954. The bill, carried by Sen. Linda Higgins (DFL-Mpls.), makes a variety of changes in the Election Day registration process and in the process used by challengers on Election Day. Members deleted, at Higgins' request, a section requiring colleges and universities to provide student addresses to election officials. Higgins said a fiscal note indicating a cost of \$28,000 requires some reanalysis of the deleted section. The remainder of the measure was sent to the full Finance Committee.

Labor agreements okayed

A measure approving two labor agreements with public employee unions was approved by members of the State Government Budget Division, Wed., Mar. 21.

S.F. 1073, authored by Sen. Linda Scheid (DFL-Brooklyn Park), ratifies the state's labor agreements with the Minnesota Law Enforcement Association and the Minnesota Nurses Association. The bill also approves changes to the compensation plan for unrepresented employees of the Office of Higher Education and an increase in the salary of the director of the Gambling Control Board. Scheid said the four matters were concluded after the

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Legislature adjourned last year. If the Legislature fails to ratify them, she said, the agreements and changes are disapproved. The bill was advanced to the full Finance Committee.

The division approved two additional bills. S.F. 1081, sponsored by Sen. Ann Rest (DFL-New Hope), creates the Minnesota Commission on New Americans. Members deleted a special appropriation in the bill and a provision suggesting a part-time staff person would need to be hired for the commission. Rest said the commission's expenses should be limited to per diem for its members and that staffing can be absorbed by existing Legislative employees. The bill was referred to the full Finance Committee.

S.F. 1679, carried by Division Chair Don Betzold (DFL-Fridley), includes a variety of provisions relating to the Secretary of State's Office heard by the panel over the course of the session. It includes items from S.F. 1346, sponsored by Sen. Patricia Torres Ray (DFL-Mpls.), modifying the office's business records filing practices, and items from S.F. 1297, carried by Sen. Dan Larson (DFL-

Bloomington), providing for automatic registration of eligible voters when they apply for a driver's license or other state-issued identification. A fiscal note on the bill indicates a total net general fund savings of \$3,000 a year. The measure was advanced to the full Finance Committee, where Betzold said it would be offered as an amendment to the omnibus state government budget bill.

Division members also heard a presentation from Steve Dahl, Deloitte Consulting, on options for funding government reform initiatives.

State and Local Government Operations and Oversight

Elections, local gov bills heard

The State and Local Government Operations and Oversight Committee, chaired by Sen. Ann Rest (DFL-New Hope), met Fri., Mar. 16, to consider a large number of bills relating to local government issues and elections issues.

S.F. 1098, authored by Sen. Rod Skoe (DFL-Clearbrook), provides a process for

making the office of county recorder appointive in Beltrami County. S.F. 144, sponsored by Sen. Sharon Erickson Ropes (DFL-Winona), authorizes Winona County ownership of a renewable electric power generation facility. S.F. 1597, carried by Rest, modifies design-build contract provisions in Hennepin County. S.F. 1597, sponsored by Rest, streamlines the registration process for organizations to participate in the state employee combined charities campaign. S.F. 758, also authored by Rest, exempts lobbying activities related to ballot question from campaign finance reporting requirements. S.F. 1558, authored by Sen. Dan Larson (DFL-Bloomington), sets election campaign contribution limits for judicial candidates of \$2,000 in an election year and \$500 in other years. S.F. 1310, authored by Sen. Tony Lourey (DFL-Kerrick), clarifies elections procedures and terminology, changes or eliminates requirements and changes specific duties relating to elections. S.F. 143, also sponsored by Lourey, eliminates the sunset date for the Minnesota Council on Disability.



Senators Amy Koch (R-Buffalo), left, and Pat Pariseau (R-Farmington) consult during floor debate in the Senate Chamber, Mon., Mar. 19.

Photo by David J. Oakes

All of the above bills were forwarded to the Senate floor.

S.F. 893, authored by Larson, moves the date of the state primary from September to the first Tuesday in June and changes the date of precinct caucuses from the first Tuesday in March to the third Tuesday in February. The measure also was approved and sent to the full Senate.

Three bills were approved and re-referred to the Finance Committee. S.F. 1651, carried by Sen. Patricia Torres Ray (DFL-Mpls.), requires election voting materials to be printed in languages other than English. S.F. 1218, authored by Erickson Ropes, modifies absentee voting procedures. S.F. 1103, sponsored by Sen. Satveer Chaudhary (DFL-Fridley), creates a process for independent contractors to seek exemption from workers' compensation, labor standards and wages, child labor, occupational safety and health, and unemployment insurance laws. Under the bill, a person may not work as an independent contractor without obtaining the exemptions.

S.F. 170, authored by Sen. Dick Day (R-Owatonna), authorizes deferment of special assessments for members of the Minnesota National Guard or military reserves ordered in active military service for whom it would be a hardship to make the payments. The measure was approved and re-referred to the Taxes Committee.

S.F. 1350, carried by Sen. Rick Olseen (DFL-Harris), was approved and recommended for placement on the Consent Calendar. The measure clarifies the requirements for petitioning a school board to hold a special election.

Task force, commission bills gain

The State and Local Government Operations and Oversight Committee approved several bills at the Mon., Mar. 19, meeting that establish or expand task forces or commissions. The committee considered the membership, duties and sunset date for the groups. Sen. Ann Rest (DFL-New Hope) chairs the committee.

S.F. 485, authored by Sen. Mary Olson (DFL-Bemidji), creates a study group to make recommendations on the creation and operation of a voluntary, statewide health plan purchasing pool. The bill was amended to address the committee's concerns regarding number of members and staffing needs. S.F. 485 was recommended to pass and re-referred to the Rules and Administration Committee

Authored by Sen. Bill Ingebrigtsen (R-Alexandria), S.F. 1540 adds Legislators as nonvoting members of the Gang and Drug Oversight Council and the Financial Crimes Oversight Council. The bill adds two Legislators, one Senate member and one House member, to the existing councils, Ingebrigtsen said. There needs to be more information coming to the Legislature from these groups, he said. The bill was recommended to pass and re-referred to the Rules and Administration Committee.

Sen. Michelle Fischbach (R-Paynesville) authored S.F. 1215. The bill makes miscellaneous changes to health statutes. The committee considered the provisions in the bill extending the date of a task force. The bill extends the sunset date of the Maternal and Child Health Advisory Task Force from 2007 to 2009, said Janet Olstad, Department of Health. The bill was recommended to pass and re-referred to the Finance Committee.

S.F. 420, authored by Sen. Tom Saxhaug (DFL-Grand Rapids), requires firewood on land administered by the commissioner of natural resources to be approved. The bill directs the commissioner of natural resources to approve firewood used in state forest campgrounds and state parks, said Bob Tomlinson, forestry division, Department of Natural Resources. The bill sets aside the normal rulemaking process so the rules can be enacted before the summer camping season, Saxhaug said. The bill was recommended to pass and referred to the Senate floor.

S.F. 1332, carried by Sen. Steve Dille (R-Dassel), permits the Meeker County Economic Development Authority (EDA) to increase its membership to nine members. Dille said the standard membership for an EDA is nine members. The bill was recommended to pass and referred to the Senate floor to be placed on the Consent Calendar.

Rest authored S.F. 1949. The bill changes the duties, powers and procedures of the Minnesota Sesquicentennial Commission. Rest said the bill allows commission members to conduct meetings by telephone. The bill also allows the commission to accept gifts, grants and other revenues for the celebrations, she said. Jane Leonard, executive director of the commission, said the bill gives the commission the ability to carry out its duties. The committee voted to remove

the financial portion of the bill to be sent to the appropriate committee. The remainder of the bill was recommended to pass and sent to the Senate floor.

The committee also considered the following bills.

Authored by Sen. Tarryl Clark (DFL-St. Cloud), S.F. 1366 changes special election requirements and provisions. The bill prohibits holding a special election on or within five days of a holiday, Clark said. Randy Schreifels, auditor, Stearns County, said the bill also adds some reasonable timeframes for holding special elections. The bill was recommended to pass and referred to the Senate floor.

S.F. 1396, authored by Sen. Betsey Wergin (R-Princeton), clarifies the determination of fair market value in certain dedication proceedings. The bill specifically addresses the provision that allows a city or township to accept a cash fee in lieu of dedication of land for use as streets, roads, sewers, parks and other facilities, Wergin said. The bill sets a standard for at what point in development fair market value should be assessed for park fees, she said. The bill was recommended to pass and referred to the Senate floor.

Carried by Sen. James Metzen (DFL-South St. Paul), S.F. 1278 changes provisions for acquisition and competitive bidding. The bill presents a different way for state and local governments to accept project bids, rather than just accepting the lowest bid, Metzen said. The bill would allow entities to award contracts based on best value – based on price and performance, he said. Metzen said the bill doesn't mandate the use of best value; it simply gives government agencies another option. Richard Miller, an attorney representing the Minnesota Building and Construction Trades Council, said best value considers price and performance criteria such as the quality or timeliness of the vendor or contractor's performance on previous projects. Sen. Claire Robling (R-Jordan) said she worried about allowing all state contracts to use the best value method. It might mean that state agencies only look at businesses that they have worked with in the past, she said. The bill was laid over so the author could address the committee's concerns.

S.F. 759, authored by Sen. Ann Lynch (DFL-Rochester), expands the quality assurance system to include additional service recipients. The bill removes the

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sunset date for an alternative quality assurance licensing system, Lynch said. Rest said sunset dates are a way for the Senate to review programs and she offered an amendment to extend the sunset date five years. The amendment was adopted. The bill, as amended, was re-referred to the Finance Committee.

Sen. David Tomassoni (DFL-Chisholm) authored S.F. 1133. The bill changes the appointment process for the civil service director in St. Louis County. The bill gives the authority to appoint the commissioner to the St. Louis County Board, said Sen. Thomas Bakk (DFL-Cook), who presented the bill. Dana Fry, county administrator, said the county intends to look at the entire issue of civil service. It is important for the board to select someone who will help move towards a modern employee relations department, he said. The bill was recommended to pass and referred to the Senate floor to be placed on the Consent Calendar.

Carried by Sen. Dan Larson (DFL-Bloomington), S.F. 1807 regulates conflicts of interest for Hennepin Healthcare System personnel. The bill clarifies what conflict of interest standard should apply to the personnel, said Andy Mitchell, Hennepin County Attorney's Office. The bill was recommended to pass and referred to the Senate floor.

Authored by Rest, S.F. 1755 authorizes charitable organizations to participate in joint powers agreements. The committee heard testimony on the bill at a previous meeting. Rest offered an amendment to address concerns from the earlier meeting. Under the amendment, registered combined charitable organizations and charitable organizations that receive a state grant or contract can access the state's purchasing plan, she said. The amendment was adopted. S.F. 1755, as amended, was recommended to pass and referred to the Senate floor.

Bills sent to floor

Four bills gained final committee approval and were sent to the Senate floor at the State and Local Government Operations and Oversight Committee meeting Wed., Mar. 21. Sen. Ann Rest (DFL-New Hope) chairs the committee.

Sen. Claire Robling (R-Jordan) presented two bills. S.F. 1419 establishes and modifies hiring processes and person-

nel provisions for Scott County. The bill authorizes Scott County to create a personnel administration system and modifies its hiring provisions to establish a more efficient way of hiring county personnel, Robling said. The system is modeled after the state's system, she said. Lori Huss, employment relations, Scott County, said the change will allow the county to create a list of eligible personnel that would be applicable to all county positions, rather than for a specific position. The bill also allows Scott County to operate veterans' preference the same way the state does, Huss said.

Also authored by Robling, S.F. 1436 defines political subdivision for purposes of the chapter governing the state auditor and applies provisions for the state auditor to all political subdivisions. Political subdivisions include cities towns, school districts, regional agencies and watershed districts, Robling said. The bill requires audits for special taxing districts, such as a watershed district, to be done the same way as audits for cities and townships.

S.F. 981, authored by Rest, modifies the Metropolitan Land Planning Act. The bill was approved by the committee earlier, but an amendment was left off of the committee report so the bill was sent back. The committee adopted the amendment relating to legislature oversight of the Metropolitan Council.

Carried by Sen. John Marty (DFL-Roseville), S.F. 50 prohibits former Legislators, constitutional officers and agency heads from becoming registered lobbyists in Minnesota for one year after leaving office.

The committee also approved the following bills.

S.F. 1242, authored by Sen. Warren Limmer (R-Maple Grove), clarifies and updates laws governing MINNCOR prison industries. The committee looked at the provisions in the bill that change procurement standards. The bill was recommended to pass and re-referred to Finance.

Authored by Sen. Sandra Pappas (DFL-Mpls.), S.F. 1162 requires a study of how to develop policies to reduce greenhouse gasses. The state should lead the way in reducing greenhouse gasses and becoming carbon neutral, Pappas said. The bill requires a study of policy options, barriers and economic benefits and costs of completely reducing greenhouse gas emissions from state government operations by 2025, she said. The bill was

recommended to pass and re-referred to the Energy, Utilities, Technology and Communications Committee.

S.F. 1873, authored by Sen. Don Betzold (DFL-Fridley), clarifies that commissioners names must be submitted to the Senate for confirmation in a governor's second or subsequent term. The bill also clarifies that executive orders do not need to be reissued in a second term, Betzold said. The bill was recommended to pass and re-referred to the Finance Committee.

Carried by Sen. Satveer Chaudhary (DFL-Fridley), S.F. 1137 modifies provisions for wetland conservation. The committee adopted an amendment allowing agencies to conditionally approve land use for zoning, septic systems, watershed district review, soil and water conservation district review or expansion of the metropolitan urban service area while more information on wetland conditions is being gathered. The committee voted to send the bill to the Agriculture and Veterans Committee without recommendation because members had concerns with portions of the bill not in the committee's jurisdiction.

In other action, the committee considered S.F. 102, authored by Marty. The bill directs the Legislative Commission on Healthcare Access to prepare a proposal for the Legislature that would establish a universal healthcare system for Minnesota. The committee considered a provision in the bill expanding membership on the commission from five Senate and five House members to ten from each body. Rest said because the bill gives the commission new responsibilities, the committee should consider the guidelines for establishing commissions. The bill was laid over so the author could address the guidelines.

S.F. 1974, carried by Sen. Yvonne Prettner Solon (DFL-Duluth), specifies that for state employees, firefighters must be added to the list of essential employees. declares firefighters as essential employees. Brigadier General Tom Cossalter, Department of Military Affairs, said firefighters from the National Guard base in Duluth provide the sole crash fire response to the Duluth airport. The Duluth guard provides essential tasks, he said. Mark McAfee, AFSCME, said the unions take the right to strike very seriously and being declared an essential employee takes away that right. The bill was laid over to give stakeholders a chance to work out their differences.

Taxes

Thomson, biobusiness bills heard

The Taxes Committee, chaired by Sen. Thomas Bakk (DFL-Cook), met Mon., Mar. 19, to consider bills providing for a tax increment financing district in Eagan to allow for the expansion of Thomson-West publishing and for a sales tax exemption for construction materials used on a biobusiness center in Rochester. The panel also heard a report on the tax incidence study prepared by the Dept. of Revenue.

The first portion of the hearing was devoted to the tax incidence study. Paul Wilson, Dept. of Revenue, said the study reports the distribution for 2004 Minnesota state and local taxes in relation to taxpayer income. He said the major objective is to provide taxpayers and policy makers with important information on the equity or fairness of the overall distribution of Minnesota taxes. The entire report may be found at: <http://www.taxes.state.mn.us/reports/reports.html>

S.F. 1843, sponsored by Sen. Jim Carlson (DFL-Eagan), establishes a tax increment financing district in Eagan. Carlson said most tax increment districts are geared toward manufacturing, rather than knowledge-based companies. Mike Maguire, mayor, said the expansion of the Thomson-West facility in Eagan is exactly the type of economic development the state wants. The expansion will provide over 2,000 high paying technical jobs, he said. Carlson said the bill is a variation from previous tax increment financing districts because of the nature of Thomson-West products, such as software, rather than traditional manufacturing products.

Sen. Mee Moua (DFL-St. Paul) said the bill stretches the definition of manufacturing to the point where other companies could make the same argument. She said the bill sets a precedent. Sen. David Senjem (R-Rochester) said if the bill was not approved, Thomson-West might choose to locate its expansion elsewhere.

Senjem also authored S.F. 1281. The bill provides a sales tax exemption on construction materials for a biobusiness center. Senjem offered an amendment to include the infrastructure associated with the biobusiness center.

Both measures were laid over for possible inclusion in the omnibus tax bill.

Taxes, education overview heard

Chair Thomas Bakk (DFL-Cook) and members of the Taxes Committee heard a presentation on the role of taxes and education in a state's economic growth Tues., Mar. 20.

Richard Sims, Sierra Institute on Applied Economics, said states with higher economic growth have relatively higher taxes. State and local taxes on business earnings represent a very small portion of total business expenditures, he said. Sims said businesses consider factors such as labor and transportation over tax incentives when relocating. Education increases workforce quality, which attracts businesses, he said. Over a ten year period, the ten states that spend the most on K-12 education had an average personal income growth of 4.3 percent, Sims said. During the same time, the ten states with the lowest spending on education showed an increase of just 3.8 percent, he said. The amount of taxes collected is a small part of determining economic growth, he said. How the tax money is spent is what's important, Sims said.

The committee also heard the following bills. All were laid over for possible inclusion in the taxes omnibus bill.

S.F. 892, carried by Sen. Don Betzold (DFL-Fridley), authorizes local governments and school districts to establish trusts to pay post-employment benefits to retired employees and officers. The bill allows local governments to establish revocable or irrevocable trusts. The committee heard testimony on the bill at a previous meeting where Senators expressed concerns about establishing revocable trusts. Keith Carlson, Minnesota Inter-County Association, said revocable trusts allow local governments to have flexibility so that if there is a change in the liability, the local government can take out the excess money. Under the irrevocable trust, the money must remain in the trust until the last beneficiary dies, he said.

Sen. Ann Rest (DFL-New Hope) presented two bills to the committee. S.F. 1669 appropriates money for grants to nonprofit entities to facilitate the delivery of volunteer assistance to low income taxpayers. The committee adopted an amendment to require that grants be awarded by Oct. 1 so recipient organizations may plan their expenditures. Nan Madden, Minnesota Council of

Nonprofits, said in addition to the benefits to the taxpayer, the grants also help reduce state costs by ensuring forms are filled out correctly and filed electronically.

Rest also authored S.F. 696. The bill establishes a refundable home care tax credit for individuals who provide in-home personal care services to a relative who would otherwise be in a nursing home or long-term care facility, she said. People who receive the credit would have to go through a certification process and show they provide the level of care necessary to qualify, Rest said. The maximum annual credit is capped at \$2,400 dollars, she said. Rest offered several ideas to make the program less expensive including reducing the credit or making the certification process less intensive.

S.F. 1776, authored by Sen. Dan Larson (DFL-Bloomington), provides a subtraction from federal taxable income for reimbursements from a federal nutrition program. The bill is a way to support quality childcare without passing the costs on to parents, Larson said. The program reimburses licensed childcare providers who provide nutritious meals, said Tom Copeland, director, Redleaf National Institute. The bill would make the reimbursement money non-taxable, he said. The committee also adopted an amendment to increase the age a family can receive a dependent care credit for a child at a licensed family day care home operated by the child's parent from six to 13 years old. Both changes will provide an additional incentive for childcare providers to become licensed, Copeland said.

Authored by Sen. David Senjem (R-Rochester), S.F. 393 provides for a regional investment credit. The bill establishes a nonrefundable tax credit for businesses or individuals who invest in a regional investment fund, Senjem said. The funds will be invested in businesses with less than 50 employees with a focus on manufacturing, agriculture or processing or assembling products, he said. Bakk said he liked the idea of the bill, but the bill needs to have a requirement for a wage threshold. Under the bill, the only protection the state has for investing \$6 million is that people will get minimum wage, he said.

Sen. Mee Moua (DFL-St. Paul) authored S.F. 1894. The bill exempts group term contracts from the premiums tax. The bill addresses retaliatory taxes, an issue unique to the insurance industry,

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Moua said. Retaliatory taxes penalize an insurance company doing business in another state if the insurance company's home state imposes higher taxes on insurance companies, she said. The bill will allow Minnesota to treat companies from other states as if they were doing business in other states so that Minnesota companies will not be hit with retaliatory taxes, Moua said. The change will allow Minnesota companies to be more competitive in other states, she said.

S.F. 1657, authored by Sen. Keith Langseth (DFL-Glyndon), authorizes the Minnesota State Agricultural Society to retain admission sales tax proceeds. Jerry Hammer, general manager, Minnesota State Fair, said the fair pays sales tax on tickets sold at the fair. The fair used to be able to get a portion of the sales tax back for capital improvements, but that ended with the budget cuts in 2003, he said. The bill will return the revenues to the state fair, Hammer said.

The committee also considered S.F. 1508, authored by Sen. Katie Sieben (DFL-Newport). The bill establishes a child safety system and child safety fund. The bill creates a formula to increase state funding for child safety protection, Sieben said. Cuts in federal funding have shifted a greater burden onto counties which will probably have to raise property taxes to provide these essential services, she said. Bakk said the appropriation should be made by the Health and Human Services Budget Division. The bill was re-referred to the Finance Committee without recommendation.

MOA expansion plan heard

A proposal to expand the Mall of America, partially financed by the state and the city of Bloomington, was the focus of a joint meeting, Wed., Mar. 21, of the Business, Industry and Jobs Committee, chaired by Sen. James Metzen (DFL-South St. Paul), and the Taxes Committee, chaired by Sen. Thomas Bakk (DFL-Cook). No action was taken on the proposal, S.F. 1950, carried by Bakk. Bakk said a future meeting of the Taxes Committee would consider whether to advance the proposal and in what form.

Representatives of the city, the Mall of America, business and labor groups, and charities spoke in support of the proposed expansion. Bloomington Mayor Gene Winstead said the Mall of America has been a win for everyone in the state since

it opened in 1992. Bill Griffith, a real estate attorney with Larkin Hoffman Daly & Lindgren, said the expansion represents a good development opportunity for the city and state. The city contribution is about 10 percent of the cost, he said, with a state contribution of about seven percent. However, the public dollars leverage nearly 10 times their value in private investment, Griffith said.

The mall welcomes 40 million guests annually, said Maureen Bausch, MOA vice president for business development. It is more than a shopping mall, she said, it is an attraction. Keeping the mall fresh and exciting, to fend off developments in other areas that covet the tourists drawn to Minnesota, Bausch said, is mall management's number one priority. A strong base exists in families with children younger than 12, she said, and the second phase will reach out to families with older children. The expansion will draw an additional 20 million annual visitors, Bausch said, with 40 percent coming from outside Minnesota. Bonnie Carlson, Bloomington Convention and Visitors Bureau, noted that the mall affects the entire Metro Area. Every large convention that comes to downtown Minneapolis or downtown St. Paul wants to include the mall as part of its draw, she said. Carlson said some North Metro visitor guides tout those communities proximity to the mall.

Dick Anfang, Minnesota Building Trades Council, and David Ybarra, Minneapolis Building Trades Council, discussed the long relationship building trades workers have had with the mall and their desire to continue to be a part of the mall's growth. A 40-month job, which is how long the expansion project is slated to take, is an eternity in our industries, said Ybarra. Ongoing improvements to the mall and its tenants' spaces have kept and will continue to keep our members employed for years, he said.

The visibility of the mall has helped spread our message, said Val Hallgren of Susan G. Komen for the Cure, a breast cancer foundation. Holding our annual race there has increased our profile and made the Twin Cities' race the third largest in the country, she said. The money we raise in Bloomington, Hallgren said, is used in every Minnesota county.

Senators discussed the nature of the proposed funding package. Sen. Dan Larson (DFL-Bloomington) said the local taxpayers stuck their necks out the first

time and it is now the state's turn. We have heard a lot about how the entire state, not the city of Bloomington, is the primary beneficiary of the mall's economic activity, he said. The first phase put Bloomington on the map, but you cannot do that a second time, Larson said. Sen. Steve Murphy (DFL-Red Wing) agreed, saying there was no reason to make Bloomington's taxpayers carry the whole load, if indeed the mall benefits the entire state.

Transportation omnibus bill OK'd

The transportation omnibus bill gained approval from the Taxes Committee Thurs., Mar. 22, and was sent to the Senate floor. The bill, S.F. 1986, is carried by Sen. Steve Murphy (DFL-Red Wing).

Murphy said the bill makes significant investments in Minnesota's transportation systems. A 10 cent per gallon tax increase and a half-cent Metro Area sales tax are both included in the bill, he said. Minnesota has not raised the gas tax since 1988, Murphy said. The bill also authorizes \$200 million in bonding from the trunk highway fund for each of the next 10 years, he said. The committee adopted an amendment requiring the Minnesota Department of Transportation to give priority to bonding projects with matching federal funds. Sen. Rod Skoe (DFL-Clearbrook) said the amendment will help Minnesota get more roads with limited resources.

Sen. Thomas Bakk (DFL-Cook), who chairs the committee, offered an amendment to reduce the gas tax increase to five cents per gallon. Bakk said he feels strongly that a dime is too much of an increase. A lot of other revenue is collected in the bill, he said. Sen. Scott Dibble (DFL-Mpls.) said the bill makes improvements in the transportation system that are necessary for the state to remain competitive economically. The amendment was not adopted.

Sen. Keith Langseth (DFL-Glyndon) offered an amendment to allow a city or county outside of the Metro Area to impose a half-cent sales tax increase for transportation with voter approval. The amendment was adopted. The committee also adopted an amendment to study how to best implement the use of credit cards at county registrar's office. The amendment scales back a provision in the bill to allow the use of credit cards for vehicle registration, driver's license and identification

card fees. Because of fees imposed by the credit card companies, the bill added a fee to registration taxes to cover the cost.

The committee also adopted several technical and clarifying amendments.

Budget reserve bill approved

Chair Thomas Bakk (DFL-Cook) and members of the Taxes Committee approved an increase in the state's budget reserve at the Fri., Mar. 23, meeting.

S.F. 2054, carried by Sen. Lawrence Pogemiller (DFL-Mpls.), regulates the state budget reserve. The bill adds \$629 million of the state's \$1 billion one time surplus to the budget reserve, Pogemiller said. The Council of Economic Advisors recommends that the state have five percent of biennium spending in the reserve, he said. Pogemiller said by adding the funds, the reserve will be at the recommended five percent. When the downturn in the

economy comes, the reserve will provide a cushion against cuts, he said. Bakk said the Taxes Committee has a responsibility to take the leadership role and set the money aside. Julianne Ortman (R-Chanhassen) agreed with setting the money aside, but said it shouldn't be done at the expense of taxpayers. The Senate shouldn't raise taxes in other areas to pay for programs and set the surplus money aside, she said. The bill was recommended to pass and sent to the Senate floor.

The committee also considered the following bills, all were laid over for possible inclusion in the omnibus bill.

S.F. 35, authored by Sen. Gary Kubly (DFL-Granite Falls), exempts grain bins and fencing materials from sales and use tax. Other farm materials are currently exempted and the bill clarifies that grain bins and fencing materials should also be exempted, Kubly said.

Also authored by Kubly, S.F. 1011 allows a sales tax exemption for geothermal equipment. The bill exempts the loop field collection system and the heat pump for geothermal heating and cooling systems from sales tax, he said.

Sen. Katie Sieben (DFL-Newport) authored S.F. 1566. The bill provides that tax increment financing (TIF) plan modification procedures do not apply to acquisitions of property. Mark Ulfers, executive director, Dakota County Development Agency, said the change allows agencies to efficiently purchase sites for affordable housing in fast growing areas. Bakk said it may be a good idea to apply the bill to a specific instance instead of the whole state.

Carried by Sen. Scott Dibble (DFL-Mpls.), S.F. 1497 changes provisions relating to Minneapolis housing replacement districts. The bill increases the



Senators John Marty (DFL-Roseville), left, and Gary Kubly (DFL-Granite Falls) confer in the Senate Chamber during debate on the Senate's omnibus higher education bill, Thurs., Mar. 22.

Photo by David J. Oakes

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number of parcels that may be included in a housing replacement district from 200 to 400 parcels over the life of the district, Dibble said.

S.F. 1173, authored by Sen. David Tomassoni (DFL-Chisholm), authorizes the purchase of forest land by the Iron Range Resource Rehabilitation Board using the Douglas J. Johnson economic trust fund. The bill allows the board to purchase large parcels of land to prevent fragmented forests, Tomassoni said. The land will be held in public trust for recreational and economic uses, including timber sales and gravel removal, he said.

Authored by Sen. Mary Olson (DFL-Bemidji), S.F. 1979 extends the agricultural exemption to logging tires. Tires used on logging equipment are unique and can cost \$12,000 to \$20,000 for a set of four, said Wayne Brandt, Minnesota Timber Producers Association. Tires are currently exempt when purchased as part of a new machine, but replacement tires are not exempt, he said. Olson said the bill is a good way to help the struggling logging industry.

S.F. 1937, carried by Sen. Ray Vandever (R-Forest Lake), allows a town that incorporates into a city to continue receiving payment in lieu of taxes (PILT) allocations. Counties would receive the same total PILT payments as under current law, but the local distribution would be adjusted, Vandever said. The committee adopted an amendment terminating PILT payments if a city passes an ordinance that prohibits hunting within the city's boundaries.

Sen. Debbie Johnson (R-Ham Lake) authored S.F. 705. The bill creates an income tax subtraction for certain retired pensioners. The bill allows a maximum \$10,000 exemption plus 20 percent of the amount received from benefits, annuities and pensions, said Frank Blake, vice president, Minnesota Chapter of the National Association of Retired Federal Employees. Minnesota is one of only a few states that do not give a tax credit to retired public employees, Frank said. Many seniors chose to leave the state to take advantage of tax breaks and Minnesota loses revenue, he said.

Sen. Satveer Chaudhary (DFL-Fridley) presented two bills to the committee. S.F. 2008 authorizes the creation of a TIF district subject to certain special rules. Increments may be spent only for the costs of a home rehabilitation program, standard

home replacement program and downtown dump remediation, he said. S.F. 1872 allows the city of Fridley to establish a TIF district. The district will be used for infrastructure and development surrounding a Northstar Commuter Rail station, Chaudhary said. The district will not apply to the development of the station itself, he said.

Bakk authored S.F. 2003 and S.F. 2028. The bills modify the levy authority of the Cook-Orr Hospital District and the Cook County Hospital District respectively. Bakk said the hospitals are part of special taxing districts and the bill gives them the same authority as other hospital districts.

Authored by Sen. Julie Rosen (R-Fairmont), S.F. 1204 exempts sales of stoves that burn biomass fuels from sales and use tax. The bill is a part of Minnesota's role as a leader in alternative and renewable energy, Rosen said.

S.F. 195, authored by Ortman, provides an income tax credit for tuition. The bill provides a \$1,000 tax credit for tuition expenses, including all day kindergarten, charter school and higher education, she said. The bill has a one time cost of \$376 million, Ortman said. The best way to spend surplus money is through the education system, it benefits families, the workforce and the economy, she said.

Transportation Budget and Policy Division

Traffic penalties reviewed

Members of the Transportation Committee considered a proposal prohibiting local units of government from imposing administrative penalties to enforce traffic laws, Tues., Mar. 20. The panel replaced the provisions of the bill with permission for cities to impose administrative penalties.

S.F. 155, authored by Sen. Leo Foley (DFL-Coon Rapids), makes explicit a prohibition on the use of administrative penalties to enforce traffic laws. Committee members reviewed a 2003 opinion from the Attorney General's Office that administrative penalties are not permitted by current law and a 2004 letter from the state auditor concurring in the attorney general's opinion. Nonetheless, Foley said, many local communities have chosen to use administrative penalties, which are

finer at a level lower than the state-imposed citation fine and surcharges but more strenuous than simple warnings from peace officers.

Bill Gillespie, Police and Peace Officer Association, said the purpose of traffic citations is to educate drivers. Having two widely disparate penalties for the same offense in neighboring communities breed disrespect for the law and law enforcement, he said. Additionally, Gillespie noted, using a local administrative penalty instead of the traditional state citation diverts funds from the state general fund and POST Board reimbursement fund. Because the administrative penalties are not reported to the state, they are hard to track, he said.

Morrison County Sheriff Michel Wetzel said law enforcement needs administrative penalties as an alternative between simple warnings and the overly expensive state citation, which costs about \$130 with surcharges, with some variation by county. Imposing that level of penalty for speeding or running a red light, he said, forces low- and moderate-income drivers to go without necessities. Willmar Police Chief Jim Kulset echoed Wetzel's comments, saying officers know their communities and when each level of penalty—warning, administrative fine, or state citation—is appropriate. He noted that the number of state citations issued in his area has gone up during the period Willmar has used administrative penalties.

After considerable discussion by committee members, Sen. Michelle Fischbach (R-Paynesville) offered an amendment replacing the bill's language with permission for cities to use administrative fines in three situations: when a driver is speeding, but only up to 10 miles an hour over the speed limit; when a driver fails to obey a traffic control device; and when a vehicle is in violation of lighting requirements. The amendment also prohibits the use of administrative fines for holders of commercial drivers licenses. The amendment was adopted. S.F. 155 was advanced to the Judiciary Committee.

The panel considered two additional bills. S.F. 400, sponsored by Chair Steve Murphy (DFL-Red Wing), removes the length limit for middle vehicles in recreational vehicle combinations. The bill was sent to the full Senate. S.F. 885, carried by Sen. Scott Dibble (DFL-Mpls.), permits driver education related to the instruction permit to be offered online. A

motion to advance the measure to the Education Committee failed on an announced 9-9 tie.

DL, railroad bills heard

The Transportation Committee, chaired by Sen. Steve Murphy (DFL-Red Wing), held an evening meeting Thurs., Mar. 22, to consider a variety of bills.

Sen. Mee Moua (DFL-St. Paul) carried three measures. S.F. 1296 requires the commissioner of transportation to use available funds in highway construction training programs and requires reports on training programs and the disadvantaged business enterprise program. S.F. 984 prohibits the commissioner of public safety from complying with the federal Real ID Act. Moua said the department has estimated the cost of complying with the Real ID Act is prohibitive. She said 38 states have declined to implement the federal law. S.F. 986 clarifies the definition of conviction means a final conviction either after trial or upon a plea of guilty or nolo contendere accepted by the court. Moua said the bill is another federal conformity measure.

S.F. 156, authored by Sen. Warren Limmer (R-Maple Grove), designates Interstate 94 throughout Minnesota as the Purple Heart Trail. The measure was approved and sent to the full Senate. Members recommended the bill be placed on the Consent Calendar. S.F. 289, carried by Sen. David Senjem (R-Rochester), extends the expiration date of the Mississippi River Parkway Commission from June 30, 2007, to June 30, 2012. The bill was approved and advanced to the State and Local Government Operations and Oversight Committee. S.F. 913, sponsored by Sen. Don Betzold (DFL-Fridley), expands the sharing of driver's license data to criminal justice agencies and public defenders. Sen. Terri Bonoff (DFL-Minnetonka) offered, and members adopted, an amendment allowing driver's license photos to be used for no contact orders. The bill was approved and re-referred to the Judiciary Committee.

S.F. 1201, authored by Sen. John Doll (DFL-Burnsville), increases the single vehicle length limit. Doll said the bill provides federal conformity. The bill was approved and advanced to the full Senate. S.F. 1069, carried by Sen. Rod Skoe (DFL-Clearbrook), requires refinery terminal operators to report to the Commerce

Department Division of Weights and Measures when a fuel is unavailable at the terminal. In addition, the bill allows the director of weights and measures to waive the penalty or to suspend the blend. The bill was approved and sent to the full Senate. S.F. 605, authored by Sen. Pat Pariseau (R-Farmington), provides that careless driving is classified as a gross misdemeanor if the careless driving results in the death of a person. Currently, careless driving is a misdemeanor. Pariseau said the maximum fine is \$3,000 for a gross misdemeanor. The bill was approved and re-referred to the Judiciary Committee.

Sen. Katie Sieben (DFL-Newport) sponsored a measure, S.F. 966, clarifying the requirement that a driver's license not be expired. Sieben said the bill defines valid license and requires drivers to have valid privileges to drive and a valid driver's license. The bill was advanced to the full Senate. S.F. 1181, carried by Sen. Jim Carlson (DFL-Eagan), modifies required information of driver's licenses. Carlson said the bill simply puts in statute what is already done in practice. The bill was approved and recommended for placement on the Consent Calendar.

S.F. 1534, authored by Sen. Scott Dibble (DFL-Mpls.), is the Railroad Walkways Safety Act. The bill creates the position of state rail safety inspector to inspect mainline, secondary yard track and industry track. The inspector is also charged with inspecting railroad right-of-way, yards and physical plants, reviewing and enforcing safety requirements and reviewing railroad security measures. The bill also requires railroads to maintain walkways along the track that are there to provide an area for railroad employees to perform their normal trackside duties. The bill also spells out requirements for walkways on bridges and trestles, walkways by main-line tracks, walkways by track at siding locations, walkways by tracks where train crews shift and walkways by track at turnouts. The bill also allows the inspector to issue citations and collect fines for violations. In addition, the bill requires the commissioner of transportation to annually assess rail common carriers and Class I railroads a fee based on rail tonnage moved in Minnesota.

Phillip Qualy, United Transportation Union, said the bill is needed because the current condition of many walkways is very dangerous. He said despite numerous complaints, nothing has been done to

correct the problems. Bill Gardner, Dept. of Transportation, said the department opposes the bill because there are already statutes governing railroad walkways. Gardner said the department has not received complaints about the walkways and the bill has significant fiscal implications.

Skoe offered an amendment to delete all the provisions in the bill except for the provisions creating the position of state railway inspector and the assessment on the railroads to fund the position. The amendment failed. The bill was approved and sent to Finance Committee.

Capitol Report: on air, online

Explore current policy issues and hear lawmakers discuss current legislative proposals by watching "Capitol Report," a weekly public affairs program produced by Senate Media Services. The program includes interviews with Legislators, agency heads and prominent policy experts advising lawmakers. It also features historical and informational features about the Senate, the Capitol and Minnesota.

"Capitol Report" airs weekly on public television affiliates in the Metropolitan Area and on cable access channels across Greater Minnesota. It is also available online, with archives going back to 2000: <http://www.senate.mn/media>

Civic education DVD available

A DVD containing nine short segments on the legislative process is available from Senate Media Services. The segments cover political parties, the three branches of government, the duties of the president of the Senate, the Senate Chamber, ways to gather information about bills, the role of lobbyists, how to read a bill, and tips for people coming to testify before a legislative committee. An additional segment recounts the story of a student at Roseville High School who lobbied for a law banning hazing; she was motivated by her own high school hazing experience.

For information on obtaining a copy of the DVD, contact Senate Media Services at (651) 296-0264. The segments are also available online, along with many other civic education pieces, at <http://www.senate.mn/media> (under the "Civic Education" category).

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Dozens of nurses gather in front of the Capitol, Tues., Mar. 27, to show support for legislation regulating overtime.

Photo by David J. Oakes



April 2, 2007

Senate Highlights

Additional education spending, new income tax bracket okayed

A measure providing \$443.737 million in new spending for early childhood, K-12, and higher education, and raising almost \$1 billion in income tax revenue, was the focus of the Sat., Mar. 31, floor session.

S.F. 1611, sponsored by Sen. LeRoy Stumpf (DFL-Plummer), provides over \$294 million for K-12 education, over \$56 million for early childhood education, and \$93 million for higher education. The bill creates a new top bracket in the individual income tax, with a rate of 9.7 percent. The bracket includes married taxpayers filing jointly with taxable incomes over \$250,000, married taxpayers filing separately with taxable incomes over \$125,000, single taxpayers with taxable incomes over \$141,250, and head-of-household taxpayers with taxable incomes over \$212,500.

Stumpf said the measure adds two percent each year to the general education formula, providing additional aid to all schools. Our earlier E-12 education bill filled the hole in special education, freeing up money for general education, he said. This bill provides more needed resources for education, he said. Sen. Sandra Pappas (DFL-St. Paul) said the higher education provisions will help keep tuition costs down. The bill asks the University of Minnesota to hold tuition increases to no more than five percent, she said, and the Minnesota State Colleges and Universities to hold tuition increases to no more than three percent.

Sen. Tarryl Clark (DFL-St. Cloud) discussed the early childhood education provisions. The bill creates a new program to help parents pay for education for three and four year olds, she said. Economists tell us that spending on early childhood

education is the best investment we can make, Clark said, to prepare youngsters for school and to close the achievement gap. The measure provides all three- and four-year-old children \$200 annual allowances for qualified early childhood education. It also offers additional allowances of between \$300 and \$3,800 based on the children's family income. There are a lot of high risk children in Minnesota, as much as 50 percent of all children, who need early help to make sure they are ready for kindergarten, Clark said.

The early education proposal is not consistent with what economists have told us works, said Sen. David Hann (R-Eden Prairie). We have been told that extraordinary investment targeted to a specific group of high risk students is what is needed, he said. The bill does not make a targeted, significant investment, Hann said, but seeks to offer a little bit of support to all families. Clark replied that at least two other states have tried universal opportunity programs and are seeing early positive results in all students, especially those most at risk.

This bill does not send money to families, but through families, said Sen. Julianne Ortman (R-Chanhassen). These children are three years old, they should be home with their families, not being trained to be units of economic development, she said. Sen. Terri Bonoff (DFL-Minnetonka) said the bill addresses a known problem. Parents want to take advantage of the diverse array of early childhood education programs available, she said, but many cannot afford to.

Sen. Geoff Michel (R-Edina) said early childhood education is important, but the bill is going to "crash on the shores of a gubernatorial veto." We cannot prepare for the future with a 1970s tax-and-spend budget, he said. Michel noted that the last four governors, have shared

the goal of getting Minnesota out of the top 10 high-tax states, because they knew that taxes can kill jobs. We need to help students early, so they do not lose faith in education and their own abilities in the first years of schooling, said Sen. Claire Robling (R-Jordan). Students who start out behind and stay behind get discouraged, she said. We need to reexamine the proposals, not raise taxes, and focus on the 10 to 15 percent of children who are at the most risk, she said.

We should not be punishing our small businesses, the job creators in our state, said Sen. Amy Koch (R-Buffalo). Over one-fifth of all tax returns and over three-quarters of business tax returns involve small businesses reporting their income as personal income of their owners, she said. Taxing the owners more stifles the businesses, she said. The state can do a lot with this money, Koch said, but we need to think about what we are sacrificing to get the money. Sen. Thomas Neuville (R-Northfield) said the bill creates a more volatile revenue system and encourages high-income residents to move to other states.

The governor proposed to fund education with one-time money, Stumpf said. This proposal uses permanent dollars to reflect a long-term investment and a long-range goal, he said. Pappas said the bill pays for something many members say they want, lower tuition. We cannot get something for nothing, she said, and this bill pays for a cap on tuition at the U and MnSCU. Without spending money, we cannot prepare students for kindergarten, college and work, she said.

Sen. Steve Murphy (DFL-Red Wing) said recent tax policies and cuts have benefited the rich and pushed the burden of funding government priorities onto the middle class. This bill is about honesty and responsibility in financing education, he said. We are going to invest in our state, he said, and reverse course on education. We have the widest achievement gap in the country, Murphy said, and we should be ashamed of it. Earlier generations paid the price to make us leaders, said Sen. Lawrence Pogemiller (DFL-Mpls.). We need to decide if this generation will pay the price to make Minnesota a national leader in early education and to help the middle class attend college, he said.

Members considered one amendment to the bill. Offered by Neuville, the amendment changes the title of the bill

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from indicating a primary purpose of education finance to one of taxation. The amendment did not prevail, 22-42.

Neuville also informed the body that he and several members of the Minority Caucus will be filing a protest and dissent from the bill. The state constitution permits two or more members to file a dissent when they think the body's passage of a bill or resolution is injurious to the public; the dissent is entered in the Senate Journal. Neuville said the basis for the dissent is that the bill violates the single-subject requirement imposed by the state constitution, since the bill is aimed at both increased education spending and increased taxes.

S.F. 1611 was granted final passage, 35-29.

In other action, Senators granted final passage on the Consent Calendar to a bill recognizing a former colleague. S.F. 1887, authored by Sen. Paul Koering (R-Fort Ripley), designates Trunk Highway 210 between Motley and Staples as the Dallas Sams Memorial Highway. The measure was granted final passage, 54-0.

One-time spending bill passed

Members then turned to consideration, Sat., Mar. 31, of a bill containing one-time spending for the biennium. S.F. 2190, carried by Sen. Richard Cohen (DFL-St. Paul), appropriates \$240.349 million for a variety of programs. Cohen said the bill's largest single item is a \$54 million appropriation for clean water legacy. Cohen said the appropriation indicates the high priority Minnesotans place on the environment. The bill also contains appropriations for bio-medical research and for housing, Cohen said. He said the bill appropriates \$45.28 million for health and human services programs, \$1.05 million for agriculture programs, \$62.85 million for environment, energy and natural resources programs, \$105.4 million for economic development programs, \$4.2 million for public safety programs, \$2.67 million for transportation programs and \$18.89 million for state government initiatives.

Sen. Don Betzold (DFL-Fridley) offered an amendment appropriating \$400,000 for the state's sesquicentennial celebration and for Capitol Building repair. He said the funds come from the appropriation for Senate technology. The amendment was adopted. Sen. Claire Robling (R-Jordan) offered an amendment

appropriating \$2.5 million for the positive alternatives program. Robling said the omnibus health and human services bill was only able to provide half of the funding needed and the amendment brings the program back to full funding. She said the program operates throughout the state and has been successful in offering alternatives to abortion. The money, Robling said, will come from an appropriation for the St. Paul RiverCenter parking ramp. Cohen opposed the amendment. Sen. Sandra Pappas (DFL-St. Paul) said the improvements are necessary to prepare for the 2008 Republican National Convention. The amendment failed on 30-32 roll call vote.

An amendment, offered by Sen. Michael Jungbauer (R-East Bethel), appropriates \$3.5 million for three park and ride facilities. He said the major highway through his district is the number one most hazardous highway in the state and people would like to use transit. The appropriation is taken from the St. Paul RiverCenter parking ramp, Jungbauer said. Cohen opposed the amendment. Sen. Scott Dibble (DFL-Mpls.) said it is true the park and rides are filling up, indicating a real interest in transit, but the usual case has been local governments partnering with the state to plan and build the facilities. The amendment failed on a 27-37 roll call vote.

Sen. Chris Gerlach (R-Apple Valley) offered an amendment for an increased appropriation for home heating assistance. It is estimated that 350,000 Minnesota households will have difficulty paying their heating bills, he said. Gerlach said the amendment adds \$500,000 to an existing \$500,000 appropriation and takes the money from the RiverCenter parking ramp. The amendment was not adopted. Sen. Warren Limmer (R-Maple Grove) offered an amendment appropriating \$1 million to purchase hybrid Metro Mobility vehicles with wheel chair lifts. The funds would come from the parking ramp in St. Paul, Limmer said. Sen. Ellen Anderson (DFL-St. Paul) said the amendment was the fourth amendment to take money from the parking ramp. She said, "This leads me to think the amendment is not about Metro Mobility, but about not supporting St. Paul." Limmer said the amendments are about priorities and not about St. Paul. The amendment was not adopted.

Sen. Ray Vandever (R-Forest Lake) offered an amendment appropriating

\$500,000 to Metro Mobility for technology improvements. Vandever said the funds are taken from the University of Minnesota Neighborhood Alliance. Cohen said the original appropriation is for helping with the displacement caused by the construction of the new football stadium at the University. The amendment failed on a 23-41 roll call vote. Gerlach also offered an amendment to appropriate \$2 million for veterans homes repair, with the appropriation coming from the Minnesota minerals 21st century fund. Cohen said there are funds for veterans in many of the appropriation bills that will provide for their needs for the biennium. Cohen said the 21st century fund is the replenishment of a promise broken after the collapse of the steel industry. The amendment failed on a 23-40 roll call vote. Robling offered an amendment appropriating \$37.5 million for technology grants to school districts. Robling said the money would take the entire appropriation from the Minnesota minerals 21st century fund. Cohen opposed the amendment. The amendment failed 22-41. Sen. Bill Ingebrigtsen (R-Alexandria) offered an amendment appropriating \$2.1 million to several public safety programs with funds from the Minnesota minerals 21st century fund. The amendment failed on a 21-43 vote.

The measure was granted final passage on a 46-17 roll call vote.

Civic education DVD available

A DVD containing nine short segments on the legislative process is available from Senate Media Services. The segments cover political parties, the three branches of government, the duties of the president of the Senate, the Senate Chamber, ways to gather information about bills, the role of lobbyists, how to read a bill, and tips for people coming to testify before a legislative committee. An additional segment recounts the story of a student at Roseville High School who lobbied for a law banning hazing; she was motivated by her own high school hazing experience.

For information on obtaining a copy of the DVD, contact Senate Media Services at (651) 296-0264. The segments are also available online, along with many other civic education pieces, at <http://www.senate.mn/media> (under the "Civic Education" category).

Floor update

Friday, March 23

Transpo, public safety bills passed

A package providing over \$4.5 billion in spending on transportation in FY 08-09 was granted final passage at the Fri., Mar. 23, Senate floor session.

S.F. 1986, sponsored by Sen. Steve Murphy (DFL-Red Wing), provides \$209.152 million from the general fund, \$51.251 million from the airports fund, \$1.115 billion from the county state-aid highway fund, \$294.671 million from the municipal state-aid street fund, \$96.988 million from the special revenue fund, \$18.176 million from the highway user tax distribution fund and \$2.723 billion from the trunk highway fund. The bill also includes several revenue raisers, such as a half-cent sales tax in the Metropolitan Area, a 10-cent increase in the gas tax, an increase in the wheelage tax counties may impose from \$5 to \$20 per vehicle, and an increase in the vehicle registration tax for vehicles purchased after the bill becomes law.

This bill is an attempt to meet the overall transportation need, "the Mount Everest of problems," Murphy said. Seventy-five percent of the unmet needs in land, water and air transportation and transit infrastructure are addressed in this bill, he said. A bill this big makes a lot of people uncomfortable, he said, but we need to have the political fortitude to do the right thing. Businesses complain that the slow movement of goods and people means they, and the state, are losing billions of dollars in economic opportunity, Murphy said. He said every state that has invested in its transportation infrastructure has an economy growing at least two percent above Minnesota's economy. Improving our transportation and transit infrastructure means thousands of jobs, he said. It is important for vehicle owners to know that the registration tax is not increased for their current vehicles, Murphy said. But once you trade that car in, he said, the new vehicle will be subject to the higher registration tax.

The bill authorizes \$200 million in trunk highway bonding every year for 10 years, he said, but also recognizes that bonding is not free by triggering a gas tax increase when the state cannot pay for the debt service with current revenue. The gas tax increase is on top of the 10-cent gas tax increase elsewhere in the bill, Murphy said. Projections indicate that for three

years of the 10 year cycle, the gas tax increase will be triggered, meaning an additional eight-cent gas tax increase.

Sen. Scott Dibble (DFL-Mpls.) discussed the various transit needs throughout the Metro Area and Greater Minnesota. The bill begins to meet the needs, he said, by starting to make transit an integral, meaningful part of our comprehensive transportation system. We hope to advance the Met Council's 2030 strategic plan to 2020, Dibble said. The bill expands the metropolitan transit taxing district to include the entire Metro Area, he said. People throughout the entire area are excited to use transit in their communities, Dibble said.

Every conceivable tax is in this bill to pay for transportation, said Sen. Julianne Ortman (R-Chanhassen). That is a fantasy, she said, because it ignores who really has to pay for it: the average resident. We are looking at a 20 cent gas tax increase, when you combine the 10 cent increase, the debt service increase and the indexing feature, she said. People who don't use transit will be subsidizing it without any say, she said. I don't know who is going to operate a car in Minnesota after this, Ortman said, paying for their own roads and vehicles and the transit they don't use. This bill neglects hardworking people and imposes regressive taxes, she said. Murphy countered that gas tax revenue is dedicated to roads and cannot be used for transit. The property tax system is as regressive as it gets, he said. The bill removes the transportation burden on the property tax, he said, making transportation funding less regressive.

Members considered several amendments. Murphy offered three amendments at the outset. One replaces a provision permitting payment for various driver and vehicle licensing transactions by credit card with a study of payment by credit card. The second delays the effective date of the half-cent Metro Area sales tax to permit the Department of Revenue to prepare to collect the revenue. The third removes a sales tax exemption for materials, supplies and equipment for commuter rail, light rail and passenger rail. The exemption put the bill out of fiscal balance, Murphy said. Sen. Thomas Bakk (DFL-Cook) offered an amendment deleting a section making changes in the allocation of gas tax revenues to non-highway uses, such as snowmobile trails. We need to do more work with the

Department of Natural Resources on the allocation amounts, Bakk said. Sen. Ann Rest (DFL-New Hope) offered an amendment adding language creating an Airport Funding Advisory Task Force; the task force is already funded in bill. All five amendments were adopted on voice votes.

Ortman offered an amendment requiring a referendum in the Metro Area on the half-cent sales tax. It is only right to let the taxpayers vote on this tax, she said. Murphy spoke against the amendment, saying the sales tax to support the Twins ballpark, a lesser priority, was not submitted to public vote. The amendment was not adopted, 26-36.

Sen. Dick Day (R-Owatonna) offered an amendment to replace the bill with the governor's transportation proposal. The measure invests \$1.7 billion in transportation and doesn't tax anyone because the measure uses bonding, Day said. Now is not the time to raise the gas tax, he said. The state has made significant investments in transportation recently—last year was the largest construction year ever in the state of Minnesota, Day said. The bill is very costly for Minnesotans, he said. Day said the governor's proposal fixes roads without increasing taxes. Murphy, who spoke against the amendment, said the original bill has costs for residents, but the costs of congestion are also high. The Minnesota Chamber of Commerce estimates the average Metro family loses \$700 each year sitting in congested traffic, he said. The governor's bonding program doesn't pay for 100 percent of the bonds and Minnesotans will end up paying later, Murphy said. The amendment was not adopted.

An amendment was offered by Sen. Betsey Wergin (R-Princeton) to require the county commissioners in each county to approve the half cent sales tax increase before it goes into effect. The amendment failed.

Sen. Ray Vandever (R-Forest Lake) authored an amendment banning future expansion of toll roads. There is ample revenue to expand and maintain the transportation system raised by the bill without tolls, he said. The amendment was not approved.

Ortman offered an amendment to remove Carver County and Scott County from the metro transit taxing district. There are no transit projects planned for the counties and residents shouldn't have to pay for transit in other counties. Murphy said many residents use park and rides and



Senators Tarryl Clark (DFL-St. Cloud) and Gary Kubly (DFL-Granite Falls) consult during a Senate floor session, Thurs., Mar. 29.

Photo by A.J. Olmscheid

more will be built. The Ortman amendment was not adopted.

An amendment was offered by Sen. David Tomassoni (DFL-Chisholm) to add a bronze star veteran to the list of special veteran's license plates. The amendment is a way to commemorate veterans who have fought in wars, Tomassoni said. Murphy said the amendment should be considered in committee, not on the floor. The amendment was not adopted.

Sen. Claire Robling (R-Jordan) offered an amendment to remove a provision in the bill giving priority to road projects with a federal match. The provision means that Minnesota has to give to priority to projects that Washington wants to fund. Murphy said the provision is included in the bill so the money is not sitting around forever. The amendment was not adopted.

Robling said the bill is a budget buster for residents. To take all transportation

needs on at one time is a tremendous burden to families in the state, she said. Sen. David Hann (R-Eden Prairie) said the Senate is asking families to take a hit when the state has a nine percent surplus. The body should be able to create a transportation plan without raising taxes, Hann said.

The bill was approved by a 42-24 vote.

After a brief recess, Senators began consideration of the public safety omnibus budget bill. S.F. 1992, carried by Sen. Linda Higgins (DFL-Mpls.), appropriates funds for public safety and crime prevention. Higgins said the bill's appropriations total \$1.1 billion, with \$75 million in new spending. Higgins said the Public Safety Budget Division made visits to several correctional facilities and attended the graduation ceremonies at the Red Wing Juvenile Correctional Facility. She said the division learned that 67 percent of juvenile offenders have a parent in a

correctional facility. Higgins said the bill contains an appropriation for mentoring children of offenders in the hopes of breaking the cycle of incarceration.

Higgins said the bill contains a compensation package of 3.25 percent, funds the forecast base in each area and, in some cases, provided additional funds to some agencies. She said the superintendent of the Bureau of Criminal Apprehension had two priority funding requests—for 20 new lab positions and for full funding of the CriMNet emergency radio system. Both priorities were funded in the bill, Higgins said. She said the State Fire Marshall received \$9 million and Gambling and Alcohol Enforcement received the forecast base. She said the Dept. of Public Safety Office of Justice Programs were fully funded last year, but this year the federal budget was not finished in time to provide federal funds, but the division was able to provide some state funding.

Floor update

Higgins said the bill provides some funding for the Gang and Drug Task Force and the victim information and notification system. She said as part of the racial profiling bill several years ago cameras were placed in squad cars. However, now the cameras are obsolete, so the bill provides \$1 million for camera upgrades and for new cameras if requested by local law enforcement agencies, Higgins said. She said local law enforcement agencies must, though, provide a 25 percent match. Higgins said the division heard from several local law enforcement agencies that they were strapped for cash for overtime pay. The bill appropriates \$2.5 million for officer overtime pay. The said the bill contains a fee increase to build out the 911 emergency radio system (ARMER). Total appropriations for public safety amount to \$294.8 million, Higgins said.

Higgins said the Peace Officers Standards and Training Board received funding for a curriculum for additional training for peace officers dealing with victims of domestic abuse, she said. The Department of Human Rights received base funding, the increase for compensation and funding for technology upgrades.

Higgins said the division heard from corrections officials about the need for re-entry programs to work with offenders to reconnect with the community. She said re-entry programs can lower the recidivism rate, so the bill funds several programs providing re-entry services. The bill also provides funding for intensive supervision programs and provides an increase for Community Corrections Act cities and counties for probation costs. The measure also provides \$2 million for sex offender assessment and treatment at the community level, Higgins said. Higgins said the state has been paying about \$10 per person per day for short term offenders held in county jails and the bill increases the daily rate to \$33.

The bill also contains appropriations to the Sentencing Guidelines Commission for studies on collateral sanctions, the sealing of arrest records and for changes to the sentencing grid for drug offenses to see if the sentences are proportional, she said. Higgins said, one proposal brought money into division, a bill, sponsored by Sen. Thomas Neuville (R-Northfield) changing thresholds for theft.

Neuville said that while the measure was a good bread and butter funding bill,

he was disappointed that it was nearly \$25 million under the governor's target. He said he was discouraged that corrections officers were not getting the salary increases they needed. Neuville offered an amendment providing additional funding for treatment and intensive supervision of sex offender re-entry. He said the governor requested \$7.5 million, but the bill only provides \$2 million. The amendment, Neuville said, provides an additional \$2 million and reduces the appropriation for another re-entry program by a corresponding amount. "This is a matter of priorities," Neuville said.

Higgins responded that there were tough choices to make, but it was time to try some new initiatives. I think services for people coming out of prison to keep them from going back to prison and the mentoring of children of incarcerated parents to keep them from ever going to prison are important. The amendment failed on a 23-41 roll call vote.

Ortman offered an amendment that adds a study for a process for the court to expunge criminal records to the other studies done by the Sentencing Guidelines Commission. The amendment was adopted.

The bill was granted final passage on a 64-0 roll call vote.

In other action, eight measures were also granted final passage.

Five measures on the Senate Calendar were granted final passage. S.F. 547, sponsored by Ortman, makes the Scott County Library Board advisory to the Scott County Board. S.F. 1053, authored by Sen. Sandy Rummel (DFL-White Bear Lake), makes two technical changes to bring the statute for Ramsey County correctional facilities into harmony with current law and what is being done in other counties around the state. S.F. 585, carried by Sen. Paul Koering (R-Fort Ripley), removes restrictions on the sale or lease of property located in Little Falls that is listed on the National Register of Historic Places. S.F. 252, authored by Sen. Michael Jungbauer (R-East Bethel), designates the city of Elk River as Minnesota's energy city. S.F. 144, carried by Sen. Sharon Erickson Ropes (DFL-Winona), authorizes Winona County to own and operate an electric wind power generation facility.

Three measures on the Consent Calendar were granted final passage. S.F. 1332, authored by Sen. Steve Dille (R-Dassel), permits the Meeker County

Economic Development Authority to increase its membership from seven to nine members. S.F. 1133, sponsored by Tomassoni, permits the St. Louis County Board of Commissioners to appoint the civil service director. H.F. 1200, carried by Sen. Mee Moua (DFL-St. Paul), is the annual revisor's bill making technical corrections to existing law, such as correcting erroneous cross references and removing obsolete language. (A second revisor's bill is considered on the last day of the session, correcting legislation passed over the course of the year.)

None of the measures on the Calendar and Consent Calendar received dissenting votes.

Saturday, March 24

State gov omnibus bill passed

The primary business before the Senate at the Sat., Mar. 24, floor session was consideration of the omnibus state government appropriations bill.

S.F. 1997, authored by Sen. Don Betzold (DFL-Fridley) covers funding for the Legislature, constitutional officers, the Department of Administration, several boards, the Department of Revenue, the Department of Finance and the lottery, Betzold said. The net general fund spending is \$614.4 million and represents a relatively small part of the state's \$34 billion budget. The division had a target of negative \$10 million, but additional revenue from tax compliance enabled the division to raise enough money to fund some new programs, he said.

The bill contains a compensation increase of 3.25 percent across all agencies. The measure also allows the Office of the Secretary of State to add a \$3 fee for filing an assumed name and imposes a temporary surcharge on various filings. The bill also clarifies that a governor who is elected to a second or subsequent term must appoint commissioners in the new term.

Under the bill, the number of deputy commissioners is reduced from two to one for all state agencies, proposals for capital improvements within the Capitol Area must be submitted to the Legislature and the governor and an additional employee retention appropriation is made to the Office of State Auditor. The measure also specifies that an agency must not contract out its previously eliminated jobs for four years without first considering the same

former employees who are on the seniority unit layoff list. In addition, the bill authorizes health care benefits for domestic partners of state employees, increases marriage license fees by \$10, with the additional money going to the counties and abolishes the Department of Employee Relations and transfers the department's duties to other agencies.

The measure makes several changes in voting laws to make voter registration easier for members of the public, requires the state's chief information officer to study how government data, hardware and software and media can be maintained and preserved by the state to ensure access and interoperability and creates the Minnesota Commission on New Americans to identify the strengths of the immigrant community and recommend ways to facilitate the full participation of immigrants in the social and economic life of the state.

Betzold offered three amendments. The first, purely technical, was adopted. The second amendment requires the state to offer domestic partners the same insurance as offered state employees' families, but specifies that the state will not pay for any portion of the insurance. The amendment was adopted. The third amendment requires the unrestricted general fund budgetary balance as of June 30, 2007, to be carried forward to the fiscal year ending June 30, 2008. The amendment was adopted.

Sen. Ann Rest (DFL-New Hope) offered an amendment requiring the commissioner of administration to oversee a grants management process. Rest said the legislative auditor recommended a best practices plan to coordinate and manage the grant making process. Rest said the language in the bill does not require any additional funding. The amendment was adopted. An amendment, sponsored by Sen. Amy Koch (R-Buffalo), adds the ranking minority member of relevant legislative committees to the list of persons receiving a report from the Commission on New Americans. The amendment was adopted.

Sen. Warren Limmer (R-Maple Grove) offered an amendment deleting the provisions relating to domestic partners. Betzold opposed the amendment and said the only objections he had heard were because of the cost to the state and those provisions were removed by a previous amendment. Limmer said the guidelines

defining domestic partners are unclear and subject to misinterpretation. Sen. Sandra Pappas (DFL-St. Paul) said the guidelines were taken from the guidelines used when domestic partner health benefits were included in the state benefits package. Pappas said the provision places the state squarely in the mainstream with respect to offering benefits to same sex domestic partners.

Sen. David Hann (R-Eden Prairie) said the bill places a definition of a relationship in statute that is for all intents and purposes like a marriage. Pappas said two members of the same sex in a committed relationship do not have the ability to get married, while heterosexual couples do. Hann said the provision redefines marriage and could form the basis of a legal challenge to the state's marriage laws. Betzold responded that the provisions are about health insurance, not about marriage. Sen. Thomas Neuville (R-Northfield) said, "I don't believe this is about insurance. I believe it is about providing a foundation for gay marriage." Betzold said similar language regarding domestic partners is already in health care directives statutes. He also said the guidelines determining domestic partners are the same used under a previous administration. The amendment was rejected on a 22-40 roll call vote.

Sen. Claire Robling (R-Jordan) offered an amendment requiring all legislative offices to implement information technology systems that are compatible and work seamlessly across the Legislature. Robling also offered an amendment requiring the commissioner of administration to promote the use of persons with developmental disabilities to provide document imaging services for state and local government agencies. Both amendments were adopted.

Pappas offered an amendment authorizing local units of government to define dependents as they wish. Pappas said the amendment is a local control issue and that benefits are negotiated by collective bargaining. The amendment was approved on a 42-20 roll call vote.

Neuville authored an amendment to authorize grants to be distributed to the counties participating in the development of the integrated financial system for enhancements to the system. He said the amendment also requires counties to provide a three to one match for the grants. The amendment was adopted.

The bill was granted final passage on a 42-20 roll call vote.

In other action, two bills were granted preliminary approval on General Orders. H.F. 736, carried by Sen. James Metzen (DFL-South St. Paul), changes the name of emergency medical services awards and incentives to the Cooper/Sams awards in honor of former Rep. Roger Cooper and the late Sen. Dallas Sams. S.F. 167, carried by Sen. Dan Sparks (DFL-Austin), makes numerous changes in unemployment insurance provisions.

Monday, March 26

E-12 bill okayed

Senators met Mon., Mar. 26, to pass an appropriations measure funding early childhood and K-12 education.

S.F. 2095, carried by Sen. LeRoy Stumpf (DFL-Plummer), was one of two bills considered as Special Orders. The measure appropriates over \$13.363 billion for education in FY 08-09. It also eliminates three levies and combines them into a consolidated levy. The bill creates more stable funding for schools and lowers property taxes, Stumpf said. He said the bill does not include as much new education spending as he would like, but it is a good start. The measure focuses on special education, he said. It seeks to reduce the cross-subsidy of special education by increasing support for special education directly, Stumpf said, and to control the growth in special education costs by improving early education.

Senators debated several amendments to the bill. Sen. David Hann (R-Eden Prairie) offered an amendment removing provisions capping the number of charter schools at 150. Limiting the number of charter schools was not heard in any committee, he said. We are told that capping charter schools will save us money, he said, but the savings are only \$4 million out of more than \$13 billion. Hann acknowledged that some charter schools have not been as successful as others. The same is true for some traditional schools, he said. There is demand in the public for charter schools, he said, and we should not change our charter policy without hearings and full discussion. The amendment was not adopted, 29-35.

Sen. Betsy Wergin (R-Princeton) offered an amendment providing lease levy authority for ISD # 728, Elk River.

Floor update

Wergin said the district is growing explosively, with more than 540 students added each year. However, Stumpf said that while he understands the district's issues, the amendment represents bad policy statewide. The amendment was not adopted. Sen. Paul Koering (R-Fort Ripley) offered an amendment increasing debt service equalization aid and making more districts eligible for the aid. Stumpf said he wished the state had the resources to expand debt service equalization aid, but it does not. The amendment was not adopted. Sen. Michelle Fischbach (R-Paynesville) offered an amendment permitting ISD # 738, Holdingford, to transfer \$150,000 from its excess debt redemption fund balance to its undesignated general fund balance. The amendment was adopted.

Wergin offered an amendment removing provisions giving the St. Paul School District authority to bond for \$15 million every biennium without voter approval. No other district can do this, Wergin said. If we do not want exceptions in our policies, we should be consistent, she said. Sen. Sandra Pappas (DFL-St. Paul) said the district needs special authority to maintain its aging infrastruc-

ture. We do not want our urban schools to go down the path of deterioration other major city schools across the nation have, she said. The amendment was not adopted. Hann offered an amendment adding language to strengthen structural balance reporting requirements. The reports are accountability tools, he said. Sen. Rod Skoe (DFL-Clearbrook) said the reports are extra work for districts and do not provide any real information to voters. Districts are already required to provide financial information and maintain balanced budgets, he said. Hann said it is not unrealistic to ask school districts to project their budgets out, like the state and many businesses do. The amendment was not adopted, 23-40.

Another Wergin amendment reduces the bill's increase to special education and redirects the funds to school districts on a per-student basis. The bill creates winners and losers among districts, she said. We need to provide more money for special education, Wergin said, without forgetting about the regular classroom. Stumpf spoke against the amendment. Special education costs are not uniform, he said. Some districts have more special education students than other districts, he said. In

some smaller districts, one or two high-cost special education students reduce funding in regular programs, Stumpf said. We will add more money to the regular formula later, but we need to catch up on special education, he said. The amendment was not adopted.

Hann offered an amendment holding the consolidated levy constant at its proposed 2009 level. The new consolidated levy basically recreates the former statewide property tax, he said. We could reduce some levies by just buying them out, Hann said, rather than creating a new property tax. Stumpf said the amendment removes \$44 million in education funds. The amendment was not adopted, 22-40. Sen. David Senjem (R-Rochester) offered an amendment removing a provision requiring school districts to adopt parent and family involvement policies. This is a good idea, he said, and most schools are already doing it. The requirement is simply an unfunded mandate, and we need fewer unfunded mandates, Senjem said. The amendment was not adopted, 25-36.

In closing comments, Sen. Dick Day (R-Owatonna) said he was disappointed with the bill. I was expecting more money for education, he said, but this bill puts less into education than the governor did. Stumpf said the bill realistically funds education and uses up almost half of the total new money available to all the Senate's budget divisions. Funding special education frees up other dollars in districts, he said, and the bill also lowers property taxes. Wergin said putting money into general education does not take money away from special education. It may not be enough for special education, she said, but it funds every student. She said putting money into special education ignores thousands of regular education students. Sen. Lawrence Pogemiller (DFL-Mpls.) said the state has a long tradition of funding special education. But in the last four years, we have shirked our responsibility to special education and, through it, to education generally, he said. It is dishonest to add money to the general education formula while shorting special education, Pogemiller said.

S.F. 2095 was granted final passage, 51-12.

S.F. 846, the second Special Orders bill, is the deficiency bill. Chief Author Richard Cohen (DFL-St. Paul) said the items in the bill, which total \$10.571 million in FY 07, have been carefully



Senators John Doll (DFL-Burnsville) and Sandy Rummel (DFL-White Bear Lake) converse during the Senate's Wed., Mar. 28, floor session.

Photo by David J. Oakes

vetted. The bill was granted final passage, 61-2.

Senators also procedurally advanced work on a transportation finance bill. The language from the Senate transportation bill was amended onto the House version, H.F. 946. The bill, carried by Sen. Steve Murphy (DFL-Red Wing), was then granted final passage, 39-24, and returned to the other body. If the other body rejects the Senate language, the bill will go to a conference committee.

In other action, six measures were granted final passage: two on the Calendar and four on the Consent Calendar. H.F. 736, carried by Sen. James Metzen (DFL-South St. Paul), changes the name of several emergency medical services awards and incentives to the Cooper/Sams awards in honor of two former Legislators. The bill was granted final passage on the Calendar, 63-0. S.F. 167, authored by Sen. Dan Sparks (DFL-Austin), makes numerous changes in unemployment insurance provisions. The measure was granted final passage on the Calendar, 48-14.

H.F. 1441, carried by Sen. Linda Scheid (DFL-Brooklyn Park), makes non-substantive changes to terminology relating to limited purpose companies. S.F. 156, sponsored by Sen. Warren Limmer (R-Maple Grove), designates Interstate 94 as the Purple Heart Trail. Both bills were granted final passage on the Consent Calendar without dissenting votes. S.F. 1181, carried by Sen. Jim Carlson (DFL-Eagan), requires driver's licenses to include the license class, endorsements, and restrictions imposed. The measure was granted final passage, 62-2. S.F. 1525, sponsored by Sen. John Doll (DFL-Burnsville), increases the maximum monetary and civil penalties imposed by the commissioner of public safety for pipeline violations. The bill was granted final passage, 60-2.

Tuesday, March 27

Smoking ban passed

Senators met Tues., Mar. 27, to approve several measures. One measure dominated the early part of the floor session, a bill prohibiting smoking in public places.

Carried by Sen. Kathy Sheran (DFL-Mankato), S.F. 238 establishes public policy to protect employees and the general public from the hazards of second-

hand smoke. The bill provides full protection from secondhand smoke for Minnesota employees, Sheran said. The scientific evidence about secondhand smoke continues to grow, she said. More than 580 Minnesotans die from secondhand smoke each year, Sheran said.

Sen. Michael Jungbauer (R-East Bethel) said the evidence is not there for an overall smoking ban. There is no proof that secondhand smoke does anything, he said. Jungbauer offered an amendment permitting HVAC ventilation systems for removal of secondhand smoke in bars and restaurants. Sen. Ron Latz (DFL-St. Louis Park) spoke against the amendment. The amendment creates an unlevel playing field for small restaurants and bars that may not be able to afford HVAC systems, he said. The fairest thing the Senate can do is to create an even standard for all establishments, Latz said. There is no scientific evidence to suggest that ventilation systems will protect people from secondhand smoke, he added. Latz said the amendment failed to provide filtration standards for HVAC systems. Jungbauer withdrew his amendment.

An amendment was offered by Sen. Jim Vickerman (DFL-Tracy) to exempt private clubs from the smoking ban. Private clubs include bingo halls, country clubs and VFWs, Vickerman said. Sen. Keith Langseth (DFL-Glyndon) said the state should apply the same rules for all liquor establishments. The amendment failed. Vickerman offered another amendment exempting only VFWs and American Legions from the ban. The amendment was not adopted.

Sen. Julianne Ortman (R-Chanhassen) offered an amendment exempting bars and restaurants with sales receipts of at least 60 percent alcohol from the ban. The amendment is a moderate approach, Ortman said. A full ban is going to hurt Minnesota business, she said. Sen. David Tomassoni (DFL-Chisholm) supported the Ortman amendment. A full ban will lead to border wars and Minnesota will lose business to neighboring states, Tomassoni said. Sen. Scott Dibble (DFL-Mpls.) said there is no evidence that a smoking ban leads to lost business. Sen. Thomas Neuville (R-Northfield) said if Senators want to support the bill because they want to change the culture or because they think it's a nuisance that's fine, but don't confuse it with bogus science. The amendment failed on a 29-36 vote.

An amendment was offered by Sen. Bill Ingebrigtsen (R-Alexandria) prohibiting smoking in places of employment on Indian reservations. If tribes are going to come to the body to ask for funding, they should be treated the same as all Minnesotans, he said. Sen. Don Betzold (DFL-Fridley) spoke against the amendment. Indian reservations are sovereign nations and cannot be regulated by the state, Betzold said. The amendment failed.

Sen. Paul Koering (R-Fort Ripley) offered an amendment to make the sale of tobacco products illegal in Minnesota. Betzold challenged the germaneness of the amendment. The amendment is to a substantially different issue, Betzold said. It is about eliminating smoking, but the bill is about regulating smoking, he said. The amendment was ruled germane, but was not adopted.

Tomassoni offered an amendment to allow local units of government to hold an election to opt out of the smoking ban. The amendment was not adopted.

Ingebrigtsen also offered an amendment to disallow funding appropriations for programs on Indian reservations that do not adopt a smoking ban. Sen. Linda Berglin (DFL-Mpls.) said the state has made great strides in recognizing tribal governments and the Senate should not undo that relationship in its haste. The amendment was not adopted.

An amendment, authored by Sen. Ray Vandever (R-Forest Lake), was offered providing that the ban would not go into effect until 75 percent of Indian tribal governments have agreed to enforce the measure. The amendment protects resorts, bars and restaurants in close proximity to reservations, Vandever said. Dibble said economic impact studies show the economic consequences are negligible. The amendment failed.

The bill passed on a 41-24 vote.

In other action, the body adopted a resolution allowing the Senate to adjourn for more than three days over the Passover break and considered several additional bills.

S.F. 817, authored by Sen. Ellen Anderson (DFL-St. Paul), allows the commissioner of labor and industry to issue orders of compliance relating to overtime for nurses. The bill allows nurses to say no to mandatory overtime if, in their professional judgment, doing so would not provide safe care, Anderson said. The bill is a nurse safety and a patient safety issue,

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she said. Sen. David Hann (R-Eden Prairie) said the bill sets a precedent for putting the judgment of the employee over that of the management. The bill passed on a 51-12 vote. Senators laid the bill on the table to await its companion. When the companion bill, H.F. 966, was received by the other body, the language of the Senate measure was amended onto the bill. H.F. 966 was granted final passage, 53-12.

Omnibus econ dev bill passed

Members then turned their attention to S.F. 2089, the omnibus economic development appropriations bill. The measure, carried by Sen. David Tomassoni (DFL-Chisholm), has direct appropriations of \$319 million from the general fund. The appropriations to the Dept. of Employment and Economic Development totaled \$15 million for a variety of initiatives spurring economic development, including the BioBusiness Alliance, Women Venture, Rural Policy Center and University Enterprise Laboratories. The bill also provides general fund appropriations of \$78.6 million for workforce development. Tomassoni said the appropriation is more than the governor's recommendation, and helps provide employment opportunities for those with disabilities or at-risk youth.

Tomassoni said the bill also provides \$22.885 million for Explore Minnesota Tourism and restores \$150,000 for the Minnesota Film Board. Under the bill, the Housing Finance Agency receives \$89.8 million for a variety of housing programs. The measure also includes appropriations for the Workers Compensation Court of Appeals, the Historical Society, the State Arts Board the Iron Range Resources and Rehabilitation, and the Dept. of Labor and Industry.

Tomassoni said the bill contains language establishing a Plumbing Board and a High Pressure Piping Board, enabling enforcement of prevailing wage and providing vehicle warranty protection. He said the bill also contains clarifying language relating to independent contractors. He said provisions relating to a horse racetrack and a state poet laureate were removed in the Finance Committee. Members adopted one amendment relating to the boards established in the bill before granting the bill final passage on a 59-4 roll call vote.

A bill setting insurance premium rate restrictions generated considerable discussion. S.F. 857, authored by Sen. Linda Berglin (DFL-Mpls.), said the insurance premium rate restrictions are very much like the limits set in the 1990s when we took steps to reform health care. We cannot do reform without placing limits, Berglin said, and this is a very important part of health care reform. We cannot afford runaway costs for health care, she said. She said the bill uses the CPI, plus additional percentages for factors such as adoption of e-health records and the costs of caring for the elderly. Berglin said it all adds up to about a five or six percent increase limit. The bill does not take anything away from the inflated health care base in the current system, she said. We are simply trying to slow the inflationary rise in cost, Berglin said. She said it is an important step for consumers and for state government. More and more of the budgets for health and human services and state government are going for health care and taking up a disproportionate share of state spending.

Sen. Thomas Neuville (R-Northfield) said, "I'm sympathetic to the objective of the bill, but this is a price cap in the private sector and that never works." He said the cuts always come in unexpected places with unintended consequences. Neuville said under the bill, the cost increases will always be the maximum, or benefits will be cut, or treatments will be cut. I must oppose the bill, not because I don't want to see premiums come down, but because I don't think it will work, Neuville said.

Sen. Betsy Wergin (R-Princeton) said, "Before we do something this drastic, I think we should see if the trend in premium costs continues to moderate." Berglin responded, "We need some discipline in the system; we need to put brakes on medical inflation."

Sen. David Hann (R-Eden Prairie) said the bill interferes with the market place and, though that has been tried and tried again, it has never worked.

The bill failed on a 33-32 roll call vote.

Environment budget okayed

S.F. 2096, the omnibus environment, energy and natural resources budget bill, was sponsored by Sen. Ellen Anderson (DFL-St. Paul). The bill appropriates \$1.366 billion from all funds, including

\$334.762 million in net general fund spending. The appropriations support agencies and programs in the environment, energy and natural resources area, including the Pollution Control Agency, Minnesota Zoo, Dept. of Natural Resources, Minnesota Conservation Corps, Board of Water and Soil Resources, Science Museum, Legislative-Citizen Commission on Minnesota Resources, and Public Utilities Commission. The measure also supports the regional parks operations of the Metropolitan Council and the energy and telecommunications functions of the Dept. of Commerce. Anderson said the division's key priorities included forestry, bioenergy, invasive species, emerging pollution issues and more funds for parks and trails. Sen. Tom Saxhaug (DFL-Grand Rapids) discussed the forestry provisions in the bill, saying they were important to participants in a beleaguered industry, while protecting the state's forest resources for generations to come.

Anderson offered an amendment requiring the utility that owns a nuclear generation facility in Monticello, Xcel Energy, to pay \$350,000 per dry cask storing nuclear waste into a renewable development account. Anderson said the amendment continues the state's policy regarding the storage of nuclear waste within the state. She said the amendment represents a current compromise with the utility, but that more work will be done in committee. Sen. Amy Koch (R-Buffalo) said she would cautiously support the amendment, in the spirit of compromise. However, she said, we should not deceive ourselves about who pays the fee. This charge is going to be passed on to ratepayers across Minnesota, Koch said. The amendment was adopted.

Sen. Jim Vickerman (DFL-Tracy) offered an amendment making the Agricultural Utilization Research Institute eligible to receive renewable energy research grants from the renewable development account. The amendment was adopted. Sen. Satveer Chaudhary (DFL-Fridley) offered an amendment making slight modifications to an off-highway vehicle safety and conservation program. The amendment requires training in the program to include invasive species identification and reporting. The amendment was adopted. Sen. Julie Rosen (R-Fairmont) offered an amendment making a strategic plan addressing potential chemical pollution in the Metro Area to be



Senators Dan Sparks (DFL-Austin) and Linda Scheid (DFL-Brooklyn Park) consult during a Senate floor session, Mon., Mar. 26.

Photo by David J. Oakes

coordinated with federal standards. The amendment was adopted.

Sen. Warren Limmer (R-Maple Grove) offered an amendment requiring the informed consent rules of the National Institutes of Health, proposed in the bill to be used for an environmental health biomonitoring program, to be the rules in effect on March 27, 2007. The amendment was adopted. Limmer offered an additional amendment requiring a memorandum of understanding between the University of Minnesota and the Pollution Control Agency to be shared with the chairs and ranking members of legislative committees with jurisdiction over judiciary and health and human services issues. Under the bill, the memorandum of understanding is to set forth the entities' intent to share new and existing environmental hazard, exposure, and health outcome data. The amendment was adopted.

S.F. 2096 was granted final passage, 61-2.

Sen. Dan Sparks (DFL-Austin) moved to reconsider the vote on S.F. 857, the insurance premium rate restriction bill, which failed to gain approval earlier in the session. The motion to reconsider prevailed, 38-27. Sen. Linda Berglin (DFL-Mpls.), chief author of the bill, said insurance companies are already limiting people's benefits and raising insurance costs. The bill will help people keep the benefits they have, not lose them, she said. Sen. David Senjem (R-Rochester) reiterated earlier comments about the dangers of price controls in health care. S.F. 857 was granted final passage, 36-29.

Wednesday, March 28

Budget reserve, bonding bill passed

Members began the Wed., Mar. 28, floor session by considering a bill regulating the state budget reserve. S.F. 2054, carried by Majority Leader Lawrence Pogemiller (DFL-Mpls.), uses \$629 million of the one-time budget surplus to add to

the state budget reserve account. He said the addition brings the budget reserve to about five percent of the state budget.

Pogemiller said, we want to be certain, as the economy goes through its various cycles, we have enough in reserve to cushion the shock of a downturn. "This is the fiscally responsible thing to do," Pogemiller said. Sen. David Hann (R-Eden Prairie) said the state should not put additional funds in the reserve account if taxes are going to be raised and spending is not restrained to under nine percent. "We are protecting the savings of the state while we go after the savings of the taxpayers," Hann said. Sen. Julianne Ortman (R-Chanhassen) said it doesn't matter whether the bill is approved or not because there is no House companion. "Our families should come first," Ortman said, "and should be protected first, rather than protect the state in a downturn." Pogemiller said it does matter if the bill is passed and that the same provision is in the omnibus tax bill. We have to make some tough decisions and the truth is, we should not spend as much of the one-time money as the other body or the governor, he said.

Sen. Richard Cohen (DFL-St. Paul) said, on balance, you need a significant amount in the budget reserve. It is needed in case of an economic downturn and in the determination of the state's bond rating, Cohen said.

Minority Leader David Senjem (R-Rochester) said some of us who came to this Chamber in 2003 had the unpleasant task of correcting a \$4 billion shortfall. "I think this is a good thing to do because it is a responsible approach to government," Senjem said.

Hann offered an amendment taking \$300 million of the \$629 million for a direct appropriation to school districts to build up their reserves. This is one-time money for the school districts to protect them from the same uncertainties that the state faces, Hann said. Pogemiller responded, "I think the amendment is well intentioned, but I think we need to put our own house in order first." The amendment failed on a 20-44 roll call vote.

The bill was granted final passage on a 57-7 roll call vote.

The Senate also acted on the capital bonding bill, S.F. 2157. The bill, said Sen. Keith Langseth (DFL-Glyndon), chief author, was kept to \$135 million. The measure provides \$36.4 million for asset preservation for the University of Minne-

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sota, and \$33.8 million for the Minnesota State Colleges and Universities. The measure also appropriates \$3.125 million for natural resources proposals, \$10.625 million to the Board of Water and Soil Resources, primarily for the RIM program, \$1.5 million for the Minnesota Zoo, \$15.04 million to the Dept. of Administration mostly for repair of the Dept. of Transportation Building, \$9.55 million to the Dept. of Public Safety, and \$53.17 million to Dept. of Transportation projects. The measure also makes one-time general fund appropriations of \$150,000 to do planning for a west central Minnesota drug treatment facility, \$6.1 million for Dept. of Corrections projects, \$82.6 million for Dept. of Employment and Economic Development projects including \$37 million for the Duluth Entertainment and Convention Center and \$30 million for public infrastructure associated with a steel plant in Itasca County.

Sen. Sandra Pappas (DFL-St. Paul) offered an amendment authorizing District Energy to apply for a federal grant. The amendment was adopted. Senjem offered an amendment eliminating a specific location for a southeastern Minnesota regional public safety training center. The amendment was also adopted. Sen. Steve Murphy (DFL-Red Wing) offered an amendment specifying the preferred route for a high speed rail line between Chicago and St. Paul. The amendment was adopted.

Sen. Terri Bonoff (DFL-Minnetonka) offered an amendment inserting two corridors to a comprehensive study of transit options in the Metro Area. The additional corridors are the entire I-494 corridor, rather than just the southern segment, and the I-35 corridor. Bonoff said the amendment accurately reflects the work of the Transportation Committee. Sen. Dan Larson (DFL-Bloomington) spoke in opposition to the amendment, saying it further dilutes the limited resources available to study transit corridors. We need a lot more money than is available in this bill to study these corridors, he said. However, Sen. Gen Olson (R-Minnetrista) spoke in support of the amendment and said planning must be comprehensive. The amendment was adopted.

Sen. Ann Rest (DFL-New Hope) chided members for not including funds for the Capitol Building. She said the Capitol Building is in need of repair and

renovation and is no longer safe. She said if the bill had included just \$29 million of the estimated \$130 million needed to repair the building, the project would be allowed to proceed. She said without funding, we are choosing to allow the state's premier public building to be inaccessible to persons with disabilities, we are choosing to postpone life safety repairs, we are choosing to have stale air. If we do not take care of the building, the building will fail, Rest said. Langseth said he wanted to provide funding for the Capitol Building, but there was no interest on the part of the other body or the governor.

The bill was granted final passage on a 56-9 roll call vote.

School insurance pool okayed

The latter portion of the Wed., Mar. 28, floor session was devoted to discussion of two measures: the omnibus judiciary budget bill and a proposal to create a statewide health insurance pool for school employees.

Sen. Don Betzold (DFL-Fridley) carried a bill, S.F. 276, creating a statewide health insurance pool for school district employees. The bill creates a pool, but not a one-size-fits-all plan, Betzold said. The pool is required to offer at least six plans, he said, and districts may adopt whichever plan or plans they wish. Under the bill, the pool is governed by a 14-member board equally representing employer and employee interests. Betzold said the bill is an attempt to rein in out-of-control health care costs for school districts.

While this bill stopped in a lot of committees on its way to the floor, it did not stop in the Education Committee, said Sen. David Hann (R-Eden Prairie). He said the bill has significant impacts within education. Hann moved to re-refer the measure to the Education Committee. Betzold spoke against re-referral, saying that the bill was about insurance. It has nothing to do with education policy or anything within the Education Committee's jurisdiction, he said. Sen. Geoff Michel (R-Edina) said the issue is extremely relevant to education policy and finance, because health costs are among the most significant drivers of education cost increases for school districts. Education policy includes a lot of thing, he said, including whether schools should be fragrance-free. It surely includes a statewide insurance pool for schools,

Michel said. The motion to re-refer the bill failed, 30-34.

Sen. Linda Berglin (DFL-Mpls.) offered an amendment changing the role of the commissioner of commerce. The amendment requires the commissioner to review the plans offered by the pool, rather than to approve the plans. The board created in the bill has to comply with existing regulations about plan offerings, Berglin said. She said the commissioner does not currently approve any other pool or regulate any self-insured programs. If the board contracts with insurers, she said, plans offered by the companies are already approved by the commissioner. Sen. Chris Gerlach (R-Apple Valley) said the commissioner needs to have regulatory authority over the plans to ensure solvency in the pool. Without the commissioner's ability to approve plans, he said, there is no oversight on the pool. Sen. Claire Robling (R-Jordan) said taxpayers will be on the hook if the pool becomes insolvent. We need the commissioner's oversight to protect taxpayers, she said. The amendment was not adopted, 30-35.

An amendment requiring the initial employer contribution to be held constant at the current dollar amount being contributed, before entrance into the pool, was offered by Sen. Betsy Wergin (R-Princeton). Defining the initial premium costs as percentages does not help school district budgets, she said, because a higher-cost plan might be the most comparable option in the pool and districts would bear significant cost increases against their will. Under the amendment, the employer and employee contributions will be adjusted in the next round of labor negotiations, Wergin said. Betzold said he understood Wergin's concern, but did not believe her amendment accomplished the desired end. The amendment was not adopted, 25-40.

Wergin offered an additional amendment making participation in the pool voluntary. The amendment lets all school district employees vote in 2009, and every five years thereafter, whether to join the plan. If a majority of employees in any district wants to participate, then the school board can consider whether to join the pool, under the amendment. Some districts want in and others want no part of the pool, Wergin said. She said the amendment gives districts a choice without creating annual instability for the pool. Districts will be in or out for a five-year period, she said. Betzold said the

amendment creates some instability for the pool. Today's winners are tomorrow's losers, he said, and districts will stay out of the pool until they think it is to their advantage. The point of the pool is to even out health insurance costs, he said. The amendment was not adopted, 28-37.

This bill does nothing to control costs, Hann said. It just leaves costs where they are and spreads the costs among all school district employees, he said. While it sounds appealing, it is not economically sensible, Hann said. He said the costs of health care are driven by people's behaviors. Responsible districts are working with their employees and insurers to change behavior to restrain costs, he said. Success affects their rates positively, rewarding their efforts with lower costs, Hann said. This bill will not reward those districts, it will punish them, he said. The costs in one district will be driven by all other districts' behavior, he said. The immediate effect will be relief for some districts and pain for others, but the long-term effect will be to take away the incentive to manage costs, he said. Instead, costs will just rise year after year, he said. Sen. Rick Olseen (DFL-Harris) said the bill requires all health plans to include wellness programs designed to control costs. Hann responded that wellness programs work well when a discrete, local group makes a coherent effort. Even if all the employees in a district work hard, they will see no benefit if many other districts do not make the effort, he said.

The measure was granted final passage, 42-23.

S.F. 1972, sponsored by Sen. Leo Foley (DFL-

Coon Rapids), is the omnibus budget bill for the judiciary. The measure provides for \$762.374 million in net general fund spending in FY 08-09. It provides \$62.938 million for Supreme Court operations, \$20.243 million for the Court of Appeals, \$505.867 million for the District Courts, \$143.06 million for the Board of Public Defense, \$27.14 million for civil legal services, \$1.624 million for the Tax Court, \$912,000 for the Judicial Standards Board and \$110,000 for the Uniform Laws Commission. The measure authorizes three new judgeships at the Court of Appeals and seven new District Court judges. The bill provides that judges' salaries will be increased by five percent annually in FY 08-09 and by the average salary increase received by state employees in FY 10-11. Foley said large caseload increases and other demands on the courts have threatened our judicial system's ability to provide justice in a timely manner.

Minnesota has a reputation for having a strong judicial system, he said, and this bill seeks to maintain the reputation. The bill was granted final passage, 63-0.

In other action, Senators adopted the conference committee report on S.F. 60 and repassed the bill. Sponsored by Sen. Yvonne Prettner Solon (DFL-Duluth), the measure authorizes Duluth to invest post-retirement health care benefit funds with the State Board of Investment. Prettner Solon said the conference committee on the bill adopted clarifying language about the procedures required for the investment. The measure was repassed, 63-0.

Thursday, March 29

HHS omnibus bill passed

The main business before the Senate at the Thurs., Mar. 29, floor session was consideration of the omnibus health and human services appropriations bill. Sen.

Linda Berglin (DFL-Mpls.), chief sponsor, said the bill S.F. 2171, uses a two-pronged approach to increase access to MinnesotaCare for people without health insurance. The bill changes the benefit set for adults without children, increases eligibility for children, provides health care for undocumented children, provides eligibility for military personnel and their families and provides an option to small businesses to enroll in MinnesotaCare. The bill also changes the definition of dependent to include children under 25 and increases eligibility for farmers.

Berglin said the bill also requires patients to



Senators Michelle Fischbach (R-Paynesville) and David Senjem (R-Rochester) closely examine a spreadsheet during floor debate on the Senate's omnibus health and human services appropriations bill.

Photo by David J. Oakes

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be in compliance by providing gift cards, provides more investment in child care, restores cuts to very low income TANF families from federal funds, repeals the \$50 housing penalty, repeals the family cap, continues MFIP for non-citizens, expands special needs adoption assistance to older children, and enables hospitals to get disproportion share federal dollars. She said the measure specifies that co-pays for Medical Assistance and Medicare Part D patients are waived. Berglin said a large portion of the bill is for cost of living adjustments for long term care employees. The bill also contains the governor's mental health initiative and funding for chemical dependency services, Berglin said. The governor's initiative to prevent homelessness is also included, she said. The Dept. of Health recommended a number of fees, which are in the bill, she said. Berglin said the bill also contains funding for electronic medical records, for deaf and hard of hearing children and for a study on creating a statewide health insurance pool. The Veterans Homes Board are funded at the level of the governor's recommendations, Berglin said, as was the dental access plan.

Sen. Steve Dille (R-Dassel) offered an amendment that allows the Board of Veterinary Medicine to charge fees to verify licensure and to review continuing education programs for veterinarians. The amendment was adopted. Sen. Terri Bonoff (DFL-Minnetonka), said assessments are made for public health nurse personal care services and that she is offering an amendment specifying that the payment rate for assessments not completed on time be reduced by 15 percent. The amendment was adopted.

Sen. Thomas Neuville (R-Northfield) offered an amendment requiring the commissioner of health, in consultation with the Health Care Redevelopment Task Force to develop a statewide plan, budget timeline, and proposed legislation to implement a statewide redesign of Minnesota health care. He said the current health care system is inefficient and costly. He said providers have incentives to offer more and more procedures and tests and it is because of the third party payer system. He said consumers are led to believe health care is free. Neuville said the tax code promotes low deductible and low co-pays. Insurance is intended to cover catastrophes, but now pretax dollars are going for administration, Neuville said.

The amendment eliminates employer deductibles and provides the deductibles for the employee, he said. He said the amendment expands choice, forces consumers to become more knowledgeable and provides transparency for the true costs of care. The role of the state should be to cover catastrophic care, he said. The measure requires consumers to pay out-of-pocket expenses up to 12 percent of income and then the catastrophic care coverage would take over. Neuville said if the amendment is adopted the state would become a national leader.

Berglin responded that she believes that the Health Care Access Commission can explore all ideas, but I don't want to see the ideas in law. The issue of what is affordable for different levels of income is important, but I don't believe we should identify outcomes in law, Berglin said. We should look at this idea, but we shouldn't mandate it, she said.

Neuville withdrew the amendment and offered an amendment requiring the Health Care Access Commission do the study, rather than a Health Care Redevelopment Task Force. He said it is time to start talking about something fundamentally different. Sen. John Marty (DFL-Roseville) said the amendment does not address wellness or preventive care. He said there are some consumers who overuse the health care system, but the real problem is the people who underuse the system and don't head off problems before they become more serious. Neuville said that ultimately it comes down to whether we want a government run single payer system or a more free market system. Berglin pledged to have the Health Care Access Commission consider the ideas in the amendment.

The amendment failed on a 26-39 roll call vote.

Sen. David Hann (R-Eden Prairie) offered an amendment to expand the market for health insurance coverage by allowing consumers to purchase insurance from any other insurance company in the country. Berglin questioned the germaneness of the amendment and said it was about insurance, not funding health and human services. The chair ruled the amendment germane. Berglin said the amendment allows for-profit insurance companies to do business in Minnesota. She said every time the idea has been broached it has failed. The amendment failed on a 19-43 roll call vote.

Sen. Warren Limmer (R-Maple Grove) offered an amendment requiring written, informed consent to be obtained before a patient's medical data is entered into an interoperable electronic health records system. Berglin said she was amenable to the amendment, although she was not sure of all its ramifications. The amendment was adopted.

An amendment, offered by Sen. Michelle Fischbach (R-Paynesville), includes nursing homes in Stearns and Sherburne County in the cost of living increases for nursing homes. Berglin said the nursing homes in the two counties received a 17 percent increase last year. The amendment failed on a 25-38 roll call vote. Sen. Betsy Wergin (R-Princeton) offered an amendment directing \$1.142 million the first year and \$1.2 million the second year to positive abortion alternatives grants. She said the appropriation had been reduced by half in the bill and the amendments placed positive abortion alternatives on the same level as other family planning clinics. Berglin opposed the amendment and said the money used in the amendment is taken from family planning clinics and MinnesotaCare outreach programs. She said there were many members who wanted her to eliminate the program, but that she compromised by leaving half of the funding in the program. The amendment failed on a 31-34 roll call vote.

Sen. Claire Robling (R-Jordan) offered an amendment similar to the Wergin amendment, but with a different funding source. Under the amendment, the funding is taken from the MinnesotaCare outreach program and from the pandemic influenza planning appropriation. The amendment failed on a 32-33 roll call vote. Neuville offered an amendment specifying that funding for state-sponsored health programs cannot be used for funding abortions, except to the extent necessary for continued participation in a federal program or to protect the health of the mother. The amendment failed on a 26-38 roll call vote. Neuville offered an amendment repealing language allowing 16 year olds to give consent for mental health treatment, chemical dependency treatment, treatment for sexually transmitted diseases or family planning. He said parents should be involved in such serious decisions. Berglin said the reason the law was enacted is because many young people were endangered by talking with their

parents. The amendment failed on a 23-42 roll call vote.

Sen. Julie Rosen (R-Fairmont) offered an amendment increasing the cost of living adjustments for long term care facilities to the same level as the average increase in compensation for state employees. Sen. Mary Olson (DFL-Bemidji) said the amendment sends a message to nursing homes that we value of the work they do. The amendment was adopted 64-0.

Fischbach offered an amendment specifying that family planning grants may not be made to an organization or to an affiliate of a nonprofit corporation or organization which performs abortions. The amendment failed on a 23-40 roll call vote. Sen. Bill Ingebrigtsen (R-Alexander) offered an amendment deleting language authorizing health care coverage for undocumented children and redirects \$5 million to other programs. Berglin said the children were eligible prior to 2003 and that the parents would have to pay premiums. Rosen said to put the issue in perspective and that the bill just proposed covering children. The amendment failed on a voice vote.

Hann offered an amendment to permit nursing facilities to charge a higher rate for private pay residents to offset the costs of those who are on Medical Assistance. Berglin said under the amendment, private pay patients must spend down their assets much more quickly and then go on Medical Assistance. The amendment failed on a 8-56 roll call vote. Another amendment, offered by Hann, prioritizes adoption placement to married couples. Berglin said widows and other single persons are large groups adopting children. Hann responded that the amendment does not preclude single individuals from adopting children, but places a priority on married couples. The amendment failed on a 26-39 roll call vote. Hann offered a final amendment requiring informed parental consent to testing of infants for birth defects. The amendment failed to be adopted.

The bill was granted final passage on a 42-33 roll call vote.

In other action, members granted final passage to a bill, S.F. 1333, authored by Sen. Ron Latz (DFL-St. Louis Park), dubbed "the car buyers bill of rights." The bill provides a return policy for used car vehicles purchased from a dealer. Under the policy, the buyer must return the car within two days, have driven less than 250 miles and be subject to a restocking fee.

The bill also requires a disclosure of add-ons to the vehicles, such as rust-proofing and extended warranties, and the cost of the add-ons. The measure also sets minimum standards for dealers to offer "certified" used cars. The bill also requires dealers to disclose that a credit report will be taken and which credit agency will issue the report when getting a loan through the dealer. Buyers must also be told they are entitled to one free credit report each year, under the bill.

Sen. David Senjem (R-Rochester) said dealers who purchase cars from out of state have no way of knowing a vehicle's entire history. Latz said the dealers have a responsibility to question whether a vehicle has been in a flood or has had some other damage.

Wergin offered an amendment to delete language related to the contract cancellation option. Wergin said she has become aware of situations in which individuals tried to return vehicles with parts switched out or other damages. Latz said the return policy is the heart of the bill and urged members to vote against it. The amendment failed on a voice vote. Ingebrigtsen offered an amendment limiting the time for returning vehicles to the dealer to one day. Latz said industry groups have told him they do not support any amendments to the bill. He said one day is far too short. The amendment failed.

The bill was granted final passage on a vote of 40-25.

The conference committee report on H.F. 274, sponsored by Sen. Jim Vickerman (DFL-Tracy), was also adopted. The bill appropriates \$30 million to the Rural Finance Authority to provide agricultural loans to farmers. The report was repassed on a 65-0 roll call vote.

Friday, March 30

Tax bill passed

The Senate floor session Fri., Mar. 30, was devoted primarily to debate on the omnibus tax bill.

S.F. 1024, authored by Sen. Thomas Bakk (DFL-Cook), is the omnibus tax bill. The net general fund impact of the measure is \$81.486 million in revenue losses or tax expenditures. Net new revenue in the bill totals \$290.648 million. The bill also provides for \$372.134 million in tax expenditures, primarily in the aids and credits area. An increase in the property tax refund

program totals \$24.4 million. Local government aid for cities is increased \$150 million, with county program aid increasing \$60 million and township aid increasing \$12 million. Additional new revenue is derived from freezing the state business property tax levy rates at their 2004 levels (\$221.9 million) and from interest earned on an increase in the budget reserve (\$33 million). Altering how foreign operating corporation income is treated brings in \$244 million in new revenue, partially offset by accelerating the transition to a single sales factor corporate franchise tax.

Bakk said the bill provides a \$100 per month credit for families who care for a loved one at home, provides a stipend of \$120 per month for military personnel in combat zones and allows stipends for AmeriCorps volunteers to be tax free. He said the measure also provides a tax credit to individuals for the costs incurred in becoming citizens, provides funds for the taxpayer assistance programs and conforms with federal updates. He said the foreign corporations language prohibits businesses from setting up of shell corporations offshore to avoid paying Minnesota taxes. The bill also speeds up the adoption of the streamlined sales tax and allows the state fair to keep the sales tax on admissions to be used in repair and maintenance of buildings, Bakk said. In addition, the bill contains a number of individual bills providing sales tax exemptions for various goods, particularly capital equipment, he said. Bakk said several local governmental units requested increases in local sales taxes and those are in the bill.

Sen. Rod Skoe (DFL-Clearbrook) explained the property tax provisions. He said the bill will reduce property taxes by five percent and restore the traditional partnership with local governments. The measure eliminates the seasonal recreation property category, provides property tax relief for disabled veterans and clarifies the green acres program. The bill establishes a rural lands category to streamline and aid assessment classifications. Under the bill, the residential homestead credit is increased and the property tax refund program is increased. Local government aid (LGA) formulas were also adjusted under the measure and aid was increased.

Bakk explained the minerals sections of the bill and the provisions relating to the expansion of the Mall of America. He said the expansion at the mall will be done without any state general fund money. The

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bill also contains a number of bills establishing tax increment financing districts in various cities, he said. Bakk said the public finance bill is also included in the measure. The public finance provisions contain revisions for bond sales, allows local units of government to establish trusts for post retirement benefits and authorizes the Metropolitan Council to issue bonds for transportation, he said. A number of Department of Revenue technical provisions are also contained in the bill. The measure also repeals the provision requiring the governor submit a rebate plan when the state experiences a surplus. The measure also discontinues the JOBZ economic development program, Bakk said. Finally, the bill creates a joint legislative committee to examine the state's sales and use taxes, he said.

Sen. David Hann (R-Eden Prairie) said the property tax relief in the bill is in the form of local government aid (LGA) and that adding money to LGA does nothing to reduce property taxes. If we want to provide property tax relief we should give money directly to taxpayers or set a cap on property taxes, Hann said. Skoe said the bill contains direct relief for taxpayers through increases in the market value credit, increases in the refund program and in changes for agricultural property. Hann said historically state aid to local governments does not reduce property taxes; the only way to reduce property taxes is to spend less locally. Rick Olseen (DFL-Hewitt) said many of the new members of the Senate were former elected local government officials who were in office when LGA was cut and it was devastating for local governments.

There is no property tax relief for homeowners in this bill until 2009, said Sen. Julianne Ortman (R-Chanhassen). There is aid for cities, towns and counties, she said, but no guarantee that local governments will extend the aid to lower homeowners' tax statements. This bill is a tax increase of a very regressive sort, she said. Ortman said raising property taxes for businesses harms low- and moderate-income Minnesotans. Businesses do not pay taxes, they pass them on to their vendors and customers, she said. This bill basically takes away last year's minimum wage increase, she said.

Sen. Chris Gerlach (R-Apple Valley) offered an amendment reducing the taxes paid by charitable gaming entities. Charitable gambling is important for our



Senators Chris Gerlach (R-Apple Valley), left, and Geoff Michel (R-Edina) consult as they sit on the page bench in the Senate Chamber during the Wed., Mar. 28, floor session.

Photo by David J. Oakes

communities and supports a host of worthy causes, he said. Lowering their tax bills slightly permits charitable gambling operations to be able to give more to their communities, Gerlach said. Sen. Ann Rest (DFL-New Hope) said she would be more amenable to the amendment if the tax break was required to support problem gambling and to directly benefit the charities the gambling operations support. Nothing in this amendment ensures that this tax break will not be used on administrative costs and rent, she said. The amendment failed, 27-38.

Sen. David Senjem (R-Rochester) offered an amendment requiring the commissioner of revenue to create a form for taxpayers who want to make voluntary payments to the state in addition to their tax obligations. This is a can't-lose

proposal, Senjem said, since some taxpayers have told us they want to contribute more to public programs. The amendment was not adopted, on a divided voice vote.

An amendment reducing the property tax class rate for nonprofit community service organizations was offered by Sen. Ray Vandever (R-Forest Lake). Bakk said he was not opposed to the amendment, but reminded members that no property tax break is free. Property tax obligations are shifted around within communities from one class of taxpayers to another, he said. The amendment was adopted.

Bakk said the eventual elimination of the Job Opportunity Building Zones (JOBZ) program is an admission of error on his part. Bakk was the Senate sponsor of the proposal four years ago. The program was intended to help economically

depressed communities across Greater Minnesota, he said. Reports from the Dept. of Employment and Economic Development have indicated that economically depressed communities have not benefited, he said. Bakk said he has learned that the business tax climate has very little to do with a business's decision about whether to expand or relocate in the state. The real obstacles to economic development are transportation, workforce availability, and other infrastructure matters, he said.

Sen. Julie Rosen (R-Fairmont) said a partial reason for the JOBZ's apparent failure is the requirement that businesses receiving the tax benefits comply with the state's prevailing wage law. Two companies left JOBZ because of this issue, she said, and others have declined to participate and invest in Greater Minnesota because of the requirement. Rosen offered an amendment removing the JOBZ elimination provision. People want to work and live in Greater Minnesota, she said. We need to draw entrepreneurs to Greater Minnesota, Rosen said, and this is a tool to do it. JOBZ created and retained thousands of jobs with an average wage of about \$12 an hour, she said. We should not be taking this away, she said. Sen. Betsy Wergin (R-Princeton) said it was premature to eliminate JOBZ. We should study the effectiveness of JOBZ before eliminating the program, she said.

The amendment was adopted on a 33-31 vote. A motion to reconsider the vote was adopted. The amendment to reinstate JOBZ failed on a 31-34 vote.

Ortman said she feared for the economic future of the state if the bill passed. The state cannot continue to impose on the private sector, she said. Dick Day (R-Owatonna) said if the state grows job and grows businesses, communities will have more money in property taxes and will grow. Minnesota has an appetite for spending, he said. Sen. Betsy Wergin (R-Princeton) said the bill is tax shifts and tax increases not tax relief.

Bakk said the bill includes over \$1 billion in property tax relief over the next four years. The relief comes in LGA, market value credits and county aid, he said. The bill also includes more than

\$300 million in tax breaks for businesses in the first two years, Bakk said.

The bill passed on a 38-28 vote.

Members also took up S.F. 2190, carried by Sen. Richard Cohen (DFL-St. Paul) The bill makes one-time appropriations for various purposes totaling approximately \$240 million. The largest appropriation in the bill is for clean water projects, Cohen said. Other appropriations include public broadcasting, economic development measures and public safety measures, he said. Sen. Don Betzold (DFL-Fridley) offered an amendment to provide technology infrastructure for small state agencies. The \$90,000 appropriation would come out of the Senate technology improvement appropriation, Betzold said. The amendment was adopted.

Cohen moved to lay the bill on the table to give members time to look it over and draft amendments. The bill will be taken up at the next floor session.

In other action, members also granted final passage to S.F. 997. The bill, authored by Sen. Scott Dibble (DFL-Mpls.), sets forth the state energy conservation goal, energy savings goals and programs and energy conservation improvement costs recovery and incentive plans. Dibble said the bill establishes a goal of reducing energy use by 1.5 percent per year, requires the Dept. of Commerce to make grants to allow energy savings technology be tested in the field and provides for a decoupling rate mechanism for utilities. Dibble said the energy we don't use is the cheapest energy and the bill provides for lessening our energy consumption. Sen. Julie Rosen (R-Fairmont) spoke in support of the bill and said that by passing the measure the state will be well on its way to becoming a leader in energy efficiency.

Sen. Sandra Pappas (DFL-St. Paul) offered an amendment providing that the Dept. of Commerce work with the University of Minnesota and the Minnesota State Colleges and Universities system to identify policy options, barriers, and economic benefits and costs for state government operations to achieve the energy savings goal and the resulting carbon emission reductions. The amendment was adopted.

The measure was granted final passage on a 64-1 roll call vote.

Committee Update

Business, Industry and Jobs

Prevailing wage bill gains

A bill clarifying the enforcement and oversight of the prevailing wage law was heard at the Mon., Mar. 26, meeting of the Business, Industry and Jobs Committee. The panel, chaired by Sen. James Metzen (DFL-South St. Paul), approved the bill and re-referred the measure to the Judiciary Committee.

S.F. 1769, sponsored by Sen. David Tomassoni (DFL-Chisholm), clarifies the responsibility of the commissioner of labor to oversee prevailing wage laws regarding highway contracts and hours of labor. The bill also authorizes the commissioner to examine records and to issue compliance orders. The measure also authorizes employee civil actions in District Court. The bill was amended to specify that a contractor, subcontractor, or agent who is found to have violated the prevailing wage law is liable for compensatory damages in the amount of any unpaid wages and benefits and for an additional equal amount as liquidated damages in addition to other appropriate relief. The bill also provides that an agreement between the employee and employer to work for less than the applicable wage is not a defense to the action. In addition, the amendment specifies that the contractor, subcontractor, or agent who is found to have committed a violation must pay reasonable costs, disbursements, witness fees and attorney's fees.

Capital Investment

Bonding proposal okayed

A measure providing for almost \$170 million in bonding and over \$130 million in onetime appropriations was approved by members of the Capital Investment Committee, Mon., Mar. 26.

Sen. Keith Langseth (DFL-Glyndon), committee chair, noted that odd-numbered years are not usually bonding years. However, he said, there is general agreement that some projects are worthy of consideration for a smaller bonding bill this year. Additionally, he said the onetime dollars in the general fund can be used in part to pay cash for capital investments. We can stay within the three

Committee update

percent limit for debt service with \$135 million in general obligation bonds, Langseth said. The limit is recommended by economists as a safe proportion of general fund spending devoted to paying interest and principal on state-issued bonds; if more than three percent of the general fund budget is used to pay debt service, the state's credit rating could be reduced.

The package provides for \$134.986 million in general obligation bonds, \$136 million in onetime general fund spending, \$33.42 million in trunk highway bonding, and \$1.267 million in user-financed bonding. General obligation bonding highlights include \$52 million for higher education asset preservation on University of Minnesota and Minnesota State Colleges and Universities campuses, \$14.4 million for the biomedical science research facility at the University of Minnesota, \$30 million for local bridges around the state and \$40 million to construct the Central Corridor Transitway connecting Minneapolis and St. Paul.

The trunk highway bonding is primarily for repairs at the St. Paul headquarters of the Dept. of Transportation (\$12.715 million) and for construction of a MnDOT district headquarters in Mankato (\$20.673 million). Onetime general fund projects include \$37 million for the Duluth Entertainment and Convention Center, \$30 million for infrastructure to support a new steel plant in Itasca County, and \$11 million for the National Hockey Center in St. Cloud.

Langseth noted the package does not include any funding for the proposed renovation of the State Capitol. Langseth said he wanted to spend \$130 million of onetime money to start the project, but there was no interest from the governor or other body.

The proposal also creates a Biomedical Sciences Research Facilities Authority to manage \$233 million in bond sale proceeds, staggered through 2016, for grants to biomedical research projects at the University of Minnesota. University President Robert Bruininks said investing in biosciences is the path to a more vibrant economic future for the state. Minnesota has extraordinary strengths in research and development at the University of Minnesota and in the basic and applied sciences at the Mayo Clinic, he said. Few states of Minnesota's size can boast our strengths, Bruininks said. We need a long-term

planning process, he said, rather than relying on the traditional bonding process.

The bonding package was approved for introduction as a committee bill.

Commerce and Consumer Protection

Gift card bill advances

The Commerce and Consumer Protection Committee held an evening meeting Tues., Mar. 27, to consider bills ranging from airport zoning regulations disclosure to prohibiting expiration dates and service fees for gift cards.

The panel began by considering a bill, S.F. 1542, sponsored by Chair Linda Scheid (DFL-Brooklyn Park). The bill regulates the conduct of an insurer in collision cases, Scheid said. The bill adds to existing law provisions specifying that insurers may not adjust a damage appraisal of a repair shop when the amount or extent of damage is in dispute without a physical inspection, may not act on behalf of an insured in the determination or parts necessary for the satisfactory repair and may not specify the use of a particular vendor for parts. The bill does provide that an insurer does not have to pay more than the normal price for parts. The bill was approved and sent to the full Senate.

Sen. Katie Sieben (DFL-Newport) authored a bill prohibiting expiration dates and service fees on gift certificates and gift cards. Sieben said the bill is a consumer protection issue because when consumers buy a card they expect to get the full value of the card. She said companies have a variety of policies on expiration dates or fees and consumers don't know which companies do or don't have fees or expiration dates.

Brad Lehto, Minnesota AFL-CIO, said at meetings when the topic was broached, almost everyone had experience with a gift card's value being reduced or with a gift card expiring. He said his membership endorsed the bill as a consumer protection measure. Lee Graczyk, Minnesota Senior Federation, said the purchase of gift cards has become a game of chance, with people not being aware of the rules. Sieben said other states have enacted similar legislation.

Sen. Chris Gerlach (R-Apple Valley) said the marketplace is taking care of the problem because retailers have begun eliminating the expiration date or fees. He

said government should be hesitant to interfere in the market, unless there are issues of major fraud or public safety. He offered an amendment that gives the option to retailers to have an expiration date or declining value, but requires disclosure in 10 point type on the front of the gift card about the expiration date or fees. Yvonne Prettner Solon (DFL-Duluth) spoke against the amendment and said, "I believe we have a responsibility to protect our consumers." The amendment failed to be adopted.

The bill was approved and sent to the Senate floor.

Sieben also sponsored a resolution, S.F. 935, requesting Congress to limit fees and expiration dates associated with gift cards issued by federal banks. She said states have no ability to regulate federally chartered financial institutions and that Congress must act. The resolution was approved and advanced to the Rules and Administration Committee.

S.F. 218, sponsored by Sen. Ann Rest (DFL-New Hope), establishes disclosure duties on the part of real estate agencies, their employees or home sellers. Under the bill, agencies, their employees or home sellers do not have to disclose information regarding airport zoning regulations if the broker or salesperson provides notice that a copy of the regulations can be obtained at the office of the county recorder where the area is located. The bill was approved and sent to the full Senate.

Committee approves five bills

The Commerce and Consumer Protection Committee, chaired by Sen. Linda Scheid (DFL-Brooklyn Park), approved a bill to help soldiers called to active duty Thurs., Mar. 29.

Carried by Sen. Sharon Erickson Ropes (DFL-Winona), H.F. 532 regulates contracts entered into by military service personnel. The bill protects service members called to active duty by allowing them to terminate cell phone contracts and rental contracts and to obtain payment arrangements for utility services and protections from shutoff, Erickson Ropes said. A federal law, the Servicemembers' Civil Relief Act, already exists to allow reduced interest rates on mortgage payments, termination of rental or motor vehicle leases and delay of civil court actions for soldiers called to active duty, said Brian Bergson, Attorney General's

Office. The bill will help the law catch up with the times, Bergson said. The bill was recommended to pass and re-referred to the Energy, Utilities, Technology and Communications Committee.

The committee approved four other bills.

S.F. 1705, authored by Sen. Dan Sparks (DFL-Austin), requires coverage for colorectal screening tests. When diagnosed in the early stages, colorectal cancer has a survival rate of 90 percent, Sparks said. Dominic Sposeto, American Cancer Society, said the screening tests are already covered by many insurance plans. The bill emphasizes the necessity of being tested and clarifies that men are covered by the screening coverage, he said. The bill was recommended to pass and sent to the Senate floor.

Authored by Scheid, S.F. 1688 regulates insurance requirements for carriers. The bill will allow non-profit groups to have insurance through a risk retention group, Scheid said. The provisions in the bill allow non-profits to carry liability insurance above and beyond volunteer drivers' insurance and provide protection for the non-profit. The bill was recommended to pass and sent to the Senate floor.

Sen. Sandra Pappas (DFL-St. Paul) authored S.F. 1197. The bill requires coverage for doula (midwife) services. The committee adopted an amendment removing the mandate for insurance coverage. A study needs to be done before the Senate decides to mandate coverage for doula services, Scheid said. The bill, as amended, was recommended to pass and re-referred to the Health, Housing and Family Security Committee.

S.F. 608, carried by Sen. Yvonne Prettner Solon (DFL-

Duluth), increases the required minimum liability limits on aircraft insurance. The committee heard testimony at a previous meeting and laid the bill over to allow stakeholders to work out concerns. Prettner Solon offered an amendment to increase the required minimum liability from current standards, but not as high as the initial bill. The amendment also requires representatives of aircraft owners, pilots and insurance companies to meet in the interim regarding issues related to aviation insurance and third parties and report back to the Legislature, Prettner Solon said. The bill was recommended to pass and advanced to the Senate floor.

Education

Diverse bills heard

The Education Committee, chaired by Sen. Charles Wiger (DFL-North St. Paul), met Mon., Mar. 26, to consider a variety of bills. Members discussed bills ranging in

subject matter from arts education to pre-kindergarten programs.

Sen. John Doll (DFL-Burnsville) sponsored a bill, S.F. 2051, requiring a description of student achievement in arts and physical education, for which locally developed academic standards apply and statewide assessments are not developed. Supporters said arts education adds to the scholastic achievements throughout children's school experience. The bill was approved and re-referred to the Finance Committee.

Sen. Ann Rest (DFL-New Hope) authored two bills. S.F. 1393 directs the commissioner of education to amend the rule governing supplemental education service providers to specify the basis for withdrawing department approval from providers that fail to increase student proficiency for two consecutive school years. The measure was approved and re-referred to the State and Local Government Operations and Oversight Committee. S.F. 1374 authorizes districts to offer pre-kindergarten programs to prepare



Senators Rod Skoe (DFL-Clearbrook) and Kathy Saltzman (DFL-Woodbury) converse during the Senate's Thurs., Mar. 29, floor session.

Photo by David J. Oakes

Committee update



From left, Senators Keith Langseth (DFL-Glyndon), Jim Vickerman (DFL-Tracy) and Tom Saxhaug (DFL-Grand Rapids) huddle in the back of the Senate Chamber during the Senate's Sat., Mar. 24, floor session.

Photo by A.J. Olmscheid

children for kindergarten. Under the bill, the pre-kindergarten programs must focus on language and literacy skills developed through reading, music, dramatization, movement, science, math, and social studies. The programs must also focus on large and small muscle coordination and personal and social skill development. The measure was approved and re-referred to the Finance Committee.

S.F. 1904, authored by Sen. Sandy Rummel (DFL-White Bear Lake), appropriates money to the independent Office of Educational Accountability through the University of Minnesota and directs the office to convene measurement experts to consider how school performance report card data are most usefully displayed. The bill was approved and re-referred to the State and Local Government Operations and Oversight Committee. S.F. 1956, carried by Sen. Patricia Torres Ray (DFL-Mpls.), creates a pilot project to make Minneapolis schools fragrance-free. Torres

Ray said many children have sensitivities to chemicals contained in fragrances and that fragrances may trigger asthma attacks. The bill was re-referred to the Health, Housing and Family Security Committee without recommendation.

S.F. 1791, authored by Sen. Sandra Pappas (DFL-St. Paul), authorizes an Advisory Task Force on Minnesota American Indian Tribes and Communities and K-12 Standards-Based Reform. The task force is directed to examine the impact of state and federal standards-based reform on the state's K-12 students, including American Indian students. Under the bill, the task force must determine if state education standards and assessments are appropriate for American Indian students, if American Indian students are fairly compared and if American Indian students receive the assistance they need to achieve state standards. The measure was approved and re-referred to the State and Local Govern-

ment Operations and Oversight Committee. S.F. 2002, authored by Sen. Michelle Fischbach (R-Paynesville), allows naturopathic medicines in the original over-the-counter containers to be administered with appropriate supervision in schools. The measure was approved and re-referred to the Health, Housing and Family Security Committee.

Environment and Natural Resources

ATV bill gets green light

The Environment and Natural Resources Committee, chaired by Sen. Satveer Chaudhary (DFL-Fridley), approved a bill clarifying all-terrain vehicle provisions Mon., Mar. 26.

Authored by Sen. Dennis Fredrickson (R-New Ulm), S.F. 739 makes technical changes and clarifications to class 2 all-terrain vehicle (ATV) operating provi-

sions. The bill clarifies provisions for number of passengers allowed, helmet and seatbelt requirements, and restrictions for operating ATVs on trails, roadways, highways and freeways, Fredrickson said. The bill was recommended to pass and referred to the Transportation Committee.

In other action, the committee considered S.F. 311, carried by Sen. Dan Sparks (DFL-Austin). The bill modifies exemptions to noise standards. There are currently 34 racetracks in the state and 31 of them are exempted from the Pollution Control Agencies noise standards, Sparks said. The bill allows the remaining three racetracks to also be exempted, he said. The bill also exempts the racetracks from claims based on noise violation, said Gerald Brandohoff, attorney for Deer Creek Speedway. People can still sue for civil penalties under nuisance statutes, but it doesn't make sense to exempt racetracks from noise standards and then allow people to sue for noise violation, he said. Randy Queensland, owner, Deer Creek Speedway, said his track has excessive noise for about 25 hours each year, spread throughout the summer racing season. Debbie Goettelman, a private citizen who lives near the track, said she cannot watch television or have a conversation in her home during Saturday races in the summer.

Sen. Scott Dibble (DFL-Mpls.) said the Senate should not take away individuals' right to sue, or else others in the area must suffer the consequences of having a racetrack, but with no recourse. Sparks said the bill doesn't take away people's right to sue. People can still bring forth action under the nuisance statutes, he said. The bill was laid on the table to give the author time to address the committee's concerns.

S.F. 1318, authored by Sen. Dan Skogen (DFL-Hewitt), exempts veterans from the range and shooting exercise portion of the required course for a firearm safety certificate. Military personnel already have arms training so they shouldn't have to go through the shooting part of the firearm safety certificate course, Skogen said. The bill was laid over for possible inclusion in the omnibus bill.

Aquatic species bill heard

Members of the Environment and Natural Resources Committee met Wed., Mar. 28, to consider several bills, including a measure relating to the control of aquatic species by homeowners.

Sen. Gen Olson (R-Minnetrista) carried a bill, S.F. 506, limiting the rulemaking authority of the commissioner of natural resources regarding standards to issue and deny permits to harvest or destroy aquatic plants. The bill also requires the commissioner to grant permit requests for the mechanical or chemical control of submerged vegetation and algae for 100 feet of shoreline by 150 feet lakeward, per property owner. The measure requires the commissioner to promptly grant or deny permits, and to convene a review panel if an applicant wishes to appeal a denial. Olson said many associations of lakefront homeowners have improved their lakes' water quality and managed aquatic plants along the shores. The DNR, she said, has moved to roll back permits to the homeowners.

We held repeated meetings with the department to air our concerns and theirs, said Bill Iacoe, Minnesotans for Healthy Lakes. But after hundreds of hours of work on both sides, the rules proposed in 2005 did not include any of the homeowner suggestions, he said. Iacoe said the homeowners associations do not advocate unregulated plant management. However, he said, the more restrictive the rules are, the more likely people are going to violate them, in desperation. Iacoe said there was no reason to change the rules governing native species. We need to more aggressively address invasive species, he said. Additional lakefront homeowners said they just want fair rules that allow homeowners to maintain lakes' water quality and to address aquatic plants.

The science is clear that aquatic plants have value, said Steve Hirsch, Dept. of Natural Resources. Aquatic plants have habitat and water quality value, he said. They maintain high-quality, high volume, diverse populations of fish in lakes, Hirsch said. He said invasive species issues have been confused with aquatic plant issues. The DNR's proposed rules do not encourage the spread of invasive species, he said, but try to protect lakes and aquatic species. Hirsch said development trends have increased the need to protect aquatic species. More development is occurring on parcels that previously would not have been considered candidates for development, he said, making more shoreline and aquatic plants the targets of plant management. If we do not address disturbing trends in plant management, we will be

running to catch up in a few years, Hirsch said.

Members adopted an amendment, offered by Olson, requiring new aquatic species rules to be submitted to the Legislature for approval before the rules go into effect. The bill was then laid over for possible inclusion in the committee's omnibus policy bill.

S.F. 1109, carried by Sen. Tom Saxhaug (DFL-Grand Rapids), bans the sale of dishwasher detergent containing more than 0.5 percent phosphorus, by weight. Under the bill, the ban is effective beginning July 1, 2010. The measure was laid over for possible inclusion in the committee's omnibus policy bill. S.F. 1173, authored by Sen. David Tomassoni (DFL-Chisholm), permits the Iron Range Resources and Rehabilitation Board to use money in the Douglas J. Johnson economic trust fund to purchase forest land to establish the Iron Range Miners Memorial Forest. The bill was approved and referred to the Taxes Committee.

In other action, members, chaired by Sen. Satveer Chaudhary (DFL-Fridley), acted on S.F. 311, a bill previously tabled. The measure, carried by Sen. Dan Sparks (DFL-Austin), exempts motor vehicle race events from state noise regulations if the host track was in operation before July 1, 1996. Sen. Jim Vickerman (DFL-Tracy) moved to take the bill off the table. After the motion prevailed, Vickerman moved to delete proposed language in the bill exempting race events from noise-based claims brought under nuisance and environmental pollution statutes. The amendment was adopted. S.F. 311 was laid over for possible inclusion in the committee's omnibus policy bill.

Phosphorus, milfoil bills heard

A bill relating to phosphorus reduction requirements for wastewater treatment facilities dominated the Thurs., Mar. 29, meeting of the Environment and Natural Resources Committee. The panel, chaired by Sen. Satveer Chaudhary (DFL-Fridley), also heard a bill relating to Eurasian water milfoil.

S.F. 1435, authored by Sen. Keith Langseth (DFL-Glyndon), seeks to delay a proposed rule limiting wastewater treatment facilities to one milligram of phosphorus per liter of discharge. The rule is being proposed by the Pollution Control Agency as part of its regular review process. Langseth said the delay is neces-

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sary to permit more discussion of the rule before cities are required to comply.

Tim Flaherty, representing the Coalition of Greater Minnesota Cities (CGMC), said the rule is arbitrary and not scientifically based. The rule also has potential negative environmental impacts and will be expensive for cities to implement, he said. The delay will provide time for stakeholders to discuss the issues and for the Legislature to consider the proposed rule. John Hall, an attorney and consultant retained by CGMC, said there is no need to control phosphorus in the winter or during high flow periods, unless the water is being discharged into an impaired water. To reduce phosphorus, other chemicals are added to the water, he said. Adding the chemicals when it is not truly necessary to lower the phosphorus level increases the environmental harm, Hall said.

The rulemaking process is currently in progress, said Mike Sandusky, Pollution Control Agency. The cities and others have the opportunity to make their cases during the rulemaking process, he said. Sandusky noted that some of the situations Hall described as inappropriate for the rule are in fact addressed within the rule. The agency's proposed rule includes several "off ramps," he said, including for winter discharge and potential environmental harms caused by the limit. The rulemaking process is designed for the sort of discussion the committee observed, Sandusky said.

The bill was laid over for possible inclusion in the committee's omnibus policy bill.

S.F. 1564, sponsored by Sen. Joe Gimse (R-Willmar), directs the commissioner of natural resources to establish a pilot project to control Eurasian water milfoil on Green Lake in Kandiyohi County. The bill was re-referred to the Finance Committee.

Finance

Dedicated funding bill gains

A bill proposing a constitutional amendment to raise the state sales tax by three-eighths of a percent and dedicating the receipts for natural and cultural resource purposes gained approval from the Senate Finance Committee Sat., Mar. 24. Sen. Richard Cohen (DFL-St. Paul) chairs the committee.

Sen. Lawrence Pogemiller (DFL-Mpls.), chief author, said the bill, S.F. 6, was named the Dallas Sams Outdoor and Cultural Legacy Act in honor of the former state Senator who carried the bill for several years and passed away in early March. An amendment was adopted by the committee to set how the revenues raised by the three-eighths percent sales tax will be divided. Pogemiller said one-third will go to the heritage enhancement fund, including the forest legacy account, 43 percent will go to the great outdoors fund for clean water and parks and trails, and 24 percent will go to the cultural legacy fund. The cultural legacy fund will be divided so that 43 percent goes to the Minnesota Board of the Arts and 57 percent goes to the Legislature to be appropriated for access to arts education, he said. The bill funds broad categories and does not have the level of detail in earlier versions, which included funding for public broadcasting, the humanities commission, and the science museum, Pogemiller said.

Bill Strusinski, Minnesota Public Television, said public television has a legacy to protect and preserve public airwaves. Public television provides news and public affairs programs, access to cultural events and builds social and community tolerance and deserves protection in the bill, he said. Sen. Ellen Anderson (DFL-St. Paul) said it's not easy to put the bill together because the issues involved are fundamental to who we are as a state. It's critical to pass this bill for the future of Minnesota's children, she said.

The revenue raised by the bill is not intended to replace traditional funding sources, Pogemiller said. Sen. Steve Dille (R-Dassel) said the measure ties the hands of future Legislatures to balance the budget. Sen. Steve Murphy (DFL-Red Wing) agreed with Dille. All of the things in the bill are important and if Senators want to fund them, they should have the political courage to raise taxes and do so, Murphy said. Anderson said the problem is that the things in the bill are always last on the list of things to be funded because the Legislature has a duty to fund things such as education and healthcare first. A constitutional amendment is necessary, she said. The bill was recommended to pass and re-referred to the Taxes Committee.

The committee also advanced S.F. 238, authored by Sen. Kathy Sheran (DFL-Mankato), enacting a statewide smoking ban in public places and places of employ-

ment. Sheran said the bill includes a study by the Gambling Control Board on the impact of a smoking ban on lawful gambling. The cost of the study will be absorbed by the board, she said. The bill also allocates funds for a workforce development program for employees who become unemployed due to the smoking ban, said Matt Massman, fiscal analyst. The estimated cost is \$270,000 each year for the next biennium, Massman said.

Sen. Linda Berlin (DFL-Mpls.) offered an amendment to allow bingo halls, restaurants and bars to build an outdoor patio where smoking is allowed unless prohibited by a city or county ordinance adopted prior to the statewide ban. Sheran said the amendment replaces a provision in the bill that would allow restaurants that serve alcohol and bars to have an outdoor smoking section if they could show a 12 percent loss of sales receipts over six months. The amendment is simpler and the bill is really about the quality of indoor air, Sheran said. The amendment was adopted. The bill was recommended to pass, as amended, and sent to the Senate floor.

A bill to cap insurance premiums was also recommended to pass and sent to the Senate floor. S.F. 857, authored by Berglin, sets premium growth rates at the Consumer Price Index plus two percent, taking into account the aging population and advances in technology, she said. An additional one percent may be added to finance the implementation of the electronic medical record system, Berglin said. The bill asks for discipline and restraint in the healthcare system, she said. Berglin said the state has capped insurance premiums in the past and brought down both premiums and expenditures. Sen. Thomas Neuville (R-Northfield) said price caps won't work and may have devastating consequences on healthcare benefits. Minnesota has a non-profit health insurance system and caps on them may be dangerous. The bill was recommended to pass on a seven to three roll call vote.

Carried by Sen. David Tomassoni (DFL-Chisholm), S.F. 2089 is the economic development omnibus budget bill. The bill appropriates \$328 million in general fund spending, said David Jensen, fiscal analyst. The bill provides for private party civil action against a contractor, establishes the packinghouse workers bill of rights and the safe patient handling act, Jensen said. The bill also authorizes an

additional pari-mutuel horse racing track in the Metro Area and requires a study of the economic impact of a harness racetrack and card club in Columbus, he said. A board of high pressure piping systems and a plumbing board are established in the bill, Jensen said.

Sen. Don Betzold (DFL-Fridley) said the bill includes a lot of policy issues that have not been seen by the appropriate policy committees. Policy committees cannot be circumvented by putting the issue into a budget bill, he said. Sen. James Metzen (DFL-South St. Paul) said many of the issues had a full committee hearing in the Business, Industry and Jobs Committee, which he chairs. No other committee chairs requested the bills from his committee, Metzen said. Cohen said there is a fine line for having policy in a finance bill. Sometimes policy and funding are intertwined and hard to separate, he said. The committee voted to lay the bill on the table.

In other action, the committee considered S.F. 846, authored by Cohen. The bill provides deficiency funding for state agencies. The bill appropriates approximately \$10 million in one-time money, Cohen said. The committee adopted an amendment requiring the Metropolitan Council to award a contract to purchase buses for the bus system to the lowest bidder. The bill was recommended to pass, as amended, and sent to the Senate floor.

S.F. 438, authored by Sen. Tom Saxhaug (DFL-Grand Rapids), is the Department of Natural Resources forestry bill. The committee adopted the division report which removed the fiscal implications from the bill. The bill was recommended to pass and re-referred to the Transportation Committee.

Two omnibus bills gain

The Finance Committee, chaired by Sen. Richard Cohen (DFL-St. Paul), approved the environment and the economic development omnibus bills Mon., Mar. 26. Both bills were sent to the Senate floor.

S.F. 2096, authored by Sen. Ellen Anderson (DFL-St. Paul), appropriates money for environmental, natural resources and energy purposes. The bill reflects priorities important to the division, including clean water, renewable energy, forestry initiatives and invasive species prevention, Anderson said. Dan Mueller,

fiscal analyst, said the bill includes increases in non-resident hunting and fishing licenses to help pay for invasive species programs.

A provision in the bill requires the Monticello nuclear generating power plant to pay \$16 million per year for storing spent nuclear fuel in dry cask at the facility, Mueller said. The Prairie Island nuclear plant already pays the same fee, he said. Mueller said the money is placed in the renewable energy development fund. Jim Alders, manager of regulatory projects, Xcel Energy, spoke in opposition to the provision. Renewable energy research and development should be paid for by all utilities, not just Xcel, he said. Bill Grant, director, Midwest office, Isaac Walton League, said the state needs alternatives to nuclear power. The renewable energy development fund is used to provide grants to get renewable energy technology to market, Grant said.

The committee adopted an amendment to require a study of filtration systems' effectiveness of removing perfluorooctanoic acid and perfluorooctane sulfonate from drinking water. Anderson offered the amendment on behalf of Sen. Kathy Saltzman (DFL-Woodbury). Saltzman said communities in the east metro have no idea how well filtration systems work to remove the compounds from the drinking water. The committee also adopted an amendment establishing an environmental health tracking program and a biomonitoring program.

The committee also reviewed the one-time funding recommendations from the Environment, Energy and Natural Resources Budget Division. Since the recommendation left the division, the spending target has been reduced, Anderson said. The one-time appropriations include \$54 million for clean water initiatives, a reduction of \$20 million, she said. Other one-time recommendations from the division total \$8 million, a reduction of \$3 million, Anderson said.

S.F. 2096 was recommended to pass and sent to the Senate floor.

Sen. David Tomassoni (DFL-Chisholm) carried S.F. 2089, the economic development omnibus bill. The bill was laid on the table at a previous meeting because the committee had concerns about policy provisions in the bill that had not been heard in the appropriate policy committees. An amendment was adopted

to remove provisions not heard in the policy committees, including establishing a state poet laureate and approval of a harness racetrack in the metro. The committee also adopted an amendment to reflect changes made by policy committees to a provision in the bill giving the commissioner of commerce the authority to enforce prevailing wage laws.

An amendment was offered on behalf of Sen. Satveer Chaudhary (DFL-Fridley) establishing independent contractor exemption certificates. In the contracting industry, there is a problem with employers misclassifying employees as independent contractors to avoid taxes and workers compensation, he said. Chaudhary said the bill has passed the appropriate policy committees, but should be included in the omnibus bill because revenues raised in the bill will help establish the program. The amendment was adopted.

Tomassoni said he plans to offer amendments on the floor to reflect changes to the Plumbing Board and Board of High Pressure Piping Systems made by the State and Local Government Operations and Oversight Committee. The bill was recommended to pass and sent to the Senate floor.

In other action, the committee approved S.F. 279, authored by Sen. Don Betzold (DFL-Fridley). The bill creates a statewide health insurance pool for school district employees. The pool requires a one-time appropriation of \$4 million for start up costs, Betzold said. The bill was recommended to pass and sent to the Senate floor.

Judiciary, bonding bills approved

Measures funding the state court system and providing for supplemental infrastructure spending were approved by members of the Finance Committee, Tues., Mar. 27.

S.F. 1972, carried by Sen. Leo Foley (DFL-Coon Rapids), is the omnibus judiciary appropriations bill. Committee members began their consideration by adopting an amendment, at Foley's request, adjusting the appropriations in the bill. Chair Richard Cohen (DFL-St. Paul) said the amendment was needed because staff found an error in how the budget was prepared. The state takeover of court funding was completed two years ago, he said, but the budget did not take into account the completed takeover when it calculated how much money was needed

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to fund a 3.25 percent annual compensation increase for judicial employees. Cohen said he suggested resolving the problem by increasing the judiciary bill's spending target by about \$8.5 million and reallocating some money within the bill. Senate Fiscal Analyst Chris Turner said the reallocation amounted to \$2 million.

With the increased target and reallocation, the bill provides for \$762.374 million in net general fund spending in FY 08-09. It provides \$62.938 million for Supreme Court operations, \$20.243 million for the Court of Appeals, \$505.867 million for the District Courts, \$27.14 million for civil legal services, \$1.624 million for the Tax Court, \$110,000 for the Uniform Laws Commission, \$912,000 for the Board of Judicial Standards, and \$143.06 million for the Board of Public Defense. The measure authorizes three new judgeships at the Court of Appeals and seven new District Court judges. The bill provides that judges' salaries will be increased, in FY 10-11, by the average salary increase received by judicial employees in the same biennium.

Sen. Don Betzold (DFL-Fridley) offered an amendment increasing judicial salaries by five percent annually in FY 08-09. The amendment leaves in place the increase indexing for the following biennium. Sandy Neren, representing the District Judges Association, said judges' salaries have historically kept pace with employee salaries. However, in recent years, judicial salaries were increased by only about 1.5 percent, while employee salaries rose by 4.5 to six percent, she said. The amendment seeks to catch up judicial salaries, Neren said, and then index the increases. Betzold said judicial salaries need to be increased, because first-year attorneys at large firms often make more than judges. Experienced judges are leaving the bench because they have financial needs, such as higher education for their children, that cannot be met by stagnant state salaries, he said. Betzold said data also indicates that applications for judgeships from experienced attorneys, especially in the private sector, are declining, in part because of salary stagnation. Sen. Ellen Anderson (DFL-St. Paul) said she was sympathetic, but concerned that the higher judicial salaries would reduce funding for other court functions, such as legal aid. The amendment was adopted.

S.F. 1972 was approved and advanced to the full Senate.

Sen. Keith Langseth (DFL-Glyndon) sponsored S.F. 2157, the supplemental bonding bill. Langseth reviewed the bill's appropriations, which total almost \$170 million in bonding and over \$130 million in onetime general fund appropriations. The measure provides for \$134.986 million in general obligation bonds, \$136 million in onetime general fund spending, \$33.42 million in trunk highway bonding, and \$1.267 million in user-financed bonding. General obligation bonding projects include \$52 million for higher education asset preservation on University of Minnesota and Minnesota State Colleges and Universities campuses, \$14.4 million for the biomedical science research facility at the University of Minnesota, \$30 million for local bridges around the state and \$40 million to construct the Central Corridor Transitway connecting Minneapolis and St. Paul. The trunk highway bonding is primarily for repairs at the St. Paul headquarters of the Dept. of Transportation (\$12.715 million) and for construction of a MnDOT district headquarters in Mankato (\$20.673 million). Onetime general fund projects include \$37 million for the Duluth Entertainment and Convention Center, \$30 million for infrastructure to support a new steel plant in Itasca County, and \$11 million for the National Hockey Center in St. Cloud.

The bill also creates a Biomedical Sciences Research Facilities Authority to manage \$233 million in bond sale proceeds, staggered through 2016, for grants to biomedical research projects at the University of Minnesota. Dr. Frank Cerra, senior vice president for health sciences at the University of Minnesota, said Minnesota's biosciences leadership is being severely challenged by other states. The University is at capacity in both faculty and facilities, he said, and needs to be able to plan appropriately for recruiting, which can take three to four years. Members adopted an amendment, offered by Sen. James Metzen (DFL-South St. Paul), clarifying that a hospital is not a biomedical research facility eligible for funding under the bill. Paul Cassidy, representing Children's Hospitals, said the amendment was needed to ensure that the facilities authority is not used to erect a new hospital and unfairly compete with the other hospitals in the Metro Area.

Members also adopted amendments, offered by Sen. Sandra Pappas (DFL-St. Paul) and Sen. Steve Murphy (DFL-Red Wing), requiring the Union Depot to be the terminus of both the Central Corridor light rail line connecting Minneapolis and St. Paul and a high-speed rail line connecting Chicago and St. Paul.

S.F. 2157 was approved and forwarded to the full Senate.

HHS omnibus bill approved

Chair Richard Cohen (DFL-St. Paul) and members of the Finance Committee recommended passage for S.F. 2171, the Health and Human Services omnibus bill.

Authored by Sen. Linda Berglin (DFL-Mpls.), the bill appropriates \$245 million in new funding from the general fund. Provisions in the bill increase access to health insurance for Minnesota's children and move towards affordable healthcare for all Minnesotans, she said.

Berglin said the bill increases childcare provider rates by three percent, reduces parental child care co-payments and changes the renewal period for MinnesotaCare to 12 months. The bill also provides for rebasing nursing home facility rates beginning in 2009, she said. An amendment was adopted to rebase the rates over a five year period, rather than a four year period, to reduce the tails of the bill. Other provisions in the bill change requirements for Minnesota Family Investment Program, extend dependent coverage to unmarried children under the age of 25 and adopt the governor's q-care pay for performance initiative, Berglin said. A 3.25 percent compensation increase for state employees is also included, she said.

The committee adopted several technical amendments. The bill was recommended to pass, as amended, and sent to the Senate floor.

Supplemental, one-time bills OK'd

Two significant spending packages were approved by members of the Finance Committee, Thurs., Mar. 29.

S.F. 406, sponsored by Sen. LeRoy Stumpf (DFL-Plummer), supplements the omnibus E-12 education and higher education budget bills with an additional \$443.737 million in spending in FY 08-09. The measure increases the basic education formula allowance by two percent annually, to \$5,074 in FY 08 and



Senators Pat Pariseau (R-Farmington), left, and Gen Olson (R-Minnetrista) look over the details of a bill during a Senate floor session, Wed., Mar. 28.

Photo by David J. Oakes

to \$5,176 in FY 09. The bill provides over \$54 million for early childhood education, primarily through a new pre-kindergarten education allowance. Under the bill, all children between ages three and five are eligible for an allowance of \$200. The bill offers additional allowances based on the family's federal adjusted gross income (FAGI). The additional allowances amount to as much as \$3,800 for children in families with less than \$10,000 in FAGI; no additional allowance is available for children in families with more than \$75,000 in FAGI. The measure provides additional funding to the University of Minnesota and the Minnesota State Colleges and Universities to hold tuition down. The bill encourages the U limit its tuition increases to five percent annually and requests MnSCU to limit its tuition increases to three percent annually.

Committee Chair Richard Cohen (DFL-St. Paul) said many Senators had expressed angst over how few resources were available in the omnibus budget bills. The bill represents an effort to highlight the difficulties with the education system, at all levels and all ages, he said. Stumpf, Sen. Sandra Pappas (DFL-St. Paul), and Sen. Tarryl Clark (DFL-St.

Cloud), reviewed the bill's provisions. Clark said the early childhood education provisions are designed to help children be ready for school. It is not just our low-income children who are not ready for kindergarten, she said. Early childhood education is necessary at all income levels, Clark said. More early childhood education will help close the achievement gap and get all children to grade level by the end of third grade, she said. Clark said the measure does not rely solely on the public treasury, but also seeks to leverage private dollars through the Minnesota Early Learning Foundation.

Cohen noted that the measure spends dollars the committee does not have available. If we think these are worthy priorities, as the citizens of Minnesota have told us they are, then we should send this bill to the Taxes Committee to find the revenue to fund the priorities. Sen. Dennis Frederickson (R-New Ulm) said the bill seemed to be spending "phantom dollars." If the Taxes Committee does not believe these priorities merit funding, then we will never see the bill again, Cohen said.

S.F. 406 was re-referred to the Taxes Committee.

Members also approved a measure providing one-time appropriations across

budgetary areas. Sponsored by Cohen, the package totals \$240.349 million in FY 08-09 spending. It allocates to \$45.286 million to health and human services projects, \$1 million to a veterans project, \$62.9 million to environment, energy and natural resources projects, \$105.429 million to economic development activities, \$4.2 million to public safety items, \$2.675 million to transportation projects, and \$18.895 million to state government activities. Cohen said the signature piece of the proposal was \$54 million for clean water legacy initiatives. The measure was approved for introduction as a committee bill.

In other action, committee members approved a measure setting an energy savings goal of 1.5 percent statewide. S.F. 997, authored by Sen. Scott Dibble (DFL-Mpls.), was advanced to the full Senate.

Health, Housing and Family Security

Assault victim bill gains

The Health, Housing and Family Security Committee, chaired by Sen. John Marty (DFL-Roseville), met Mon., Mar. 26, to consider three bills.

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Sen. Sandra Pappas (DFL-St. Paul) sponsored a bill, S.F. 1266, establishing a protocol for the compassionate care of sexual assault victims. The bill specifies that the standard for female victims involves providing information about emergency contraception, informing the victim of the availability of emergency contraception and providing emergency contraception to victims who request it. In addition, the bill provides that for both female and male victims, the standard includes providing information about sexually transmitted diseases, informing the victim of the availability of prophylactic antibiotics and providing prophylactic antibiotics to victims who request them. Members adopted an amendment specifying that hospitals may administer a pregnancy test prior to offering emergency contraceptives. Under the amendment, if the test is positive, the hospital does not have to comply with the provisions requiring the provision of emergency contraceptives. The bill was approved and sent to the full Senate.

Members also approved a bill, S.F. 1790, changing provisions for adverse health care events reporting. The bill, sponsored by Sen. David Hann (R-Eden Prairie), modifies the reporting of a patient disappearance to require the reporting of all patient disappearances rather than those lasting more than four hours. In addition, the bill requires reporting of the administration of incompatible blood or blood products and artificial insemination with the wrong sperm or the wrong egg. Finally, the measure requires reporting of a serious disability resulting from a fall, rather than reporting only deaths resulting from a fall. The bill was approved and sent to the Senate floor.

The final bill under consideration, S.F. 1701, recodifies and updates provisions relating to access to health records. The measure, sponsored by Sen. Don Betzold (DFL-Fridley), addresses barriers to the electronic exchange of health information and updates the consent provisions relating to health records. Under the bill, a provider may release a patient's records if the provider has a representation from a provider that the provider holds a consent from the patient. The bill also establishes criteria that a court is to use when adjudicating a dispute involving the disclosure of patient health records. Discussion centered on whether the subject of data in a medical locator database has the ability

to opt out of the provisions. The bill was approved and re-referred to the Judiciary Committee.

Manufactured home bills gain

The Health, Housing and Family Security Committee held an evening meeting Wed., Mar. 28, to consider two bills relating to manufactured homes.

S.F. 1196, carried by Sen. Michael Jungbauer (R-East Bethel), requires relocation compensation for displaced residents. Under the bill, the governing body of the affected municipality must hold a public hearing to determine relocation compensation. The park owner must compensate the displaced homeowners before there is any change in use or cessation of operation, according to the bill. The bill outlines reasonable relocation costs and specifies that if the resident chooses not to relocate the home, the park owner must pay an amount equal to the estimated market value of the manufactured home, provided the resident gives the title to the park owner. The bill was approved and re-referred to the State and Local Government Operations and Oversight Committee.

Chair John Marty (DFL-Roseville) sponsored the second bill, S.F. 1253. The measure outlines the notice procedures park purchasers must provide to residents if a manufactured home park is to be sold and converted to another use or closed. Under the bill, 51 percent of the home owners or a nonprofit organization with permission from 51 percent of the owners or a resident owned cooperative have the right to purchase the park by meeting the cash price. The bill was approved and re-referred to the Judiciary Committee.

Members also approved a bill, S.F. 1724, sponsored by Sen. Yvonne Prettner Solon (DFL-Duluth), making numerous changes to human services licensing provisions. The bill also makes changes to conditional license provisions, suspensions, sanctions and contested case hearings. The bill was advanced to the Senate floor.

Health bills approved

The Health, Housing and Family Security Committee held a brief meeting Fri., Mar. 30, to consider three bills. The panel, chaired by Sen. John Marty (DFL-Roseville) advanced all three bills to the Senate floor.

S.F. 2111, authored by Sen. Paul Koering (R-Fort Ripley), provides that to meet cross-connection control requirements, the use of a hose connection backflow preventer and a hose connection vacuum breaker, not rated for continuous use, are permitted at individual water supply connections in recreational camping areas. S.F. 1959, authored by Sen. Sharon Erickson Ropes (DFL-Winona), specifies that pharmacies may accept returns of and redispense unopened, unused drugs and medical devices from county jails and juvenile correctional facilities. Further, the bill specifies that in order to return unused drugs and medical devices, the county jail or juvenile facility must have a correctional employee trained in the delivery and storage of medications on hand 24 hours a day and the medication must be stored in a secured lock storage locker.

S.F. 475, authored by Sen. Linda Berglin (DFL-Mpls.), specifies that a radiation therapy facility may be constructed only by an entity owned, operated, or controlled by a hospital either alone or in cooperation with another entity if the hospital will derive at least 90 percent of the financial benefit and the hospital has no existing radiation facility unless the new facility is a relocation of an existing facility.

Health and Human Services Budget Division

Omnibus bill okayed

The Mon., Mar. 26, meeting of the Health and Human Services Budget Division was devoted to reviewing the language contained in the omnibus health and human services appropriations bill. The measure, carried by Chair Linda Berglin (DFL-Mpls.), contains funding for human services and health programs along with funding for the departments. The measure also modifies health policy in a step toward providing health care coverage to all children, alters provisions for chemical and mental health with increased funding and changes continuing care provisions. The bill also provides changes in MinnesotaCare to allow a small business option and to expand coverage to adults without children.

The bill totals \$491.27 million in direct appropriations. The bulk of the appropriation, \$436.9 million, is for the

Dept. of Human Services and \$43.102 million is directed to the Dept. of Health. The measure also adopts of the governor's recommendation of \$6.8 million for the Veterans Homes Board. In addition, the measure appropriates \$2.167 million for the health related boards, \$534,000 for the Emergency Medical Services Board, \$1.336 million for the Council on Disability and \$315,000 for the Ombudsman for Mental Health and Mental Retardation.

The measure also contains a 3.25 compensation increase for all employees, Berglin said. The bill was approved and forwarded to the Finance Committee.

Judiciary

Prevailing wage enforcement gains

A bill providing private remedies for violations of the prevailing wage laws was approved by members of the Judiciary Committee, Mon., Mar. 26. The panel, chaired by Sen. Mee Moua (DFL-St. Paul), advanced the bill to the full Senate.

S.F. 1769, authored by Sen. David Tomassoni (DFL-Chisholm), authorizes a civil action for prevailing wage violations, makes violators liable for compensatory damages in the amount of unpaid wages and benefits, creates additional liability as liquidated damages for an amount equal to the compensatory damages, and permits other appropriate relief, such as an injunction. The bill also makes violators liable for reasonable costs, disbursements, witness fees and attorney fees. In addition, the measure expands the commissioner of labor and industry's prevailing wage enforcement powers.

Richard Miller, representing the Minnesota State Building and Construction Trades Council, said the current lack of private enforcement provisions is a deficiency in the prevailing wage laws. Employees need some way to hold contractors and subcontractors accountable, he said. Committee members focused much of their discussion on language suggesting employees might be able to bring class action claims against violators. Miller said the language was intended to give employees a right of collective action, but not class action. The committee adopted an amendment clarifying the ability of employees to act together, but not through a class action.

Five bills gain

Members of the Judiciary Committee met in the evening hours, Tues., Mar. 28, to consider five measures. The panel, chaired by Sen. Mee Moua (DFL-St. Paul), approved all the bills.

S.F. 958, authored by Sen. Ann Rest (DFL-New Hope), permits state agencies and political subdivisions to enter property to conduct geotechnical investigations. The bill also makes it a misdemeanor to engage in any of a series of activities—such as depositing snow or ice, abandoning vehicles, or draining harmful materials—on rail bank property. Betsy Parker, Dept. of Transportation, said the geotechnical investigations language is needed in situations where the department or a local government needs to bore into the land to determine if it is suitable for a roadway. The rail bank activity prohibition, she said, parallels similar provisions for highways. Sen. Mary Olson (DFL-Bemidji) noted that many rail banks are now being used as trails and the public safety concerns are not as high as in the highway context. Members adopted an amendment, offered by Olson, changing the misdemeanor penalty to a petty misdemeanor. The bill was sent to the full Senate.

Sen. Kathy Sheran (DFL-Mankato) sponsored a bill, S.F. 1338, permitting 911 data to be used to notify the public of situations where property or human life is in jeopardy and prompt public notification is essential. Randy Young, Minnesota Association for Rural Telecommunications, said the measure bring Minnesota law into conformity with federal law. The bill was advanced to the Senate floor. S.F. 794, carried by Sen. Thomas Neuville (R-Northfield), clarifies the homestead exemption's application when one homeowner is a debtor and one is not a debtor. The bill also increases the value of the homestead exemption by about three percent per year since the last adjustment in 1993, Neuville said. The bill was referred to the State and Local Government Operations and Oversight Committee.

S.F. 1349, authored by Olson, makes a variety of changes to statutes relating to the judicial branch. It reduces administrative inefficiencies, repeals obsolete language and protects guardians ad litem, said Edward Lynch, assistant chief judge in the First Judicial District. Members deleted a provision repealing a required biannual

report on warrants sought and granted to intercept communications. The bill was forwarded to the full Senate.

Neuville carried a bill, S.F. 1271, making a variety of changes in child support enforcement provisions. Neuville said the bill is mostly technical and clarifying language, with the exception of two sections that are opposed by county attorneys. The sections in dispute permit the Department of Human Services to ensure statewide consistency in child support enforcement and give the department the ability to impose administrative penalties on noncompliant agencies, said Waylon Campbell of the department. The sections undermine the traditional role of county attorneys, said Hennepin County Attorney Mike Freeman. The other agencies over which the department has compliance authority are mostly passive and administrative, he said, but county attorneys are actively engaged in the child support enforcement process. Freeman said county attorneys need flexibility to consider the individual circumstances of each case, rather than being required to maintain the consistency required by a detached department. After additional discussion, several committee members urged both sides to work together to craft a solution targeted at identifiable problems the department has encountered while not unduly restraining county attorneys. The sections in dispute were removed from the bill. Members also adopted an amendment, offered by Neuville, permitting courts to consider, for purposes of deviating from child support guidelines, the varying standards of living if a child resides in a foreign country. S.F. 1271 was sent to the full Senate.

Predatory lending bill gains

A bill to prohibit predatory lending practices was approved by the Judiciary Committee Wed., Mar. 28. Sen. Mee Moua (DFL-St. Paul) chairs the committee.

S.F. 809, authored by Sen. Linda Higgins (DFL-Mpls.), prohibits predatory lending practices. The bill attempts to do something meaningful about predatory lending practices, which is especially troubling in Minnesota where there are high home ownership rates, said Sen. Linda Scheid (DFL-Brooklyn Park), who presented the bill. The committee adopted an amendment to change fiduciary duties of mortgage brokers to specify the agency

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is the entity that must undertake fiduciary duties. Duties of agency include acting in the borrower's best interest, disclosure of material facts and using reasonable care in performing duties, Scheid said. The amendment also removed a presumption of churning in specified circumstances. The bill was recommended to pass, as amended, and sent to the Senate floor.

The committee considered two other bills. Carried by Sen. Dan Larson (DFL-Bloomington), S.F. 181 modifies personal jurisdiction over foreign corporations in certain matters. Under current law, an individual cannot file a defamation claim in Minnesota against an action that occurred outside of Minnesota, Larson said. The bill removes the inability to file the claim in Minnesota courts, he said. Sen. Julianne Ortman (R-Chanhassen) said she was not convinced of the need for the bill. Sen. Don Betzold (DFL-Fridley) said he would like to have more information about specific cases where the law would apply. The bill was laid over so the author can address the committee's concerns.

S.F. 883, authored by Scheid, enacts the Darlene Luther Revised Uniform Anatomical Gift Act. The bill will increase the number of lives saved through organ donation after death, she said. Scheid said the bill harmonizes the law with current practices, clarifies how an individual can make their wishes known and clarifies who can make an organ donation decision. Members adopted several amendments to clarify provisions in the bill. Scheid offered an amendment removing a provision that would have caused the bill to be referred to the Finance Committee. The measure also spells out procedures for revocation of an organ donation and refusing to make an organ donation. The bill was

approved and advanced to the Senate floor.

Rules and Administration

Bills advance

The Rules and Administration Committee, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met briefly Sat., Mar. 24, to advance two measures in their legislative progress. Both bills were before the committee because each measure added legislative members to a body created by the legislation.

S.F. 485, carried by Sen. Mary Olson (DFL-Bemidji), creates a study group to make recommendations on the creation and operation of a voluntary, statewide health plan purchasing pool. The bill was amended to clarify the appointing authority in the Senate and advanced to the Finance Committee. S.F. 265, sponsored by Sen. Richard Cohen (DFL-St. Paul), establishes the Minnesota Biomed-

ical Sciences Research Facilities Authority and the biomedical sciences research project funding program. The bill was amended to clarify the legislative membership and re-referred to the Capital Investment Committee.

State and Local Government Operations and Oversight

'Best value' bill okayed

A bill authorizing the use of "best value" in contracting for state and local projects was approved by members of the State and Local Government Operations and Oversight Committee, Mon., Mar. 26.

S.F. 1278, carried by Sen. James Metzen (DFL-South St. Paul), defines best value as a procurement method that considers both price and performance criteria. Relevant prior performance criteria, under the bill, include quality, timeliness, consumer satisfaction and



Sen. Satveer Chaudhary (DFL-Fridley) consults with Sen. Kathy Sheran (DFL-Mankato) during floor debate on a proposed statewide smoking ban.

Photo by David J. Oakes

record of on-budget performance. Other performance criteria include the vendor's ability to minimize change orders, ability to prepare appropriate project plans, technical capabilities, ability to assess and minimize risks, and key personnel's individual qualifications. Representatives of local governments and labor groups spoke in support of the measure. Sen. Chris Gerlach (R-Apple Valley) said the bill injects many subjective factors into the contracting process, which is likely to create more costs in both contracts and litigation. The bill was re-referred to the Business, Industry and Jobs Committee.

Committee members, chaired by Sen. Ann Rest (DFL-New Hope), considered several additional measures. S.F. 356, authored by Sen. Linda Berglin (DFL-Mpls.), requires the commissioner of labor and industry to adopt rules for window fall prevention devices, such as safety screens, as part of the State Building Code. The measure was advanced to the full Senate. S.F. 102, carried by Sen. John Marty (DFL-Roseville), requires the Legislative Commission on Health Care Access to design a universal health care system for Minnesota. The bill was before committee members because it changes the commission's membership. Members adopted an amendment, suggested by Marty, clarifying the changes to commission's membership and clarifying the commission's operations. The bill was re-referred to the Rules and Administration Committee.

Sen. Dan Larson (DFL-Bloomington) sponsored two bills creating regulatory boards. S.F. 1057 creates a High Pressure Piping Systems Board, and S.F. 1058 creates a Plumbing Board. Both bills were advanced to the Finance Committee. S.F. 957, carried by Sen. Tony Lourey (DFL-Kerrick), creates the Minnesota National Guard nonappropriated fund instrumentality to allow the Guard to create, operate and maintain morale, welfare and recreation facilities and activities. On Lourey's motion, members removed a provision creating a board to manage the fund. The measure was re-referred to the Finance Committee.

S.F. 1402, authored by Sen. Steve Dille (R-Dassel), requires cities and counties to consider natural heritage data in adopting or amending comprehensive plans. The bill also requires cities and counties, to consider including limits on development on agricultural, forest,

wildlife, and open space land. Members adopted an amendment, offered by Sen. Claire Robling (R-Jordan), to exempt Metro Area communities from the bill. Robling said the Metro Area is governed by a comprehensive plan promulgated by the Met Council. After hearing concerns from representatives of local governments, the committee re-referred the measure, without recommendation, to the Agriculture and Veterans Committee for further development.

Board, commission bills heard

The State and Local Government Operations and Oversight Committee, chaired by Sen. Ann Rest (DFL-New Hope), met Wed., Mar. 28, to hear a number of bills establishing various boards, task forces and commissions. Rest said the bills were before the panel to ensure the new entities conformed to the committee's criteria for new task forces, boards, commissions and work groups.

S.F. 289, sponsored by Sen. David Senjem (R-Rochester), extends the life of the Mississippi River Parkway Commission for an additional five years. S.F. 2034, sponsored by Sen. Tarryl Clark (DFL-St. Cloud), requires convening a work group to develop recommendations regarding the Minnesota Milestones indicators and related activities. S.F. 1660, authored by Sen. Tony Lourey (DFL-Kerrick), establishes a Food Safety and Defense Task Force. The bill requires the task force to coordinate efforts regarding food safety, serve as a source of information and referral for the public, news media, and others concerned with food safety and make recommendations to Congress, the Legislature and others about appropriate actions to improve food safety.

All of the above measures were advanced to the Senate floor.

In addition, the committee reviewed several additional bills. S.F. 1157, sponsored by Sen. Leo Foley (DFL-Coon Rapids), makes changes to the Criminal and Juvenile Justice Information Task Force appointment process. The bill was approved and re-referred to the Transportation Committee. S.F. 1902, carried by Sen. Rick Olseen (DFL-Harris), defines various terms for energy forward pricing mechanisms. Under the bill, energy means natural gas, heating oil, propane, diesel fuel and any other energy source except electricity used in state operations. Members approved the bill and referred

the measure to the Senate floor. S.F. 2030, carried by Sen. Chris Gerlach (R-Apple Valley) provides rulemaking authority for the commissioner of administration in regard to surplus property. The bill was sent to the Senate floor.

Rest carried two bills. S.F. 2142 provides mechanisms for discharge of city charter commissions. The bill was advanced to the full Senate. S.F. 2033 creates a sustainable growth working group. The working group is to identify strategies, recommendations and a process for implementing state-level coordination of state and local policies, programs and regulations in the areas of housing, transportation, natural resource preservation, capital development, economic development, sustainability and preservation of the environment. The bill was approved and re-referred to the Rules and Administration Committee.

Taxes

E-12 budget bill approved

The Taxes Committee, chaired by Sen. Thomas Bakk (DFL-Cook), met Sat., Mar. 24, to consider the omnibus E-12 education appropriations bill.

The massive \$13.36 billion bill, S.F. 2095, appropriates funds for early childhood and family, kindergarten through grade 12 and adult education. The bill funds general education, education excellence, special programs, facilities and technology, nutrition and accounting, libraries, early childhood education intervention and lifelong learning. Sen. LeRoy Stumpf (DFL-Plummer) said the bill's target was \$498 million in new spending. He said the bill provides additional funding for special education, rather than increases in the general education formula or early childhood and family education. Stumpf said school districts have seen dramatically rising cost for special education, but the Legislature made cuts because of the 2002 shortfall. As a result, he said special education costs have fallen further behind. School districts are required to fund special education, but the federal government has never fulfilled its obligation, he said. Stumpf said several programs in the bill are aimed at early literacy intervention. He said early intervention reduces the need for special education.

Stumpf and Eric Nauman, fiscal analyst, explained the bill section by

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section. The fiscal analysis on the revenue portions of the bill of the bill noted that changes to a number of levies indicated net taxes will decrease by \$110 million in FY 2009, \$104 million in FY 2010 and \$103 million in FY 104 million. The measure also results in decreased property tax refunds because taxes will decrease on homestead property.

Sen. Rod Skoe (DFL-Clearbrook) offered an amendment to delete a provision requiring school districts to forecast budgets and issue reports in the next biennium. He said the provision, which is in current law for this biennium has not really been of much use and eliminating the provision allows districts to focus on other necessary tasks. The amendment was adopted.

Stumpf said the increase in special education funding will eliminate the need for districts to use moneys from other funds to meet the special ed needs mandated by law.

The bill was approved and advanced to the Senate floor.

Public finance article okayed

The Taxes Committee approved the provisions to be incorporated as the public finance article at the Mon., Mar. 26, meeting.

Chair Thomas Bakk (DFL-Cook) carried S.F. 1933, modifying public improvements and services financing provisions. The bill will be incorporated as the public finance article in the omnibus bill and will also travel on its own if necessary. Barbra Portwood, president, Minnesota Institute of Public Finance said the bill cleans up financing statutes. Provisions in the bill conform school subordinate service districts to the same standards as city subordinate service districts, Portwood said. The bill also removes the sunset date for counties to use capital notes to purchase software, she said. The committee adopted an amendment to remove provisions allowing bonding for transportation grants in anticipation of federal funding. An amendment to remove a provision in the bill to allow residential property to be taxed as a part of a special service district was adopted. Sen. Lawrence Pogemiller (DFL-Mpls.) said the provision would allow a different tax levy and different services for different neighborhoods. The bill, as amended, was laid on the table.

The committee also heard S.F. 1189, carried by Sen. Tony Lourey (DFL-Kerrick), which exempts sales of tangible personal property used directly for emergency response. The bill provides a sales tax exemption for fire departments for all property used for providing response and training, Lourey said. The proposal will be especially helpful for small departments who have a limited budget, he said. The bill was laid over for possible inclusion in the omnibus bill.

S.F. 1173, authored by Sen. David Tomassoni (DFL-Chisholm), establishes the Iron Range Miners Memorial Forest. S.F. 1937, authored by Sen. Ray Vandever (R-Forest Lake), allows towns incorporating into a city to continue to receive payment in lieu of taxes. The committee removed the two bills from the table and re-referred them to the Environment and Natural Resources Committee at the request of the chair.

Tax bill unveiled

The omnibus tax bill was revealed at the Wed., Mar. 28, meeting of the Taxes Committee. Chair Thomas Bakk (DFL-Cook) said the meeting would be devoted primarily to a staff overview of the provisions in the bill, while a later meeting would be dedicated to amendments and final committee action on the measure.

The provisions were presented as amendments to S.F. 1024, an agency bill carried by Bakk. The net general fund impact of the measure is \$81.486 million in revenue losses or tax expenditures.

Net new revenue in the bill totals \$290.648 million. Federal conformity provisions in the bill amount to \$32.505 million in lost revenue. A home care credit of \$22.5 million is the major item in \$24.825 million in lost revenue in the individual income tax area. Altering how foreign operating corporation income is treated brings in \$244 million in new revenue, partially offset by accelerating the transition to a single sales factor corporate franchise tax. The net change in the corporate franchise tax area is \$223.67 million in new revenue. The bill proposes \$130.592 million in lost revenue in the sales tax area, primarily from making the capital equipment exemption apply up front, rather than through a payment-and-refund process. Additional new revenue is derived from freezing the state business property tax levy rates at their 2004 levels (\$221.9 million) and from interest earned

on an increase in the budget reserve (\$33 million).

The bill also provides for \$372.134 million in tax expenditures, primarily in the aids and credits area. An increase in the property tax refund program totals \$24.4 million. Local government aid for cities is increased \$150 million, with county program aid increasing \$60 million and township aid increasing \$12 million.

The measure includes a variety of policy provisions. It provides a sales tax exemption for materials and supplies used in constructing or expanding a legal reference office and data center facility. Under the bill, the tax must be paid and will be refunded over a four-year period only if the owner certifies annually that at least 8,600 full-time workers are employed at the facility. The bill creates a Joint Legislative Subcommittee on the Sales and Use Tax to examine the revenue productivity and equity implications of the current sales tax base, examine the implications of demographic and economic trends on the tax's future adequacy, and recommend alternative tax structures to improve revenue stability and equity of tax imposition. The measure also repeals a statute requiring the governor to propose a rebate plan when projections indicate the biennium will close with a positive unrestricted general fund balance in excess of one-half of one percent of total general fund biennial revenues.

The bill also includes a number of provisions relating to the Mall of America's proposed expansion. The measure provides that fiscal disparities money generated by the expansion is not distributed, but is returned to the city of Bloomington, extends the life of the Mall of America TIF district, permits the city to expand the Mall of America TIF district to include the expansion site, and authorizes the city to impose a sales tax and an admissions and recreation tax at the Mall. The measure also permits the city to impose a lodging tax citywide.

Members discussed one amendment, offered by Sen. Dan Larson (DFL-Bloomington). The amendment requires the TIF extension for the Mall of America to be submitted to a referendum. Larson said he was aware of concerns about the amendment's value as precedent, since no other TIF proposal has been submitted to voters. However, there is a limit on how much TIF should be used to finance the project, he said. Larson said the amend-

ment is an attempt to protect Bloomington's taxpayers by giving them a voice. Bloomington Mayor Gene Winstead spoke against the amendment, saying the TIF district has funded itself well. The Mall has not been an undue burden on the city's taxpayers, he said. Extending the TIF district's life merely captures what was first approved when the Mall was built, said Bill Griffith, an attorney representing the Mall. The expansion project was delayed by 10 years, he said, necessitating the proposed extension. Sen. Julianne Ortman (R-Chanhassen) said Legislators need to trust local officials when they request TIF extensions and modifications. The local officials will stand accountable for their decisions with local voters, she said. The amendment was not adopted.

Omnibus tax bill approved

The Taxes Committee accepted and rejected several amendments to S.F. 1024, the omnibus tax bill, Thurs., Mar. 29. Committee Chair Thomas Bakk (DFL-Cook) carried the bill. The bulk of the revenues spent in the bill will be for property tax relief and will mean a property tax decrease of approximately 5.8 percent for residents, Bakk said. The committee reviewed the provisions in the bill at a previous meeting.

Several amendments were offered relating to a tax increment financing (TIF) district for the Mall of America expansion. Sen. Julianne Ortman (R-Chanhassen) offered an amendment prohibiting the city of Bloomington from receiving local government aid while the TIF district is in effect. The state should not make money available to cities that are taking valuable properties off the tax rolls, Ortman said. Sen. John Marty (DFL-Roseville) said the amendment will impact the individuals who are already having more taxes shifted onto them because of the TIF district. The amendment was withdrawn.

An amendment was offered by Sen. Mee Moua (DFL-St. Paul) requiring a living wage be paid to full-time employees at the mall if the project receives financial assistance from the state. A living wage is about \$22,000 per year, Moua said. The amendment was adopted. Amendments requiring agreements that prevent disruption of hospitality operations due to work stoppages and requiring affordable access to the amusement areas of the facility were also adopted.

Ortman offered an oral amendment to delete a provision in the bill raising the tax rate for utility real and personal property. The tax affects energy companies disproportionately, Ortman said. Sen. Rod Skoe (DFL-Clearbrook) said changes in valuation will lead to decreases in taxes for utilities and shifts onto host communities. Utilities have seen significant property tax reductions for several years, Skoe said. The bill adjusts the tax rate so there is no shift onto local residents whose property taxes have gone up dramatically, he said. Ortman said utilities have been overtaxed for many years and the valuation change corrects the problem. Removing the rate change is fair, she said. The amendment failed.

Another amendment was offered by Ortman to provide a sales tax exemption for trunk highways and for commuter rail supplies. The cost of the trunk highway exemption would be about \$8.7 million and \$7.7 million for the commuter rail, Ortman said. The state has an interest in both commuter rail and trunk highways, she said. Bakk said the commuter rail exemption was carried in the transportation omnibus bill, but was removed on the floor and is more appropriately carried in the tax bill. The amendment is an effort towards consistency, Ortman said. The amendment was not adopted. The committee did adopt an amendment exempting the commuter rail supplies and equipment from sales taxes, but not trunk highways.

Other amendments adopted by the committee include a provision to treat property taxes for seasonal restaurants like other seasonal properties, a TIF district for a Fridley commuter rail transit station and a TIF district for the Giants Ridge Recreation Area.

The bill, as amended, was recommended to pass and sent to the Senate floor.

Fourth tier gains

A proposal to raise almost \$1 billion over the next two years from a higher tax rate on about the top four percent of taxpayers was approved by members of the Taxes Committee, Fri., Mar. 30.

The panel, chaired by Sen. Thomas Bakk (DFL-Cook), amended the tax increase, along with spending provisions sent to the committee by the Finance Committee, onto S.F. 1611, authored by Sen. LeRoy Stumpf (DFL-Plummer). The amended bill provides for \$443.737

million in education spending in FY 08-09: \$294.343 million in K-12 education, \$93 million in higher education, and \$56.394 million in early childhood education. The spending provisions add two percent annually to the basic education formula allowance, increase state support for public higher education institutions and for financial aid provided directly to students, and create a new pre-kindergarten education allowance program.

The tax provisions create a new fourth tier for the individual income tax, with a rate of 9.7 percent. The new top bracket includes all married taxpayers filing jointly with taxable incomes over \$250,000, married taxpayers filing separately with taxable incomes over \$125,000, single taxpayers with taxable incomes over \$141,250, and head-of-household taxpayers with taxable incomes over \$212,500. The tax provisions also increase the alternative minimum tax rate from 6.4 percent to 7.75 percent and index the AMT exemption phase-out threshold for inflation. A Dept. of Revenue analysis of the measure estimates that 93,000 tax returns will receive an increase in tax. About 2.4 million individual income tax returns are filed annually, according to the department.

Sen. Lawrence Pogemiller (DFL-Mpls.) said the proposal makes critical investments in education at all levels. The governor's budget created the false impression that one-time money can solve our problems, he said, but the Senate has sought to reflect the reality that ongoing spending is needed for long-term investments. The tax incidence study prepared by the Dept. of Revenue indicates that the taxpayers in the new fourth tier are not paying, and will still not be paying, their fair share as a percentage of their income, he said. Pogemiller said that even with the new top bracket, middle class taxpayers will still be paying more taxes, as a percentage of their income, than the highest income Minnesotans. This bill asks those who have benefited the most from the past several years' federal and state tax cuts to invest in education, Pogemiller said. Joel Kramer, Growth and Justice, echoed Pogemiller's comments. Kramer said the income tax proposal is well crafted and is the best way to pay for education investments. There is no evidence that a high ranking on income

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tax comparisons between states impedes economic growth, he said.

Representatives of business groups spoke against the new tax bracket. This proposal puts Minnesota small businesses at a competitive disadvantage, said Dave Dederichs, Minnesota Chamber of Commerce. The chamber is concerned that having the highest top tax rate in the country will drive out high-skilled, high-compensation jobs, he said. Dederichs said 31 new middle-income households need to be attracted to Minnesota to replace one high-income household that departs. Mike Hickey, National Federation of Independent Business, said the proposal sends the wrong message to the most successful small business owners.

Bakk said the small business owners he knows are concerned about paying decent wages to their employees, having quality education in their communities, being able to enjoy the comforts of life, and having affordable higher education opportunities for their own children and their employees' and neighbors' children. Taxes are not at the top of their list, he said. Pogemiller said the top issue identified by business leaders at a legislative retreat held early in the year's session was workforce development, not taxes. This bill raises taxes to ensure a quality workforce in future years. We cannot sustain repeated public sector growth that increases the burdens on the private sector, said Sen. Julianne Ortman (R-Chanhassen). We need to be careful not to drive away the people who pay taxes and create jobs, she said.

The bill was approved and advanced to the Senate floor.

Transportation

Transportation policy bills heard

The Transportation Committee, chaired by Sen. Steve Murphy (DFL-Red Wing), worked through a lengthy agenda at a Thurs., Mar. 29, evening hearing. The committee advanced most of the bills to the Senate floor while, at the same time, retaining language for possible inclusion in the panel's omnibus policy bill.

S.F. 1193, authored by Sen. Debbie Johnson (R-Ham Lake), requires a person to be in close attendance to a dispenser nozzle while fuel is being dispensed into a motor vehicle, updates specifications for petroleum products and modifies definitions of petroleum terms. The bill was

approved and advanced to the Senate floor. S.F. 1887, sponsored by Sen. Paul Koering (R-Fort Ripley) and Sen. Dan Skogen (DFL-Harris), designates Trunk Highway 210, from the city of Motley to the city of Staples as the Dallas Sams Memorial Highway. The measure was recommended for placement on the Consent Calendar.

Sen. Betsy Wergin (R-Princeton) sponsored two bills. S.F. 1365 requires the Dept. of Transportation to obtain at least one appraisal of each parcel of land that is or could be identified in a final plan or other final document for acquisition for a transportation project. In addition, the commissioner of transportation must notify the county assessor of real estate proposed in a final plan to be acquired for a transportation project. The bill was placed on the table in order to allow time for agreements on the bill's provisions to be reached. S.F. 1148 exempts medical service personnel from the prohibition on the use of headphones while operating an ambulance. The bill was approved and advanced to the Senate floor.

S.F. 1923, carried by Murphy, changes requirements for the expedited extinguishment of interest in a town road and nullifies extinguishments if the interest is not recorded or filed with the county recorder, but is recorded or filed with the county auditor. The measure was laid on the table in order to prepare amendments. S.F. 1605, authored by Sen. Thomas Neuville (R-Northfield), imposes curfew and passenger restrictions on provisional license holder's operation of a vehicle. Neuville said the bill is aimed at giving younger, less experienced drivers time to become more experienced. Murphy said young drivers between 16 and 25 have a disproportionate share of accidents. Under the bill, for the first six months of provisional licensure, a provisional license holder may not operate a motor vehicle carrying a passenger under the age of 20 who is not a member of the holder's immediate family. The bill also specifies that for the first six months of provisional licensure, the driver may only operate a vehicle between midnight and 5 a.m. under certain circumstances. Sen. Amy Koch (R-Buffalo) offered an amendment to allow one passenger under the age of 20. The amendment was adopted. The bill was approved and sent to the full Senate.

Sen. Ann Rest (DFL-New Hope) authored two bills. S.F. 2126 sets up a

Congestion Reduction Task Force to advise the Dept. of Transportation and the Metropolitan Council about the state's participation in the federal urban partnership program. The urban partnership program emphasizes four components: congestion pricing, transit, telecommuting, and technology and operations. The measure was approved and re-referred to the State and Local Government Operations and Oversight Committee. S.F. 1161 regulates highway contracts. Rest said that currently bids must be read aloud in the Dept. of Transportation cafeteria and published in the newspaper. The bill allows the announcement to be published on a state web site. In addition, the bill allows the bids to be submitted electronically, Rest said. The bill was approved and sent to the full Senate.

S.F. 647, sponsored by Sen. Rick Olseen (DFL-Hewitt), modifies school bus equipment standards and clarifies pupil transportation requirements. S.F. 1097, also carried by Olseen, changes allowable vehicle weights on all specific highways. Under the bill, all paved roads are considered 10 ton unless posted otherwise. Both measures were approved and sent to the Senate floor.

Sen. Terri Bonoff (DFL-Minnetonka) authored a bill, S.F. 1062, making a number of technical changes in Dept. of Transportation provisions. Members adopted an amendment allowing left turns on flashing yellow arrows, if the way is clear. The amendment also makes changes to definitions of freeways. The bill was advanced to the full Senate.

Murphy also authored two additional bills. S.F. 1971 allows applicants for licenses or ID cards to provide either a residence address or a designated address. A designated address is defined under the address confidentiality program for data protection for victims of violence. The other bill, S.F. 2047, modifies the recreational vehicle combination definition. The term for the second vehicle in the combination is replaced with the term middle vehicle or towed middle vehicle. Both bills were approved and sent to the Senate floor.

Murphy also presented a bill, S.F. 1845, authored by Sen. Dan Larson (DFL-Bloomington), specifying that a statutory parking violation is a petty misdemeanor for the owner or lessee of the vehicle. The bill was approved and re-referred to the Judiciary Committee.

S.F. 1797, sponsored by Sen. Jim Carlson (DFL-Eagan), specifies that special transportation providers must undergo state inspections by the Dept. of Transportation and display complaint contact information. The bill was approved and sent to the full Senate. S.F. 1275, also carried by Carlson, allows trucks to remain at rest areas for up to 10 hours if the rest area has commercial motor vehicle parking stalls. The bill also specifies that all county paved highways are to be designated nine ton and increases the weight limits for motor vehicles equipped with idle reduction technology. The bill was approved and sent to the full Senate.

Sen. Tom Saxhaug (DFL-Grand Rapids) authored a bill, S.F. 438, making numerous changes to forestry provisions. The bill was before the panel because of changes on gross weight limitations on hauling forest products. The measure

provides for an additional axle to provide for heavier weights. Saxhaug said the additional axle will allow the trucks to haul more but spread the weight more evenly. Sen. Rod Skoe (DFL-Clearbrook) offered an amendment that also regulates gross vehicle weights and axle weights of vehicles and combinations of vehicle when hauling agricultural products. The amendment was adopted. The bill was approved and re-referred to the Taxes Committee.

H.F. 539, sponsored by Sen. Joe Gimse (R-Willmar), makes changes to defined routes on the trunk highway system. The measure was approved and sent to the Senate floor.

The committee also examined the language of H.F. 448. The measure repeals the program that involved mailed demands that vehicle owners provide verification of auto insurance. The

measure was approved and advanced to the full Senate.

Capitol Report: on air, online

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In commemoration of Women's History Month, Victorian Society in America members Sarah French of Richfield, left, and Mary Brown of Eagan don costumes and parade in front of the Minnesota Woman Suffrage Memorial on the Capitol Mall, Sat., Mar. 24.

Photo by A.J. Olmscheid

Senate Briefly

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*Hundreds of supporters of a transportation funding package gather in front of the Capitol, Thurs., Apr. 12, during a rally sponsored by the Minnesota Transportation Alliance.
Photo by A.J. Olmscheid*



April 13, 2007

Senate Highlights

Miscellaneous bills approved

Senators returned to the Capitol Tues., Apr. 10, and held a floor session to take up seven bills on General Orders. All of the bills were recommended to pass.

S.F. 493, authored by Sen. Mee Moua (DFL-St. Paul), provides that criminal gang behavior is a public nuisance. The bill provides an additional tool for law enforcement to fight gang violence, Moua said. The bill allows landlords to be a defendant in a suit 60 days after notification if they knowingly allow gang activity on the property, she said. Moua said the bill also allows landlords to end a lease if a property is declared a public nuisance because of gang activity. The bill is for protection of landlords as much as it is for neighborhoods, she said. The body adopted an amendment, authored by Sen. Warren Limmer (R-Maple Grove), refining language in the bill to address the concerns of landlords.

Carried by Sen. Tony Lourey (DFL-Kerrick), S.F. 1048 restructures the Indian Affairs Council. The bill makes changes to better facilitate relations between tribal leaders and the state, he said. Lourey said the bill restates and clears up the duties of the council.

S.F. 837, authored by Sen. Amy Koch (R-Buffalo), authorizes the Hennepin County Board and the Wright County Board to initiate the process for the change of county boundaries by resolution. The city of Rockford sits in both counties and that has lead to confusion in emergency situations and some added costs for the city, Koch said. The bill allows the process to move forward, but does not make any changes, she said.

Authored by Sen. Sandy Rummel (DFL-White Bear Lake), S.F. 753 permits appointment of election judges not affiliated with a major political party.

Rummel said the measure is a way to find more qualified people to serve as election judges.

Two bills addressing heating for low-income families were taken up. S.F. 1696, authored by Sen. Tarryl Clark (DFL-St. Cloud), specifies criteria for affordability programs for low-income residential customers. S.F. 1335, carried by Sen. Rick Olseen (DFL-Harris), modifies conditions for disconnecting and reconnecting utility service.

Members also approved S.F. 1236, carried by Sen. Geoff Michel (R-Edina). The bill makes technical and housekeeping changes for the Department of Employee Relations.

Predatory lending bill okayed

Senators met Wed., Apr. 11, to preliminarily approve five bills on General Orders, including a measure prohibiting predatory mortgage lending practices.

Sen. Linda Higgins (DFL-Mpls.) said the bill, H.F. 1004, creates "common sense standards" to protect homeowners. After a great deal of work, we have a solution acceptable to consumer advocates, the attorney general, and lenders, she said. This bill will help stem the tide of foreclosures and preserve equity for homeowners, Higgins said. She said the bill requires mortgage originators to verify borrowers' ability to repay the loan and creates a duty of agency for mortgage brokers.

S.F. 221, authored by Sen. Thomas Neuville (R-Northfield), requires employers to provide new employees with written notice of their existing rights regarding their personnel files. Members adopted an amendment, offered by Neuville, requiring the notice to be provided when the employee is terminated as well. S.F. 1495,

sponsored by Sen. Dan Sparks (DFL-Austin), modifies regulations on employers' use of payroll cards to pay employees. Members adopted an amendment, offered by Sparks, replacing the bill's language with an extension of a payroll-card law enacted in 2005.

S.F. 380, carried by Sen. Charles Wiger (DFL-North St. Paul), eliminates the requirement that a county, municipality, or school district get the approval of the county auditor before conducting an election by mail, permits a school board to decide whether or not to hold a primary election, and confirms school boards' authority to use electronic voting systems in elections not held in conjunction with a statewide election. S.F. 248, authored by Sen. Don Betzold (DFL-Fridley), provides an exception to the \$50 annual limit on charitable contributions made by principal campaign committees. Under the bill, the limit is lifted for principal campaign committees that dissolve within one year after the contribution is made. Sen. Warren Limmer (R-Maple Grove) offered an amendment increasing the charitable contribution limit from \$50 to \$100. The amendment was adopted.

In other action, Senators confirmed several appointments: Mahesh Kumar to the Board of Animal Health; Lisa Heggedahl, Gary Pawlitschek, Howard Swenson and William Thyne to the Minnesota Rural Finance Authority; Terri Ashmore and Bob Milbert to the Campaign Finance and Public Disclosure Board; and Ward Einess as Commissioner of the Dept. of Revenue.

Variety of bills passed

The Thurs., Apr. 12, floor session of the Senate was devoted to granting final passage to bills given preliminary passage Tues., Apr. 10, and processing bills on General Orders.

The members began by granting final passage to seven measures. S.F. 493, carried by Sen. Mee Moua (DFL-St. Paul), provides that specific gang behavior is a public nuisance and authorizes injunctive relief and other remedies. S.F. 1236, authored by Sen. Geoff Michel (R-Edina), makes technical and housekeeping changes to provisions relating to state employees. S.F. 1048, carried by Sen. Tony Lourey (DFL-Kerrick), makes changes in the state Indian Affairs Council. S.F. 837, sponsored by Sen. Amy Koch (R-Buffalo), authorizes the Hennepin

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County Board and the Wright County Board to initiate a process for the change of county boundaries by resolution. S.F. 753, authored by Sen. Sandy Rummel (DFL-White Bear Lake), permits the appointment of election judges not affiliated with a major political party. S.F. 1696, sponsored by Sen. Tarryl Clark (DFL-St. Cloud), specifies criteria for affordability programs for low-income residential customers. S.F. 1335, carried by Sen. Rick Olseen (DFL-Harris), modifies the conditions for disconnecting and reconnecting utility service. All of the bills were granted final passage with minimal dissent.

The Senate also granted preliminary passage to several measures. S.F. 1363, sponsored by Sen. Jim Carlson (DFL-Eagan), regulates payment agreements for utility undercharges. S.F. 1098, authored by Sen. Rod Skoe (DFL-Clearbrook), allows Beltrami County to make the county recorder position appointive rather than elective. S.F. 1396, authored by Sen. Betsy Wergin (R-Princeton), clarifies the determination of fair market value in dedication proceedings related to municipal planning and zoning. S.F. 1017, carried by Sen. Ann Rest (DFL-New Hope), increases the amount allowed for city charter commission expenses from \$1,500 to \$5,000.

Gift card restrictions okayed

Senators met Fri., Apr. 13, to consider nine pieces of legislation and to process routine business, such as the movement of bills between committees, as the committee deadline for policy measures approached. A bill relating to gift cards garnered the most discussion of the session.

S.F. 69, authored by Sen. Katie Sieben (DFL-Newport), prohibits expiration dates and dormancy fees on gift certificates and gift cards. Most consumers believe that gift cards and gift certificates will retain their value, Sieben said. About 10 percent of gift cards are never redeemed, she said, perhaps in part because of expiration dates and dormancy fees. Sieben said other states have enacted similar legislation. Companies have indicated they can offer gift cards to consumers without expiration dates and dormancy fees, she said. Minnesota should join the trend and protect its consumers, Sieben said.

Sen. Chris Gerlach (R-Apple Valley) said consumers have some responsibility to inquire about the terms and conditions of

gift cards and other products before they purchase them. There are no public safety issues here and no widespread fraud has been identified, he said. We cannot intervene in every single consumer transaction to protect people, Gerlach said. Sen. Ray Vandever (R-Forest Lake) said he was concerned that the bill excluded gift cards issued by banks and other financial institutions, rather than directly by retailers. The exception leaves out a significant segment of the gift card market, he said.

The bill was granted preliminary passage on a voice vote.

Three additional bills were granted preliminary passage on General Orders. S.F. 420, sponsored by Sen. Tom Saxhaug (DFL-Grand Rapids), regulates, for pest control purposes, firewood possession on land administered by the Department of Natural Resources. S.F. 1201, authored by Sen. John Doll (DFL-Burnsville), increases the single vehicle length limit to conform to federal standards. S.F. 2034, carried by Sen. Tarryl Clark (DFL-St. Cloud), requires convening a work group to develop recommendations regarding the Minnesota Milestones indicators and related activities.

Five measures were granted final passage on the Senate Calendar with minimal dissenting votes. H.F. 1004, carried by Sen. Linda Higgins (DFL-Mpls.), prohibits various predatory mortgage lending practices. S.F. 221, authored by Sen. Thomas Neuville (R-Northfield), requires employers to provide employees, upon hiring and termination, with written notice of their existing rights regarding their personnel files. S.F. 1495, sponsored by Sen. Dan Sparks (DFL-Austin), extends a payroll-card law enacted in 2005.

S.F. 380, carried by Sen. Charles Wiger (DFL-North St. Paul), eliminates the requirement that a county, municipality, or school district get the approval of the county auditor before conducting an election by mail, permits a school board to decide whether or not to hold a primary election, and confirms school boards' authority to use electronic voting systems in elections not held in conjunction with a statewide election. S.F. 248, authored by Sen. Don Betzold (DFL-Fridley), provides an exception to the \$50 annual limit on charitable contributions made by principal campaign committees for campaign committees that dissolve within one year

after the contribution is made. The measure also increases the charitable contribution limit from \$50 to \$100.

Historical database available

The Legislative Reference Library has developed a database, "Legislators Past and Present," containing information about Legislators who have served since territorial times. The database's information was compiled from official legislative directories, obituaries, news clippings, family files and other sources. It contains information about terms of service, education, occupation, party or caucus affiliations, leadership positions, represented communities and more.

The database also includes information about Minnesota Legislators who served in other government functions, ranging from the local level to the national level. It even indicates which Minnesota Legislators also served in another state's legislature. (There were five: Cyrus Aldrich in Illinois, Francis Cornell in New York, Mark Dunnell in Maine, Willis Gorman in Indiana and Knute Nelson in Wisconsin.)

"Legislators Past and Present" is available online at <http://www.leg.state.mn.us/legdb/index.asp>

Civic education DVD available

A DVD containing nine short segments on the legislative process is available from Senate Media Services. The segments cover political parties, the three branches of government, the duties of the president of the Senate, the Senate Chamber, ways to gather information about bills, the role of lobbyists, how to read a bill, and tips for people coming to testify before a legislative committee. An additional segment recounts the story of a student at Roseville High School who lobbied for a law banning hazing; she was motivated by her own high school hazing experience.

For information on obtaining a copy of the DVD, contact Senate Media Services at (651) 296-0264. The segments are also available online, along with many other civic education pieces, at <http://www.senate.mn/media> (under the "Civic Education" category).

Committee update

Agriculture and Veterans

Veterans bills gain

The Agriculture and Veterans Committee met Tues., Apr. 10, to consider a variety of bills relating to veterans. The panel is chaired by Sen. Jim Vickerman (DFL-Tracy).

S.F. 350, authored by Sen. Dan Sparks (DFL-Austin), requires every school district in the state to honor the federal Veteran's Day holiday by giving each staff member who is a veteran a personal day of leave and, for those districts that remain open, students must be given instruction about Veteran's Day and the significance of the services provided by veterans. The bill also encourages private employers in Minnesota to honor the Veteran's Day holiday by providing a day off to every employee who is a veteran. The bill was recommended to pass and re-referred to the Education Committee.

S.F. 375, authored by Sen. Gary Kubly (DFL-Granite Falls), clarifies and slightly extends the eligibility for educational benefits for surviving military spouses and children under the War Orphans. The bill has a small fiscal cost to the state of \$26,000 per year and an additional cost of \$40,000 per year to the Minnesota State Colleges and Universities, said Dan Mueller, fiscal analyst. The bill was recommended to pass and re-referred to the Finance Committee.

S.F. 590, carried by Vickerman, is a resolution calling upon Congress to reform the federal Montgomery GI Bill for the Selected Reserves to permit members of the National Guard and reserves who have been mobilized into federal active duty in support of current wars to receive and use their federal educational benefits following separation from active reserve status and final discharge from the military. The bill was recommended to pass and re-

referred to the Rules and Administration Committee.

Authored by Sen. Sharon Erickson Ropes (DFL-Winona), S.F. 2059 changes qualifications for service on the Minnesota Veterans Homes Board and service as the board's executive director. The board has been looking for a new executive director, but is finding it difficult to find qualified candidates who are veterans, Erickson Ropes said. The bill changes the requirement for the executive director to be a veteran to a preference, she said. Dan Williams, vice chair of the board, said the bill requires the chair of the Veterans Homes Board be a veteran. The bill was recommended to pass and re-referred to the State and Local Government Operations Committee.

Also authored by Erickson Ropes, S.F. 1397 provides a health and screening benefit for eligible members of the armed forces. The bill covers screening for depleted uranium exposure for veterans who served in Iraq, Erickson Ropes said. She said the state will never know what problems exist unless testing is done. David Francis, citizen advocate, said depleted uranium is contained in armor piercing ammunition. Exposure to depleted uranium can lead to chronic fatigue, neurological difficulties and birth defects, Francis said. Sen. Steve Dille (R-Dassel) said members should understand more about the issue and hear testimony from medical experts before spending the money. The bill was recommended to pass and re-referred to the Finance Committee.

Several bills gain

Members of the Agriculture and Veterans Committee met Thurs., Apr. 12, to act on several measures. The panel, chaired by Sen. Jim Vickerman (DFL-Tracy), advanced the bills to the full Senate, unless otherwise indicated.

S.F. 642, carried by Sen. Dan Sparks (DFL-Austin), modifies drainage ditch buffer requirements. Sparks said the bill is composed of the consensus recommendations of a drainage work group that included the Board of Water and Soil Resources (BWSR), farm groups, environmental groups and public drainage authority associations. The bill clarifies language in the ditch laws, removes impediments to promoting and using federal and state conservation programs, and gives public drainage authorities enhanced authority to establish and



Senators Gen Olson (R-Minnetrista), left, and Linda Higgins (DFL-Mpls.) converse on the Senate floor during the Senate's Wed., Apr. 11, floor session.

Photo by David J. Oakes

maintain buffers along public drainage ditches, said Doug Thomas, assistant director, BWSR.

Sponsored by Sen. Rick Olseen (DFL-Harris), S.F. 1432 requires camping areas at county fairs to have at least 300 square feet per campsite. S.F. 1405, authored by Sen. Bill Ingebrigtsen (R-Alexandria), sets minimum and maximum compensation amounts for damage caused by gray wolves, similar to the minimum and maximum amounts for the elk crop damage program. The bill also sets a total compensation cap of \$100,000 per fiscal year for both programs combined. S.F. 1343, carried by Sen. Kathy Sheran (DFL-Mankato), clarifies the duties of the Dept. of Agriculture and the Dept. of Natural Resources regarding forest and shade tree pest control and community forest management.

H.F. 878, carried by Sen. Joe Gimse (R-Willmar), permits the commissioners of agriculture, natural resources and health to serve as consultants to the Board of Animal Health. The bill was recommended for placement on the Consent Calendar.

One bill was approved and re-referred to the Environment and Natural Resources Committee. S.F. 1274, authored by Sen. Pat Pariseau (R-Farmington), urges Congress to reauthorize the Conservation Reserve Program.

In other action, members took a bill, S.F. 1472, off the table. The bill, carried by Sen. Gary Kubly (DFL-Granite Falls), extends a prohibition on new open air swine basins. The measure was approved and re-referred to the Environment and Natural Resources Committee. Members also reviewed, but did not act on, S.F. 1589. Carried by Sen. Sharon Erickson Ropes (DFL-Winona), the bill regulates pesticide application by railroads. Erickson Ropes said additional conversations about the issues are in order and will continue throughout the interim, but that she wanted committee members to be aware of the bill.

Business, Industry and Jobs

Ban on unpaid work for MFIP, minimum wage hike approved

Members of the Business, Industry and Jobs Committee met Wed., Apr. 11, to consider a variety of measures, including

bills prohibiting unpaid work in exchange for public cash assistance and increasing the minimum wage.

S.F. 514, carried by Sen. David Tomassoni (DFL-Chisholm), prohibits employees to be required to perform unpaid work in return for cash assistance from the Minnesota Family Investment Program. The bill permits unpaid work in exchange for cash assistance if the employee voluntarily agrees to the arrangement in writing. Voluntary work should truly be voluntary, said Angel Buechner of the Welfare Rights Committee. Requiring MFIP recipients to work without compensation, also called "workfare," affects all workers by creating a hostage uncompensated labor force, she said. Buechner said that when employers learn they can get someone to work for free, they have no incentive to pay for the labor.

The governor has suggested increasing funding for unpaid work, said Jane Delage, Dept. of Human Services. Unpaid work is used in MFIP to meet federally imposed work participation requirements, she said. She said unpaid work is used primarily for people who are unable to find regular employment. Unpaid work, Delage said, helps them get more work experience and expand their resumes. About a year ago, about three percent of MFIP work participants were engaged in unpaid work, she said. Delage said unpaid work participants are covered by the Fair Labor Standards Act, which limits the number of hours they may work by their monthly grant divided by the minimum wage. Prohibiting unpaid work could decrease our work participation rate, she said, which might subject the state to penalties from the federal government.

The measure was approved and advanced to the full Senate.

Sen. Ellen Anderson (DFL-St. Paul) sponsored a bill, S.F. 875, raising the minimum wage and indexing it for inflation. The bill increases the minimum wage large employers must pay from \$6.15 to \$6.75 on Aug. 1, 2007, and to \$7.75 on Aug. 1, 2008. Under the bill, the minimum wage for employees of small employers increases from \$4.90 to \$5.75 this year and to \$6.75 next year. The bill also repeals a lower minimum wage for employees under age 20; under current law, young employees may be paid no less than \$4.90 per hour for the first 90 days of employment. Beginning Jan. 1, 2009, the minimum wage is automatically increased

annually by the previous year's inflation, under the bill.

If the original minimum wage had kept up with inflation, Anderson said, it would now be around \$9.27 per hour. We have over 400,000 jobs in Minnesota that pay less than that, she said. Anderson said a survey conducted after the most recent minimum wage increase, in 2005, showed about 70 percent of Minnesotans believe the minimum wage is too low. Twenty-five states have minimum wages higher than Minnesota's, including Arkansas, Illinois, Iowa, and Wisconsin, she said. Anderson also urged members not to accept a proposal to create a lower minimum wage for tipped employees. Ten states have an automatic inflation adjustment for their minimum wage, said Carrie Thomas of the Jobs Now Coalition. There is a lot of economic research discrediting the theory that a higher minimum wage reduces the supply of jobs, she said. Thomas said removing the "training wage" for young employees is appropriate because there is no reason to value people's work based on their ages. The value of the state minimum wage has declined relative to the poverty line and the median wage, corroding our social structure, said Brian Rusche, Joint Religious Legislative Coalition.

Representatives of the business community spoke against the measure. An increase in the minimum wage will be harmful to the supply of jobs and adversely affect the prices of goods and services, said Dave Dederichs, Minnesota Chamber of Commerce. Minnesota should be consistent with federal law, he said. Minnesota is one of only seven states not to recognize tips as wages, said Kevin Matzek, representing the Minnesota Restaurant Association. The bill will make the wage for servers \$5 more than in Wisconsin, putting Minnesota at a significant competitive disadvantage, he said. Without an offset for servers' tips, Matzek said, only the highest compensated employees in restaurants will be getting raises. Last year, full-service restaurants lost jobs for the first time in over 17 years, he said. Matzek said tipped jobs are highly desired because they offer good compensation and flexible schedules. Members also reviewed a written statement from Mike Hickey, National Federation of Independent Business, opposing the bill.

Sen. Geoff Michel (R-Edina) said people on both sides of the issue want good jobs to come to Minnesota and seek

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to ensure a good future and economy for coming generations. "We're not Santa Claus," he said, "we can't give raises." This bill is harmful for jobs, he said. Sen. Joe Gimse (R-Willmar) said he was most concerned about the effect of the increase on small businesses. Anderson said there was no evidence that jobs have fled the state in the last two years, since the minimum wage was last increased. There is some evidence that very small price increases of perhaps one percent are passed on to consumers, but that the benefit is significant for low-income earners, she said. We are out of the mainstream, Anderson said, with a below-average minimum wage.

The bill was forwarded to the full Senate.

Committee members considered several additional pieces of legislation. S.F. 1787, carried by Sen. Ron Latz (DFL-St. Louis Park), requires the commissioner of labor and industry to remind railroad employers that common carrier railroad employees are not covered by state workers' compensation provisions, but are covered by federal law in case of injury. The bill was recommended for placement on the Consent Calendar. S.F. 1443, authored by Sen. Jim Carlson (DFL-Eagan), provides unemployment benefits for certain mechanics involved in a labor dispute with Northwest Airlines. The bill was advanced to the full Senate.

Sen. John Marty (DFL-Roseville) sponsored two bills. S.F. 1370 requires inspections of amusement rides by certified inspectors, sets ride operator training requirements, and requires ride operators to inspect their rides daily. S.F. 1085 restricts the sale, use and disposal of products containing mercury, such as laboratory chemicals, electrodes, fluorescent or high-intensity discharge lamps, blood pressure cuffs and motor vehicle electric switches. Both bills were forwarded to the full Senate. S.F. 1735, authored by Sen. Linda Higgins (DFL-Mpls.), requires the commissioner of labor and industry to adopt rules for radon control as part of the State Building Code. The measure was sent to the Senate floor.

S.F. 599, sponsored by Sen. Jim Vickerman (DFL-Tracy), is a resolution urging the federal government to end trade, financial and travel restrictions on Cuba. Vickerman also carried a resolution, S.F. 886, urging the federal government to enact comprehensive immigration reform

that expedites family reunification and expands the number of high- and low-skill work visas. Both measures were forwarded to the Rules and Administration Committee.

Committee Chair James Metzen (DFL-South St. Paul) carried two bills. S.F. 1278 permits the use of best value contracting for state and local projects. The measure defines best value as a procurement method that considers both price and performance criteria. Relevant prior performance criteria, under the bill, include quality, timeliness, consumer satisfaction and record of on-budget performance. Other performance criteria include the vendor's ability to minimize change orders, ability to prepare appropriate project plans, technical capabilities, ability to assess and minimize risks, and key personnel's individual qualifications. S.F. 2212 modifies Social Security unemployment insurance offset provisions. Both bills were advanced to the full Senate.

Commerce and Consumer Protection

Data security bill put on hold

Chair Linda Scheid (DFL-Brooklyn Park) and members of the Commerce and Consumer Protection Committee met Tues., Apr. 10, to consider several bills, including a bill making retailers responsible for data security breaches.

S.F. 1574, carried by Sen. Mary Olson (DFL-Bemidji), establishes liability for security breaches. The bill prohibits retailers and businesses from retaining credit card security code data, PIN numbers or magnetic stripe data. If retailers keep the data and there is a security breach, the bill shifts the financial liability from financial institutions that issue credit cards to the retailer, Olson said. If retailers are going to keep the data, then they should be responsible for that data, said Bill Riker, U.S. Federal Credit Union. Debbie Johnson (R-Ham Lake) said the bill may have an adverse affect on small businesses who may not understand how to remove the information from their systems. Olson said when retailers are not handling information in a responsible way, the financial responsibility for that should be on the retailer. Buzz Anderson, Minnesota Retailers Association, said laws already exist to prohibit businesses from keeping credit card information and businesses pay

a fine if there is a security breach. The bill was laid over so the author can address concerns raised by the committee.

In other action, the committee considered S.F. 1825, authored by Sen. Dick Day (R-Owatonna), modifying boxing oversight requirements. Scott Ledoux, executive director, Minnesota Boxing Commission, said the bill also raises license fees to continue to fund the commission. An amendment was adopted to remove a provision in the bill regulating mixed martial arts and ultimate fighting contests. The bill was recommended to pass and re-referred to the Finance Committee.

Sen. Linda Higgins (DFL-Mpls.) presented two bills at the meeting. S.F. 1167 requires registration for hair braiding. James Hirst, Minnesota Salon and Spa Professional Association, said the bill applies to individuals who braid hair as a profession, not for friends or family. The bill requires course work covering health, safety and sanitation standards before an individual can register, Hirst said. The bill was recommended to pass and re-referred to the Finance Committee.

Also authored by Higgins, S.F. 827 requires health plan coverage for interpretive services. The bill requires health plans to cover interpretive services for deaf, hard of hearing and individuals with limited English proficiency, Higgins said. An amendment was adopted to reflect agreements worked out among stakeholders. The amendment establishes a workgroup to look at alternative sources of funding to cover interpretive services and professional standards for interpreters who work in the healthcare industry, she said. Lawrence Massa, chief executive officer, Rice Memorial Hospital, said reimbursement for interpretive services is a growing issue across the state. Massa said his hospital saw non-reimbursed expenses for interpretive services exceed \$100,000 in 2006. Erin Sexton, Minnesota Chamber of Commerce, said the mandate in the bill requiring health plans to cover the expense will be passed on to employers in the form of increased premiums.

Sen. Ray Vandever (R-Forest Lake) said the bill is a large mandate that could have a big impact on insurance premiums. Members should have some idea of the effect on the state before approving the bill, he said. Scheid said the bill has an expense, but ultimately there is a savings to people understanding what their health



Having been recently called to active duty in Iraq, members of St. Paul's 147th Assault Helicopter Battalion fly 10 Blackhawk combat helicopters in formation near the Capitol, Thurs., Apr. 12, as part of a send-off tribute.

Photo by A.J. Olmscheid

situation is and what they should do about it. The bill was recommended to pass and re-referred to the State and Local Government and Operations Committee.

Authored by Sen. David Tomassoni (DFL-Chisholm), H.F. 122 requires American flags sold in Minnesota to be made in the United States. The committee adopted an amendment clarifying that the bill only applies to retail sales of flags. If individuals are going to show their patriotism by flying an American flag, the flag should be made in the United States, Tomassoni said. The bill was recommended to pass and sent to the Senate floor.

Data security bill advances

Members of the Commerce and Consumer Protection Committee, chaired by Sen. Linda Scheid (DFL-Brooklyn Park), continued their Tues., Apr. 4, hearing in the early evening hours. The panel began with consideration of S.F. 1464. The bill, authored by Sen. Dan

Skogen (DFL-Hewitt), requires motor vehicle collision repairs to include air bag repair or replacement. Alyssa Schlander, Minnesota Auto Dealers Association, spoke in support of the bill. She said the bill specifies the replacement of the air bag for all vehicles less than seven years old. The bill was approved and advanced to the full Senate.

A bill, S.F. 1574, heard earlier in the day concerning cards issued by a financial institution, such as credit cards, debit cards or gift cards, was considered for the second time. Sen. Mary Olson (DFL-Bemidji), chief author, offered an amendment that she said is a compromise agreed to by both sides of the issue. The amendment defines access devices as cards containing a magnetic stripe, microprocessor chip or other means of storage of information issued by a financial institution. The amendment prohibits the retention of security or identification information, such as a personal identification number, on the part of a person or entity conducting

business in Minnesota that accepts the cards. Further, the amendment specifies that whenever there is a breach of security of the system of a business, the business must reimburse the financial institution that issued the card affected by the breach for the costs of reasonable actions undertaken by the financial institution to protect the information of its cardholders to continue to provide services to cardholders. The amendment also specifies the types of costs that may be reimbursed. The amendment sets forth remedies and specifies that the amendment does not apply to businesses that process fewer than 20,000 transactions by access device. The bill was approved and advanced to the Judiciary Committee.

S.F. 1532, sponsored by Scheid, regulates the business of credit counseling. The bill also provides remedies and criminal penalties. Scheid said there have been abuses in the industry that make it necessary for the state to regulate the businesses. Ron Elwood, Legal Services

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Advocacy Project, said the bill will be helpful to Minnesota consumers, particularly in light of the growing debt loads individuals are experiencing. Mark Guimond, American Association of Debt Management Organizations, said other states have grappled with the problem and have come up with other solutions. The bill also specifies the things debt management services providers are forbidden to do, including purchasing any obligation of a debtor from a creditor, advising a debtor to stop paying a creditor until a debt management services plan is in place, engaging in unfair, deceptive, or unconscionable acts in connection with a service provided to the debtor, or charging or providing the debtor with credit insurance in conjunction with a contract involved in the financial adjustment plan. The bill was approved and re-referred to the Judiciary Committee.

Liquor bill gains

Several measures making changes in liquor regulations were combined into the year's omnibus liquor bill at the Thurs., Apr. 12, meeting of the Commerce and Consumer Protection Committee.

S.F. 1070, sponsored by Sen. Sandra Pappas (DFL-St. Paul), modifies the fees cities and counties may charge for off-sale liquor licenses. The bill also serves as the vehicle for the omnibus liquor bill. S.F. 2223, also carried by Pappas, permits the State Agricultural Society to sell heavy beer at the State Fair, provided that at least one Minnesota-brewed beer is available at each location. S.F. 201, authored by Sen. Thomas Bakk (DFL-Cook), permits brewpubs and small brewers to sell beer in 750 milliliter bottles. Currently, brewpubs and small brewers may only sell beer in 1900 milliliter growlers. S.F. 390, carried by Sen. Mee Moua (DFL-St. Paul), authorizes the city of St. Paul to issue a liquor license to a restaurant on the city's East Side, even though the restaurant is within 1,500 feet of Metropolitan State University.

Sen. James Metzen (DFL-South St. Paul) sponsored a bill, S.F. 1996, permitting the University of Minnesota to seek liquor licenses, for any on-campus location, from the commissioner of public safety. Sen. David Tomassoni (DFL-Chisholm) authored S.F. 1656, which allows farm wineries to operate restaurants on site. S.F. 723, carried by Sen. Ellen Anderson (DFL-St. Paul), repeals archaic

provisions restricting the issuance of liquor licenses by the city of St. Paul within certain distances of the State Fairgrounds and the St. Paul campus of the University of Minnesota. S.F. 1867, sponsored by Sen. Dan Sparks (DFL-Austin), permits non-profit organizations to conduct charitable auctions of wine, beer and intoxicating liquors.

All of the bills were amended into the omnibus liquor bill, S.F. 1070, which was approved and referred to the full Senate.

In other action, committee members considered four additional measures. Committee Chair Linda Scheid (DFL-Brooklyn Park) carried S.F. 1429. The bill removes charities providing rides from the "for hire" insurance category and permits the insurance market to determine the appropriate risk category and rates, said Byron Laher, Greater Twin Cities United Way. He said experiences in other states have been positive for charities, with lower insurance rates. The bill was approved and forwarded to the full Senate.

Sparks sponsored the remaining three bills. S.F. 1920 is the annual banking bill suggested by the Dept. of Commerce. Patrick Murphy, deputy commissioner of the department's Financial Examinations Division, reviewed the bill's provisions, which he described as regular maintenance of banking laws, making many technical changes and updating provisions to modern practices. S.F. 1936 makes it illegal to advertise or conduct a live musical performance through the use of a false, deceptive, or misleading affiliation between the performing group and a recording group. Sparks said the bill addresses both the theft of famous groups' identities and the deception of consumers. The bill does not prohibit tribute groups or performances, as long as the tribute feature is identified, he said. There must be some legitimate affiliation between the performers and the more widely known recording group, Sparks said. Both bills were approved and sent to the full Senate.

S.F. 162 regulates telephone call centers. The bill establishes the right of Minnesota residents who call, or are called by, customer sales or service centers to be informed of the location of the customer service employee. Under the bill, if a Minnesota resident is asked for financial, credit or identifying information, and the customer service employee is located outside the United States, the resident may request the call to be handled in the

United States, if possible. If a domestic call center is not available, the resident may be directed to a secure website, if available, under the bill. Tim Lovaasen, Communications Workers of America, said proponents have sought to accommodate the business community's concerns. This bill requires consumers to be proactive about learning where the employee is located and asking to be transferred, he said.

Scheid offered an amendment removing the provisions permitting the resident to request transfer of the call to a domestic call center or direction to a secure website. The provisions might encourage companies to shutter domestic call centers, she said. Lovaasen said he doubted domestic call centers would be closed, because consumers might choose not to deal with a company that could not handle their business with a domestic call center. Buzz Anderson, Minnesota Retailers Association, spoke in favor of the amendment. He said transferring calls may not be feasible, and in situations where it is feasible, it is very expensive. Additionally, domestic companies are subject to domestic privacy protection law regardless of where the employees working on their behalf are located, he said. The amendment was not adopted.

Buzz Anderson also expressed the Retailers Association's opposition to the bill. Minnesota has a long tradition of being involved in international trade, he said. Minnesota companies have call centers here, across the country and throughout the world, he said, and choose where to locate the centers for many reasons. The bill creates many unintended consequences and leaves many questions unanswered, he said.

A motion to approve the bill did not prevail.

Education

School bus standards and procedures bill heard

The Education Committee, chaired by Sen. Charles Wiger (DFL-North St. Paul), met Wed., Apr. 11, to consider bills ranging from school bus contracts to providing for character education.

Sen. Scott Dibble (DFL-Mpls.) sponsored the bill on school buses, S.F. 1673. The bill establishes procedures and standards for contracting for private student transportation services. Dibble said

the bill puts in place procedures for the awarding of transportation contracts in the interest of student safety and cost-effectiveness. He said the bill requires companies to report any complaints issued, the driver and aide recruitment and retention plan, and the number of hours of accompanied behind-the-wheel training for drivers. Dibble said the bill also sets forth requirements for employee pay and gives school bus drivers the right to refuse to operate a bus immediately after the driver has documented needed bus safety repairs.

Members heard testimony both in support and in opposition to the bill. Proponents said the bill will be an effective tool in ensuring school bus safety. Opponents said the bill is confusing, lacks flexibility and is unworkable. Wiger said the bill is not moving in the other body, but that discussion of the proposal is

helpful to the committee. The measure was laid on the table.

In other action, the committee approved a variety of other bills. S.F. 1642, authored by Sen. David Senjem (R-Rochester), establishes a six-year pilot program to examine the impact of school calendar arrangements on student learning. Under the bill, the impact on student learning is measured by comparing students' academic gains in school districts and charter schools that use traditional and nontraditional school calendars. Among the factors to be considered are the amount of educational material students retain after school vacations, the educational enrichment opportunities and remedial help available throughout the school year, the impact of the calendar on student attendance, student disciplinary actions and student achievement test scores, and

the amount of time available to students and staff for out-of-school learning, vacations and recreation. The bill was approved and re-referred to the Finance Committee.

S.F. 1829, carried by Sen. Kathy Saltzman (DFL-Woodbury), establishes licensure and continuing education requirements for teachers, program coordinators and specialists for gifted and talented students and programs. The bill also sets licensing requirements for program administrators. Saltzman said the bill reflects more issues than can be resolved in a single committee hearing, but that she wanted to bring the issue of gifted and talented programs before the committee. The measure was laid on the table.

Sen. Betsy Wergin (R-Princeton) sponsored a bill establishing a task force to review special education. The measure,



Deputy Minority Leader Betsy Wergin (R-Princeton), left, and Assistant Majority Leader Tarryl Clark (DFL-St. Cloud) converse during the Senate floor session, Tues., Apr. 10.

Photo by David J. Oakes

Committee update



Jeni Mundl, left, an employee at Courage Center in Golden Valley, receives a STAR Award for excellence in assistive technology from Sen. Ann Rest (DFL-New Hope) during a ceremony in the Capitol Rotunda, Wed., Apr. 11. Photo by A.J. Olmscheid

S.F. 2064, requires the task force to recommend changes that are necessary to simplify and standardize the distribution of state aid for special education. The bill was approved and re-referred to the State and Local Government Operations and Oversight Committee.

S.F. 1927, carried by Sen. Steve Murphy (DFL-Red Wing), requires the Dept. of Education to examine educational programs throughout Minnesota to determine if a general and uniform system of public schools exists. He said the bill is aimed at determining if there are disparities in the quality of education anywhere in the state. Sen. LeRoy Stumpf (DFL-Plummer) offered an amendment outlining the factors to be considered, including funding disparities, school size, class size and geography. The amendment was adopted. Sen. David Hann (R-Eden Prairie) offered an amendment to clarify that the study should also determine if the

programs are thorough and efficient as well as uniform and general. The amendment was adopted. The bill was approved and re-referred to the Finance Committee.

S.F. 1439, presented by Sen. Steve Dille (R-Dassel) on behalf of Sen. Tarryl Clark (DFL-St. Cloud), appropriates money for character development education. Dille said that last year, the Legislature appropriated \$1 million for a pilot program for character development education. He said the bill continues the appropriation. There are several districts already undertaking character education programs that have proved very successful, Dille said. The measure was approved and re-referred to the Finance Committee.

S.F. 2011, authored by Sen. Sandy Rummel (DFL-White Bear Lake), requires the commissioner of education to make summary data available on students who do not pass one or more of the state's required Graduation-Required Assessment

for Diploma (GRAD) tests and do not receive a diploma as a consequence. Under the bill, the commissioner must categorize the data according to gender, race, eligibility for free or reduced lunch and English language proficiency. The measure was approved and advanced to the full Senate.

Energy, Utilities, Technology and Communications

Omnibus bill unveiled

The Energy, Utilities, Technology and Communications Committee met Tues., Apr. 10, to consider a variety of bills ranging from establishing a propane prepurchase program to authorizing a St. Paul Port Authority emissions reduction project.

The committee, chaired by Sen. Yvonne Prettner Solon (DFL-Duluth), also reviewed the panel's omnibus energy policy bill. Prettner Solon, chief author, said the bill, S.F. 145, builds on the work done earlier in the session on setting renewable energy standards and reducing greenhouse gas emissions. She said the bill contains essentially two parts: provisions relating to community based energy development (C-BED) and related issues and provisions related to reducing statewide greenhouse gas emissions across all sectors producing those emissions to a level at least 80 percent below 2005 levels by 2050. The bill was laid over in order to allow members to review the provisions and draft amendments. The measure is to be heard at the panel's next meeting.

Sen. Ellen Anderson (DFL-St. Paul) sponsored three bills. S.F. 1998 provides that an organization or individual that is granted formal intervener status by the Public Utilities Commission is eligible to receive compensation. Anderson offered an amendment specifying that the bill only applies to interveners in rate cases. The amendment was adopted. Members adopted an amendment clarifying the factors included in the compensation request. The measure was approved and re-referred to the State and Local Government Operations and Oversight Committee.

S.F. 2041 provides for recovery of costs incurred as a result of a qualified emissions reduction project. Anderson said

the bill is an attempt to remedy an unintended result of the conversion of Xcel Energy's St. Paul coal burning plant to another fuel. She said a company in St. Paul, Rock-Tenn, the largest paper recycler in the state, relied on the steam from Xcel's plant to power the company. Because of the conversion, Anderson said, the steam will no longer be available. She offered an amendment authorizing the St. Paul Port Authority to establish a non-profit corporation for purposes of owning or operating an energy center that uses a preponderance of eligible energy technologies to produce steam to serve a facility that had used thermal energy. In addition, the amendment requires any excess energy produced to be sold back to Xcel and requires the involvement of local community organizations in the planning process regarding the company's use of energy. The bill was approved and sent to the State and Local Government Operations and Oversight Committee.

The final Anderson bill, S.F. 2199, regulates the storage of nuclear waste at nuclear generating plants. Anderson said the language of the bill is included in the omnibus environment, energy and natural resources budget bill, but that the language should be reviewed by the policy committee. The bill provides that Xcel Energy continue making payments to the renewable energy development account for above ground nuclear cask storage at the Prairie Island plant and to make additional payments for storage of casks at the Monticello plant. After debate on the question of the utility's passing through those costs to ratepayers, members voted to table the bill. Prettner Solon said the panel would hold hearings on nuclear power related issues after the policy committee deadline.

H.F. 532, carried by Sen. Sharon Erickson Ropes (DFL-Winona), regulates and authorizes cancellations of contracts, such as sports club memberships or cell phone contracts, entered into by military service personnel. The measure also requires utilities to establish payment arrangements for military service personnel. The measure was approved and referred to the Judiciary Committee.

S.F. 2053, authored by Sen. Julie Rosen (R-Fairmont), authorizes the commissioner of commerce to operate a propane fuel prepurchase program. Under the bill, the propane fuel prepurchase program must be available statewide

through each local agency that administers the energy assistance program. The measure also prohibits a dealer or distributor of liquid propane gas or number 1 or number 2 fuel oil, who has signed a low-income home energy assistance program vendor agreement, from refusing to deliver the fuel to any person who receives direct grants under the low-income home energy assistance program. The measure was approved and advanced to the full Senate.

Carbon reduction bill gains

The Energy, Utilities, Technology and Communications Committee heard testimony from proponents and opponents of community-based energy development (C-BED) and greenhouse gas reduction legislation Thurs., Apr. 12.

S.F. 145, the panel's omnibus policy bill, carried by Committee Chair Yvonne Prettner Solon (DFL-Duluth), provides for C-BED and requires a plan to reduce greenhouse gas emissions. The committee had reviewed the provisions in the bill at a previous meeting.

Elizabeth Engelking, manager of resource planning and bidding, Xcel Energy, said the C-BED provisions in the bill go a long way toward providing the company with the tools needed to implement the renewable energy standard passed earlier this session.

Neil Von Ohlen, chief manager, Trimont Area Wind Farm, said the revenue participation model, which allows an outside developer to create community-based power, should be considered a part of C-BED law. The revenue participation model creates more choice for land owners, the community benefits to landowners are immediate and energy costs to rate payers are more affordable, Von Ohlen said. Prettner Solon said C-BED is for landowners in Minnesota to reinvest that money back into Minnesota. Other models for wind farm development exist, but they don't fit the C-BED model, she said. Michael Bull, assistant commissioner of renewable energy, Department of Commerce, said the department is working to grow the amount of community energy and develop an approach that works for all models.

Loren Laugtug, Otter Tail Power Company, said the company supports a stakeholder based review process to reduce statewide greenhouse gas emissions. A plan to reduce greenhouse gases will be based on information gathered in the stakeholder

process, he said. Laugtug said another positive in the bill is that it requires a broad range of recommended strategies to reduce carbon emissions across all sectors of the economy. Margaret Hodnik, Minnesota Power, said the stakeholder process is not a delay, but the next step in making carbon reductions. Rick Lancaster, vice president of generation, Great River Energy, agreed. The bill represents a thoughtful, deliberate approach to an important, complex issue, he said.

Sen. Kathy Sheran (DFL-Mankato) offered an amendment describing the scope of the regional activities included in the bill. The amendment was adopted.

Sen. Michael Jungbauer (R-East Bethel) said he supports the bill because it provides the framework for the Legislature to move forward on the issue. S.F. 145, as amended, was recommended to pass, without dissent, and referred to the Senate floor.

Environment and Natural Resources

Wild rice study gains

A measure requiring a study of threats to wild rice and the preparation of environmental impact statements for the release of genetically engineered wild rice was approved by members of the Environment and Natural Resources Committee, Tues., Apr. 10.

S.F. 2103, sponsored by Committee Chair Satveer Chaudhary (DFL-Fridley), requires the wild rice study to include the current location and acreage and area estimates for natural wild rice stands, identified threats to wild rice, including genetic strains, and recommendations on how to protect natural wild rice stands. The bill also requires the Environmental Quality Board to notify the state's wild rice industry, the Legislature and federally recognized tribes within Minnesota if a permit to release genetically engineered wild rice is issued anywhere in the United States.

Wild rice is one of Minnesota's most unique resources, Chaudhary said. It also has longstanding economic and spiritual value to native communities, he said. We need to protect wild rice and ensure that when consumers purchase wild rice it is actually wild, Chaudhary said. The bill seeks to prevent an unintentional mixing of natural and genetically modified wild

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rice strains. George Goggleye, chairman of the Leech Lake Tribal Council, said wild rice is of tremendous importance to Minnesota's native tribes. Allowing genetic alteration of wild rice to take over would disrespect us, our traditions and our ancestors, he said. The dramatic effects of genetically modified crops escaping their test and control plots has already been widely documented, said Kevin Leecy, chairman of the Bois Forte Tribal Council. Leecy noted that long-grain white rice farmers and millers suffered over \$100 million in losses last year from genetic contamination. Wild rice is integral to our lives, he said, so we are gravely concerned about contamination.

We are aware of the cultural significance of wild rice, said Tom Keliher, representing the Biotechnology Industry Organization. However, he said, the legislation is unnecessary because crop testing is already heavily regulated by the federal government. Additionally, there is

no known ongoing or proposed research regarding genetic modifications to wild rice, he said. Phil Griffin, representing Lifescience Alley, also spoke against the bill, discussing the dangers of restricting research. However, Keliher also urged members not to enact proposals stronger than the bill, such as a complete ban on genetically engineered wild rice, because advocates of other crops would seek similar bans.

After wide-ranging discussion on the bill, including the simplicity of a ban, the importance of wild rice, and the internal limits placed on academic research, committee members advanced the bill. Chaudhary said he recognized there were major concerns to be worked on as the bill moves forward, including making sure environmental assessments are culturally sensitive. The measure was re-referred to the State and Local Government Operations and Oversight Committee.

S.F. 1360, authored by Sen. Dan Skogen (DFL-Hewitt), adds two Legislators

as nonvoting members of the Budget Oversight Committee for the game and fish fund. S.F. 1185, also carried by Skogen, is the Dept. of Natural Resources' trails and waterways bill. Both measures were advanced to the State and Local Government Operations and Oversight Committee.

Shoreland bill heard

The Environment and Natural Resources Committee met for an evening hearing Tues., Apr. 10, to continue discussion of several policy bills.

S.F. 961, authored by Sen. Dan Skogen (DFL-Hewitt), provides for regulation of shoreland resorts. The bill defines resort and specifies that as long as the establishment continues to operate as a resort, a county or municipality must allow the owner to maintain structures, replace structures damaged or lost to fire or natural disaster and increase a structure's footprint to minimally meet federal, state, or local



Senators Dan Skogen (DFL-Hewitt) and Sharon Erickson Ropes (DFL-Winona) consult during the Fri., Apr. 13, Senate floor session.

Photo by David J. Oakes

dwelling standards or codes. Finally, the bill specifies that a change in ownership of a resort is not to be construed as a conversion to a different use so long as the new owner continues to use the property as a resort. A representative of the Dept. of Natural Resources said the bill could open the door to other specialized legislative initiatives and could lead to resort conversions to more high density development. He said the bill prohibits local control. Sen. Scott Dibble (DFL-Mpls.) offered an amendment to provide minimum standards for shoreland protection and to not preempt local ordinances that provide additional protection of shoreland. Members adopted the portion of the amendment relating to provisions that prohibit the preemption of local ordinances that provide additional protection of shoreland. The bill was approved and re-referred to the State and Local Government Operations and Oversight Committee.

In other action, the panel also approved a bill, S.F. 1937, allowing a town that incorporates into a city to continue receiving payments in lieu of taxes. The measure, sponsored by Sen. Ray Vandever (R-Forest Lake), also specifies that the payments are to continue provided that the payments will terminate if the governing body of the city passes an ordinance that prohibits hunting within the boundaries of the city. The measure was approved and re-referred to the Taxes Committee.

S.F. 728, sponsored by Sen. Katie Sieben (DFL-Newport), modifies notice requirements for state waters contested case hearings. Sieben said the bill only applies to the notice provisions and allows a summary to be posted, rather than the full notice. Kent Lokkesmoe, Dept. of Natural Resources, said the full notice would still be available for the public. The measure was approved and re-referred to the State and Local Government Operations and Oversight Committee.

Off-road vehicle bills heard

The Environment and Natural Resources Committee considered two bills to limit the use of off-road vehicles Wed., Apr. 11. Both bills were laid over for possible inclusion in the committee's omnibus bill.

Carried by Sen. Mary Olson (DFL-Bemidji), S.F. 1094 restricts four by four truck trail development. The committee

adopted an amendment to limit the bill to Beltrami, Cass, Crow Wing and Hubbard Counties. Olson said the large, altered trucks, known as mudders, have a get in, get wet, get dirty attitude. The drivers are denigrating state forest land and causing erosion problems, she said. It is a small group of people that is creating the problem, Olson said. Lois Campbell, Minnesota 4 Wheel Drive Association, said other trail users are being punished for the renegade acts of a group who engage in illegal activity when on public land. Most users are looking for a trail through a beautiful area; families cannot ride an All-Terrain Vehicle (ATV), said Mike Murdock, Minnesota 4 Wheel Drive Association. Olson said there are hundreds of miles of roads traveling through the woods for families without four by four truck trails.

S.F. 1269, authored by Sen. John Marty (DFL-Roseville), eliminates managed forests for purposes of off-road vehicle travel. Currently, state forests north of Highway 2 are managed trails where ATVs can travel except where posted signs prohibit their use, Marty said. The bill changes the classification so that ATVs can only travel on posted trails, he said.

The committee also heard the following bills, which were also laid over for possible inclusion in the omnibus bill.

S.F. 1132, authored by Sen. Thomas Bakk (DFL-Cook), modifies angling season for lake trout in the boundary waters canoe area (BWCA). The Department of Natural Resources sets the date for lake trout fishing in Northern Minnesota, Bakk said. The season is different for lakes outside the BWCA, inside the BWCA and partially in and partially out of the BWCA, he said. Bakk said the different dates are confusing and the bill sets a consistent season for lake trout fishing. The committee adopted an amendment to allow individuals stopped by enforcement officers, without their game and fish license on their person, to present it at a later time. Bakk said the amendment makes game and fish licenses consistent with policies for driver's licenses.

Authored by Sen. Satveer Chaudhary (DFL-Fridley), chair of the committee, S.F. 1517 provides for protection of ecological value and riparian rights in issuing aquatic farm licenses. The bill addresses concerns of the ecological effect of raising fish in naturally occurring ponds and wetlands in Minnesota, Chaudhary said. The bill

requires a person requesting an aquatic farm license to submit a water management plan to ensure the ecological value. In addition, the bill requires the aquatic farmer to obtain written permission from each shoreline owner. Ed Boggess, Department of Natural Resources (DNR), said the department has been studying the issue for many years, but it is a complex issue. The quality of wetlands can be affected by many things, not just fish, he said. Boggess said the DNR would like to spend more time talking about policy areas to pursue. Steve Puchtel, McKenzie Fish, spoke against the bill. Requiring all shoreline owners to approve his business is unreasonable, Puchtel said. One person could prevent an aquatic farmer from getting a license, he said. Chaudhary said the discussion on the bill raised several issues and ideas.

S.F. 2217, also authored by Chaudhary, authorizes the commissioner of natural resources to issue special permits for taking bear. Don McMillan, North American Bear Foundation, said the bill allows the commissioner to grant additional permits for the promotion of conservation or educational purposes. Sen. Ellen Anderson (DFL-St. Paul) said some Minnesotans might be upset if they don't get a license through the lottery system, but under the bill the commissioner can allow certain people to purchase a bear license. There's no limit on how many licenses the commissioner can grant under the bill, she said. Sen. Dennis Fredrickson (R-New Ulm) offered an amendment allowing the commissioner to grant up to 10 licenses until Dec. 1, 2008. The amendment was adopted.

S.F. 1347, carried by Sen. Patricia Torres Ray (DFL-Mpls.), requires a report on strategies to prevent endocrine disruptors in waters of the state. Endocrine disruptors typically resemble hormones and mimic or block their function, said Peter Sorenson, University of Minnesota, Fisheries, Wildlife and Conservation Biology Department. Environmental estrogens, from pesticides, feed hormones and wastewater, are causing male fish in Minnesota lakes to develop female characteristics, Sorenson said. The worry is that long-term exposure is causing a reduction in reproductive success in wild fish populations, he said. Torres Ray said the report will evaluate how the state can address the issue.

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Authored by Anderson, S.F. 1612 provides for management of native prairies in railroad rights-of-way. Land along railroad tracks is a good mechanism for preserving prairies, Anderson said. The uninterrupted land supports native plant species and varieties not found anywhere else in the state, she said. The bill directs the DNR to work with private individuals and groups to mark stretches of prairie along railroad rights-of-way.

Sen. Scott Dibble (DFL-Mpls.) authored S.F. 1671, which restricts outdoor light pollution. The bill sets standards for new or replacement outdoor lighting fixtures for the state, Dibble said. Better lighting fixtures save energy, improve public safety and improve the environment, he said.

Carried by Sen. Tom Saxhaug (DFL-Grand Rapids), S.F. 1154 increases payments in lieu of taxes for lands in Lake of the Woods County.

Omnibus draft reviewed

The Environment and Natural Resources Committee, chaired by Sen. Satveer Chaudhary (DFL-Fridley), took a look at the draft version of the omnibus environmental policy bill Thurs., Apr. 12.

The measure proposes changes to wetland conservation, off-highway vehicles, community forestry and state lands provisions. All of the provisions in the draft were part of bills heard by the committee at previous meetings, Chaudhary said. The measure requires seatbelts for individuals under 18 years-old when operating class two All-Terrain Vehicles (ATVs). ATV registration fees are also changed.

The wetland conservation provisions in the bill do not include the agricultural measures and administrative penalties that were in the bill when the committee heard testimony on the issue, said Carol Baker, Senate counsel. Other provisions in the bill include reducing light pollution, prohibiting phosphorus in household dishwasher detergent and requiring a report on strategies to address endocrine disrupters in Minnesota waters. The omnibus draft also makes miscellaneous technical changes to environmental and natural resources laws.

The committee also considered S.F. 1184, the game and fish bill. Sen. Dan Skogen (DFL-Hewitt) carried the bill, which includes portions of several game and fish bills considered by the committee.

The measure includes an exemption from the range and shooting portion required for the firearms safety certificate for military personnel. Under the bill, the number of commercial fishing licenses for Lake Superior is reduced from 50 to 25. A one-year walk-in access plan, the use of smokeless gun powder and clarifications on the angling season for trout are also included in the bill.

Two amendments were adopted by the committee. Offered by Sen. Kathy Sheran (DFL-Mankato), the first amendment allows a remote controlled animal noise caller for taking unprotected animals. Sheran said the noise callers are already permitted; the amendment clarifies that a remote control can be used to change the call or volume. The second amendment, offered by Sen. Gen Olson (R-Minnetrista), reduces the draw weight for bows required to take big game to 30 pounds. The committee laid the bill over for inclusion in the omnibus bill.

In other action, the committee heard S.F. 1764. Authored by Chaudhary, the bill requires the commissioner of natural resources and director of Explore Minnesota Tourism to develop a travel green program. The program recognizes tourism businesses that have made a commitment to reduce their environmental impact. The bill was recommended to pass and re-referred to the Commerce and Consumer Protection Committee.

Finance

LCCMR appropriations approved

Chair Richard Cohen (DFL-St. Paul) and members of the Finance Committee approved appropriation recommendations from the Legislative-Citizen Commission on Minnesota Resources (LCCMR) Thurs., Apr. 12. The panel also considered several other measures. All of the bills heard by the committee were recommended to pass and sent to the Senate floor.

S.F. 293, carried by Sen. Ellen Anderson (DFL-St. Paul), is the appropriation recommendations from the LCCMR. The major items funded this year include land protection and water quality, Anderson said. The bill appropriates more than \$23 million from the State Lottery and other sources, she said. One policy provision in the bill makes changes to the open meeting requirements now that there are both citizens and Legislators on the LCCMR, Anderson said. The changes

ensure that there is accountability and transparency in the process, she said.

Carried by Sen. Kathy Sheran (DFL-Mankato), H.F. 472 extends the eligibility period for renewable energy production incentives. The bill extends the date for an application to have been filed from Jan. 1, 2005 to Mar. 1, 2005. Sheran said the change will assist a Minnesota resident who met all the criteria necessary for the renewable energy incentive, but due to circumstances beyond his control, his application was not received by the deadline. The committee voted to place the bill on the Consent Calendar.

Authored by Sen. Don Betzold (DFL-Fridley), S.F. 322 expands early intervention services for pregnant women. The bill allows civil commitments for a short period of time for pregnant women abusing alcohol or drugs, Betzold said. An amendment was added by a previous panel that expands the civil commitment law for pregnant women to include alcohol and marijuana, Betzold said. The threat of a commitment has caused many women addicted to drugs to go into treatment when they're pregnant, said Sen. Linda Berglin (DFL-Mpls.).

S.F. 1073, authored by Sen. Linda Scheid (DFL-Brooklyn Park), ratifies labor agreements and compensation plans for the Minnesota Law Enforcement Association, Minnesota Nurses Association, Office of Higher Education, Gambling Control Board, Public Employees Retirement Association, Minnesota State Retirement System and the Teachers Retirement Association.

Authored by Sen. Sharon Erickson Ropes (DFL-Winona), S.F. 1218 changes procedures and requirements for absent voters. The provisions in the bill make it easier for the military and citizens overseas to vote by absentee ballot, Erickson Ropes said.

Health, Housing and Family Security

Doula services bill okayed

The Health, Housing and Family Security Committee met Wed., Apr. 11, to consider a variety of bills.

A bill, S.F. 1197, relating to doula services, was the first item on the agenda. Sen. Sandra Pappas (DFL-St. Paul) said a doula is a woman, experienced in child-birth assistance, who provides continuous

physical, emotional and informational support to a mother before, during and just after childbirth. The bill ensures, in the patient bill of rights, the presence of a doula if requested by a patient, requires Medical Assistance to cover doula services and establishes a doula registry. Pappas said the use of a doula leads to improved physical outcomes and improved emotional well-being of mothers and infants. She said the improved outcomes will, in the long run, save money in coverage of women's pregnancies. The bill was approved and re-referred to the Finance Committee.

S.F. 900, sponsored by Sen. Linda Berglin (DFL-Mpls.), provides a process for repackaging and dispensing drugs in unit dose packaging to residents of long-term care facilities when the drugs were originally dispensed in bulk containers. Berglin said nursing homes may only dispense drugs in unit doses, but some health plans only cover bulk containers. Residents must then enroll in Medicare Part D prescription drug coverage, which is a great deal more expensive, she said. The measure was approved and re-referred to the Judiciary Committee.

Sen. Ann Lynch (DFL-Rochester) sponsored a bill, S.F. 44, making it permissive, rather than mandatory, for foreign medical school graduates to use a credential verification service. Frank Iossi, Mayo Clinic, said the current requirement

to use the Federation of State Medical Boards' Federation Credentials Verification Service has been a disaster because the service has been so overwhelmed that mistakes are common. The bill also specifies that an applicant taking the United States Medical Licensing Examination must pass step three of the three step process within five years of passing step two or before the end of residency training. The bill was approved and advanced to the Senate floor.

S.F. 445, carried by Sen. Michelle Fischbach (R-Paynesville), modifies provisions for individuals operating X-ray equipment. The bill requires operators to pass a national examination, requires the commissioner of health to set criteria for the approval of examinations based on national standards and sets forth continuing education requirements. The bill was approved and re-referred to the Finance Committee.

Committee Chair John Marty (DFL-Roseville) sponsored a bill, S.F. 2056, requiring state standards for Atrazine levels in drinking water. Marty said Atrazine is commonly used in Minnesota as a corn pesticide. He said Atrazine is manufactured by a Swiss company, but is banned in the European Union. The bill sets the drinking water standards for the health risk limit of Atrazine in private wells and the maximum contaminant level in public water systems at three parts per billion

(ppb) to comply with federal standards. In addition, the bill specifies that by Dec. 31, 2007, the Dept. of Health must set state standards for the health risk limit of Atrazine in private wells and the maximum contaminant level in public water systems. The bill also specifies that if the limit is set at more than one ppb, the commissioner must provide evidence to show that the standards reflect requirements to adequately protect the health of a developing fetus, infant and child.

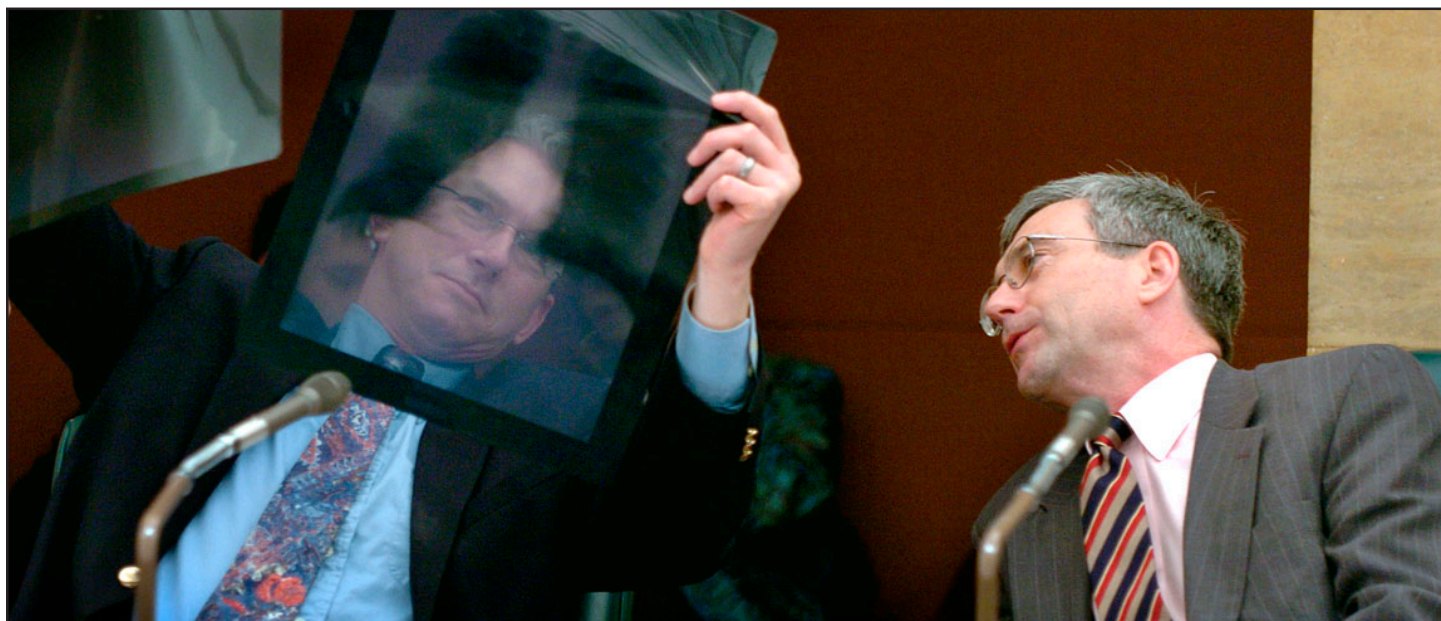
Proponents said there is evidence that Atrazine is an endocrine disruptor in mammals and that the endocrine disruptors in Atrazine have been shown to cause serious health impacts in mammals. Opponents said the levels of Atrazine set by the federal government are sufficient and that Atrazine has been studied extensively by the federal Environmental Protection Agency before the federal levels were set.

Sen. Betsy Wergin (R-Princeton) offered an amendment requiring the Dept. of Agriculture to be added to the agencies that will be involved in setting the standards. The amendment was adopted.

The bill was approved and re-referred to the Agriculture and Veterans Committee.

Licensing board bills heard

Members of the Health, Housing and Family Security Committee reconvened



Senators John Doll (DFL-Burnsville), left, and David Hann (R-Eden Prairie) examine samples of chest X-rays during a Health, Housing and Family Security Committee hearing, Wed., Apr. 11. The committee considered a bill modifying X-ray equipment operator requirements.

Photo by David J. Oakes

Committee update

for the evening portion of their hearing Wed., Apr. 11. The panel, chaired by Sen. John Marty (DFL-Roseville), considered a number of bills relating to health licensing boards.

The committee began by considering a bill relating to speech-language pathologists and audiologists. S.F. 868, sponsored by Sen. Tony Lourey (DFL-Kerrick), specifies that a master's or doctoral degree is required for speech-language pathology applicants and requires an audiology applicant to possess either a master's or a doctoral degree if the training is completed prior to Aug. 30, 2007. Lourey said the bill provides that after the Aug. 30 deadline, an audiology applicant must possess a doctoral degree with an emphasis in audiology. The bill was approved and advanced to the Senate floor.

S.F. 1823, carried by Sen. Patricia Torres Ray (DFL-Mpls.), makes numerous changes in provisions relating to licensing requirements for physical therapists. Torres Ray said the bill, though quite lengthy, is aimed at providing consistency in physical therapy licensing provisions. The bill defines physical therapy assistant as a person who provides physical therapy under the supervision of a physical therapist, modifies the makeup of the Board of Physical Therapy by adding physical therapy assistants, requires physical therapy assistants to submit an application and fee to the board before taking the national examination, lists the information that must be included in applications for physical therapists and physical therapy assistants and describes activities that may be performed by physical therapy assistants. The bill also sets forth training requirements, requires foreign education physical therapist applicants to fulfill education and examination requirements, and makes changes to disciplinary provisions. The bill was approved and re-referred to the Finance Committee.

Sen. Sharon Erickson Ropes (DFL-Winona) carried five bills. S.F. 2066 sets requirements for licensure as a licensed professional clinical counselor, adds licensed professional clinical counselors to the definition of mental health professionals for the purpose of coverage under the Adult Mental Health Act and the Children's Mental Health Act and adds licensed professional clinical counselors to the list of qualified providers for a variety of services. The bill was approved and re-

referred to the Finance Committee. S.F. 2068 provides licensure requirements for foreign trained professional counselors to be professional clinical counselor. The measure was approved and advanced to the Senate floor. S.F. 2098 provides for provisional licenses for foreign born social workers, social worker applicants who use English as a second language or applicants who have failed the licensing examination, but comply with specific requirements. The bill was approved and sent to the full Senate.

S.F. 2099 provides for a temporary license for social work to an applicant who has completed the requirements for a baccalaureate or graduate degree in social work from a program in candidacy status with the Council on Social Work Education, the Canadian Association of Schools of Social Work or a similar accreditation body. The measure was also approved and advanced to the Senate floor. S.F. 2100 modifies the Social Work Practice Act by recodifying provisions, adds definitions of clinical supervision and graduate degree, sets requirements for independent clinical social workers, specifies the supervised practice requirements for licensed social workers, graduate social workers who do not practice clinical social work, licensed graduate social workers who practice clinical social work, and licensed independent clinical social workers. The measure was also approved and sent to the full Senate.

S.F. 2105, authored by Sen. Yvonne Prettner Solon (DFL-Duluth), makes changes to Board of Pharmacy provisions relating to electronic signature authorization. The bill was approved and advanced to the Senate floor.

Higher Education

HEFA, MnSCU appointees OK'd

Members of the Higher Education Committee met Tues., Apr. 10, to approve the names of eight nominees to two boards. The nominations were forwarded to the full Senate for confirmation.

Three members of the Higher Education Facilities Authority (HEFA) were approved: Carla Nelson, Michael Ranum and David Rowland. HEFA assists non-profit institutions of higher education in capital financing needs. It is authorized to issue revenue bonds payable from the loan repayments, rentals, and other revenues and moneys pledged for their payment.

HEFA bonds are not state obligations. Bonds are issued for a broad range of projects, including student housing, academic buildings, parking facilities, day-care centers, and other structures or facilities required or useful for the instruction of students, the conducting of research, or the operation of an institution of higher education.

Five members of the Board of Trustees of the Minnesota State Colleges and Universities (MnSCU) system were approved: Caleb Anderson, Michael Boulton, Christine Rice, Scott Thiss and James Van Houten. The Board of Trustees is MnSCU's governing body. It has policy responsibility for system planning, academic programs, fiscal management, personnel, admissions requirements, tuition and fees, and rules and regulations. Committee members, chaired by Sen. Sandra Pappas (DFL-St. Paul), also heard a presentation from Kent Eklund, chair of the Trustee Candidate Advisory Council (TCAC), on the candidate selection process. TCAC advises the Legislature and the governor on candidate selection criteria. It is also charged with identifying and recruiting qualified candidates for the Board of Trustees.

Higher ed bills considered

The Higher Education Budget and Policy Division met Thurs., Apr. 12, to consider measures ranging from the establishment of a University of Minnesota India Center to licensing requirements for private postsecondary educational institutions. Division Chair Sandra Pappas (DFL-St. Paul) said the bills were before the panel for informational purposes. She said some of the measures are included in the other body's omnibus higher education bill and some in the other body's one-time appropriations bill. Pappas said the hearing was to acquaint members with items that may come before the conference committee.

S.F. 1662, authored by Sen. Don Betzold (DFL-Fridley), establishes a pilot project to provide employees of the Minnesota State Colleges and Universities and all participants in the state employee group insurance program with consumer-owned electronic personal health records that are portable among health care providers, health plan companies and employers. Betzold said the goal is to control costs, improve quality, enhance safety and demonstrate the feasibility of a



Virginia Marso of St. Cloud describes to members of the Higher Education Budget and Policy Division, Thurs., Apr. 12, the horrific experience her family endured after her son Andrew contracted bacterial meningitis while attending college in Kansas. The division heard legislation requiring college students to provide proof of vaccination for meningitis or sign a waiver before moving into a dormitory.

Photo by David J. Oakes

statewide health information exchange.

Sen. Satveer Chaudhary (DFL-Fridley) sponsored a bill, S.F. 1686, establishing an India Center at the University of Minnesota. Chaudhary said the center is to partner with public and private organizations to build, strengthen and promote relations with India and Southeast Asia. Under the bill, the India Center is to foster an understanding of the history, culture and values of India, serve as a resource and catalyst to promote economic, governmental and academic pursuits involving India and facilitate educational exchanges, collaborative research and teaching and training activities.

S.F. 1967, authored by Sen. David Tomassoni (DFL-Chisholm), authorizes an appropriation of \$1.2 million for collaborative Minnesota State Colleges and Universities community-based energy development pilot projects. Sen. Tarryl

accredited by an agency recognized by the federal Dept. of Education for purposes of eligibility to participate in federal financial aid programs. In addition, the bill describes criteria for schools to meet in order to be registered, set fees and provides exemptions.

Judiciary

Medical marijuana okayed

A bill permitting the use of marijuana by persons with debilitating medical conditions was approved by members of the Judiciary Committee, Tues., Apr. 10. The panel, chaired by Sen. Mee Moua (DFL-St. Paul), advanced the bill to the Finance Committee.

S.F. 345, sponsored by Sen. Steve Murphy (DFL-Red Wing), defines "debilitating medical condition" to include cancer, glaucoma, AIDS, hepatitis

Clark (DFL-St. Cloud) sponsored a bill requiring students in higher education institutions to sign a waiver if they choose not to be vaccinated for meningococcal disease.

Pappas sponsored a bill, S.F. 1808, appropriating \$750,000 to the Board of Trustees of Minnesota State College and Universities for a modular clean-room research and training facility located at St. Paul College. Pappas also sponsored a bill, S.F. 2169, providing for the licensing or registration of private postsecondary educational institutions. Pappas said the bill applies to both not-for-profit and for-profit institutions. The bill sets forth the information to be provided for registration and requires schools to be

C, Tourette's Syndrome, or chronic conditions that produce intractable pain, severe nausea, seizures or severe muscle spasms. It permits qualifying patients and primary caregivers to possess up to 2.5 ounces of marijuana. Marijuana may only be purchased from registered organizations, which may possess up to 12 plants and 2.5 ounces of usable marijuana per patient they serve. Under the bill, patients may qualify only if a practitioner with whom they have a bona fide relationship provides a written recommendation that marijuana use could be beneficial for the patient. The bill makes it a gross misdemeanor to make fraudulent representations to law enforcement about medical marijuana use. If a qualified patient or primary caregiver makes fraudulent representations, the person is permanently banned from participating in the medical marijuana program. The bill also makes it a felony for a patient to sell or transfer the patient's identification card or marijuana obtained under medical pretenses.

"Marijuana is a drug," said Tom Lehman, representing Minnesotans for Compassionate Care. It is not to be abused or taken lightly, he said. This bill provides a safe harbor for a limited number of people, Lehman said, who may find it medically helpful. Beyond anecdotal stories from other states, numerous medical journals have reported the efficacy of marijuana in medical settings, he said. Lehman said children should not be underestimated. They are smart enough to know the difference between doctor-recommended marijuana use in a hospice and illicitly-obtained marijuana smoked in an alley, he said. Murphy stressed the limited number of conditions that permit patients to qualify. These are people with a grim outlook who should have one more option to manage their pain, he said.

Representatives of law enforcement spoke against the bill. Twelve plants is a lot of marijuana per patient, said Robert Bushman, Minnesota Police and Peace Officers Association. It is far more than is reasonably needed, he said. Bushman said it is hard for patients and physicians to regulate the dose of THC, the principal active chemical, with smoked marijuana. States with medical marijuana laws have experienced significant over-recommending by physicians, he said. A lot of life-saving drugs have been developed but recalled or banned because of their public health risks, said Pete Jansky, Minnesota

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Chiefs of Police Association. The bill creates an unnecessary exception for marijuana, he said. James Backstrom, Minnesota County Attorneys Association, said the medical marijuana use will result in increased illegal use. This bill has significant internal contradictions, said Public Safety Commissioner Michael Campion. The lack of medical value in marijuana alone, he said, leads the Dept. of Public Safety, the Dept. of Health and the Governor's Office to oppose the measure.

Members adopted three amendments to the bill, all offered by Sen. Linda Higgins (DFL-Mpls.). The first amendment was primarily technical. One substantive change in the amendment clarifies that medical marijuana may not be smoked where the smoke may be inhaled by a minor. The second amendment clarifies that the bill does not permit the possession of marijuana on school grounds, prohibits qualifying patients from being affiliated with registered organizations, and requires registered organizations to grow marijuana only indoors. The third amendment removes a limit on the potency of marijuana dispensed. Higgins said the potency limit was unworkable.

Higgins also offered an amendment removing limits on how much marijuana a patient may receive in a 15-day period. The amendment failed on an announced tie. Sen. Thomas Neuville (R-Northfield) offered an amendment reducing the number of plants a registered organization may have from 12 per patient to four per patient. The amendment was not adopted.

In closing comments, Neuville said that while he has compassion for the patients targeted by the bill, there are too many problems with the measure. There is no regulation of price, he said, and no limit on how many registered organizations may exist to grow marijuana. Neuville said the appropriate forum to discuss permitting limited use of marijuana is at the federal level. The federal government can regulate marijuana growth, permit physicians to prescribe marijuana and provide for its dispensation by pharmacies, he said.

The measure was approved on a 5-4 roll call vote.

In other action, members also advanced a bill, S.F. 443, authored by Higgins, regulating scrap metal dealers. The committee had previously considered the measure, but laid it over for further consideration. Members adopted an amendment, offered by Higgins, represent-

ing additional work done on the measure. The amended bill requires scrap metal dealers to pay for all purchases by check or electronic payment, and to collect information about sellers of scrap metal, to participate in the criminal alert network. The bill also makes violations of the requirements a misdemeanor. An enhanced criminal penalty for theft is established in the bill, if the theft creates a reasonably foreseeable risk of bodily harm to another. The bill was forwarded to the Finance Committee.

Omnibus bill okayed

The Judiciary Subcommittee on Data Practices, chaired by Sen. Mary Olson (DFL-Bemidji), approved the omnibus data practices bill at the Wed., Apr. 10, meeting.

Before hearing the omnibus bill, the panel considered three bills. The subcommittee moved to include each of the bills in the omnibus bill.

S.F. 912, authored by Sen. Don Betzold (DFL-Fridley), authorizes integrated search service inquiries. The bill defines an integrated search service as a service operated by the Bureau of Criminal Apprehension that allows authorized users to search and view data that are stored on one or more databases maintained by criminal justice agencies.

Also carried by Betzold, S.F. 913 modifies driver's license or ID card photograph image file uses. The bill clarifies when law enforcement can use the photos and allows public defenders to use the images for investigation and preparation of cases.

S.F. 2032, authored by Olson, amends a Social Security number data practice. The bill clarifies that Social Security numbers of individuals, whether in whole or in part, are private data.

Carried by Olson, S.F. 596 is the omnibus data practices bill. The bill makes several technical changes to current data practices. The subcommittee also adopted several technical amendments recommended by state agencies. S.F. 596 was recommended to pass and referred to the Judiciary Committee.

Stem cell research policy, predatory lending bills gain

The Judiciary Committee, chaired by Sen. Mee Moua (DFL-St. Paul), met

Thurs., Apr. 12, and considered several controversial measures.

S.F. 100, sponsored by Sen. Richard Cohen (DFL-St. Paul), establishes a state policy for stem cell research. Cohen said the bill states that the policy of the state is that research involving the derivation and use of human embryonic stem cells, human embryonic germ cells and human adult stem cells from any source is permitted. The bill also provides that full consideration of the ethical and medical implications of the research be given. Cohen said stem cell research offers immense promise for developing new medical treatments for a variety of serious diseases. Cohen said the bill was before the committee because of a provision setting a gross misdemeanor penalty for the sale or purchase of embryonic or cadaveric fetal tissue for research purposes. In addition, the bill contains provisions requiring physicians or other health care providers who are treating patients for infertility to provide the patient with enough information to allow the patient to make an informed and voluntary choice regarding the disposition of any human embryos remaining following the fertility treatment.

Members adopted an amendment removing a provision setting forth legislative findings regarding stem cell research. The bill was approved on a 5-4 roll call vote. The measure was re-referred to the Health, Housing and Family Security Committee.

The panel also considered a bill allowing domestic partners visitation rights to individuals who have been hospitalized. S.F. 1398, authored by Sen. John Marty (DFL-Roseville), allows an individual to designate a domestic partner for purposes of hospital visitation and health care decisions. Marty said the person most dear to a patient is sometimes barred from the patient at the most critical time. He said people are denied access to the person they care most about and the bill is aimed at preventing that occurrence. He offered an amendment to allow ambulance rides and emergency room visits if it is according to the hospital's best practices with regard to other family members. C. Scott Cooper, OutFront Minnesota, said that although domestic partners are sometimes allowed to visit their loved ones, there is confusion throughout the state about whether or not domestic partners are allowed visitation rights. The bill will clear up the confusion, he said. Tom Prichard, Minnesota Family

Council, spoke in opposition and said the bill is an attempt to erode the concept of marriage. Members approved the measure on a 5-4 roll call vote.

A bill prohibiting predatory lending also gained the committee's approval. S.F. 988, sponsored by Sen. Linda Higgins (DFL-Mpls.), prohibits predatory lending practices and sets civil and criminal penalties. Higgins said the bill is an essential counterpart to another predatory lending bill that has already been passed by the Senate. She said S.F. 988 limits prepayment penalties on subprime loans, requires borrowers to get financial counseling before refinancing special loans, such as those for Habitat for Humanity homes, provides a private right of action and sets forth criminal penalties.

The committee members devoted most of their discussion to two amendments offered by Higgins. The first amendment provides a definition of subprime loans, eliminates a provision that the Dept. of Commerce oversee a list of approved financial counselors, provides that there are no prepayment penalties on jumbo loans and clarifies language relating to punitive damages. The second amendment defines the crime of residential mortgage fraud and prescribes criminal penalties. In addition, the amendment authorizes prosecutors to seek an aggravated departure under the sentencing guidelines if the person committing residential mortgage fraud knew, or had reason to know the victim was particularly vulnerable due to age, infirmity or reduced physical or mental capacity. The amendment also specifies that conviction under the residential mortgage fraud provisions is not a bar to conviction or punishment for any other crime committed as part of the same conduct. Both amendments were adopted. The bill was approved and advanced to the full Senate.

In other action, the panel approved a bill, S.F. 1724, relating to Human Services Department licensing provisions. The measure, sponsored by Sen. Yvonne Prettnier Solon (DFL-Duluth), was before the panel because of provisions relating to data practices, criminal background checks, contested case hearings, maltreatment of minors and vulnerable adults. Laura Plummer Zrust, licensing manager, Dept. of Human Services, said the bill streamlines various procedures, clarifies language and provides consistency. Committee members discussed provisions

relating to disqualifications from licensure as a result of background studies and expressed concern that the disqualifications may occur without a conviction for a crime. The measure was sent to the full Senate without recommendation.

S.F. 1700, carried by Sen. Sandy Rummel (DFL-White Bear Lake), specifies that court administrators must provide a person who is proceeding in forma pauperis with a copy of the person's court file without charge. Rummel said the measure clarifies what is now a common practice of the courts. The measure was approved and advanced to the full Senate.

Sen. Mary Olson (DFL-Bemidji) sponsored two measures. S.F. 890 provides a felony penalty for repeat violations of domestic abuse no contact orders. Olson said the bill makes the penalty the same as that for repeat violations of orders for protection. The bill also adds attempted violations and first and second degree murder to the definition of qualified domestic violence-related offences. The bill was approved and sent to the Senate floor. S.F. 1574 relates to access devices, such as credit cards, debit cards or gift cards, issued by a financial institution. The bill further defines access devices as cards containing a magnetic stripe, microprocessor chip or other means of storage of information issued by a financial institution. The measure prohibits the retention of security or identification information, such as a personal identification number, on the part of a person or entity conducting business in Minnesota that accepts the cards. Further, the bill specifies that whenever there is a breach of security of the system of a business, the business must reimburse the financial institution that issued the card affected by the breach for the costs of reasonable actions undertaken by the financial institution to protect the information of its cardholders to continue to provide services to cardholders. The bill also specifies the types of costs that may be reimbursed. The measure sets forth remedies and specifies that the bill does not apply to businesses that process fewer than 20,000 transactions by access device. The committee also adopted an amendment providing individual cardholders with a private right of action. Sen. Thomas Neuville (R-Northfield) offered an amendment deleting financial institutions from a provision granting an attorney general private right of action. The

amendment was adopted. The bill was approved and sent to the Senate floor.

S.F. 1822, authored by Sen. Tarryl Clark (DFL-St. Cloud), permits a victim of domestic abuse to terminate a lease. The bill requires the tenant, who is a victim of domestic abuse and fears imminent domestic abuse against the tenant or the tenant's children, to provide written notice to the landlord stating the tenant's fears of abuse and indicating a date the tenant intends to leave the premises. The bill requires the notice to be delivered before the tenant leaves the premises and specifies the notice must include a copy of an order for protection or a no contact order. The bill also specifies that the tenant is responsible for the rent for the balance of the month and for one month's rent following the tenant's leaving of the premises. Members adopted an amendment relating to an excluded party continuing the lease. The bill was approved and advanced to the Senate floor.

The panel began discussion of a bill, S.F. 761, relating to the regulation of franchise agreements between outdoor sport equipment dealers and manufacturers, but laid the bill over because of time constraints.

State and Local Government Operations and Oversight

Sudan divestment bill gains

A bill requiring the State Board of Investment to divest from companies doing business in Sudan was approved by members of the State and Local Government Operations and Oversight Committee, Wed., Apr. 11.

S.F. 1075, authored by Sen. Sandra Pappas (DFL-St. Paul), creates a process for the SBI to identify companies with business operations in Sudan. If a company has active business operations in Sudan, the board must divest from the company, under the bill. If the company has inactive business operations in Sudan, the bill requires the board to engage with the company about ceasing its Sudan operations.

This is a way to have a direct impact on the genocide going on in Sudan, Pappas said. Divestment is not just a symbolic gesture, she said, because the Sudanese government is heavily reliant on foreign business. We need to add the state's voice to those of other governments and

Committee update

private investors who refuse to be complicit in this genocide, Pappas said. The Sudanese government has changed its policies in the past, when pressed economically by American interests, said Scott Wisor, Sudan Divestment Task Force. The targeted nature of the bill means about two dozen companies would be scrutinized, with perhaps a dozen companies subject to divestment, he said. The total amount of the SBI's portfolio subject to divestment, based on other states' experiences, should be less than a percent, Wisor said. The financial impact should be negligible, he said, because the board can reinvest in other companies in the same sector, as long as they do not operate in Sudan.

The SBI has already acted with regard to the Sudan situation, said Harold Bicker, SBI executive director. The board adopted a resolution in December 2006 with steps to evaluate companies for their Sudan operations, he said, and the steps are similar to the ones in the bill. The board's resolution does not pre-determine the outcome once companies with Sudan operations have been identified, he said.

I appreciate the board's work, Pappas said, but there is a sense of urgency to the Sudan situation. The issue was first raised in legislation last spring and Legislators and the board compromised on an SBI resolution, she said. However, adopting the resolution took from the spring until December, Pappas said, and now a list of companies will not be scrutinized until June. The bill moves the process along faster, she said.

The bill was approved and advanced to the full Senate.

Committee members, chaired by Sen. Ann Rest (DFL-New Hope), considered several additional measures. Sen. Michael Jungbauer (R-East Bethel) sponsored two bills. S.F. 2043 permits the city of Anoka to provide in its home rule charter the procedures for the appointment of the city housing and redevelopment authority commissioners. The bill was advanced to the full Senate. S.F. 2001 modifies the process for disposing of surplus real property owned by the state. The bill was re-referred to the Finance Committee.

S.F. 1904, carried by Sen. Sandy Rummel (DFL-White Bear Lake), requires the Office of Educational Accountability to convene an advisory group of measurement experts to consider and recommend how to structure school performance data

and school performance report cards. The bill was advanced to the Finance Committee. Sen. Yvonne Prettnier Solon (DFL-Duluth) sponsored S.F. 2161, which recodifies the platting statute. The measure was re-referred to the Judiciary Committee. S.F. 794, carried by Sen. Thomas Neuville (R-Northfield), increases the dollar amount of the homestead exemption. Members deleted the provisions that brought the bill within the committee's jurisdiction, at Neuville's request, and advanced the bill to the full Senate.

Sen.

Thomas Bakk (DFL-Cook)

sponsored a bill, S.F. 2057, permitting multiple local units of government to join together to form an airport authority. The measure was re-referred to the Taxes Committee. S.F. 2103, carried by Sen. Satveer Chaudhary (DFL-Fridley), requires the Environmental Quality Board to adopt rules that require an environmental impact statement for proposed releases of genetically engineered wild rice. The bill was advanced to the Finance Committee.

S.F. 482, authored by Sen. John Doll (DFL-Burnsville), adds the mayors of Apple Valley, Bloomington, Burnsville, Eagan, Mendota Heights and Richfield to the membership of the Metropolitan Airports Commission. Under current law, the mayors of Minneapolis and St. Paul are members of the commission. Because the



University of St. Thomas student and Liberian refugee Ben Nebo explains to members of the State and Local Government Operations and Oversight Committee, Wed., Apr. 11, why they should support a bill requiring the State Board of Investment to divest itself of all holdings with active Sudan operations. Nebo, along with other students in attendance at the committee hearing, was representing the Minnesota Genocide Intervention Project.

Photo by David J. Oakes

bill had not met deadline in the other body, the bill was laid over.

S.F. 2127, carried by Sen. Linda Scheid (DFL-Brooklyn Park), subjects the rulemaking process of the Minnesota State High School League to the requirements of the Administrative Procedures Act (APA). The requirements only apply to new rules, under the bill, but rules adopted before the legislation is effective can be made subject to the APA upon petition of 100 parents or guardians of students. Scheid said the bill is motivated by a desire to require the league to reevaluate a recently adopted rule requiring transfer students to sit out one year before they can participate in league-sanctioned activities. The league has indicated waivers are available under the rule, she said, but the rule should be

workable for students without widespread use of waivers. The league has about 1,500 rules that would be subject to the provisions of the bill, said Roger Aronson, a lobbyist for the league. No one has complained about the league's current process for adopting rules, he said. We have many rules, however, that have controversy surrounding their substance, he said. The bill would expose the league to readopting all the rules, Aronson said. The legislation could end up costing hundreds of thousands of dollars, he said, depending on how many rules were challenged. Because no motion on the bill was offered, no action was taken.

Diverse bills approved

Members of the State and Local Government Operations and Oversight Committee held a special meeting during the evening hours of Thurs., Apr. 12, to consider 20 bills on a broad range of topics. Many of the bills relate to agency rulemaking or create new boards or task forces.

S.F. 827, authored by Sen. Linda Higgins (DFL-Mpls.), requires coverage for interpreter services and creates an Interpreter Services Work Group. The bill was advanced to the Finance Committee. Two bills were approved and re-referred to the Rules and Administration Committee. S.F. 1360, sponsored by Sen. Dan Skogen (DFL-Hewitt), adds two Legislators to the Budgetary Oversight Committee for the game and fish fund. S.F. 2064, carried by Sen. Betsy Wergin (R-Princeton), creates a Task Force on Education for Children with Disabilities. S.F. 1812, sponsored by Committee Chair Ann Rest (DFL-New Hope), authorizes the merger of the Hennepin County library system and the Minneapolis Public Library. The bill was approved and forwarded to the Taxes Committee.

The remaining bills were all advanced to the full Senate.

S.F. 1185, authored by Skogen, modifies acquisition authority for state trails and permits the commissioner of natural resources to designate snowmobile in closed state forests by written order published in the State Register. S.F. 961, also carried by Skogen, requires counties and municipalities to allow shoreland resort owners to maintain and repair their businesses.

Sen. Katie Sieben (DFL-Newport) sponsored S.F. 728, which modifies

requirements for DNR contested case hearing notices. S.F. 2059, authored by Sen. Sharon Erickson Ropes (DFL-Winona), changes qualifications for service as a member of the Veterans Homes Board or as the board's executive director. S.F. 1791, carried by Sen. Sandra Pappas (DFL-St. Paul), creates an Advisory Task Force on Minnesota American Indian Tribes and Communities and K-12 Standards-Based Reform. Pappas also sponsored S.F. 1302, which permits the Metropolitan Council to transfer \$1 million internally for additional local government comprehensive planning assistance. Members adopted an amendment, offered by Pappas, allowing the Met Council to create a nonprofit private parks foundation to help acquire land in the regional park system plan.

Rest sponsored S.F. 1393, which directs the commissioner of education to amend the rule governing supplemental education service providers to specify the basis for withdrawing approval from providers that fail to increase student proficiency for two consecutive school years. S.F. 2126, carried by Rest, creates a Congestion Reduction Task Force to advise the commissioner of transportation regarding participation in the federal urban partnership program. S.F. 1966, also authored by Rest, modifies lawful gambling provisions.

S.F. 1998, carried by Sen. Ellen Anderson (DFL-St. Paul), modifies conditions and procedures for compensating intervenors in utility proceedings. Anderson also authored S.F. 2041, which authorizes the St. Paul Port Authority to create a nonprofit corporation to own or operate a steam-producing facility to sell energy to a customer using steam in a paper-recycling operation. Sen. Claire Robling (R-Jordan) carried S.F. 2174. The bill creates an Assistive Technology Advisory Council to fulfill the state's duties under the federal Assistive Technology Act.

S.F. 1557, sponsored by Sen. Dan Larson (DFL-Bloomington), updates a record retention provision governing state agencies. S.F. 1310, carried by Sen. Tony Lourey (DFL-Kerrick), contains a variety of noncontroversial modifications to elections law. The bill had previously been forwarded to the full Senate, but was recalled because amendments made to the bill were not properly incorporated, Rest said. The committee readopted its prior

amendments before forwarding the bill to the full Senate. S.F. 2226, sponsored by Sen. Jim Vickerman (DFL-Tracy), clarifies provisions relating to private cemeteries.

S.F. 1556, authored by Larson, updates terminology regarding the Office of Enterprise Technology. The bill was recommended for placement on the Consent Calendar.

Transportation

Class 2 ATV changes okayed

The Transportation Committee, chaired by Sen. Steve Murphy (DFL-Red Wing), met Tues., Apr. 10, to consider two bills. S.F. 739, authored by Sen. Dennis Frederickson (R-New Ulm), makes a number of technical changes in provisions relating to all-terrain vehicles (ATVs), particularly to class 2 ATVs. Class 2 ATVs are defined as having a total dry weight of 900 to 1,400 pounds. The bill makes changes to age restrictions and helmet requirements, sets limits, with exceptions for hunting and trapping, for the operation of Class 2 ATVs and clarifies the permissible uses of ATVs. The bill was approved and advanced to the full Senate.

The second measure, S.F. 1923, relates to extinguishments of interest in town roads. The bill, sponsored by Murphy, changes the notice requirement by which a town board may extinguish its interest in a town road and sets forth conditions for nullification of extinguishments. Under the bill, an extinguishment that has been nullified is deemed a cartway. Kent Sulem, Association of Minnesota Townships, said cartways are not maintained with taxpayer dollars. In addition, the bill specifies that the landlocked owner using the cartway is not required to pay damages for the land upon which the cartway is established or other costs and expenses. The measure was laid on the table for possible inclusion in the committee's omnibus transportation policy bill.

Omnibus policy bill approved

Members of the Transportation Committee, chaired by Sen. Steve Murphy (DFL-Red Wing), met Thurs., Apr. 12, to assemble the panel's omnibus transportation policy bill. The measure was drafted as an amendment to S.F. 1971. The bill, carried by Murphy, contains many of the bills heard by the committee over the course of the session. He said that, with

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four exceptions, most of the bill is non-controversial.

Murphy said the most controversial portions of the bill are those making seatbelt violations a primary offense, requiring appropriate child restraint systems for children up to the age of 8, requiring the commissioner of transportation to perform life-cycle cost analysis and establishing restrictions relating to the number of passengers and curfew hours for holders of provisional drivers licenses.

Members considered 20 amendments to the bill. Murphy said most of the amendments were non-controversial, but several sparked considerable discussion. An amendment offered by Sen. Amy Koch (R-Buffalo) allows school bus maintenance personnel to be trained, in the State Patrol's course, to be certified inspectors. A representative of the State Highway Patrol said by including the maintenance personnel in the training courses and certifying them as inspectors, problems with school buses would be brought to light earlier, before a tragedy occurs. Committee members argued that the maintenance personnel were employees of the companies owning the buses, and not answerable to a state agency. Koch withdrew the amendment.

Sen. Dan Larson (DFL-Bloomington) offered an amendment clarifying that parking tickets are legal. He said because of recent court rulings, the legality of issuing parking citations has been called into question and that the amendment makes it clear that citations may be given. Murphy offered an amendment designating a road in Duluth as Walter F. Mondale Drive. Murphy also offered an amendment specifying that traffic violations occurring in highway work zones will have triple the normal fine for the violation. Sen. Ann Rest (DFL-New Hope) offered an amendment changing the composition of an Airport Funding Advisory Task Force created in the bill. Sen. Scott Dibble (DFL-Mpls.) sponsored an amendment providing for two railroad safety inspectors and clarifying language about railroad walkways. Murphy also offered an amendment requiring the Legislative Commission on Metropolitan Governance to review Metropolitan Council procurements of \$125 million or more. All of the above amendments were adopted.

An amendment, offered by Sen. Rod Skoe (DFL-Clearbrook), increasing the allowable gross weight of trucks hauling

agricultural and forest products and allowing seven axles on specific trucks, was also debated. Some members of the committee said the larger trucks were unsafe and increased road wear. Other members said the larger trucks had more braking power and made fewer trips, thus decreasing road wear. The amendment was not adopted.

The bill was approved and advanced to the full Senate. Later it was discovered the original bill had already been reported to the floor. During the floor session Fri., Apr. 13, the bill was stricken from General Orders and returned to the committee. Later that afternoon the committee met to add the omnibus bill language to S.F. 1971. The bill was approved and again referred to the Senate floor.

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The Capitol is awash with spring sunshine as trees on the Capitol grounds start to show signs of life.

Photo by A.J. Olmscheid



April 20, 2007

Senate Highlights

Energy, minimum wage bills OK'd

Senators used the afternoon portion of the Wed., Apr. 18, floor session to grant preliminary passage to measures relating to energy policy and increasing the minimum wage.

S.F. 145, sponsored by Sen. Yvonne Prettner Solon (DFL-Duluth), is the omnibus energy policy bill. Prettner Solon said the bill contains the final two elements of a four-prong approach to reducing greenhouse gases. The first step was setting a renewable energy standard of 25 percent by 2025, she said. The second step was setting energy efficiency and conservation goals of 1.5 percent, Prettner Solon said. She said the first two steps alone make it clear that the Senate is serious about reducing greenhouse gases. We are already on the road to reducing emissions from power plants by 42 percent by 2025, based on the first two steps, she said. The third piece is assuring community ownership and development of renewable sources of energy, she said, and the fourth step is reducing greenhouse gas emissions statewide and across all sectors to 80 percent below 2005 levels by 2050. The bill encourages additional development of community-based energy development (C-BED) and provides a process to create and implement a plan to achieve the 2050 goal.

I support what is in this bill, said Sen. Ellen Anderson (DFL-St. Paul). We are a national leader in promoting and supporting community-based renewable energy, she said. The changes in the bill keep us in a leadership role, Anderson said. The goal of reducing greenhouse gases emissions and setting long-term guidance is critically important, she said. But something is missing, she said. While we are studying what to do about global warming, this bill allows the problem to get worse, putting us

in a deeper hole, Anderson said. This bill, and the bills that preceded it, reflect an amazing amount of work toward addressing greenhouse gas emissions, said Sen. Julie Rosen (R-Fairmont). We have been very aggressive, responsible and prudent, she said. We have set a good example for other states, Rosen said, and are clearly leading the pack.

S.F. 875, authored by Anderson, increases the minimum wage and indexes it to inflation. Large employers, under the bill, must pay a wage of at least \$6.75 beginning Aug. 1, 2007, and \$7.75 on Aug. 1, 2008. The bill sets the minimum wage for small employers at \$5.75 on Aug. 1, 2007, and \$6.75 on Aug. 1, 2008. Beginning Jan. 1, 2009, under the bill, the minimum wage increases annually by the previous year's rate of inflation, measured by the consumer price index. The bill also eliminates the training wage, which is a lower minimum wage employers may pay employees younger than 20 in their first 90 days of employment.

If the minimum wage had kept pace with inflation since the late 1960s, Anderson said, it would be at \$9.27. Twenty-five states, including neighboring states, already have higher minimum wages than Minnesota, she said. There is no evidence that minimum wage increases have caused or will cause job losses, Anderson said. We do know that an increase in the minimum wage has an immediate economic impact, she said, because low-income workers spend all of their earnings.

We are determining what wages should be for all businesses across the state, without knowing anything about their operations, said Sen. David Hann (R-Eden Prairie). We are imposing a price for labor, he said, without sound logic. The minimum wage prices people out of the

marketplace for labor, Hann said. Raising the minimum wage causes the most harm for people with the lowest skill levels, he said. As the minimum wage climbs, the least-skilled workers will compete with higher-skilled workers and not get hired, he said. It sounds like a wonderful thing to increase people's incomes from the Legislature, he said, but it is not that easy. Higher wages will be recouped through higher costs for goods and services, Hann said. This is bad timing, because we just raised the minimum wage and the federal government is set to increase the federal minimum, said Sen. Geoff Michel (R-Edina). This is also bad policy, he said, because a higher minimum wage will further stifle the state's anemic job growth.

The principle of a minimum wage increase is very important to the people of Minnesota, said Sen. Terri Bonoff (DFL-Minnetonka). The governor has said he could support an increase in the minimum wage, she said, and the faith community has also expressed support for an increase. We have a problem with a divide between the haves and have-nots, Bonoff said. It is important that we pay people a fair wage for their labor, she said. Employees have improved productivity, to the benefit of business owners, consistently for years without sharing in the gains, said Sen. Scott Dibble (DFL-Mpls.). Employees deserve to have an increase in income, he said.

If we can legislate prosperity, then we should at least try to lift the minimum wage closer to a living wage, said Sen. Ray Vandever (R-Forest Lake). He offered an amendment setting the minimum wage at \$10.75 later this year and \$11.75 next year, without a differential for small employers. Anderson said the proposal was not feasible, though it would be nice to do. The amendment was defeated, 10-48.

The bill was granted preliminary approval, 39-24.

Drug trials, stem cell bills gain

The Health, Housing and Family Security Committee met Fri., Apr. 13, to consider a bill requiring the posting of information about drug clinical trials. S.F. 2114, authored by Sen. Kathy Sheran (DFL-Mankato), requires manufacturers of prescription drugs already in the marketplace involved in clinical trials to post information about the trial's funding sources, the names of the principal investigators and study centers, a summary

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In recognition of the victims of the shooting tragedy at Virginia Tech, Senators observed a moment of silence during the Tues., Apr. 17, floor session.

Photo by David J. Oakes

of the purpose of the trial, the name of the drug being tested and its active ingredients, the dates of the trial and a summary of information concerning the results and outcomes of the trial. Sheran said consumers need information in order to make informed, reasoned decisions about health care. She said the rising costs of health care means consumers must have as much data as possible in order to participate in their own health care.

The bill also requires information about the potential or actual adverse effects of the drug, the number of participants who discontinued participation in the trial and the reasons for their discontinuance. The measure specifies that for any clinical trial that is terminated, a description must be disclosed of the reasons leading to the decision to terminate the trial, including whether efficacy, adverse events or safety issues were factors. The bill specifies that the disclosure requirements apply to all clinical trials

completed or terminated on or after Jan. 1, 1990, including trials completed after a drug has been approved for sale. The bill also requires drug manufacturers to pay a fee of \$1,000 per year to cover the costs of implementing the bill.

Sheran stressed that the bill is not aimed at curtailing research, but at determining the safety of prescription drugs. Liz Foley, Consumers Union, spoke in support of the bill and said the bill requires the information after the drugs have been released to the market. Proponents spoke of relatives who experienced adverse effects from taking prescription drugs, even though those adverse effects were well known by the manufacturers.

Mark Paler, assistant vice president of research, University of Minnesota, said the University supports the concept of the bill, but the language in the bill is problematic. He said the University is already required to provide information about the clinical trials by the federal government. He said

the bill is restrictive and duplicative. Andrea Douglas, Pharmaceutical Research and Manufacturers of America (PhRMA), said the PhRMA web site already provides information required by the federal government. Opponents also said the retroactive nature of the bill makes it difficult to round up information about all the trials done since 1990.

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

Members considered a bill providing standards for stem cell research. S.F. 100, authored by Sen. Richard Cohen (DFL-St. Paul), establishes a state policy for stem cell research and allows the University of Minnesota to use state-appropriated funds for stem cell research. Cohen said the bill outlines the type of research that may be done, requires informed consent from patients relating to the disposition of any human embryos remaining following fertility treatment. The bill also prohibits

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the sale of embryonic or cadaveric fetal tissues for research purposes.

Meri Firpo, University of Minnesota Stem Cell Institute, said stem cell research is fundamental to understanding human development and to the development for treatments for a variety of diseases.

Fredrik Preston, speaking in opposition, said the destruction of embryos is the destruction of human life and morally wrong. Sharon Soderland, Archdiocese of St. Paul and Minneapolis, also opposed the bill and said that life begins with conception and ends with death. "It is immoral to use embryonic stem cells as biological tissue for research," she said, "I don't believe using embryonic stem cells can be morally justified."

Sen. Betsy Wergin (R-Princeton) said the issue boils down to whether or not a person believes human life begins at conception. She said that researchers seem resistant to using other types of stem cells, which don't require the destruction of life. Cohen said the University is moving forward with other types of stem cell research, but the use of embryonic cells is critical.

The measure was approved and sent to the full Senate on a roll call vote of 9-5.

Medical marijuana heard

A measure permitting the medical use of marijuana by patients with debilitating medical conditions was considered by members of the Health and Human Services Budget Division, Tues., Apr. 17. S.F. 345, authored by Sen. Steve Murphy (DFL-Red Wing), was approved and advanced to the full Finance Committee.

Division Chair Linda Berglin (DFL-Mpls.) prefaced discussion by saying the panel's consideration would be limited to financial issues. Policy discussions have been had in the previous committees that heard the bill, she said.

A growing number of prominent medical organizations support permitting marijuana to be used for medical purposes, Murphy said. Other medical organizations are neutral because their memberships are split on the issue, he said. Prior committee stops have modified the bill to address the law enforcement community's concerns, Murphy said. The bill permits marijuana to be used therapeutically in very severe medical situations, he said.

On the financial question, Murphy said, the bill initially costs money. Berglin said all new licensure programs cost money

in their initial years. The expectation is that the losses will be made up as the program gets up to speed, she said.

Numerous law enforcement associations oppose this bill, said Dakota County Attorney James Backstrom, representing the County Attorneys Association. Marijuana is not an accepted medicine and is not approved by the Food and Drug Administration, he said. The bill puts Minnesota in direct conflict with federal law, Backstrom said, which is unsound public policy. Murphy said the bill's proponents have gone a long way to meet law enforcement's concerns, but will never fully satisfy the opponents.

Members adopted several amendments, recommended by Senate counsel, making technical corrections to the bill's provisions. Sen. Ann Lynch (DFL-Rochester) offered an amendment deleting a provision requiring law enforcement to reimburse patients and caregivers for seized marijuana they legally possessed. Murphy said he was amenable to the amendment, which was adopted.

Lynch also offered an amendment permitting patients to reimburse caregivers for their costs in assisting the patient's use of medical marijuana. Sen. Sharon Erickson Ropes (DFL-Winona) said she was concerned the amendment would have the effect of permitting caregivers to take advantage of patients by expecting compensation beyond reimbursement for actual costs. Rosen spoke in favor of the amendment, saying the provision permits paying someone to get illegal drugs. The amendment failed on an announced tie.

Sen. Mary Olson (DFL-Bemidji) offered an amendment requiring practitioners who recommend the use of marijuana to be licensed in Minnesota. The amendment was adopted. Olson also offered an amendment removing intractable pain and severe nausea as symptoms of debilitating medical conditions that qualify a patient for medical use of marijuana. These are loose, subjective standards, she said. Murphy said the language was meant to cover only the most serious cases. Pain is inherently subjective, he said. The amendment was not adopted.

The bill was advanced on a 6-4 roll call vote.

In other action, division members considered five additional bills. S.F. 1823, carried by Sen. Patricia Torres Ray (DFL-Mpls.), modifies licensure requirements for physical therapists and physical therapy

assistants. S.F. 2067, sponsored by Erickson Ropes, modifies the fee structure for licensed professional counselors and establishes a fee structure for licensed professional clinical counselors. S.F. 445, authored by Sen. Michelle Fischbach (R-Paynesville), modifies exam requirements for individuals operating X-ray equipment and establishes a state certification program that includes continuing education requirements. S.F. 1197, sponsored by Sen. Sandra Pappas (DFL-St. Paul), establishes a doula registry and ensures the presence of a doula if a patient requests one. Doula services are defined, in the bill, to include emotional and physical support during pregnancy, labor, birth and postpartum. The preceding four bills were approved and advanced to the full Finance Committee.

Carried by Erickson Ropes, S.F. 2066 establishes licensure requirements for professional clinical counselors and adds licensed professional clinical counselors to the definition of medical health professional for Adult Mental Health Act coverage. The bill was laid over because of outstanding fiscal issues.

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Committee update

Business, Industry and Jobs

Ford plant bill heard

A measure requiring Ford Motor Company to maintain its St. Paul manufacturing plant was the sole item considered at the Thurs., Apr. 19, meeting of the Business, Industry and Jobs Committee, chaired by Sen. James Metzen (DFL-South St. Paul).

S.F. 607, authored by Sen. Richard Cohen (DFL-St. Paul), requires the owner or operator of a motor vehicle manufacturing or assembly plant to maintain the plant for two years after the plant discontinues operation. Cohen said the plant, which is in St. Paul's Highland Park neighborhood, and its workers have contributed to the state and its economic and community vitality. The workers need an opportunity to maintain what they have put their lives into, he said.

The Twin Cities plant has long been one of Ford's and the industry's top plants, said Bob Kailleen, United Auto Workers Local 879. It has won awards for the quality and productivity of workers' efforts, he said. Workers were taken aback when the closing was announced, Kailleen said, and expressed a desire to keep working. We have been talking with developers of electric versions of the Ford Ranger and F-Series pickup trucks, he said. The workers intend to show Ford that new technologies can work and can be made at the Highland Park plant, he said. It is not clear that Ford is capable of cleaning up the site for residential use, as proposed by the city, Kailleen said, especially considering its poor track record with other industrial clean-up efforts.

The workers need help now, said Don Gerdesmeier of Teamsters Joint Council 32 DRIVE. Once the site is converted to housing, it will never again be available for manufacturing, he said. Phillip Qualy, United Transportation Union, said losing a manufacturing site has a serious ripple effect on other sectors. There are long-used rail lines on the site, he said, that could remain in use and that pose clean up issues. We are on the frontier of an environmental movement and could manufacture wind-energy or coal scrubber technology at the site, Qualy said. Additionally, the nation needs more military equipment, especially hardened vehicles, he said. Qualy said the site should at least be maintained so it can be reviewed for retrofitting.

On the Iron Range, we once saw taconite plants get disassembled months after they closed, said Sen. David Tomassoni (DFL-Chisholm). The Legislature acted to require taconite plants to be maintained, he said, and subsequently closed plants were reopened by new owners. Without the legislative action, the plants would have been disassembled and the jobs permanently lost, he said. Sen. Thomas Bakk (DFL-Cook) said the law has benefited the state and local workers. Salvage companies have a lot of interest in decommissioned facilities, he said. These jobs have value, he said, but it is unclear whether manufacturing will

Ford wants to help the community put the property to productive use as quickly as possible, said Mary Culler, Ford's director of government affairs. The site is larger than normal, at 230 acres, she said, requiring more time and work to ascertain the best use. We are eager to hear from neighbors, the city and organized labor, she said. Culler said a moratorium on development takes control away from the city and infringes on private property rights.

Waiting to see if a large manufacturer is interested in the site could have serious negative consequences for the city, she said. Enactment of the bill also sends future buyers of property a bad message about their rights, she said. Auto manufacturers do not buy their competitors' old facilities, she said, but choose to locate facilities on undeveloped property.

City leaders value the work union members did to try to keep the plant open, said Cecile Bedor, director of planning and economic development, city of St. Paul. However, we cannot turn the tide within the auto industry, she said. The city's redevelopment efforts are focused on trying to keep as many high-quality jobs as possible and ensuring the use of a broad-based community planning process that will be complete by the time the plant closes in fall 2008, she said. Requiring the site to be maintained as-is until 2010, Bedor said, delays redevelopment and risks tax base and jobs. She said a market analyst retained by a city-convened redevelopment group said it is unrealistic to expect another auto manufacturer to be interested in the site. The analyst indicated companies in the light industry, business services, high tech, and research and development sectors, Bedor said, could be interested in the site. Mark Moeller, St. Paul Chamber of Commerce, said the bill

employs the wrong tactic. We need to keep our options open while we seek to keep as many jobs as possible, he said. Moratoriums are generally bad policy, Moeller said, and often postpone the inevitable.

Several Senators expressed concern with the bill. We need to do what we can to help workers, said Sen. Terri Bonoff (DFL-Minnetonka), but it is inappropriate to intercede in the company's efforts to keep itself alive. Sen. Linda Scheid (DFL-Brooklyn Park) said it is very unrealistic to believe another auto manufacturer will purchase the site. The state should not lightly take away local authority to assess how a site should be used, said Sen. Ron Latz (DFL-St. Louis Park). He said that if there were a strong possibility of a similar use being identified for the property, the bill might be reasonable. But this is not a single-use property, like a taconite mine, Latz said.

A motion to advance bill failed on a divided voice vote.

Commerce and Consumer Protection

Insurance good faith bill okayed

Members of the Commerce and Consumer Protection Committee devoted most of the Wed., Apr. 18, meeting to discussing a bill requiring good faith insurance practices. S.F. 2173, authored by Sen. Tarryl Clark (DFL-St. Cloud), requires an insurer to act in good faith involving an insured's claim under an insurance policy. The measure, which had been heard before by the committee, defines actions that do not constitute good faith and specifies penalties and remedies. Clark said current law contains no consequences for insurance companies who do not act in good faith. She said the measure does not apply to third parties and does not apply to workers compensation or health care.

Committee Chair Linda Scheid (DFL-Brooklyn Park) offered an amendment providing for a different standard for actions that do not constitute good faith. Under the amendment, an insurer does not act in good faith if the insured can show the absence of a reasonable basis for denying the benefits of the insurance policy and the insurer's knowledge or reckless disregard of the lack of a reasonable basis for denying a claim. Scheid said

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Senators Don Betzold (DFL-Fridley), left, and Warren Limmer (R-Maple Grove) converse on the floor of the Senate during the Mon., Apr. 16, floor session. Photo by A.J. Olmscheid

the amendment also eliminates life insurance and annuities from the scope of the bill. In addition, the amendment provides a right to cure, Scheid said. She said the amendment specifies that as a condition before bringing an action, the insurer must have been given 60 days' written notice to allow time for the insurer to correct the violation. Finally, the amendment limits liability to the insured to costs, actual damages and reasonable attorney fees.

Sen. Mary Olson (DFL-Bemidji) spoke in opposition to the amendment. She said the amendment has long term ramifications for consumers. She said under the amendment, the remedies are very limited and that changing the standard for not acting in good faith shifts the burden to the insured. She said the right to cure will force insureds to hire an attorney, which will take away one-third of the award from the consumer.

Olson offered an amendment to the amendment deleting language excluding life insurance and annuities from the scope

of the bill and deleting the right to cure language. Scheid requested the amendment be divided. Members voted first on the deletion of language excluding life insurance and annuities from the scope of the measure. The amendment was not adopted. Olson withdrew the second portion of the amendment. The Scheid amendment was adopted. The bill was approved and sent to the full Senate.

In other action, the committee advanced two additional bills to the Senate floor. S.F. 1764, authored by Sen. Satveer Chaudhary (DFL-Fridley), requires the commissioner of natural resources and the director of Explore Minnesota Tourism to develop an eco-tourism program. Chaudhary said promotion of eco-tourism will benefit both the economy and the environment. S.F. 162, carried by Sen. Dan Sparks (DFL-Austin), imposing customer sales or service call center requirements, was reconsidered by the committee. Members adopted an amendment deleting language providing that any person who receives a telephone call from, or places a

telephone call to, a customer sales call center has the right to know the identification of the state or country where the customer service employee is located. The bill specifies that consumers who receive a telephone solicitation from, or place a call to, a call center located in a foreign country, which requests the consumers' financial, credit or identifying information, has the right to request an alternative option to contact a sales or service center located in the United States, if the alternative option is available.

Energy, Utilities, Technology and Communications

Nuclear power overview heard

The Energy, Utilities, Technology and Communications Committee met to hear an overview of nuclear power issues Tues., Apr. 17. Sen. Yvonne Prettner Solon (DFL-Duluth) chairs the committee.

John Fuller, senate counsel, reviewed the legislative history of nuclear power in Minnesota. Both the state and federal government regulate nuclear power, Fuller said. The federal government regulates health and safety and issues operating licenses, while the state regulates waste storage facilities and issues certificates of need, he said. Minnesota has two nuclear power plants, both operated by Xcel Energy, one at Monticello and one at Prairie Island, Fuller said.

In 1994, Minnesota passed a law establishing the renewable energy fund into which the utility pays a yearly fee for nuclear waste storage, Fuller said. The money in the account is used for renewable energy development, he said. The law also prohibits new nuclear plants in Minnesota, Fuller said. In 2003, a law was passed requiring a stay of a Public Utilities Commission (PUC) certificate of need decision until after the legislative session to give Legislators the opportunity to approve or modify the decision, he said. Fuller said the current issue before members is the decision by the PUC to authorize additional storage casks at the Monticello plant in order for the plant to continue operations until 2030.

LeRoy Koppendrayner, chair, PUC, provided an overview of the certificate of need process for dry cask storage at the Monticello nuclear facility. The certificate is a long and involved process, Koppendrayner said. The utility is required to make a five year plan and a 15 year plan and demonstrate to the commission the increase in energy needed during that time and how that energy is to be provided, he said. Koppendrayner also answered Senator's questions about transporting nuclear waste and storing waste at Yucca Mountain in Nevada.

An overview of nuclear power in Minnesota, including how the generating process works at each plant, was presented by Jim Alders of Xcel Energy. Approximately 26 percent of Xcel's electricity to serve its consumers comes from nuclear power, Alders said. Nuclear power is an essential part of Xcel's energy supply and Minnesotans benefit from low-cost, non-carbon emitting nuclear energy, he said. Alders said both Monticello and Prairie Island have outstanding safety records.

The committee also heard the following three bills from Sen. Gary Kubly (DFL-Granite Falls). All were laid over to give the committee an opportunity to take

testimony on nuclear issues at a future meeting.

S.F. 1414 requires phase out and contingency planning and approval of storage at the Monticello nuclear power plant. With the aging plants, planning is needed to manage the risks and impacts of a nuclear event, he said.

S.F. 1794 extends the stay on the PUC decision regarding dry cask storage at the Monticello plant. Because of the seriousness of the decision, the bill extends the ability of the Legislature to review the decision until June 1, 2008, Kubly said.

Kubly's last bill, S.F. 2144, requires a report detailing where routine radiation releases go, and the health impacts of the radiation emissions on affected communities surrounding the Monticello plant.

Nuclear discussion continues

Chair Yvonne Prettner Solon (DFL-Duluth) and members of the Energy, Utilities, Technology and Communications Committee continued looking at nuclear power issues at the Thurs., Apr. 19, meeting.

The committee heard the following bills for discussion only, no action was taken.

S.F. 2081, authored by Sen. Steve Murphy (DFL-Red Wing), removes the prohibition against issuing a certificate of need for a nuclear powered electric generating plant. The bill also requires a study of economic and environmental effects of constructing a nuclear power plant, Murphy said. Nuclear power has been proven to be safe, reliable and clean, and the study will help the Legislature better understand the issue, he said.

Also carried by Murphy, S.F. 1930 abolishes the existing prohibition preventing the Public Utilities Commission (PUC) from issuing a certificate of need for a new nuclear power plant.

Two bills authored by Sen. Michael Jungbauer (R-East Bethel) were on the committee's agenda. Prettner Solon said the Jungbauer bills are similar to the bills presented by Murphy. S.F. 1491 repeals the ban on nuclear powered electric generating plants certificate of need. S.F. 1608 abolishes the existing prohibition preventing PUC from issuing a certificate of need for a new nuclear power plant.

Members approved one bill. S.F. 2199, authored by Sen. Ellen Anderson (DFL-St. Paul), regulates the storage of nuclear waste at nuclear generating plants.

The bill requires Xcel Energy to pay \$350,000 each year for each cask containing spent fuel that is located at the Monticello nuclear power plant, with the money to be deposited in the renewable development account. Sen. Ray Vandever (R-Forest Lake) offered an amendment to remove the new fee for the Monticello plant, but the current fee for storage at Prairie Island would remain. The fee will be passed on to rate payers, he said. Sen. Jim Carlson (DFL-Eagan) supported the amendment. The money should be used to find ways to deal with the waste issue, not for renewable energy, he said. Prettner Solon said she did not support the amendment because the fee for Monticello would make it consistent with the policy at Prairie Island. The amendment failed on a 3-6 roll call vote.

An amendment offered by Anderson limits a cost recovery provision in the bill. The amendment limits recovery for investments and expenses to replacement of cast iron natural gas distribution and service lines and to replace breakers that contain sodium hexafluoride. Anderson said it is in the public's interest that these are replaced to reduce the risk of greenhouse gases being released into the atmosphere. Utilities can only get recovery of the investments if they do not raise rates too much, she said. The amendment was adopted. S.F. 2199 was recommended to pass and sent to the Senate floor.

Next, the panel heard public testimony on nuclear power in Minnesota.

Cecilia Martinez, Center for Energy and Environmental Policy, said nuclear energy generation in Japan and France has not led to a reduction in carbon emissions. A new nuclear power plant encourages consumption instead of conservation, she said. Members need to look at the overall structure of the energy system, at transportation and other sectors to reduce greenhouse gas emissions, Martinez said.

Diane Rother, North American Water Office, said there are health risks from routine releases of nuclear emissions from nuclear power plants. Low-level, consistent releases of radiation have long term effects on the environment and individual's health, she said. The health risks need to be added to the cost of nuclear power, Rother said. George Crocker, executive director, North American Water Office, said the possibility of an accident because of aging parts

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and security concerns also need to be considered.

Ron Johnson, Prairie Island Indian Community, said that as the home of a nuclear plant, the community has a strong interest in nuclear power and nuclear waste. There is a lack of commitment at the federal level to solve the nuclear waste problem, he said. The Prairie Island community doesn't have the luxury of out-of-sight, out-of-mind, and Yucca Mountain is the most reasonable solution, he said. Johnson said members should resist looking to nuclear power as an energy source until the nation solves the waste problem.

Kristen Eide Tollefson, Communities United for Responsible Energy, also testified about nuclear waste storage concerns. There are no plans for long-term storage of nuclear waste at the Monticello plant, and the federal government has no plan for the waste, Tollefson said. The utility ignores the responsibility it bears for the waste, she said. Tollefson said the Legislature should take the time it needs to do complete review of the certificate of need for the Monticello plant.

Jim Alders, Xcel Energy, said a delay in the approval of the company's certificate of need will cost millions in construction and purchased replacement power. All of the issues raised at the hearing have been raised before, Alders said. The PUC process to examine whether or not Monticello should continue to operate decided the best thing to do is to allow the plant to continue, he said. The policy questions are what Senators should be concerned about, not the details of the subjects heard at the committee meeting, Alders said.

Prettner Solon said members should think about where they want to go with the nuclear issue. There are consequences to all of the bills, she said. The meeting was a good beginning discussion and something members will want to continue in the years to come, Prettner Solon said.

Environment and Natural Resources

Omnibus bill approved

The Environment and Natural Resources Committee approved the omnibus environment policy bill, which includes changes to wetlands, off-highway vehicle laws, game and fish measures and

other environmental policy areas Fri., Apr. 13. The bill, S.F. 1312, is carried by Committee Chair Satveer Chaudhary (DFL-Fridley). Members reviewed the measure at a previous hearing.

Sen. Tom Saxhaug (DFL-Grand Rapids) offered an amendment removing a provision in the bill requiring the commissioner of natural resources to use the proposed alternative shoreline management standards, published by the Department of Natural Resources, when updating the minimum shoreline standards. The amendment also removes the required deadline for rulemaking. Saxhaug said requiring use of the alternative standards was too prescriptive. Sen. Scott Dibble (DFL-Mpls.) said the alternative standards are based on a lot of research and it is reasonable to expect the new standard will be based on the alternative standard whether it is required or not. The amendment was adopted.

Several amendments relating to the wetlands portion of the bill were offered.

Sen. LeRoy Stumpf (DFL-Plummer) offered an amendment to remove changes reducing the size of de minimis wetland exemptions. The exemption allows the draining or filling of wetlands of certain sizes without replacing or mitigating lost wetlands. It is important to maintain some flexibility so residents can build a driveway or take care of a low spot in the yard, Stumpf said. Chaudhary agreed that there is a need for common sense solutions, but the standards set in the bill represent a decent size area, he said. Even temporary wetlands play a role in clean water and habitat, said Sen. Dennis Fredrickson (R-New Ulm). It is important to protect these wetlands, he said. Sen. Steve Dille (R-Dassel) said the new language was confusing, creating different standards for different types of wetlands in different areas of the state. The language needs to be improved before it is included in a bill, he said. The amendment was adopted on a 9-5 roll call vote.

The committee adopted an amendment to allow a person who creates or restores a wetland without public financing to drain the land without having to create a replacement wetland. The committee also approved several technical and clarifying amendments to the wetland provisions in the omnibus bill.

Sen. Bill Ingebrigtsen (R-Alexandria) offered an amendment to remove a measure in the bill prohibiting the raising

of minnows in a body of water that is the subject of a protective easement or other interest in land that was acquired with funding from migratory waterfowl stamp proceeds. Ingebrigtsen said there is a lack of information about whether or not aquatic agriculture is hurting lakes. The measure could hurt both the aquatic farmers and the fishing industry of the state, he said. Pat Pariseau (R-Farmington) said it is unclear how many lakes the provision would include. Chaudhary said the measure is the one part of a larger aquatic agriculture bill representatives of the fisheries said they agreed with.

Ingebrigtsen withdrew his amendment and the committee considered a scaled back version which limits only new licenses. The amendment also includes a sunset date and requires a report on whether to continue or expand the measure. Fredrickson opposed the amendment. It is about fund integrity and money for waterfowl projects going to lakes used for aquatic agriculture, he said. The amendment was adopted on an 11-2 roll call vote.

The bill was recommended to pass and re-referred to the Finance Committee.

The committee also considered S.F. 1472, authored by Sen. Gary Kubly (DFL-Granite Falls), which extends the prohibition on new open air swine basins. The panel voted to include the language in the omnibus bill.

In other action, the committee heard S.F. 1274, authored by Pariseau. The bill memorializes Congress to reauthorize the Conservation Reserve Program as part of the 2007 Farm Bill. The bill was recommended to pass and re-referred to the Rules and Administration Committee.

Authored by Chaudhary, S.F. 2040 creates a three-year license for fish houses and dark houses. The committee voted to replace the language in the bill with provisions from the off-highway vehicle portion of the omnibus bill not heard by the State and Local Government Operations and Oversight Committee. Chaudhary said the language is not removed from the omnibus bill, simply duplicated. The bill was recommended to pass and re-referred to the State and Local Government and Operations and Oversight Committee.

Also carried by Chaudhary, S.F. 1704 modifies provisions for wetland conservation. An amendment was adopted to include only the agricultural wetland

measures in the bill. Dille said the amendment will keep the discussion about agriculture and wetlands alive. The bill was recommended to pass and re-referred to the Agriculture and Veterans Committee.

DNR commissioner okayed

The Environment and Natural Resources Committee, chaired by Sen. Satveer Chaudhary (DFL-Fridley), met Tues., Apr. 17, to consider the governor's appointment for commissioner of natural resources. Members recommended for approval the appointment of former Deputy Commissioner Mark Holsten as commissioner of the Dept. of Natural Resources.

PCA commissioner approved

The Environment and Natural Resources Committee, chaired by Sen. Satveer Chaudhary (DFL-Fridley), devoted the Thurs., Apr. 19, hearing to consideration of the governor's appointment of Brad Moore as commissioner of the Pollution Control Agency. Chaudhary asked Moore several questions related to his background, experience and views. He said it was necessary for the committee to practice due diligence before recommending confirmation of an appointee. Moore said his management style was collaborative and then described the activities of the agency as monitoring and enforcing air and water quality standards. Several members spoke in support of Moore's appointment and said he has already exhibited strong leadership of the agency. Members approved Moore's appointment and recommended that he be confirmed by the full Senate.

Finance

Electronic waste bill gains

Members of the Finance Committee, chaired by Sen. Richard Cohen (DFL-St. Paul), met Tues., Apr. 17, to consider bills relating issues from electronic waste disposal to pregnancy prevention initiatives. All the bills were approved and advanced to the Senate floor.

Sen. Linda Higgins (DFL-Mpls.) sponsored a bill, S.F. 235, providing for collection, transportation and recycling of video display devices. Higgins offered an amendment clarifying language relating to calculating manufacturers' recycling

credits and including an appropriations provision. The amendment was adopted. Under the bill, all manufacturers of video display devices must register annually with the state and pay an annual registration fee. The recyclers of video display devices also must register, under the bill. The fees are to be used to monitor sales and recycling data. Higgins said manufacturers are required to recycle an amount of electronic devices equal to the weight of video display devices sold in Minnesota during the previous year. If the manufacturer does not recycle the required amount its registration fee is increased under a formula contained in the measure, Higgins said.

Higgins sponsored two additional bills. S.F. 1298 changes definitions, changes voter registration procedures and requirements, filing requirements, voting procedures and Election Day prohibitions. The bill also makes changes in ballot preparation requirements and establishes a complaint and resolution process in order to comply with the federal Help America Vote Act provisions. Higgins asked that the committee not adopt the budget division report and offered an amendment reinstating language and eliminating the costs associated with the bill and incorporating the provisions of S.F. 954. Higgins said S.F. 954 also makes changes in voter registration provisions. The amendment was adopted. S.F. 954 was then stricken from the agenda.

S.F. 184, authored by Sen. John Marty (DFL-Roseville), increases access to family planning services, allows a registered nurse in a family planning agency to dispense oral contraceptives and requires the commissioner of human services to work with family planning clinics to adjust Medical Assistance reimbursement rates. The bill also provides that a nonprofit community clinic is a governmental unit in order to participate in the Minnesota Multistate Contracting Alliance Pharmacy. Marty said the bill no longer has financial implications.

The final bill on the agenda, S.F. 1981, establishes a building replacement fund for rents collected from the Elmer L. Andersen and Orville L. Freeman Buildings. The bill, carried by Sen. Claire Robling (R-Jordan), said the bill sets up a separate account to allow the commissioner of administration to appropriate the funds for deferred maintenance and other

extraordinary building repairs to the two buildings.

Health, Housing and Family Security

Several bills gain

In addition to legislation regarding prescription drug trials and stem cell research, members of the Health, Housing and Family Security Committee, chaired by Sen. John Marty (DFL-Roseville), considered several additional bills, at their Fri., Apr. 13, meeting.

S.F. 1196, authored by Sen. Michael Jungbauer (R-East Bethel), creates a manufactured home relocation trust fund, requires manufactured home park owners to make payments to the trust fund and requires park owners to provide notice to residents of the possibility of compensation from the trust fund when a mobile home park is converted to another use or closed. The bill was approved and re-referred to the State and Local Government Operations and Oversight Committee. S.F. 949, authored by Sen. Tony Lourey (DFL-Kerrick), requires the Board of Social Work to issue a license to practice as a licensed social worker to an applicant who meets the requirements of a licensed social worker, is currently licensed as a school social worker by the Board of Teaching and has been engaged in the practice of social work in an elementary, middle or secondary school for the preceding 15 years. The bill was approved and advanced to the Senate floor.

S.F. 1455, sponsored by Sen. Ann Lynch (DFL-Rochester), requires all health care facilities to report on major spending commitments. S.F. 2203, authored by Sen. Linda Higgins (DFL-Mpls.), makes numerous changes in provisions relating to chemical and mental health, public assistance, continuing care and health care. Higgins said the bill is the Dept. of Human Services technical bill. S.F. 2231, carried by Sen. Sharon Erickson Ropes (DFL-Winona), makes housekeeping changes in provisions governing Dept. of Human Services continuing care programs. All three measures were approved and sent to the Senate floor.

S.F. 802, carried by Sen. Paul Koering (R-Fort Ripley), recodifies provisions relating to mortuary science. Koering said the bill is a technical bill updating

Committee update

statutes. Several provisions relating to containers for remains being delivered to a crematory sparked debate. Language in the bill specified that cremation container means a rigid, combustible, closed container. Members adopted an amendment removing the requirement the container be rigid. In addition, language in the bill requires that a body must be in an appropriate cremation container or wrapped in an impermeable sheet or pouch four millimeters or more in thickness. The panel adopted an amendment deleting language specifying a thickness of the impermeable sheet. The bill was approved and sent to the Senate floor.

Appointments approved

The Health, Housing and Family Security Committee, chaired by Sen. John Marty (DFL-Roseville), met Thurs., Apr. 19, to consider a number of gubernatorial appointments.

The committee approved the appointment of Cal Ludeman as commissioner of the Dept. of Human Services, Tim Marx as commissioner of the Minnesota Housing Finance Agency and Dianne Mandernach as commissioner of the Dept. of Health.

The appointments of Michael Finch, Marina Munoz Lyon and Lee J. Himle were approved as members of the Minnesota Housing Finance Agency Board. The appointments of Lori Brown, Laurie Hill, Robert Jensen and Marlys Tanner were approved as members of the Emergency Medical Services Regulatory Board.

Judiciary

Sport equipment dealership agreements regulation okayed

A bill regulating dealership agreements between manufacturers and dealers

of outdoor sport equipment gained the approval of members of the Judiciary Committee, Fri., Apr. 13. The panel, chaired by Sen. Mee Moua (DFL-St. Paul), advanced the bill to the full Senate.

S.F. 761, carried by Sen. Dan Sparks (DFL-Austin), prohibits outdoor sport equipment manufacturers from terminating dealership agreements except for good cause. Outdoor sport equipment includes snowmobiles, all-terrain vehicles, personal watercraft and motorcycles, under the bill. The bill also sets forth standards for what is good cause for termination of a dealership agreement, requires manufacturers to repurchase dealers' inventories of products and repair parts, and establishes penalties for violations.

Committee members heard from dealers in support of the legislation at a previous meeting. The dealers related bad experiences with manufacturers and their



Senators Mee Moua (DFL-St. Paul) and David Senjem (R-Rochester) converse in the Senate Chamber immediately following the Wed., Apr. 18, floor session.

Photo by David J. Oakes

concerns about agreements being terminated after a dealer has put significant sums into the dealership. Members resumed consideration of the bill by hearing from manufacturers. The manufacturers said comparisons between outdoor sport equipment dealers and other dealers, such as farm implement dealers, are inappropriate, because outdoor sport equipment is significantly less expensive than the other products and because sport equipment dealerships are not exclusive. They said the bill sets the balance between dealers and manufacturers heavily against manufacturers.

Members discussed and adopted several amendments to the bill. One amendment limits manufacturers' obligation to repurchase inventory to good-cause terminations, except for terminations based on market penetration requirements. Another amendment permits the court to award reasonable attorney fees to prevailing parties in litigation under the new regulations. A third amendment permits manufacturers to require dealers to complete training in order to be eligible for warranty-work compensation. A fourth amendment provides that manufacturers are only required to repurchase new repair parts or products.

The panel also deleted two provisions in the bill relating to sport equipment registration requirements, because the provisions would require sending the bill to the Taxes Committee. S.F. 761 was approved and re-referred to the full Senate.

In other action, members considered several additional bills during the two-part hearing.

Sen. Don Betzold (DFL-Fridley) sponsored two bills modifying the statute of repose for damages based on services or construction to improve real property. Betzold said the language of S.F. 1149 was preferable, but that the companion to S.F. 1474 was moving in the other body. At Betzold's request, members amended the language of S.F. 1149 onto S.F. 1474 and advanced the latter bill to the full Senate. Committee members then amended the sport equipment registration requirements language removed from S.F. 761 onto S.F. 1149 and re-referred the latter bill to the Taxes Committee without recommendation.

S.F. 2173, sponsored by Sen. Tarryl Clark (DFL-St. Cloud), requires insurers to act in good faith in connection with

claims practices. Members amended the bill to remove provisions requiring insurers to report settlements with consumers to the commissioner of commerce and requiring the commissioner to report the information to the Legislature. The bill was approved and re-referred to the Commerce and Consumer Protection Committee.

S.F. 1194, sponsored by Sen. John Marty (DFL-Roseville), establishes reduced ignition propensity standards for cigarettes. Marty said the bill seeks to require cigarettes to stop smoldering if they are left unattended, to avoid accidental fires. Eleven states have similar requirements, he said, and the bill is consistent with other states' laws. S.F. 900, authored by Sen. Linda Berglin (DFL-Mpls.), provides civil immunity to pharmacists who properly repackage drugs from bulk packages to unit packages for long-term care residents. The bill also provides civil immunity to the employees of long-term care facilities who dispense repackaged drugs.

Sen. Linda Scheid (DFL-Brooklyn Park) sponsored a bill, S.F. 1532, regulating credit counseling and debt management services. S.F. 1126, authored by Betzold, modifies registration requirements for juvenile sex offenders. S.F. 1144, carried by Sen. Mary Olson (DFL-Bemidji), provides testimonial confidentiality for sexual assault counselors and limits the availability of the mistake of age defense for criminal sexual conduct involving contact with minors between ages 13 and 15. S.F. 596, also carried by Olson, is the omnibus data practices bill.

H.F. 532, carried by Sen. Sharon Erickson Ropes (DFL-Winona), regulates contracts entered into by military service personnel. The bill protects service members called to active duty by allowing them to terminate cell phone contracts and rental contracts and to obtain payment arrangements for utility services.

S.F. 140, authored by Sen. Yvonne Prettnner Solon (DFL-Duluth), requires retailers without public restrooms, but with employee restrooms, to provide restroom access to customers with eligible medical conditions, such as Crohn's disease or ulcerative colitis. The bill also provides retailers protection from civil liability for providing access to consumers claiming to have an eligible condition if the consumer is injured and the retailer was not grossly or willfully negligent. Members adopted an amendment changing the threshold to

simple negligence. S.F. 2161, also sponsored by Prettnner Solon, recodifies the platting statute. S.F. 1533, carried by Sen. Sandra Pappas (DFL-St. Paul), regulates transactions with homeowners whose homes are in foreclosure.

All of the above measures were approved and sent to the full Senate.

Public Safety Budget Division

Scrap metal bill advances

The Public Safety Budget Division held a brief meeting, Mon., Apr. 16, to take action on three measures.

The bill regulating scrap metal, S.F. 443, generated the most discussion. The measure, authored by Chair Linda Higgins (DFL-Mpls.), requires scrap metal dealers to pay for scrap metal only by checks, requires the collection of specified information about scrap metal transactions, requires scrap dealers to pay an annual \$50 registration fee and requires dealers to participate in the criminal alert network. Higgins said the fee in the bill is sufficient to cover the costs of participation in the criminal alert network and to provide informational materials to dealers. The bill also provides for increased penalties, Higgins said. For violation of the scrap metal regulations, offenders are guilty of a misdemeanor, she said. Higgins said if a scrap metal theft creates a reasonably foreseeable risk of bodily harm to another, the penalties are enhanced to a three year felony. In addition, the bill adds scrap metal dealers to provisions covering receiving stolen property and provides for a three year felony penalty.

Sen. Mee Moua (DFL-St. Paul) said the measure is very different from the language that first came before the policy committee. She said the committee, along with representatives of the industry and Higgins, worked very diligently to craft a well constructed bill. The measure was advanced to the full Finance Committee.

Members also advanced two additional measures to the full Finance Committee. S.F. 1242, carried by Sen. Warren Limmer (R-Maple Grove), clarifies and updates provisions governing MINNCOR prison industries. S.F. 1449, authored by Sen. Julie Rosen (R-Fairmont), modifies requirements for 911 emergency communication fees.

Committee update

Rules and Administration

Late bill, resolution advance

The Rules and Administration Committee, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met Thurs., Apr. 19, to process several bills referred to the panel. S.F. 2173, sponsored by Sen. Tarryl Clark (DFL-St. Cloud), requires good faith insurance practices. The bill was before the committee because it did not meet the deadline for bills to be heard by policy committees. As a result, the measure was captured under Joint Rule 2.02 and referred to the Rules and Administration Committee. The panel recommended that the previous committee report on the bill be adopted and that the measure be sent to the Senate floor.

S.F. 599, sponsored by Sen. Jim Vickerman (DFL-Tracy), is a resolution memorializing the U.S. Congress to end trade, financial and travel restrictions to Cuba. The measure was also advanced to the Senate floor.

S.F. 118, carried by Sen. Sandra Pappas (DFL-St. Paul), adds two additional legislative members to the Capitol Area Architectural and Planning Board. The bill was before the panel because all measures creating or adding boards or advisory groups with legislative members must come before the Rules and Administration Committee. The panel adopted an amendment specifying that the two additional Legislators be nonvoting ex officio members. S.F. 1178, carried by Sen. Linda Berglin (DFL-Mpls.), creates a Human Services Advisory Committee to simplify program administration and conduct an efficiency study. The bill also includes legislative members. Both measures were advanced to the full Senate.

S.F. 962, carried by Sen. Yvonne Prettner Solon (DFL-Duluth), modifies the Duluth aircraft facilities state financing to allow flexibility in obtaining a new lessee for the facility. The measure was referred to the Finance Committee.

Floor Update

Monday, April 16

Numerous bills approved

Senators met Mon., Apr. 16, to consider a host of measures on General

Orders. The bills were granted preliminary passage on voice votes.

S.F. 2043, carried by Sen. Michael Jungbauer (R-East Bethel), authorizes the city of Anoka to provide, in its home rule charter, the procedure for the appointment of the city Housing and Redevelopment Authority commissioners. S.F. 1165, authored by Sen. Rick Olseen (DFL-Harris), permits governmental bodies to meet by telephone or other electronic means in an emergency situation, such as a health pandemic, natural disaster or national security emergency.

Sen. Tony Lourey (DFL-Kerrick) authored a bill, S.F. 1675, expanding the uses for money in the "Support Our Troops" account to provide grants to a person who served in the military reserves or performed active service for any branch of the military who has current financial needs directly related to that service. S.F. 683, carried by Sen. Sharon Erickson Ropes (DFL-Winona), permits the Minnesota Veterans Homes Board to offer employees who work consecutive shifts free meals. S.F. 1338, sponsored by Sen. Kathy Sheran (DFL-Mankato), permits 911 data to be used to notify the public of situations where property or human life is in jeopardy and prompt public notification is essential. S.F. 1051, authored by Sen. Mee Moua (DFL-St. Paul), adopts the Uniform Environmental Covenants Act.

S.F. 1266, carried by Sen. Sandra Pappas (DFL-St. Paul), requires hospital emergency rooms to provide emergency contraception, prophylactic antibiotics, and information to sexual assault victims. Under the bill, the hospital may administer a pregnancy test and refuse to provide emergency contraception if the test is positive. S.F. 984, sponsored by Moua, prohibits the commissioner of public safety from complying with federal Real ID Act. Moua said 36 states have acted similarly or are on the verge of taking similar action. S.F. 1296, also carried by Moua, requires the commissioner of transportation seek to utilize available federal funds in highway construction training programs and to report on training programs and the disadvantaged business enterprise program.

Sponsored by Sen. Ellen Anderson (DFL-St. Paul), H.F. 293 implements the spending recommendations of the Legislative-Citizen Commission on Minnesota Resources. It appropriates over \$23 million, primarily from the environment and natural resources trust fund. Anderson

said the commission's priorities were land protection and water quality. S.F. 986, carried by Moua, clarifies the definition of "conviction" to meet federal regulations regarding driver's licenses. S.F. 924, authored by Sen. Ron Latz (DFL-St. Louis Park), requires the commissioner of transportation to file an annual report on major highway projects.

Sen. Ann Rest (DFL-New Hope) authored seven bills. S.F. 1597 streamlines the registration process for organizations to participate in the state employee combined charities campaign. S.F. 1509 modifies design-build contract provisions for Hennepin County. S.F. 1377 updates provisions and expiration dates of various boards and advisory groups. S.F. 1528 clarifies the authority of the Hennepin County Housing and Redevelopment Authority. S.F. 1755 authorizes combined charitable organizations and charitable organizations that receive state grants or contracts to participate in cooperative purchasing agreements. S.F. 1161 modernizes the highway contracting process. It replaces the requirement that requests-for-bids be read aloud in the Dept. of Transportation Building cafeteria and published in the newspaper with a requirement that bid announcements be published on a state website. S.F. 218 establishes real estate brokers' and agents' disclosure duties regarding airport zoning regulations.

S.F. 1388, carried by Sen. Betsy Wergin (R-Princeton), is the commercial feeds bill containing recommendations from the Dept. of Agriculture. Wergin also sponsored S.F. 1285, which clarifies permissible uses of the agricultural chemical response and reimbursement account. S.F. 289, authored by Sen. David Senjem (R-Rochester), extends the expiration date of the Mississippi River Parkway Commission to 2012. H.F. 1594, carried by Sen. Ann Lynch (DFL-Rochester), expands the reenlistment bonus program to include a National Guard member's acceptance of a commission as an officer in the National Guard. The bill also authorizes the adjutant general to award to highly qualified persons who agree to join the National Guard an amount not to exceed \$1,000 for the purpose of reimbursing postsecondary education expenses not covered by other awards.

Lynch also sponsored S.F. 44, which makes it permissive, rather than mandatory, for foreign medical school graduates

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to use a credential verification service. The bill also specifies that an applicant taking the United States Medical Licensing Examination must pass step three of the three-step process within five years of passing step two or before the end of residency training. S.F. 1260, authored by Sen. David Hann (R-Eden Prairie), is a Dept. of Agriculture technical bill relating to food licensing. Another Hann bill, S.F. 1790, changes provisions for adverse health care events reporting. The bill modifies the reporting of a patient disappearance to require the reporting of all patient disappearances rather than disappearances lasting more than four hours, requires reporting of the administration of incompatible blood or blood products and artificial insemination with the wrong sperm or the wrong egg, and requires reporting of a serious disability resulting from a fall, rather than reporting only deaths resulting from a fall.

S.F. 1441, authored by Sen. Linda Higgins (DFL-Mpls.), requires paint retailers to make available information about lead-based paint hazards. The bill also requires the retailers to sell lead dust test kits. S.F. 1735, also carried by Higgins, requires the commissioner of labor and industry to adopt radon control provisions in the State Building Code. Sen. James Metzen (DFL-South St. Paul) sponsored S.F. 1278. The bill permits state agencies and local units of government to use best value contracting. Best value contracting, under the bill, is a procurement method that considers both price and performance criteria.

During the morning portion of the session, Senators also acted on items on the Calendar, Consent Calendar and Confirmation Calendar.

Eight bills on the Calendar were granted final passage. S.F. 1363, authored by Sen. Jim Carlson (DFL-Eagan), regulates payment agreements for utility undercharges. S.F. 1098, sponsored by Sen. Rod Skoe (DFL-Clearbrook), allows Beltrami County to make the county recorder position appointive rather than elective. S.F. 1396, authored by Wergin, clarifies the determination of fair market value in dedication proceedings related to municipal planning and zoning. S.F. 1017, carried by Rest, increases the amount allowed for city charter commission expenses from \$1,500 to \$5,000. S.F. 2034, carried by Sen. Tarryl Clark (DFL-St. Cloud), requires convening a work group to

develop recommendations regarding the Minnesota Milestones indicators and related activities. The preceding five measures were passed without dissenting votes.

Sen. Tom Saxhaug (DFL-Grand Rapids) sponsored S.F. 420, which regulates, for pest control purposes, firewood possession on land administered by the Department of Natural Resources. The bill was granted final passage, 54-5. S.F. 1201, authored by Sen. John Doll (DFL-Burnsville), increases the single vehicle length limit to conform to federal standards. The measure was granted final passage, 58-1. S.F. 69, carried by Sen. Katie Sieben (DFL-Newport), prohibits expiration dates and dormancy fees on gift certificates and gift cards. The bill was passed, 43-16.

Three measures on the Consent Calendar were granted final passage, all without dissenting votes. S.F. 1787, authored by Latz, requires the commissioner of labor and industry to provide information regarding federal exclusions from state workers' compensation coverage to injured railroad workers. H.F. 878, carried by Sen. Joe Gimse (R-Willmar), authorizes the commissioners of agriculture, health, and natural resources to serve as consultants to the Board of Animal Health. H.F. No. 472, sponsored by Sheran, extends the eligibility period for renewable energy production incentives.

Senators also confirmed one appointment, that of Douglas Fuller to the Board on Judicial Standards.

33 bills okayed

Senators continued their efforts to clear General Orders, taking up 33 bills during the afternoon session Mon., Apr. 16. All of the bills were recommended to pass.

Authored by Sen. John Marty (DFL-Roseville), S.F. 50 prohibits former Legislators, constitutional officers and agency heads from lobbying for legislative or administrative action for one year after leaving office.

Marty also authored two other bills. S.F. 1370 modifies provisions regulating amusement rides. The bill requires amusement rides to be annually inspected and requires operators be trained, Marty said. S.F. 1085 prohibits the sale of mercury containing products. Marty said the bill also encourages recycling and will

reduce mercury emissions into the environment by about 100 pounds each year.

S.F. 1200, authored by Sen. Yvonne Prettner Solon (DFL-Duluth), requires monthly reports from utilities to the Public Utilities Commission regarding residential accounts. The report will include the number and duration of service disconnection and reconnections, Prettner Solon said. The gathered information will help Legislators make informed decisions about low-income utility programs, she said.

Sen. Don Betzold (DFL-Fridley) authored S.F. 322. The bill expands early intervention services for pregnant women who abuse alcohol. The bill also expands civil commitment laws to include pregnant women who are abusing alcohol and marijuana.

Also authored by Prettner Solon, S.F. 608 increases the required minimum liability limits on aircraft. In addition to raising the minimum liability limits, the bill requires stakeholders to meet and discuss concerns during the interim and report back to the Legislature, Prettner Solon said.

S.F. 1366, carried by Sen. Tarryl Clark (DFL-St. Cloud), changes special primary and special election requirements and provisions. The bill prohibits special elections five days before or after a holiday so constituents can focus on family and friends during that time, Clark said. The bill makes an exception for Election Day, she said.

S.F. 2053, authored by Sen. Julie Rosen (R-Fairmont), establishes a propane pre-purchase program in the Department of Commerce. The program allows the department to purchase propane when it's at a lower cost, Rosen said.

Authored by Sen. Dennis Fredrickson (R-New Ulm), S.F. 739 modifies all-terrain vehicle (ATV) operating provisions. The bill makes changes to seatbelt and helmet requirements for individuals under 18 years-old operating class 2 ATVs, Fredrickson said.

Carried by Sen. Rick Olseen (DFL-Harris), S.F. 1902 includes definition terms for energy forward pricing machines. The bill allows the Department of Administration to pre-purchase diesel fuel, Olseen said.

S.F. 642, authored by Sen. Dan Sparks (DFL-Austin), modifies requirements for ditch buffers and requires annual drainage authority reports. Also carried by Sparks, S.F. 1705 requires coverage for colorectal

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Senators Betsy Wergin (R-Princeton), left, and Kathy Saltzman (DFL-Woodbury) exchange ideas in the Senate Chamber during the Wed., Apr. 18, floor session.

Photo by A.J. Olmscheid

screening tests. Adding the test to the list of required coverage emphasizes the need for early detection, he said.

Sen. Tony Lourey (DFL-Kerrick) authored S.F. 1417. The bill changes provisions of the best management practices loan program. The program offers low interest loans to farmers, he said. One change made by the bill is an increase in the maximum loan amount, Lourey said. S.F. 1483, authored by Lourey, eliminates the sunset for the Minnesota Council on Disability.

Sen. Ann Rest (DFL-New Hope) authored the following bills. S.F. 958 authorizes state entry onto real property for geotechnical investigation. S.F. 758 exempts non-profit lobbying activities related to a ballot question from campaign finance reporting requirements. Rest also authored S.F. 1949, changing duties and

procedures for the Minnesota Sesquicentennial Commission. The bill allows the commission to administer grants and to conduct meetings by telephone, she said. An amendment was adopted requiring the commission to make the activities of the celebration as energy efficient as practicable.

Authored by Sen. Ron Latz (DFL-St. Louis Park), H.F. 1033 expands the definition of crimes for which family members of the victim may take reasonable time off from work to attend criminal proceedings related to the case.

Sen. Mary Olson (DFL-Bemidji) authored S.F. 358. The bill provides assistance to genetic siblings. Olson said the bill will help siblings separated by the foster system to find each other.

Sen. Linda Scheid (DFL-Brooklyn Park) authored S.F. 1581, which regulates

continuation coverage for life insurance. Scheid said the bill updates and modernizes consumer protection and options for insurance.

Authored by Sen. Joe Gimse (R-Willmar), H.F. 539 authorizes changes to the trunk highway system. The bill relates to jurisdiction over roads in two counties and both the counties and the state have agreed to the change, he said.

S.F. 1131, carried by Sen. Thomas Bakk (DFL-Cook), modifies Lake Superior commercial fishing provisions. Bakk said the bill increases the amount of assessment netting done in the lake to study the health of lake trout.

Members heard two bills authored by Sen. Steve Murphy (DFL-Red Wing). S.F. 400 removes the length limit for the middle vehicle in a recreational vehicle combination. S.F. 2047 amends the

definition of towed recreational vehicle. Murphy said the old definition was too narrow and the bill creates a more general definition.

S.F. 241, carried by Sen. Warren Limmer (R-Maple Grove) prohibits the sale of information arising from a mortgage loan application. An amendment to increase the dollar amount of the homestead exemption and provide for inflationary adjustments, and regulating the enforcement of judgments involving the sale of homestead property was adopted.

S.F. 1193, authored by Sen. Debbie Johnson (R-Ham Lake), updates specifications for petroleum products. An amendment was offered by Sen. Chris Gerlach (R-Apple Valley) to remove a provision in the bill requiring drivers to be in close proximity during the fueling process. Gerlach said the measure was unclear and the maximum penalty of \$1,000 is unreasonable. The amendment was adopted.

Members also considered the following bills. S.F. 2030, authored by Gerlach, provides rulemaking authority for surplus property. S.F. 1343, authored by Sen. Kathy Sheran (DFL-Mankato) provides for community forest management. Olseen authored S.F. 1432, which makes exceptions to recreational camping regulations for county fairgrounds. H.F. 448, authored by Sen. David Senjem (R-Rochester), repeals the auto insurance program that involved mailed demands that vehicle owners provide verification. Carried by Sen. Dan Skogen (DFL-Hewitt), S.F. 1464 requires motor vehicle collision repair to include airbag repair or replacement. S.F. 1069, authored by Sen. Rod Skoe (DFL-Clearbrook), requires notice for unavailability of motor fuels. S.F. 1062, authored by Sen. Terri Bonoff (DFL-Minnetonka), grants towing authority to the Department of Transportation within its metropolitan district.

The Senate confirmed several appointments. Matthew Anderson, Margaret Rapp and Pam Perri Weaver were confirmed to the Board of Arts. Caleb Anderson, Michael Boulton, Christine Rice, C. Scott Thiss and James Van Houten were confirmed to the Board of Trustees of the Minnesota State Colleges and Universities. Members also confirmed Carla Nelson, Michael Ranum and David Rowland to the Minnesota Higher Education Facilities Authority.

Tuesday, April 17

Miscellaneous bills approved

Senators held a morning floor session Tues., Apr. 17, to continue to process bills on General Orders.

Before taking up General Orders, members reconfirmed Michael Campion as commissioner of the Department of Public Safety. Sen. Bill Ingebrigtsen (R-Alexandria) said Campion has been a great partner in crime prevention and crime protection. The confirmation was approved on a 61-1 vote.

The following bills were recommended to pass by the Committee of the Whole.

Authored by Sen. Dan Spark (DFL-Austin), S.F. 744 regulates rental vehicle coverage. Under the bill, an individual's personal vehicle insurance policy covers a rental car, Sparks said. Many people already believe this provision exists in Minnesota law, he said.

S.F. 1105, carried by Sen. Katie Sieben (DFL-Newport), requires the commissioner of health to develop health risk limits for perfluorochemicals. A health risk limit applies statewide, instead of on a regional basis, Sieben said. Sen. David Hann (R-Eden Prairie) said the department should be allowed to work under its own internal guidelines to develop standards based on science when it's appropriate. The standard should not be set for political reasons, he said. Sen. Linda Berglin (DFL-Mpls.) spoke in favor of the bill. S.F. 1105 moves the state from a state of denial to a state of action, Berglin said. The bill was recommended to pass on a 58-3 roll call vote.

Sen. Dan Larson (DFL-Bloomington) authored two bills. S.F. 1558 sets contribution limits for judicial candidates. Currently, there are no limits for contributions to candidates for the judiciary, Larson said. It makes sense to have a general standard in place, he said. S.F. 1807 regulates conflicts of interest for Hennepin Healthcare personnel. Larson said the measure clarifies a situation that arose with the merger of the Hennepin County medical system. Under the bill, members of the board who are not elected are subject to the same conflict of interest standards as non-profit boards, Larson said. Elected officials on the board are held to the public official conflict of interest standard, he said.

Sen. Kathy Sheran (DFL-Mankato) authored S.F. 1336, which authorizes mental health professionals to deliver services to inmates.

S.F. 1436, authored by Sen. Claire Robling (R-Jordan), defines political subdivision for the purposes of the chapter governing the state auditor. The bill ensures public dollars received by special taxing districts have oversight, Robling said. The districts will have the same auditing requirements as small cities and townships, she said.

Carried by Sen. Patricia Torres Ray (DFL-Mpls.), S.F. 1221 changes child welfare provisions. The changes allow the state to comply with federal standards, Torres Ray said.

S.F. 1542, authored by Sen. Linda Scheid (DFL-Brooklyn Park), regulates the conduct of an insurer in collision cases. The bill prohibits insurance companies from specifying the use of a specific vendor for parts necessary for the satisfactory repair of the vehicle.

S.F. 1271, authored by Sen. Thomas Neuville (R-Northfield), clarifies and modifies child support laws. The bill makes several changes, including allowing modification of a child support order if there is a substantial increase or decrease in healthcare costs and eliminating a two percent penalty on late payments. Sen. Mary Olson (DFL-Bemidji) offered an amendment to reinstate the two percent penalty. The provision is intended to encourage on time payments, she said. Neuville said individuals paying child support would still pay interest for late payments, but they should be held to the same standard as other judgments. It's a fairness issue, he said, they shouldn't have to pay two percent more. The amendment failed on a 28-28 vote.

Provisional DL restrictions gain

The morning portion of the Tues., Apr. 17, floor session continued with consideration of bills on General Orders. All the measures considered were granted preliminary passage.

S.F. 1605, authored by Sen. Thomas Neuville (R-Northfield), imposes curfew and passenger restrictions on holders of provisional driver's licenses. Under the bill, drivers in their first six months of provisional licensure may not drive with more than one non-family passenger under age 20, and may not drive between midnight and 5 a.m. The bill provides

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exceptions to the late-night driving ban for travel between work and home, travel between home and school events, travel for employment purposes, and travel accompanied by a licensed driver at least 25 years old. Drivers in the second six months of provisional licensure, under the bill, may not carry more than three non-family passengers under age 20. Neuville said the bill is a safety measure targeted at inexperienced, young drivers. Sen. Betsy Wergin (R-Princeton) spoke against the bill, saying it takes parents out of the equation. If a driver's parents think the child is a good driver, and friends' parents agree, the parents are not allowed to let the driver carry a group of friends, she said. The state is substituting its judgment improperly, she said.

S.F. 124, sponsored by Sen. Mary Olson (DFL-Bemidji), permits vacancies in the office of county commissioner to be filled by appointment and permits the offices of county auditor, treasurer, recorder or auditor-treasurer to be made appointive without a referendum. The measure permits a reverse referendum to overturn a county board's decision to make an office appointive. Sen. Bill Ingebrigtsen (R-Alexandria) said he was concerned about permitting county boards to appoint the auditors and treasurers who can serve as checks on the board. Ingebrigtsen offered an amendment removing the provisions permitting the county offices to be appointed. Olson said she was not opposed to the amendment and further discussion of the appointment issue. The amendment was adopted. We should not lightly take away voters' ability to choose their officials, including county commissioners, said Sen. Warren Limmer (R-Maple Grove). Olson said the provisions relating to the appointment of county commissioners was designed to address unique situations, often involving the death of a commissioner.

Sen. Leo Foley (DFL-Coon Rapids) carried S.F. 1157, which authorizes integrated search service inquiries, clarifies the use of drivers' license photographs for criminal justice purposes, authorizes the use of drivers' license photographs by public defenders, and updates the membership of the CriMNet Task Force. S.F. 1660, sponsored by Sen. Tony Lourey (DFL-Kerrick), establishes a Food Safety and Defense Task Force. S.F. 1148, carried

by Wergin, exempts medical service personnel operating ambulances from the prohibition on the use of headphones while operating motor vehicles.

S.F. 1959, authored by Sen. Sharon Erickson Ropes (DFL-Winona), allows county jails to return unused, unopened prescription drugs dispensed by pharmacies. Jails are required to order prescription drugs for inmates, Erickson Ropes said, and receive the drugs in single-dose packages. The bill does not require pharmacies to accept the returned drugs, she said, but merely permits counties and pharmacies to enter into voluntary agreements providing for the return of unopened drugs.

NWA mechanics bill gains

Members began the afternoon portion of the Tues., Apr. 17, floor session with consideration of a General Orders bill providing unemployment benefits to Northwest Airline mechanics. S.F. 1443, carried by Sen. Jim Carlson (DFL-Eagan), provides unemployment benefits for certain mechanics involved in a labor dispute with Northwest Airlines. This bill ensures that mechanics will be able to get the first 26 weeks of benefits the Minnesota Court of Appeals said they were eligible for, Carlson said, even though the Dept. of Employment and Economic Development denied their claims and discouraged the mechanics from calling in regularly to secure their eligibility. Sen. Geoff Michel (R-Edina) said there were a number of concerns with the bill. "We need to be careful when entering into this type of legislation," Michel said. He said there have been significant labor negotiations over the issue and there have been numerous court cases about the issue. Further, Michel said, the unemployment trust fund is very low and should not be further depleted. Carlson said the bill is limited to those mechanics who had not continued to call the department. The bill was granted preliminary passage on a 49-11 roll call vote.

In other action, Senators considered a variety of other bills on General Orders.

S.F. 2212, authored by Sen. James Metzen (DFL-South St. Paul), modifies Social Security unemployment provisions. S.F. 794, carried by Sen. Thomas Neuville (R-Northfield), increases the dollar amount of the homestead exemption and provides for inflationary adjustments.

Sen. Sharon Erickson Ropes (DFL-Winona) sponsored five bills. S.F. 2068 establishes licensure requirements for foreign trained professional counselors and adds professional counselors as a professional service. S.F. 2098 changes licensing provisions for social work and provides for provisional licenses for non-English speaking applicants. Sen. David Senjem (R-Rochester) said the measure does not recognize the work individuals have done to become fully licensed and urged members to vote against the bill. Sen. Mee Moua (DFL-St. Paul) said the idea of a provisional license for foreign born applicants, who meet all other requirements, is a response to the needs of a culturally diverse client base. The bill was granted preliminary passage on a 42-17 roll call vote. S.F. 2099 provides for temporary licensure for social work if the applicant graduated from a program in candidacy status with the Council on Social Work Education, the Canadian Association of Schools of Social Work or similar accreditation body. S.F. 2100 modifies standards for social work and recodifies provisions relating to the Board of Social Work. S.F. 1218 changes procedures and requirements for absent voters to help members of the military and individuals living overseas. Erickson Ropes offered two amendments. The first amendment clarifies the affidavit form and the electronic transmission language. The second amendment addresses the identification process. Both amendments were adopted.

S.F. 2105, carried by Sen. Yvonne Prettner Solon (DFL-Duluth), makes technical changes in provisions for the Board of Pharmacy. The bill also defines electronic signature and electronic transmission and sets requirements for prescriptions by electronic transmission. S.F. 1405, authored by Sen. Bill Ingebrigtsen (R-Alexandria), changes livestock compensation provisions for damage done by wolves and crop compensation for damage done by elk. S.F. 1073, carried by Sen. Linda Scheid (DFL-Brooklyn Park), ratifies public employment labor agreements and compensation plans for two groups of state employees.

H.F. 2090, carried by Sen. Paul Koering (R-Fort Ripley), limits requirements related to backflow prevention in recreational camping areas. H.F. 1490, sponsored by Sen. Claire Robling (R-Jordan), authorizes Scott County to adopt

personnel rules and modifies veterans' preference. H.F. 881, carried by Sen. Ann Rest (DFL-New Hope), makes housekeeping changes in the Metropolitan Land Planning Act and related statutes. H.F. 272, sponsored by Sen. Dan Skogen (DFL-Hewitt), continues licenses and certificates of registration for active duty military personnel.

Members also began discussion of S.F. 966. The bill, sponsored by Sen. Katie Sieben (DFL-Newport), defines "valid license" relating to driver's licenses. Sen. Ray Vandever (R-Forest Lake) offered an amendment requiring proof of residency at the time of application for a driver's license. Sen. Don Betzold (DFL-Fridley) questioned the germaneness of the amendment. Sieben asked that the bill be progressed.

Senators also stood for a moment of silence to acknowledge the individuals killed in the shooting rampage at Virginia Tech.

Wednesday, April 18

Bills given final approval

Senators spent the morning floor session Wed., Apr. 18, voting to give final passage to 60 out of 62 bills granted preliminary passage Mon., Apr. 16.

One bill on the calendar, S.F. 50, authored by Sen. John Marty (DFL-Roseville), failed on a 33-33 vote. The bill prohibits former Legislators, constitutional officers and agency heads from lobbying for legislative or administrative action for one year after leaving office. Sen. Steve Dille (R-Dassel) said he has never heard of a problem when former Legislators become lobbyists and it is inappropriate for the Senate to take away the employment opportunity. The best decisions are made when the best and most accurate information is available and sometimes that information comes from former Legislators, Dille said. Sen. Sharon Erickson Ropes (DFL-Winona) said

lobbyists play an important role in the legislative process, but when the situation involves a Legislator who has been in the system, it involves a level of influence that members should be very careful about. Sen. Betsy Wergin (R-Princeton) said the bill goes beyond Legislators to non-elected officials and may prevent individuals from making a career change that is a better fit or has better pay.

A bill prohibiting the commissioner of public safety from complying with the federal Real ID Act was approved by the body. Sen. Mee Moua (DFL-St. Paul) authored the bill, S.F. 984. Sen. Claire Robling (R-Jordan) said she was concerned that the bill prohibits the state from ever complying with the Real ID Act. Sen. David Senjem (R-Rochester) agreed with Robling's concern. The bill ought to have some latitude to implement the provision if the federal government comes through with funding. Sen. Steve Murphy (DFL-Red Wing) spoke in favor of the measure.



Senators Joe Gimse (R-Willmar), left, and Bill Ingebrigtsen (R-Alexandria) consult during the Senate floor session, Tues., Apr. 17.

Photo by A.J. Olmscheid

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The Real ID Act is not a good program, he said. Minnesota already has one of the best made, most secure IDs and is miles ahead of most other states, Murphy said. The bill was approved on a 51-14 vote.

S.F. 1051, authored by Moua, adopts the Universal Environmental Covenants Act. The bill was referred back to committee.

Members also re-passed the omnibus agriculture and veterans finance bill, H.F. 2227, to amend the Senate language onto the House bill.

Lead jewelry bill okayed

In addition to the omnibus energy policy and minimum wage bills, Senators used the afternoon portion of the Wed., Apr. 18, floor session to consider over a dozen bills on General Orders. All of the bills were granted preliminary passage.

Sen. Linda Higgins (DFL-Mpls.) sponsored a bill, S.F. 1262, regulating the

manufacture and sale of jewelry products containing lead. Members adopted an amendment, offered by Higgins, clarifying that the bill's restrictions do not apply to sales or free distribution of jewelry by charities. S.F. 1533, carried by Sen. Sandra Pappas (DFL-St. Paul), regulates transactions with homeowners whose homes are in foreclosure. Pappas said the bill is designed to update existing law targeted at preventing equity stripping. S.F. 356, authored by Sen. Linda Berglin (DFL-Mpls.), requires the commissioner of labor and industry to adopt rules for window fall prevention devices, such as safety screens, as part of the State Building Code.

S.F. 1920, carried by Sen. Dan Sparks (DFL-Austin), is the omnibus banking bill. Sparks said it contains technical changes recommended by the Dept. of Commerce.

S.F. 890, authored by Sen. Mary Olson (DFL-Bemidji), makes it a felony to violate a domestic abuse no-contact order three times in 10 years. S.F. 1966, sponsored by Sen. Ann Rest (DFL-New Hope), modifies lawful gambling provisions. S.F. 2161, carried by Prettner Solon, recodifies the plating statute. S.F. 1700, authored by Sen. Sandy Rummel (DFL-White Bear Lake), requires court administrators to provide a person who is proceeding in forma pauperis with one copy of the person's court file without charge.

Sponsored by Olson, S.F. 1349 makes a variety of changes to statutes relating to the judicial branch. Olson said the bill is supported by the state's judges and the attorney general. Among its provisions is authorization for the attorney general to represent guardians ad litem acting under court appointment. S.F. 1724, carried by Prettner Solon, makes a variety of technical changes to Dept. of Human Services' licensing practices. Members adopted an amendment,

offered by Sen. Tom Saxhaug (DFL-Grand Rapids), allowing counties to charge fees for corporate foster care background checks and licensing inspections. Sen. Thomas Neuville (R-Northfield) offered an amendment, which was also adopted, requiring the Collateral Consequences Committee to review DHS background check, set-aside and variance policies.

Berglin authored S.F. 900, which permits pharmacies to repackage bulk prescription drugs as individual packages to be dispensed to nursing home residents. S.F. 1998, carried by Anderson, provides conditions and procedures for providing compensation to intervenors in proceedings before the Public Utilities Commission. S.F. 1393, sponsored by Rest, directs the commissioner of education to amend a rule governing supplemental education service providers to specify the basis for withdrawing department approval from providers that fail to increase student proficiency for two consecutive school years.

In other action, Senators granted final passage to H.F. 829, carried by Higgins. As it came to the Senate, the measure is the other body's omnibus public safety and judiciary appropriations bill. Senators amended the bill to reflect the Senate's omnibus public safety budget bill, S.F. 1992, and the Senate's omnibus judiciary budget bill, S.F. 1972. H.F. 829 was then granted final passage, 63-0, to facilitate the process of moving the bill toward conference committee.

Thursday, April 19

Procedural matters acted upon

Members met in floor session Thurs., Apr. 19, in order to undertake a variety of procedural motions needed to get several omnibus bills ready for conference committee. The first action was to suspend the rules in order to take up H.F. 6. The bill, the House omnibus E-12 appropriations bill, was amended to substitute the Senate's omnibus E-12 appropriations bill, S.F. 2095. The bill was then repassed 48-8.

Friday, April 20

Brief session held

Senators met briefly Fri., Apr. 20, to accept messages from the other body and appoint conference committees on several of the session's major budget bills.



Along with a crowd of several hundred gathered on the front lawn of the Capitol, Rachel Moor of Hastings participates in a rally sponsored by OutFront Minnesota, Thurs., Apr. 19.

Photo by David J. Oakes

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Curious George greets children from Swede Hollow Head Start in the Capitol Rotunda, Wed., Apr. 25, as part of the annual Early Childhood Read-A-Thon program.

Photo by David J. Oakes



April 27, 2007

Senate Highlights

Conference committees begin

Conference committees on the nine major appropriations bills began this week. The committees began by reviewing side-by-side comparisons of the bills and some of the panels began adopting similar or identical language in the respective bills. With the exception of the omnibus E-12 education appropriations conference committee, the chairs of the individual finance budget divisions are the Senate conference committee co-chairs. Because of illness on the part of the budget division chair, Sen. Tarryl Clark (DFL-St. Cloud) is acting as chair of the Senate E-12 education conferees. In addition, the appropriation bills from the Judiciary Budget Division and the Public Safety Budget Division were combined into one omnibus bill.

Bonding conference completed

The Conference Committee on H.F. 886, the capital investment bill, wrapped up work on the bonding package Fri., Apr. 27. The committee report appropriates \$334.08 million from the bond proceeds fund for a variety of bricks and mortar projects throughout the state. The conferees, led by Sen. Keith Langseth (DFL-Glyndon) and Rep. Alice Hausman (DFL-St. Paul), approved appropriations of \$36.4 million for the University of Minnesota, \$34.52 million for the Minnesota State Colleges and Universities, \$30.24 million for education, \$4.68 million for the Dept. of Natural Resources, \$2.5 million for the Pollution Control Agency, \$8.165 million for the Board of Water and Soil Resources, \$1.526 million for the Minnesota Zoological Garden, \$15.24 million for the Dept. of Administration, \$7.5 million for the Dept. of Public Safety, \$53.673 million for the Dept. of Transportation, \$51.150 million

for the Metropolitan Council, \$150,000 for the Dept. of Human Services, \$6.117 million for the Dept. of Corrections and \$82.15 million for the Dept. of Employment and Economic Development. Final action on the conference committee report was pending as this issue of *Senate Briefly* was posted.

Minimum wage, global warming bills given final passage

Senators met for a floor session Mon., Apr. 23, to grant final passage to a number of bills, including measures to raise the minimum wage and to reduce greenhouse gas emissions by 80 percent.

S.F. 875, authored by Sen. Ellen Anderson (DFL-St. Paul), increases and indexes the minimum wage to \$7.75 by Aug. 1, 2008. Sen. Geoff Michel (R-Edina) spoke against the bill. He said the measure is poorly timed because Congress is poised to increase the minimum wage. Sen. Julie Rosen (R-Fairmont) said the bill sends a strong anti-business message to businesses in Minnesota. Anderson said the state should take the lead and make sure the citizens can support themselves and not depend on government. The measure was approved, 40-23.

S.F. 145, authored by Sen. Yvonne Prettner Solon (DFL-Duluth), provides for community-based energy development and requires a plan to reduce greenhouse gas emissions by 80 percent. Sen. Thomas Neuville (R-Northfield) spoke against the measure. There are plenty of scientists who disagree about global warming and the idea that it's caused by man, Neuville said. Members should consider the economic consequences of arbitrarily capping carbon emissions, he said. Sen. Michael Jungbauer (R-East Bethel) said even though he does not agree with the issue of global warming, he planned to support the bill. Whenever

man pollutes, whether in lakes, on land or in the air, human kind needs to do whatever it can do to clean it up, he said. S.F. 145 was approved on a vote of 55-9.

A bill to impose curfew and passenger restriction on provisional license holders' operation of vehicles, S.F. 1605, was also approved. Neuville carried the measure. Sen. Betsy Wergin (R-Princeton) said the bill takes away parental authority and puts it in the hands of big government. Sen. David Tomassoni (DFL-Chisholm) also spoke against the measure. Minnesota already has rules for provisional driver's licenses, he said. Neuville said the bill gives parents a good tool and has reduced teenage crashes in other states. Sen. Linda Berglin (DFL-Mpls.) agreed. Once kids have left the driveway, parents don't know what they're doing, she said. The measure passed on a 40-24 vote.

Members approved the following bills with little discussion or dissent.

S.F. 744, authored by Sen. Dan Sparks (DFL-Austin), regulates rental vehicle insurance coverage. Authored by Sen. Katie Sieben (DFL-Newport), S.F. 1105 requires the commissioner of health to develop health risk limits for perfluorochemicals and requires a report on the health effects and health risk limits for perfluorochemicals. Sen. Dan Larson (DFL-Bloomington) authored S.F. 1558, which provides contribution limits for judicial candidates. S.F. 1807, also carried by Larson, regulates conflicts of interest for Hennepin Healthcare System personnel. S.F. 1336, authored by Sen. Kathy Sheran (DFL-Mankato), authorizes independently licensed mental health professionals to deliver services to inmates. Carried by Sen. Claire Robling (R-Jordan), S.F. 1436 defines political subdivision for the purposes of provisions governing the state auditor to include special taxing districts, and applies provisions for the state auditor to all political subdivisions. S.F. 1221, authored by Sen. Patricia Torres Ray (DFL-Mpls.), makes miscellaneous changes in child welfare provisions. Sen. Linda Scheid (DFL-Brooklyn Park) authored S.F. 1542, which regulates the conduct of an insurer in collision cases.

Authored by Neuville, S.F. 1271 clarifies and modifies child support laws and modifies enforcement provisions. Sen. Mary Olson (DFL-Bemidji) spoke against a provision in the bill to eliminate a two percent penalty for late child support payments. The Senate is sending the wrong

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Senate Majority Leader Lawrence Pogemiller (DFL-Mpls.), left, and Minority Leader David Senjem (R-Rochester) strategize during the Senate's Thurs., Apr. 26, floor session.

Photo by A.J. Olmscheid

message by removing the penalties for delinquent child support payments, she said. Neuville said the two percent penalty provides no incentive for individuals to pay and removing it will help low income earners catch up with their payments. The bill was passed on a 43-22 vote.

S.F. 1660, authored by Sen. Tony Lourey (DFL-Kerrick), establishes a food safety and defense task force. S.F. 1148, carried Wergin, exempts medical service personnel from the prohibition on the use of headphones while operating an ambulance. Olson authored S.F. 124, which modifies procedures on the filling of vacancies for county offices. The bill was approved on a vote of 42-21. S.F. 1157, authored by Sen. Leo Foley (DFL-Coon Rapids), clarifies the use of driver's license

photographs for criminal justice use and authorizes use by public defenders. Authored by Sen. Sharon Erickson Ropes (DFL-Winona), S.F. 1959 allows the return of drugs dispensed by pharmacies in county jails. Carried by Sen. James Metzen (DFL-South St. Paul), S.F. 2212 makes changes to unemployment insurance and Social Security offset provisions. Neuville also authored S.F. 794, which increases the dollar amount of the homestead exemption, provides for inflationary adjustments, and regulates the enforcement of judgments involving the sale of homestead property. Carried by Erickson Ropes, S.F. 2068 establishes licensure requirements for foreign trained professional counselors. Erickson Ropes authored several bills relating to social work. S.F. 2098 changes

licensing provisions for social work. The bill was approved, 47-17. S.F. 2099 provides for temporary licenses for social work. S.F. 2100 modifies the Minnesota Board of Social Work Practice Act.

S.F. 1443, authored by Sen. Jim Carlson (DFL-Eagan), provides a waiver from unemployment filing requirements for Northwest Airlines mechanics. The bill was approved, 51-13.

S.F. 2105, authored by Prettner Solon, changes licensing provisions for the Board of Pharmacy. Carried by Sen. Bill Ingebrigtsen (R-Alexandria), S.F. 1405 changes livestock compensation provisions. S.F. 1218, carried by Erickson Ropes, changes procedures and requirements for absent voters. Authored by Scheid, S.F. 1073 ratifies labor agreements

Senate Highlights

and compensation plans for the Minnesota Law Enforcement Association, Minnesota Nurses Association, Office of Higher Education, Gambling Control Board, Public Employees Retirement Association, Minnesota State Retirement System and Teachers Retirement Association. H.F. 2090, carried by Sen. Paul Koering (R-Fort Ripley), limits requirements related to backflow prevention in recreational camping areas. H.F. 1490, authored by Robling, authorizes adoption of personnel rules for Scott County. Carried by Sen. Ann Rest (DFL-New Hope), H.F. 881 makes technical and clarifying changes to the Metropolitan Land Planning Act and related statutes. Sen. Dan Skogen (DFL-Hewitt) authored H.F. 272, which clarifies that a statute ensuring the continuation of state licenses and certificates of registration for any trade, employment, occupation, or profession while soldiers and certain essential employees are engaged in active military service applies to licenses and certificates of registration requiring firearms and use of force training.

Authored by Berglin, S.F. 356 requires window screens in residential dwellings to comply with safety standards and creates a window safety program. The bill was approved by a vote of 48-16.

Carried by Sen. Linda Higgins (DFL-Mpls.), S.F. 1262 regulates the manufacture and sale of jewelry products containing lead. Sen. Sandra Pappas (DFL-St. Paul) authored S.F. 1533, which regulates transactions with homeowners whose homes are in foreclosure. S.F. 1920, authored by Sparks, makes miscellaneous financial institutions provisions modifications. S.F. 890, carried by Olson, makes repeat offenders who violate domestic abuse no contact orders guilty of a felony. Authored by Rest, S.F. 1966 clarifies game requirements, prize amounts, and makes other changes to lawful gambling provisions. S.F. 2161, authored by Prettnner Solon, updates the platting statute. Sen. Sandy Rummel (DFL-Woodbury) authored S.F. 1700, which includes court file copy costs in expenses paid on behalf of a person proceeding in forma pauperis. S.F. 1349, also authored by Olson, authorizes the attorney general to represent guardians ad litem who are sued for acts committed in scope of employment. Authored by Prettnner Solon, S.F. 1724 makes miscellaneous changes to human services licensing provisions. S.F. 900, authored by Berglin, establishes the Long-

Term Resident Access to Pharmaceuticals Act. Anderson also authored S.F. 1998, which specifies conditions and procedures for the payment of compensation to intervenors in utility proceedings. S.F. 1393, authored by Rest, directs the commissioner of education to amend the rule governing supplemental education service providers to specify the basis for withdrawing department approval from providers that fail to increase student proficiency for two consecutive school years.

Members also approved one bill on the Consent Calendar. The bill, S.F. 1556, authored by Larson, changes terminology for the Office of Enterprise Technology.

Radiation moratorium okayed

After completing work on bills on the Calendar and Consent Calendar, Mon., Apr. 23, Senators turned their attention to bills on General Orders. All of the

following bills were granted preliminary passage.

S.F. 475, sponsored by Sen. Linda Berglin (DFL-Mpls.), permits a hospital and another entity to jointly construct a radiation therapy facility only if the hospital will derive at least 90 percent of the financial benefit of the facility and the hospital has no existing radiation facility, unless the new facility is a relocation of an existing facility within one mile of the existing facility's location.

Berglin offered an amendment replacing the measure's language with a two-year moratorium on the construction of radiation therapy facilities in Anoka, Benton, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, St. Louis, Scott, Sherburne, Stearns, Washington, and Wright Counties. Under the amendment, the moratorium does not apply to the relocation or reconstruction of an existing facility owned by a hospital if the reloca-



Sweden's Ambassador to the United States, Gunnar Lund, addresses a joint meeting of the Senate and the House of Representatives in the House Chamber, Mon., Apr. 23.

Photo by A.J. Olmscheid

tion or reconstruction is within one mile of the existing facility.

There are no studies showing we have too many facilities, said Sen. Linda Scheid (DFL-Brooklyn Park). We have many more people being diagnosed with cancer, she said, and research is being conducted to make radiation available to more patients. This service needs to be convenient, she said. Scheid said lawmakers should not arbitrarily interfere with the doctor-patient relationship. Patients should be able to go when and where they want, if they need the service, she said. Berglin said the amendment is a compromise. The moratorium might end without any change in current law. Sen. Linda Higgins (DFL-Mpls.) said the shortage of funding for medical care means we cannot afford to have radiation facilities opening across the street from hospitals. The amendment was adopted.

S.F. 1144, authored by Sen. Mary Olson (DFL-Bemidji), provides testimonial confidentiality for sexual assault counselors, provides enhanced penalties for sexual contact offenses committed by massage therapists, and limits the mistake-of-age defense for certain statutory rape offenses. S.F. 1857, carried by Sen. Ellen Anderson (DFL-St. Paul), regulates service disconnections by public utilities. The bill clarifies that the cold-weather rule covers disconnections and reconnections by investor-owned utilities, Anderson said. She said the bill is the result of negotiation and agreement between utilities, consumer advocates and utility regulators. S.F. 1557, sponsored by Sen. Dan Larson (DFL-Bloomington), updates a record retention provision governing state agencies.

After the session concluded, Senators proceeded to the House Chamber to hear an address from Gunnar Wiggo Lund, the ambassador from the Kingdom of Sweden to the United States.

Sudan divestment bill okayed

Senators met, Tues., Apr. 24, to consider several bills on General Orders. Among the measures gaining preliminary passage was a bill requiring the state to divest from companies doing business in Sudan.

S.F. 1075, authored by Sen. Sandra Pappas (DFL-St. Paul), creates a process for the State Board of Investment to identify companies with business operations in Sudan. If a company has active business operations in Sudan, the board must divest

from the company, under the bill. If the company has inactive business operations in Sudan, the bill requires the board to engage with the company about ceasing its Sudan operations. This is not just a symbolic gesture, Pappas said, but a targeted tool to pressure the Sudanese government to end its genocide. The Sudanese government is heavily reliant on foreign investment to finance its genocide, she said, and is already responding to the current divestment campaign. We need to add Minnesota's voice to the growing chorus, she said.

Carried by Sen. Claire Robling (R-Jordan), S.F. 2174 creates an Assistive Technology Advisory Council to fulfill the state's duties under the federal Assistive Technology Act. S.F. 2041, sponsored by Sen. Ellen Anderson (DFL-St. Paul), authorizes the St. Paul Port Authority to create a nonprofit corporation to own or operate a steam-producing facility to sell energy to a customer using steam in a paper-recycling operation. Members adopted an amendment, offered by Sen. Richard Cohen (DFL-St. Paul), removing a restriction on the facility's customers. S.F. 2226, carried by Sen. Jim Vickerman (DFL-Tracy), clarifies provisions relating to private cemeteries. S.F. 2203, sponsored by Sen. Linda Higgins (DFL-Mpls.), is the Dept. of Human Services technical bill, making numerous changes in provisions relating to chemical and mental health, public assistance, continuing care and health care.

S.F. 949, authored by Sen. Tony Lourey (DFL-Kerrick), requires the Board of Social Work to issue a license to practice as a licensed social worker to an applicant who meets the requirements of a licensed social worker, is currently licensed as a school social worker by the Board of Teaching and has been engaged in the practice of social work in an elementary, middle or secondary school for the preceding 15 years. Lourey also carried S.F. 1310, the secretary of state's elections housekeeping bill. The measure clarifies elections procedures and terminology, changes or eliminates requirements and changes specific duties relating to elections. S.F. 1981, carried by Robling, establishes a building replacement account for rents collected from the Elmer L. Andersen and Orville L. Freeman Buildings. Under the bill, the commissioner of administration may use account funds for

deferred maintenance and other extraordinary building repairs to the two buildings.

Sen. Tarryl Clark (DFL-St. Cloud) authored a bill, S.F. 1822, permitting a victim of domestic abuse to terminate a lease. Under the bill, the tenant must provide written notice to the landlord, include a copy of an order for protection or a no contact order with the notice, and pay rent for the balance of the month and for one month following the tenant's departure. S.F. 1298, carried by Higgins, makes miscellaneous voter registration and ballot requirement modifications recommended by the Secretary of State's Office. Sen. Chris Gerlach (R-Apple Valley) offered an amendment retaining the 15-person limit on the number of people a registered voter may vouch for on Election Day. He said the limit is reasonable and strikes a balance between the ease of the vouching process and the integrity of the election system. Higgins said the limit has caused problems for both voters and election judges. In some situations, such as high-rises with many new Americans, there are community leaders who know everyone and can responsibly vouch for more than 15 people, she said. The amendment failed, 24-40.

All the bills considered were granted preliminary passage on voice votes.

Stem cell bill gains

The Wed., Apr. 25, floor session began with consideration of bills for final passage on the Senate Calendar.

All of the following measures were granted final passage. S.F. 1144, carried by Sen. Mary Olson (DFL-Bemidji), provides testimonial confidentiality for sexual assault counselors, eliminates the "mistake of age" defense for criminal sexual assault offenders and enhances penalties for nonconsensual sexual contact offenses committed by professionals engaged in massage or bodywork. S.F. 1857, authored by Sen. Ellen Anderson (DFL-St. Paul), regulates service disconnections by public utilities during the winter. Sen. Dan Larson (DFL-Bloomington) sponsored a bill, S.F. 1557, deleting a state government record retention provision. S.F. 475, carried by Sen. Linda Berglin (DFL-Mpls.), removes the expiration date for radiation therapy facility construction limitations and provides a two-year moratorium on construction of radiation therapy facilities.

Members then turned to consideration of bills on General Orders. The primary

Senate Highlights

focus of debate was a bill, S.F. 100, articulating a state policy on stem cell research. Sen. Richard Cohen (DFL-St. Paul), chief author, said, "It is unfortunate that we have come to look at this issue from a partisan and ideological perspective." He quoted U.S. Senator Orin Hatch, "When I think of embryonic stem cell research, I think of diabetics without insulin pumps...persons with spinal injuries able to walk..." Cohen said the reality of medical research is that medical advances take time and that, even though no treatments are yet available, the outlook is positive. Cohen said the University of Minnesota used to be the leading stem cell research institution in the world, but that because of funding restraints and innovations at other institutions the University is no longer at the forefront. The bill states that it is the policy of the state that research involving the derivation and use of human embryonic stem cells, human embryonic germ cells, and human adult stem cells from any source, including somatic cell nuclear transplantation, shall be permitted and that full consideration of the ethical and medical implications of the research be given.

Sen. David Hann (R-Eden Prairie) said not everything should be sacrificed on the altar of scientific research. We recognize there are some things we just don't do and I think the question here is whether embryonic stem cells are appropriate subjects, Hann said. He said the decision is whether an embryonic stem cell constitutes a human being and urged members to vote against the bill. Cohen responded that the issue is one upon which there may be no way to bring together opposing viewpoints. He said in the medical research process concerns are raised, but as time goes on the processes become routine. He said there is a continuum and that he recognizes there is disagreement. Sen. Ann Lynch (DFL-Rochester) said the proposal is about hope and opportunity. The fact is, with or without the legislation, the research is going to go forward, she said. She said there is great hope on the part of those with serious diseases that may be improved as the research is carried on.

Hann and Sen. Warren Limmer (R-Maple Grove) said an existing law forbids experimentation on a conceptus. Cohen countered that the definition of conceptus does not encompass embryonic stem cells. Limmer said the division is over whether one considers the conceptus a human

being. He said it is not good public policy to endanger the very beginning of life. Sen. Betsy Wergin (R-Princeton) said there are many other ways to harvest stem cells without destroying an embryo.

Sen. Thomas Neuville (R-Northfield) offered an amendment specifying that state funds may not be used on embryonic stem cell research or for somatic cell nuclear transplantation. He said embryonic stem cell research is the slippery slope that will lead to using fetuses for organ transplants or to cloning. Cohen asked members to oppose the amendment because the amendment undercuts the University of Minnesota's ability to continue research. Sen. Gen Olson (R-Minnetrista) said the breakthroughs thus far have come from adult stem cell research and there is no need for embryonic stem cells to be used. She urged support of the amendment. The amendment failed 25-37.

Cohen offered an amendment clarifying that the research must not include cloning. Limmer said the amendment does not address the issue of somatic cell nuclear transplantation. Cohen withdrew the amendment, but the amendment was reoffered by Sen. David Senjem (R-Rochester). The amendment was adopted on a 62-0 roll call vote.

The bill was granted preliminary passage on a 36-26 roll call vote.

The Senate also discussed a number of other bills on General Orders. S.F. 140, carried by Sen. Yvonne Prettner Solon (DFL-Duluth), regulates customer access to restroom facilities. Prettner Solon said the bill provides access to retail establishments' restrooms for individuals with specific medical conditions. Wergin offered an amendment specifying that individuals carry a card verifying their medical condition in order to avoid disputes with store personnel in gaining access to a restroom and requiring city or county attorneys to issue warning letters to violators. Prettner Solon requested the amendment be divided. Members adopted the portion of the amendment requiring city or county attorneys to issue warning letters. Prettner Solon asked to have the remaining portion of the amendment further divided. The first portion of the amendment, relating to individuals carrying a card indicating their medical condition, was adopted. The last portion of the amendment raises the liability standard of the bill from negligence to willfulness or recklessness. The amend-

ment failed on a 28-34 roll call vote. The bill was granted preliminary passage on 52-10 roll call vote.

S.F. 2059, authored by Sen. Sharon Erickson Ropes (DFL-Winona), changes qualifications for service on the Minnesota Veterans Homes Board and for service as the board's executive director. S.F. 1178, sponsored by Sen. Linda Berglin (DFL-Mpls.), establishes a Human Services Advisory Committee to simplify program administration.

S.F. 1070, authored by Sen. Sandra Pappas (DFL-St. Paul), is the omnibus liquor bill. The measure makes changes in liquor license provisions, allows strong beer to be sold at the State Fair, allows farm wineries to obtain a separate on-sale license and operate a business establishment that uses that license in conjunction with the winery, allows the University of Minnesota to have a liquor license for specific events, changes the fee for liquor licenses in regional centers, and allows small brewers and brew pubs to sell beer in 750 milliliter bottles. Sen. Ellen Anderson (DFL-St. Paul) offered an amendment to allow the sale of wine and beer at raffles as well as other charity events.

Sen. Linda Scheid (DFL-Brooklyn Park) said Minnesota's liquor laws are antiquated and unnecessarily complex. She said a legislative auditor's report indicated that the state's laws favor retailers and wholesalers at the expense of the consumer, lack common sense and make liquor more expensive. She said the idea of wine in grocery stores is a common sense idea, but the proposal has stalled out. Sen. Paul Koering (R-Fort Ripley) said wine in grocery stores takes business away from the small liquor stores operating in Greater Minnesota.

The bill was granted preliminary passage on a voice vote.

Members also granted concurrence and repassage to one bill. S.F. 1949, authored by Sen. Ann Rest (DFL-New Hope), makes changes to procedures and duties of the Minnesota Sesquicentennial Commission. The bill was repassed unanimously.

The Senate also adopted the conference committee report on S.F. 846. The bill, sponsored by Cohen, is the deficiency funding for state agencies. Cohen said the differences in the appropriations were negligible. The conferees did adopt language requiring the Metropolitan Council to cancel their request for



Senate staff member Glen Mills enters information into the Senate's electronic voting system as Senators work at a feverish pace by passing 45 bills on the Senate Calendar in relatively short order, Mon., Apr. 23.

Photo by David J. Oakes

proposals regarding a contract for buses and requiring the council to issue a new solicitation for bids. The bill was repassed 62-0.

‘Workfare’ ban gains

Senators met Thurs., Apr. 26, to approve several bills on General Orders. Among the measures granted preliminary passage was a bill prohibiting a practice known as “workfare.”

Sen. David Tomassoni (DFL-Chisholm) sponsored S.F. 514. The bill prohibits employees from being required to perform unpaid work in return for cash assistance from the Minnesota Family Investment Program, but permits unpaid work in exchange for cash assistance if the employee voluntarily agrees to the arrangement in writing. This bill moves in the wrong direction, said Sen. Betsy Wergin (R-Princeton). Volunteer work teaches valuable skills, she said, and there is nothing wrong with asking people to

work for their cash assistance. Tomassoni said unpaid work programs have been shown to be demoralizing and ineffective in moving people from public assistance to work. Sen. Linda Berglin (DFL-Mpls.) said the state has many options to meet the increasing federal work requirements for benefit recipients. Minnesota should not resort to unpaid work when we have choices, she said. We do have options and this is an important option to help people who do not have work skills and cannot get hired for pay until they get experience, said Sen. Thomas Neville (R-Northfield).

Wergin offered an amendment prohibiting MFIP recipients from using their electronic benefit transfer (EBT) cards to purchase alcohol or tobacco products with cash assistance. The amendment also requires the commissioner of human services to charge transaction fees for use of the EBT card to make purchases or withdrawals. The amendment was ruled

not germane because it related to a substantially different subject and was intended to accomplish a substantially different purpose than the original bill. The ruling was upheld, 38-19.

Neville offered an amendment permitting unpaid work but limiting a recipient's unpaid work to the amount of the recipient's monthly benefit divided by the minimum wage. He said testimony in committee indicated that some recipients are being required to work more hours than the minimum wage value of their benefit. I support unpaid work, but I am offended by requiring work for less than minimum wage, Neville said. Tomassoni urged defeat of the amendment, saying unpaid work should be completely prohibited. The amendment was defeated, 24-34.

Sen. Julie Rosen (R-Fairmont) offered an amendment requiring MFIP recipients to pass a drug test when applying for eligibility or recertification. The amend-

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Senators Sandy Rummel (DFL-White Bear Lake) and Charles Wiger (DFL-North St. Paul) examine a spreadsheet as members of the omnibus E-12 education conference committee commence work, Wed., Apr. 25.

Photo by David J. Oakes

ment was ruled not germane and the ruling was upheld, 40-19.

The bill was granted preliminary approval, 34-24.

The remaining bills on General Orders were granted preliminary passage on voice votes. S.F. 802, sponsored by Sen. Paul Koering (R-Fort Ripley), recodifies and makes technical updates to mortuary science statutes. S.F. 1429, authored by Sen. Linda Scheid (DFL-Brooklyn Park), removes charities providing rides from the "for hire" commercial vehicle insurance category. H.F. 532, carried by Sen. Sharon Erickson Ropes (DFL-Winona), permits service members called to active duty to terminate cell phone contracts and rental contracts, to obtain payment arrangements for utility services and to obtain protections from shutoff.

Sen. Tony Lourey (DFL-Kerrick) sponsored S.F. 868. The bill requires speech-language pathology applicants to have either a master's or doctoral degree and requires an audiology applicant to possess either a master's or a doctoral

degree if the training is completed prior to Aug. 30, 2007. S.F. 1302, carried by Sen. Sandra Pappas (DFL-St. Paul), allows the Met Council to create a nonprofit private parks foundation to help acquire land in the regional park system plan and permits the council to transfer \$1 million internally for additional local government comprehensive planning assistance. S.F. 1791, also carried by Pappas, integrates instruction about the contributions of Minnesota American Indian tribes and communities into student learning and teacher preparation and licensing requirements and creates an Advisory Task Force on Minnesota American Indian Tribes and Communities and K-12 Standards-Based Reform.

S.F. 596, sponsored by Sen. Mary Olson (DFL-Bemidji) is the omnibus data practices bill. Carried by Sen. Linda Higgins (DFL-Mpls.), S.F. 988 limits prepayment penalties on subprime loans, requires borrowers to get financial counseling before refinancing special loans, provides a private right of action and sets

forth criminal penalties. Higgins said the bill is a necessary counterpart to other predatory lending legislation approved this session. This bill provides consumers with private remedies if they have been victimized by predatory lenders, she said.

In other action, Sen. Yvonne Prettner Solon (DFL-Duluth) moved to strike her bill, S.F. 140, from the Senate Calendar and return it to General Orders. The bill provides for access to retailers' employee restroom facilities for customers with qualifying medical conditions. Prettner Solon said she was returning the bill to General Orders to accommodate an amendment needed to correct a drafting error. The motion was adopted on a voice vote.

Electronic recycling bill gains

The morning portion of the Fri., Apr. 27, floor session was devoted primarily to processing bills on the General Orders Calendar.

S.F. 2231, sponsored by Sen. Sharon Erickson Ropes (DFL-Winona), makes

changes to continuing care provisions, changes long-term care provisions, allows electronic meetings and alters service standards. Members adopted an amendment eliminating a provision regarding personal care provider eligibility prior to granting the bill preliminary passage. S.F. 118, carried by Sen. Sandra Pappas (DFL-St. Paul), adds two non-voting legislative members to the Capitol Area Architectural and Planning Board. H.F. 455, carried by Sen. Linda Higgins (DFL-Mpls.), updates and clarifies provisions relating to public defense.

H.F. 854, also carried by Higgins, provides for the collection, transportation and recycling of video display devices. Higgins moved to remove the Senate language added to the bill and consider the language adopted by the other body. She said the changes include specifying that a manufacturer that organizes collection or recycling is authorized to engage in anticompetitive conduct to the necessary to plan and implement its chosen organized collection or recycling system and is immune from liability under state laws relating antitrust, restraint of trade, unfair trade practices and other regulation of trade or commerce. Higgins said the language is similar to that providing for recycling batteries. The other main change, Higgins said, authorizes the state to participate in the establishment of a regional multistate organization or compact to assist in carrying out the recycling provisions. The motion was adopted. Higgins said the electronic waste bill has been passed by the Senate several times in recent years. Under the bill a manufacturer of video display devices sold or offered for sale to households must register with the Pollution Control Agency and recycle at least 60 percent of the previous year's sales of electronic devices. The bill also requires manufacturers to pay fees, establishes an account and spells out the duties of the agency and the Dept. of Revenue in collecting the fees.

Higgins offered, and members adopted, an amendment specifying that any interest earned from the fees must be credited to the account. Sen. Linda Scheid (DFL-Brooklyn Park) offered an amendment specifying that beginning in the second year of the program the commissioner must determine the total amount of the variable fees collected under the bill. Further, the amendment specifies that to the extent that the total fees collected by

the commissioner exceed the amount determined necessary to operate the program, the commissioner shall refund on a pro rata basis to all manufacturers who paid any fees the amount collected in excess of the amount needed to operate the program. Higgins said she opposed the amendment because, according to the Dept. of Revenue, it removes incentives for manufacturers. Scheid said the amount of money collected under the bill is unknown and the amendment gives comfort to the manufacturers. The amendment was adopted. Higgins said the bill is product stewardship and is designed to encourage manufacturers to make products without hazardous waste.

S.F. 1126, authored by Sen. Don Betzold (DFL-Fridley), limits predatory offender registration for persons under the age of 16. The measure had been discussed the day before, but laid over in order to draft an amendment. Betzold offered an amendment specifying that it must be a felony offense for the offender to come under the offender registration program. S.F. 599, carried by Sen. Jim Vickerman (DFL-Tracy), is a resolution urging the president and the Congress to end trade, financial and travel restrictions to Cuba.

In other action, Senators gave final passage to 14 measures. S.F. 1075, authored by Pappas, requires the State Board of Investment to divest from holdings relating to Sudan. S.F. 2174, sponsored by Sen. Claire Robling (R-Jordan), designates the Dept. of Administration as the lead agency to carry out the responsibilities of the federal Assistive Technology Act of 1998. S.F. 2226, carried by Sen. Jim Vickerman (DFL-Tracy), clarifies provisions governing private cemeteries. S.F. 2203, authored by Higgins makes technical changes in provisions relating to chemical and mental health, continuing care and health care. S.F. 949, sponsored by Sen. Tony Lourey (DFL-Kerrick), requires the issuance of a social worker license under specific conditions. Lourey also carried S.F. 1310. The measure clarifies procedures and terminology relating to elections. S.F. 1981, sponsored by Robling, establishes an account to provide for repairs to the Elmer L. Andersen and Orville L. Freeman buildings.

S.F. 2041, authored by Pappas, authorizes the St. Paul Port Authority to create a not-for-profit corporation to own or operate a steam producing facility. S.F.

1822, sponsored by Sen. Tarryl Clark (DFL-St. Cloud), permits victims of domestic abuse to terminate a lease under specific conditions. S.F. 1298, carried by Higgins, changes voter registration procedures and requirements, changes filing requirements and voting procedures and establishes a complaint and resolution process. S.F. 2059, carried by Erickson Ropes, changes qualifications for service on the Minnesota Veterans Homes Board and service as the board's executive director. S.F. 1178, authored by Sen. Linda Berglin (DFL-Mpls.), establishes an advisory committee to simplify human services program administration. S.F. 1070, carried by Pappas, is the omnibus liquor bill and makes changes in liquor licensing provisions. S.F. 100, carried by Sen. Richard Cohen (DFL-St. Paul), establishes a state policy regarding stem cell research. The measure was the only bill to garner a substantial number of no votes, but was passed on a 38-26 roll call vote.

Capitol Report: on air, online

Explore current policy issues and hear lawmakers discuss current legislative proposals by watching "Capitol Report," a weekly public affairs program produced by Senate Media Services. "Capitol Report" airs weekly on public television affiliates in the Metropolitan Area and on cable access channels across Greater Minnesota. It is also available online, with archives going back to 2000: <http://www.senate.mn/media>

Civic education DVD available

A DVD containing nine short segments on the legislative process is available from Senate Media Services. The segments cover political parties, the three branches of government, the duties of the president of the Senate, the Senate Chamber, ways to gather information about bills, the role of lobbyists, how to read a bill, and tips for people coming to testify before a legislative committee.

For information on obtaining a copy of the DVD, contact Senate Media Services at (651) 296-0264. The segments are also available online, along with many other civic education pieces, at <http://www.senate.mn/media> (under the "Civic Education" category).

Committee update

Energy, Utilities, Technology and Communications

Telecommunications overview

The Energy, Utilities, Technology and Communications Committee, chaired by Sen. Yvonne Prettner Solon (DFL-Duluth), heard an overview of telecommunications issues at the Tues., Apr. 24, meeting.

The panel began by hearing presentations on the Legislative history of telecommunications issues and an overview of telecommunications in Minnesota. Edward Garvey, deputy commissioner of energy and communications, Department of Commerce, said incumbent local telephone companies, competitive local exchange companies and long distance companies in Minnesota must receive certificates of authority from the Public Utilities Commission to provide service. Wireless and cable providers are not required to receive a certificate of authority, he said. Diane Wells, Dept. of Commerce, said the federal government regulates wireless, but consumer protection areas are more open to state regulations. Telecommunication regulation has been on a technology by technology basis, but advances, such as cable companies offering telephone services, are blurring the lines, Garvey said.

Members considered the following bills for discussion only. Prettner Solon encouraged the authors to meet with stakeholders over the interim to work out disagreements.

S.F. 671, authored by Sen. Betsy Wergin (R-Princeton), provides for customer choice for cable and satellite television customers. The bill requires cable or satellite companies operating in Minnesota to allow individuals to purchase only the channels they want, instead of purchasing a whole package, Wergin said.

Carried by Sen. Mary Olson (DFL-Bemidji), S.F. 833 enacts the Minnesota Wireless Telephone Consumer Protection Act. The wireless industry consistently ranks as the most complained about industry, Olson said. Jessica Palmer-Denig, Attorney General's Office, said the bill requires wireless providers to provide a coverage map, the price of service and written materials of early termination fees. The providers must specify that the price

may not remain the same over time. The measure also requires carriers to disclose if a requested change in service will result in an extension of the contract, Palmer-Denig said.

S.F. 2216, authored by Sen. Dan Sparks (DFL-Austin), provides for regulation of state-authorized video service providers. John Stanoch, president, Qwest Communications, said the bill takes the rules that govern cable companies offering telephone services and flips them around so that telephone companies can provide video services. The technology is on the horizon and when it's ready to go, Minnesota should have the policies in place to govern the franchising process, Stanoch said.

Authored by Prettner Solon, S.F. 1918 sets a state goal that ultra high-speed data transmission services, at speeds of one gigabit per second, are made available to all residents by 2015. The bill also establishes a broadband policy director and a Broadband Advisory Board to make recommendations to the Legislature on how to achieve the goal. Minnesota needs to have a state policy that moves the state forward and sets a goal, said Steve Kelley, a former state senator and senior policy fellow, Humphrey Institute of Public Policy, University of Minnesota.

Environment and Natural Resources

Nominations approved

The Environment and Natural Resources Committee met Thurs., Apr. 26, to hold confirmation hearings for appointees to the Clean Water Council.

Sen. Satveer Chaudhary (DFL-Fridley), who chairs the committee, said the council consists of 23 members, including 19 appointed by the governor and four non-voting representatives of the Pollution Control Agency, the Department of Agriculture, the Department of Natural Resources and the Board of Water and Soil Resources. The committee considered 18 candidates. The representative of tribal governments appointment has not been named, Chaudhary said. The council's role is to advise the governor and Legislature on the administration and implementation of the Clean Water Legacy Act, he said.

The committee recommended for confirmation the following individuals: David Bennett, Marilyn Bernhardson,

Pamela Blixt, Earl Bukowski, Brian Davis, John Greer, Delvin Haag, Scott Hoese, David Jeronimus, Christopher Kolbert, William Moore, Gary Pedersen, Steven Pedersen, Louis Smith, Sarah Strommen, Deborah Swackhamer, Paul Torkelson and Robert Vogel. The appointees represent environmental, non-profit and fishing organizations, cities, townships, watershed districts, business and agriculture.

Sen. Dennis Fredrickson (R-New Ulm) said he was pleased to see the variety of expertise the candidates bring to the council.

Finance

Transportation policy bill okayed

The Finance Committee, chaired by Sen. Richard Cohen (DFL-St. Paul), met Tues., Apr. 24, to consider the financial implications in the omnibus transportation policy bill. Sen. Steve Murphy (DFL-Red Wing), chief author, said the bill, S.F. 1971, contains many provisions suggested by the Dept. of Transportation. He said, though, the measure also contains a number of policy provisions, such as making violation of the seat belt law a primary offence, that are also included in the omnibus transportation appropriations bill. Murphy said some of the policy items were not moving in the other body and were included in the bill to make sure the Senate has a position to take into conference committee. The bill was approved and advanced to the Rules and Administration Committee.

In other action, the panel advanced several additional bills to the Senate floor. H.F. 455, authored by Sen. Linda Higgins (DFL-Mpls.), updates and clarifies provisions governing public defense and modifies the right to representation. Higgins also authored S.F. 443, which regulates scrap metal dealers. S.F. 1186, authored by Sen. Dennis Frederickson (R-New Ulm), makes housekeeping changes in the Minnesota Public Facilities Authority Act. S.F. 1061, sponsored by Sen. Sandra Pappas (DFL-St. Paul), requires pay equity compliance certificates for state contracts. S.F. 1312, authored by Sen. Satveer Chaudhary (DFL-Fridley), modifies the Dept. of Natural Resources rulemaking authority.

Affordable housing bill advances

A bill to increase the deed tax to help affordable housing programs in Minnesota

gained approval from the Finance Committee Wed., Apr. 25.

Authored by Chair Richard Cohen (DFL-St. Paul), S.F. 442 adjusts the deed tax percentage and provides rental housing assistance. The measure is also known as the Housing Solutions Act. Michael Dahl, executive director, Minnesota Coalition for the Homeless, said the bill increases the deed tax from .33 percent to .5 percent. Under the bill, the revenues will be used for rental assistance, development of workforce housing and to provide matching grants to local units of government and other eligible recipients to preserve or develop affordable housing, Dahl said. The deed tax follows the housing market,

so it makes sense to use it for affordable housing projects, he said.

Susan Dioury, Minnesota Association of Realtors, said the state should prioritize spending of current revenues to meet needs for affordable housing. The deed tax is a regressive tax and will actually make housing less affordable for Minnesota residents, she said. Dioury said the state could look at other policy issues to make housing more affordable, including zoning ordinances and building fees. Dahl said the bill will provide a stable funding source for affordable housing. The bill was recommended to pass and re-referred to the Taxes Committee.

The committee also considered a number of bills relating to health and

human services issues. The following bills were recommended to pass and referred to the Senate floor.

S.F. 1015, authored by Sen. Linda Higgins (DFL-Mpls.), modifies lead hazard reduction provisions. Higgins said the bill specifies that Medical Assistance (MA) reimbursement for lead risk assessment cannot supplant state funding for lead activities, cleans up the state grant process for non-profit lead abatement programs, and requires a study of blood lead testing methods.

Also authored by Higgins, S.F. 1387 allows incarcerated individuals remain eligible for MA until conviction. The bill allows individuals incarcerated in jail for less than a year to have their MA eligibility suspended rather than dropped, Higgins said.

S.F. 2067, authored by Sen. Sharon Erickson Ropes (DFL-Winona), modifies fees for licensed professional counselors and establishes fees for licensed professional clinical counselors. Kari Rechtzigel, executive director, Board of Behavioral Health, said the increase will help the board cover its costs.

Carried by Sen. Patricia Torres Ray (DFL-Mpls.), S.F. 1823 makes technical changes to licensure requirements for physical therapists and physical therapist assistants. Torres Ray authored another technical bill, S.F. 1346, that regulates registration, filings and dissolutions for the Secretary of State's Office. The bill was amended to remove fiscal provisions that are being carried in the omnibus state government finance bill.

S.F. 1449, authored by Sen. Julie Rosen (R-Fairmont), modifies requirements for 911 emergency communication fees. The measure requires a sworn declaration that the fee submission is true and correct. Rosen said the bill will increase compliance.

Sen. Paul Koering (R-Fort Ripley) authored S.F. 1229, which changes provisions for a well contractor's license. The bill increases the required security bond for well contractors from \$10,000 to \$25,000. Koering said the increase is necessary because costs continue to rise.

Authored by Sen. Warren Limmer (R-Maple Grove), S.F. 1242 clarifies and updates law governing MINNCOR prison industries.

Medical marijuana bill gains

A bill permitting the medical use of marijuana in limited circumstances was



In support of constitutionally dedicating a percentage of the state sales tax for the environment, from left, Tony Stoering, of Minneapolis, Jeff Audette, of Maplewood, Leon IronMoccasin, from Osseo, and Jim Poulter, of St. Louis Park, don canoes on the Capitol steps, Tues., Apr. 24.

Photo by A.J. Olmscheid

Committee update



Five-year-old Dekontee Reeves, foreground, eight-year-old Anita Bryant, center, and seven-year-old Prince Williams participate in a rally in front of the Capitol, Tues., Apr. 24, urging Minnesota's congressional delegation to support the Liberian Refugee Immigration Protection Act of 2007. The bill, introduced in Congress, extends refugee status to Liberian nationals and ultimately allows them to qualify for permanent resident status.

Photo by A.J. Olmscheid

approved by members of the Finance Committee, Fri., Apr. 27. The panel, chaired by Sen. Richard Cohen (DFL-St. Paul), advanced the bill, along with two others, to the full Senate.

S.F. 345, authored by Sen. Steve Murphy (DFL-Red Wing), provides for the medical use of marijuana by patients with debilitating medical conditions, such as cancer, glaucoma, AIDS, and hepatitis C. This bill seeks to address the pain of people with serious, often terminal, conditions, Murphy said. He said the standard to qualify is high, and that a substantial number of the law enforcement community's concerns have been addressed as the bill has progressed. The bill seeks to comply with federal law by having physicians recommend marijuana use, not prescribe it, he said.

Murphy said the program draws on the special revenue account in its first two

years, but then begins to collect more than it spends. Sen. Linda Berglin (DFL-Mpls.) said new programs funded through the special revenue account are often out of balance at first. We look for balance over a four-year period, she said, and the bill is within \$12,000 of balance over its first four years. Berglin said the Health and Human Services Budget Division, which she chairs, was comfortable with the difference, considering the many uncertainties surrounding the program's utilization.

H.F. 1048, carried by Sen. Ann Rest (DFL-New Hope), abolishes the Dept. of Employee Relations and transfers its duties and functions to other agencies. S.F. 971, authored by Sen. Linda Higgins (DFL-Mpls.), requires the commissioner of human services to provide 60 days' notice before a prescription drug is removed from the Medical Assistance formulary because

its manufacturer failed to sign a rebate agreement.

Rules and Administration

Late bill advanced

The Rules and Administration Committee, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met Thurs., Apr. 26, to consider several bills referred to the panel because the measures add Legislators to new or existing advisory bodies. In addition, the committee advanced a late bill brought into the committee because of Joint Rule 2.03.

The late bill, S.F. 1764, requires Explore Minnesota Tourism to establish a Minnesota travel green program to encourage eco-tourism in the state. Sen. Satveer Chaudhary (DFL-Fridley), chief author, said in the rush to schedule other

members' bills in his Environment and Natural Resources Committee, he had neglected to schedule his own bill. As a result, the bill met the deadline by passing out of the policy committee, but did not meet the deadline in the second committee to hear the bill. The panel adopted a motion accepting the previous committee report and forwarding the measure to the floor.

Five measures were before the panel because of the appointment of Legislators to new or existing task forces or advisory councils. Under Senate rules, all bills requiring Legislators to be appointed to an outside body or requiring legislative appointment must come before the Rules and Administration Committee.

S.F. 1360, authored by Sen. Dan Skogen (DFL-Hewitt), adds a member of the Senate and a member of the House of Representatives to the Game and Fish Budgetary Oversight Committee. Skogen said the committee is primarily a citizens

oversight committee to oversee the management of money in the game and fish fund. Skogen said the addition of legislative members will help other members make recommendations to the commissioner and to the appropriate House and Senate committees. Sen. Thomas Bakk (DFL-Cook) said the addition of Legislators might damage citizen input. However, Sen. Dennis Frederickson (R-New Ulm) said having legislative members will help the committee accomplish its task. Frederickson said the Dept. of Natural Resources also supports the proposal. Members adopted an amendment specifying the legislative members serve for two years. Pogemiller said having Legislators serve for two years will allow members to determine if the addition of legislative members is helpful.

S.F. 1540, sponsored by Sen. Bill Ingebrigtsen (R-Alexandria), adds legislative members to the Gang and Drug Oversight Council and the Financial

Crimes Oversight Council. Ingebrigtsen said the legislative members will serve to educate other Legislators on the work of the councils in light of the increasing numbers of financial and gang and drug related crimes.

Sen. Ann Rest (DFL-New Hope) carried two measures. S.F. 1753 creates an Airport Funding Advisory Task Force and S.F. 2126 creates a Congestion Reduction Task Force. Rest said the first measure is the result of a request from stakeholders in the general aviation community and the second bill arises from a Citizens League suggestion. She said the duties of the Congestion Reduction Task Force include consulting with the commissioner of transportation in the development of a congestion reduction program that incorporates the strategies of the federal urban partnership program and to implement the urban partnership program. Rest said both measures were included in the omnibus transportation policy bill.



The bright red paint on a 1957 Chevrolet Bel Air provides a degree of visual interest to an otherwise monochromatic day as members of the Minnesota Street Rod Association display their wares in front of the Capitol, Tues., Apr. 24.

Photo by A.J. Olmscheid

Committee update

S.F. 1971, carried by Sen. Steve Murphy (DFL-Red Wing), is the omnibus transportation policy bill. Murphy said the bill was before the committee because of the two provisions that were contained in the two bills Rest brought before the panel.

The Rules and Administration Committee advanced all five bills to the full Senate.

State and Local Government Operations and Oversight

Home park bill gains

A measure providing a framework for compensating residents of manufactured home parks that are being closed or converted was among four late bills considered by members of the State and Local Government Operations and Oversight Committee, Wed., Apr. 25. All four bills were approved.

S.F. 1196, sponsored by Sen. Michael Jungbauer (R-East Bethel), creates a manufactured home relocation trust fund, requires manufactured home park owners to make payments to the trust fund and requires park owners to provide notice to residents of the possibility of compensation from the trust fund. The bill preempts local ordinances governing compensation for manufactured home park residents, except for 21 existing local ordinances that may offer higher compensation. Jungbauer said the bill has been several years in the making. I am excited to have come this far and have agreement among the parties, he said. Though the bill was sent to the full Senate, Committee Chair Ann Rest (DFL-New Hope) said the bill will need to be re-referred to the Finance Committee if the Rules and Administration Committee decides to waive the late bill provisions of Joint Rule 2.03.

The remaining three bills were all sent to the Senate floor. However, like all late

bills, they will need to be heard by the Rules and Administration Committee before they may progress. Sen. Satveer Chaudhary (DFL-Fridley) carried S.F. 2040, which exempts designations of ATV trail routes and state forest traditional areas from the rulemaking process. S.F. 647, authored by Sen. Rick Olseen (DFL-Harris), brings Minnesota law and rules into compliance with a recent federal update of school bus standards. S.F. 1194, carried by Sen. John Marty (DFL-Roseville), requires cigarettes to be self-extinguishing. It directs the commissioner of public safety to adopt necessary rules and preempts local regulations.

Taxes

Dedicated funding bill stalls

A bill proposing a constitutional amendment to dedicate a three-eighths of one percent sales tax increase to natural



Children from the Swede Hollow Head Start program listen intently as Sen. Dan Skogen (DFL-Hewitt) reads Jules Feifer's *Bark, George* in the Capitol Rotunda, Wed., Apr. 25, as part of the Early Childhood Read-A-Thon.

Photo by David J. Oakes



Senators Julie Rosen (R-Fairmont), left, and Pat Pariseau (R-Farmington) converse in the Senate Chamber during the Thurs., Apr. 26, floor session.

Photo by David J. Oakes

and cultural resources failed to gain approval from the Taxes Committee Tues., Apr. 24. Sen. Thomas Bakk (DFL-Cook) chairs the committee.

The bill, S.F. 6, authored by Sen. Lawrence Pogemiller (DFL-Mpls.), increases the state sales tax from 6.5 percent to 6.875 percent and would raise almost \$300 million a year for natural and cultural heritage purposes. The bill proposes that one-third of the revenue will be used for heritage enhancement, including fish and game habitat and forest legacy projects. An additional 43 percent will be dedicated to clean water and parks and trails under the bill. The bill also specifies the remaining 24 percent will go to arts education and the Minnesota Board of the Arts.

When the budget becomes tight, the state doesn't make the long-term investments in the outdoors and cultural programs it should, Pogemiller said. A constitutional amendment is needed to provide authorization to make the investments, he said. Sen. Scott Dibble (DFL-Mpls.) said the bill spends a rela-

tively small amount of money on the things that are uniquely Minnesota. Sen. Mee Moua (DFL-St. Paul) said including both natural and cultural resources creates multiple layers of support and a balanced reason to support the bill. Sen. Warren Limmer (R-Maple Grove) said he has a hard time combining natural resources with arts funding. Limmer said the two do not have the same level of priority.

Several members said they had concerns about funding via a constitutional amendment. Sen. Keith Langseth (DFL-Glyndon) said the Legislature needs to set funding priorities. It's a slippery slope when it comes to funding through the constitution and it is too rigid, he said. Sen. Jon Marty (DFL-Roseville) said he wants to see more funding for these areas, but funding through a constitutional amendment is not good policy. Bakk said the lack of funding for the items in the bill is because the people of Minnesota have been voting for a fiscally conservative governor and fiscally conservative representatives. The system is working the way it is supposed to work, he said.

Marty offered an amendment to use a surcharge on income tax, rather than a sales tax increase, to fund natural and cultural resources projects. Marty said he was concerned with the regressive nature of the tax and the amendment makes it a more progressive way to raise revenue. The amendment was not adopted.

The committee also rejected a Marty amendment to dedicate the funds statutorily instead of constitutionally.

An amendment authorizing the Legislature to adjust the sales tax rate if the base of the sales tax is changed was adopted. The adjustment must allocate the same amount of revenue to natural and cultural resources according to the amendment.

The bill failed to gain approval on a divided voice vote.

In other action, the committee approved two bills.

Authored by Sen. Tom Saxhaug (DFL-Grand Rapids), S.F. 438 regulates the transportation of raw and unprocessed agricultural products. The bill was amended to increase gross vehicle weights

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and axle weights only for transportation of raw and unprocessed agricultural products. Sen. Rod Skoe (DFL-Clearbrook) said the increase will mean 12 percent fewer trucks on the road. The amendment also removed tax provisions in the bill that are carried in the omnibus tax bill. The bill, as amended, was recommended to pass and sent to the Senate floor,

S.F. 2057, authored by Bakk, authorizes local units of government to create airport authorities. Small towns struggle to maintain airports, he said. The bill allows for multiple units of government to work together to create an airport authority, Bakk said. The bill was recommended to pass and advanced to the Senate floor.

The committee also recommended the re-confirmation of Kathleen Hvass Sanberg as a judge on the Minnesota Tax Court.

Vikings stadium previewed

The Taxes Committee heard a presentation on the redevelopment of the Metrodome for a new Vikings stadium Fri., Apr. 27. Sen. Thomas Bakk (DFL-Cook), who chairs the committee, said it is helpful to have the Metropolitan Sports Facilities Commission (MSFC) present the stadium proposal and allow members to ask questions.

Former Sen. Roy Terwilliger, chair, MSFC, said the Metrodome has been a very successful investment for the state. Approximately 77 million people have attended functions at the Dome, with an average of 300 event days a year, he said. Terwilliger said the region needs a year-round facility to accommodate the variety of sporting, entertainment, commercial and community activities that currently take place in the Metrodome. Bill Lester, executive director, MSFC, said there is some sense of urgency because the Vikings' use agreement ends after the 2011 season. It is important to start the dialogue about a new stadium now, he said.

Lester said the current plan is for a new Vikings stadium, with a retractable roof, on the current Metrodome site at a cost of approximately \$954 million. Reusing the current site takes advantage of the existing infrastructure investments such as roads, transportation, parking and sewer lines, he said. Sen. Katie Sieben (DFL-Newport) agreed that the real advantage for redeveloping the site is the use of current infrastructure and transportation.

The presentation also included a look at how other stadiums have been funded. Craig Skeim, Conventions Sports and Leisure International, said that over the last 10 years, on average, stadiums have been built with 60 percent public investment and 40 percent private investment. Communities have used increases in hotel tax, sales tax, auto rental tax, lottery proceeds as well as other sources to fund the public investment in a new stadium, Skeim said.

Sen. Warren Limmer (R-Maple Grove) said he is concerned with the financing of the stadium and how much the taxpayers will have to pay. Terwilliger said the presentation was to inform members and open the dialogue, the MSFC is not asking for funding at this time.

In other action, the committee considered S.F. 1933, authored by Bakk (DFL-Cook). The bill provides terms and conditions related to the issuance of obligations and the financing of public improvements and services. The committee amended the bill to replace the language with the public finance article from the omnibus tax bill. S.F. 1933 was recommended to pass, as amended, and advanced to the Senate floor.

Transportation

Airport safety zones discussed

The Transportation Committee met Wed., Apr. 25, to consider a bill relating to airport safety zones. S.F. 1648, authored by Sen. Dan Larson (DFL-Bloomington), establishes minimum standards for compatible land uses in airport safety zones.

Larson said the Minneapolis-St. Paul International Airport is one of the busiest airports in one of the smallest areas in the nation. "For 50 years, it has been the state's responsibility to protect citizens on the ground," he said. Larson said safety zones around the airport are graduated, with the most restrictive being closest to the runways. He said longer runways mean larger safety zones, but the current safety zones for the newest runway are not adequate. When the decision was made to expand the current airport, rather than build a new airport, agreements were made with the Metropolitan Airports Commission (MAC) to use the runway for take-offs to the south, to enact new safety zones and to provide noise mitigation, Larson said. However, consultants for the MAC said no

additional safety zones were needed, he said. He said former Commissioner of Transportation Elwyn Tinklenberg said the issue of safety zones is a struggle between development and safety.

Larson said the safety zone issue needs more study. He offered an amendment establishing an Advisory Task Force on Runway Safety and Airport Zoning to study and make recommendations regarding the best practices for safety implications of airport zoning at Minneapolis-St. Paul International Airport and other airports operated by the MAC. Larson said that under the amendment, the task force is directed to report to the Legislature by Feb. 15, 2008, on its recommendations. The amendment also outlined the membership of the taskforce and the specific factors to study in order to arrive at zoning recommendations.

Sen. Ann Rest (DFL-New Hope) said the membership of the task force under the amendment is out of balance in terms of the party representation of the legislative members. She offered an amendment to change the make-up of the task force to include ranking minority members of the committees having jurisdiction over state aviation policy and the MAC. The amendment was adopted. Sen. Julianne Ortman (R-Chanhassen) suggested increasing the membership of the task force to include representatives of cities and counties adjacent to the airport. She said the inclusion would help build support for the outcome of the study. Larson said the main focus of the study is airport safety and that representatives of local governments might have other priorities.

Members also heard brief testimony on the composition of the task force from Jeff Hamiel, executive director, MAC, and Harold Van Leeuwen, Bemidji Airport manager. Hamiel also took the opportunity to emphasize the excellent record the MAC has maintained in terms of safety at the Minneapolis-St. Paul International Airport. Committee Chair Steve Murphy (DFL-Red Wing) said that everyone on the committee recognizes that the MAC has done an excellent job in maintaining safety and conducting airport operations efficiently.

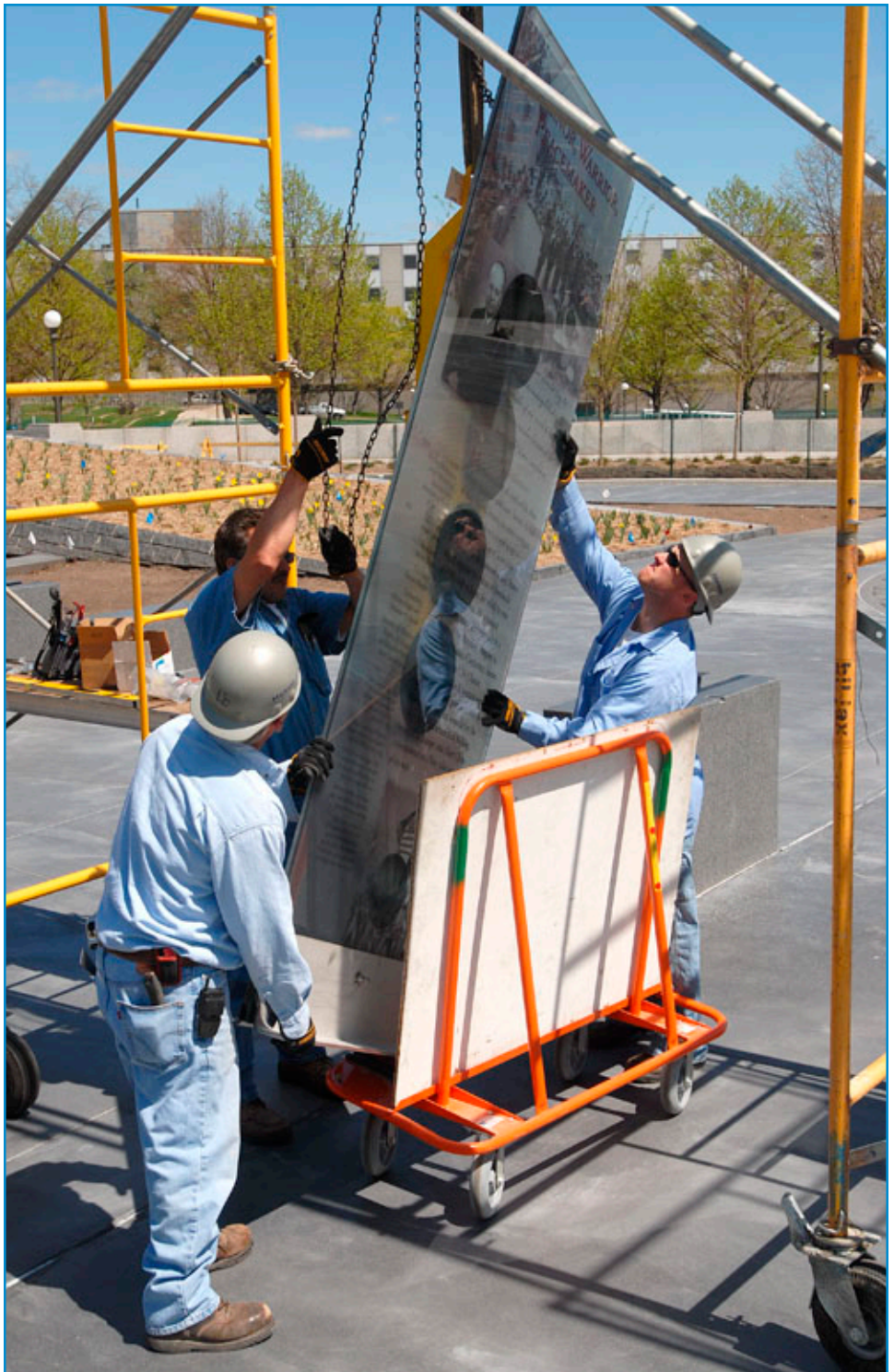
Members approved the bill and referred the measure to the State and Local Government Operations and Oversight Committee.

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Harmon Glass employees lower one of ten 400-pound glass panels into position, Wed., May 2, as a World War II Veterans Memorial nears completion on the Capitol mall.
Photo by A.J. Olmscheid



May 4, 2007

Senate Highlights

Browns Valley flood relief, health plan interpreter bills okayed

Measures providing flood relief to Browns Valley and requiring health plans to cover interpreter services were among five bills approved by the Finance Committee, Wed., May 2. The panel, chaired by Sen. Richard Cohen (DFL-St. Paul), advanced all the bills to the full Senate.

S.F. 2236, authored by Sen. Keith Langseth (DFL-Glyndon), appropriates \$2 million from the general fund for a grant to Browns Valley to mitigate property damage caused by a March 2007 flood. The bill also permits the Housing Finance Agency to use the disaster relief contingency fund to assist with housing rehabilitation and replacement in Browns Valley. Finally, the measure adds Browns Valley to the lists of eligible communities for flood hazard mitigation grants authorized in the 2005 and 2006 bonding bills. Langseth said the measure was needed because the language was in the 2007 bonding bill, which the governor vetoed the previous day.

S.F. 827, sponsored by Sen. Linda Higgins (DFL-Mpls.), requires health plans to cover sign language interpreter services for deaf and hard-of-hearing enrollees and language interpreter services for enrollees with limited English proficiency. Members spent most of their time discussing a fiscal note from the Dept. of Employee Relations indicating that the requirement would cost the state employees insurance fund \$350,000 in FY 08 and \$701,000 annually beginning in FY 09. Nathan Moracco, DOER, said the fiscal note assumes patients will want an interpreter to help them understanding everything from the HIPAA notice they receive when they walk in to the follow-up appointment scheduled at the end of the visit. The department

extrapolated the percentage of enrollees who would need an interpreter from census data, he said, assuming that the rate of English language interpreter use would be half that of the general population and the rate of sign language interpreter use would mirror that of the general population. Sen. Sandra Pappas (DFL-St. Paul) said the department's assumptions appear grossly inflated, since most state jobs require above-average English proficiency. Even recognizing that dependents are covered and may not have similar English skills, she said, the estimate seems very high. Phil Riveness, Minnesota Medical Group Management Association, said the department should be required, and should be able, to provide more concrete numbers instead of extrapolating from the census.

Sen. Betsy Wergin (R-Princeton) carried S.F. 303, which extends the life of the Municipal Boundary Adjustment Advisory Task Force. Members adopted an amendment, at Wergin's request, requiring the cost of preparing the task force's report to be shared by the League of Minnesota Cities, the Coalition of Greater Minnesota Cities, and the Minnesota Association of Townships. Sen. Michelle Fischbach (R-Paynesville) authored the final two bills. S.F. 445 modifies examination requirements for X-ray equipment operators and establishes a state certification program with continuing education requirements. S.F. 1215 is a Dept. of Health housekeeping bill. Members adopted an amendment removing provisions already contained in the omnibus health and human services budget bill.

Health Records Act heard

The Judiciary Committee, chaired by Sen. Mee Moua (DFL-St. Paul), met Tues., May 1, to consider the proposed Minnesota Health Records Act. Moua said the

language from the measure, S.F. 1701, was contained in the House omnibus health and human services appropriations bill. She said the Senate conferees from the conference committee asked the Judiciary Committee to consider the bill and recommend language to the conferees. "It is important the Senate have a position on the issue," Moua said. She said the measure was in the committee, but she had planned on having hearings on the bill next year.

Sen. Don Betzold (DFL-Fridley), chief author of the bill, said much of the bill is a recodification of existing language, but there are a number of substantive issues to be considered. He said the measure's more controversial provisions relate to record locator services, which are large databases containing sufficient identifying information to indicate where a patient's medical records are located. Much of the language in the bill is the result of the work done by the Minnesota e-Health Advisory Committee, Betzold said. He said the record locator services' databases do not contain actual medical records, they simply point to where the medical records are being kept. He said whether or not there is legislation, the databases are being created. He said providers are going to create and share databases in order to share information about individual patient's health care.

The bill allows health care providers to give patient names to record locator services, but the patient must give permission, Betzold said. Under the bill, the locator service must keep a log of every request for the location of a patient's medical records. In addition, the bill specifies that the request may only be made by health care providers and that the release of records from one provider to another must have the patient's consent.

Tom Golden, project director, Minnesota Privacy and Security Project, Dept. of Health, said the health care industry is investing millions of dollars in technology to provide better, safer and more efficient patient care. He said the state's current consent laws are based on a paper system, but the bill addresses the needs created by moving to an electronic medical records system.

Committee members adopted several amendments to the measure. One amendment replaced the liability language in the bill with more standard language relating to liability. Under the amendment, a person who negligently or intentionally requests or releases a health record in

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White Earth tribal members Rod Highelk, left, and Mike Accobee, Sr., listen to the governor's remarks before he signed the agriculture and veterans appropriations bill, Fri., May 4.

Photo by David J. Oakes

violation of the bill's provisions or a person who forges a signature on a consent form or who obtains a consent form or health records under false pretenses is liable to the patient for compensatory damages, plus costs and reasonable attorney fees.

Sen. Mary Olson (DFL-Bemidji) offered, and members adopted, an amendment defining health information exchange as a legal arrangement between health care providers and group purchasers to oversee the business and legal issues involved in the electronic exchange of health records between the entities for the delivery of patient care. Olson also offered an amendment requiring the Dept. of Health to develop a uniform health record request form. The amendment was adopted. Members also adopted an amendment reorganizing language in the bill relating to record locator services activities.

The bill was approved and advanced to the Senate floor.

Appointments approved

The State and Local Government Operations and Oversight Committee met Wed., May 2, to consider several gubernatorial appointments. The committee,

chaired by Sen. Ann Rest (DFL-New Hope), approved the appointments of Andrew Berryhill and Judson Bemis, Jr., to the Minnesota State Arts Board. Berryhill is the appointee from the 8th Congressional District and Bemis is the appointee from the 5th Congressional District. The Minnesota State Arts Board is comprised of one member from each congressional district and three at-large members, Rest said.

The panel also approved the appointments of William Kozitzka, Lynn Leegard and Camille McArdle to the Minnesota Racing Commission.

All of the appointments were forwarded to the full Senate for confirmation.

McElroy nomination advanced without recommendation

The Higher Education Committee considered the governor's appointment of Dan McElroy to the Board of Trustees of the Minnesota State Colleges and Universities (MnSCU) Fri., May 4. Sen. Sandra Pappas (DFL-St. Paul) chairs the committee.

McElroy, who also serves as commissioner of the Department of Employment and Economic Development (DEED), said the two positions help him make connec-

tions between workforce needs and MnSCU. Sen. Geoff Michel (R-Edina) said McElroy's appointment makes sense because it coordinates a state agency that has a lot to do with workforce development and the state education system that needs to have a lot to do with workforce development.

But several members expressed concerns about McElroy's dual identity and a conflict of interest. Pappas said there are many talented people in Minnesota that the governor can appoint rather than using the same people over and over again. There's no need to ask a busy person to do twice as much work, she said. McElroy said he understood the committee's concern, but the benefits of the synergies of the two positions outweigh the concerns. Sen. Tarryl Clark (DFL-St. Cloud) said the issue was not about McElroy as a candidate, but about the dual roles. Clark said she would like to see a stronger connection between DEED and the board of trustees, but through an advisory role, not with the commissioner as a trustee.

The panel voted to move the nomination to the floor without recommendation in order to leave the decision to the full Senate.

In other action, members recommended Susan Heegaard for reconfirmation as director of the Minnesota Office of Higher Education. Heegaard highlighted stability of the agency, transparency and a new public awareness campaign on the importance of higher education as some of her accomplishments. She has served as director since 2004.

Capitol Report: on air, online

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"Capitol Report" airs weekly on public television affiliates in the Metropolitan Area and on cable access channels across Greater Minnesota. It is also available online, with archives going back to 2000: <http://www.senate.mn/media>

Floor update

Friday, April 27

Environment bill put on hold

Members started the afternoon floor session Fri., Apr. 27, by taking up the omnibus environmental policy bill. The measure, S.F. 1312, is carried by Sen. Satveer Chaudhary (DFL-Fridley).

Chaudhary said the bill includes provisions governing all-terrain vehicles, wetlands conservation, game and fish and forestry.

Sen. Thomas Bakk (DFL-Cook) offered an amendment to remove a measure in the bill that would allow scopes on muzzle loaders. Bakk said the muzzle loader season is supposed to be a primitive hunting season with a primitive firearm. Sen. Tom Saxhaug (DFL-Grand Rapids) spoke against the amendment. Individuals who want a traditional hunt don't have to use a scope on their muzzle loader, Saxhaug said. Chaudhary also spoke in favor of keeping the provision. When a hunter has an accurate shot, the hunter has an ethical shot, he said. The amendment was adopted.

Sen. Don Betzold (DFL-Fridley) offered an amendment to delete a provision in the bill that excludes parcels of land in Anoka County from a statute requiring local government approval for land sales to the Department of Natural Resources. Betzold said the measure is about local control and overrides a decision made by local government. Chaudhary disagreed with the amendment. The measure preserves an individual's ability to control their own piece of land, he said. Sen. Ellen Anderson (DFL-St. Paul) said private owners who want to sell their land for preservation for future generations should be allowed to do that. Bakk said if the DNR is going to buy up land, local elected officials should have some input in the process. Sen. David Hann (R-Eden Prairie) said the provision should not single out a single county. If members want to make a policy change, it should apply to every county, he said. The Betzold amendment to keep the requirement for local approval was adopted 30-26.

An amendment to establish the Uniform Environmental Covenants Act was adopted. The act creates a process to regulate the transfer of property that has some level of contamination, said Sen. Mee Moua (DFL-St. Paul).

An amendment to create a travel green program to promote ecotourism in Minnesota was also adopted.

Chaudhary moved to progress the bill.

The Senate continued on General Orders by taking up the following bills. Both were recommended to pass.

Members had previously approved S.F. 140, authored by Sen. Yvonne Prettner Solon (DFL-Duluth), which regulates customer access to restroom facilities. The bill was returned to General Orders to allow members to make a technical change. As approved, the bill only applied to individuals with two specific diseases, Prettner Solon said. Members adopted an amendment to include any medical condition that requires immediate access to a restroom.

Authored by Sen. Dennis Fredrickson (R-New Ulm), S.F. 1186 modifies provi-



New Ulm Battery 1st Lt. John Fritsche fires an 1856 vintage cannon on the Capitol grounds, Tues., May 1, as part of the annual Freedom Day celebration.

Photo by A.J. Olmscheid



Senators Geoff Michel (R-Edina), left, and Dan Sparks (DFL-Austin) consult during the Senate's Mon., Apr. 30, floor session.

Photo by A.J. Olmscheid

the entire tax and spending package before approving a bonding bill, he said. Michel called the bonding bill dessert and said members need to have the main course and vegetables, the tax and finance bills, before having dessert. Majority Leader Lawrence Pogemiller (DFL-Mpls.) said the Senate is trying to finish session in an orderly manner without the rush at the end.

On General Orders, members returned to S.F. 1312, the omnibus environmental policy bill. The bill's author, Sen. Satveer Chaudhary (DFL-Fridley), had progressed the bill during the Fri., Apr. 27, floor session. Chaudhary offered an amendment to

sions of the Minnesota Public Facilities Act. Fredrickson said the bill updates the statutes that regulate the Public Facilities Authority.

Hann rose on a point of inquiry to ask Majority Leader Lawrence Pogemiller (DFL-Mpls.) about budget targets. Today is the deadline for budget targets for the conference committees, Hann said. In the interest of full disclosure and transparency, the Senate should be complying with those reasonable expectations, he said.

Pogemiller agreed that today is the deadline. The day is not over yet, he said.

The Senate recessed to the call of the chair to await the passage of the omnibus tax bill by the House.

Monday, April 30

Bonding, environmental policy, domestic partner bills gain

The Senate granted final passage to the conference committee report on the

bonding bill, and gave preliminary approval to the omnibus environmental policy bill and a bill to grant domestic partners visitation rights Mon., Apr. 30.

H.F. 886, the capital investment conference committee report, was granted final passage by a vote of 45-18. The bill, carried by Sen. Keith Langseth (DFL-Glyndon) appropriates \$334.08 million from the bond proceeds fund for a variety of bricks and mortar projects throughout the state. Approved appropriations include \$36.4 million for the University of Minnesota, \$34.52 million for the Minnesota State Colleges and Universities and \$30.24 million for education. The bill also includes \$53.673 million for the Dept. of Transportation and \$51.150 million for the Metropolitan Council. Langseth said the conference committee added a few small projects, but there is not that much difference in the money from the version originally passed by the Senate. Sen. Geoff Michel (R-Edina) questioned the timing of the bill. Members need to see

exempt land acquired for the Carlos Avery and Lamprey Pass Wildlife Management Areas from a statute requiring local approval of land sales to the Department of Natural Resources. Members removed a similar exemption from the bill during the Friday floor session. Betzold challenged the amendment as being out of order. The amendment tries to put back what was previously taken out by the body, Betzold said. Chaudhary said the amendment is a scaled down version of the previous provision and only applies to two specific areas. Sen. James Metzen (DFL-South St. Paul), chairman of the committee of the whole, ruled the amendment in order.

Betzold spoke against the amendment. The body already decided the issue, he said. Betzold also said there is a lawsuit pending in the areas over failure to gain local approval. The Legislature should not approve legislation while the matter is awaiting adjudication, he said. Chaudhary said one person wants to sell their land in order to preserve it and the government

Floor update



From left, Senators Julie Rosen (R-Fairmont), Mary Olson (DFL-Bemidji), Thomas Neuville (R-Northfield) and Leo Foley (DFL-Coon Rapids) sign the first public safety budget conference committee report, Tues., May 1. Photo by David J. Oakes

isn't allowing them to do so. The amendment failed on a 32-32 vote. The bill was recommended to pass.

Members also took up S.F. 1398. The bill, authored by Sen. John Marty (DFL-Roseville), provides for patient visitation by domestic partners. Marty said the bill gives rights for domestic partners to visit when one partner is in the hospital. Sen. Thomas Neuville (R-Northfield) offered an amendment to delete the language and definition of domestic partner and create the right to visitation by any adult who regularly shares a residence with the patient, if the patient is unable to share their wishes. Neuville said he worries that creating a definition of domestic partner will be used to bring litigation over the constitutionality of the state's marriage law. The amendment accomplishes the purpose of the bill and interprets the language in a way that doesn't equate domestic partners with marriage. Marty said the bill is designed to allow a partner

to be at the bedside at urgent, critical times. It's not about allowing a roommate to visit, he said. The bill is about simple decency; a spouse is let in, someone who is equally devoted should be let in as well, Marty said. The amendment was defeated 31-31. The bill was recommended to pass on a vote of 43-21.

The following bills were granted final passage on the Senate Calendar with little dissent. S.F. 802, authored by Sen. Paul Koering (R-Fort Ripley), changes provisions dealing with mortuary science. Authored by Sen. Linda Scheid (DFL-Brooklyn Park), S.F. 1429 changes financial liability requirements for charitable organizations. H.F. 532, carried by Sen. Sharon Erickson Ropes (DFL-Winona), regulates contracts entered into by military personnel. Authored by Sen. Tony Lourey (DFL-Kerrick), S.F. 868 changes provisions for speech-language pathologists and audiologists. Sen. Sandra Pappas (DFL-St. Paul) authored S.F. 1302,

which modifies provisions governing the metropolitan livable communities fund. S.F. 596, authored by Sen. Mary Olson (DFL-Bemidji), is the omnibus data practices bill. Sen. Linda Higgins (DFL-Mpls.) authored S.F. 988, which prohibits predatory lending practices. Erickson Ropes also carried S.F. 2231, which makes miscellaneous changes to long-term care and continuing care provisions. S.F. 118, authored by Pappas, adds Legislators who represent the Capitol Area as non-voting members of the Capitol Area Architectural and Planning Board. Authored by Higgins, H.F. 455 updates and clarifies public defense provisions of law. Higgins also authored S.F. 854, providing for collection, transportation and recycling of e-waste. S.F. 1126, authored by Betzold, limits predatory offender registration for individuals under the age of 16. Carried by Sen. Yvonne Prettnner Solon (DFL-Duluth), S.F. 140 regulates customer access to restroom facilities. S.F. 1186, authored by

Sen. Dennis Fredrickson (R-New Ulm), modifies provisions of the Minnesota Public Facilities Authority Act.

S.F. 420, authored by Sen. Tom Saxhaug (DFL-Grand Rapids), requires approved firewood on land administered by the commissioner of natural resources. Members voted to concur with an amendment added by the House to require wood from over 100 miles away be labeled with its place of origin. The bill was granted concurrence and re-passage.

Carried by Michel, S.F. 1236 is the Department of Employee Relations technical and housekeeping bill. The Senate concurred with a House amendment to place the language in the bill in session law rather than in statute and re-passed the bill.

The Senate also granted final passage to the following three bills. S.F. 514, authored by Sen. David Tomassoni (DFL-Chisholm), regulates unpaid work for cash assistance. The measure was approved 40-

22. Authored by Pappas, S.F. 1791 integrates instruction about the contributions of Minnesota American Indian tribes and communities into student learning and teacher preparation and licensing requirements. The bill was granted final passage on a 47-14 vote. A resolution urging the president and congress to end trade, financial and travel restrictions to Cuba was also approved. The bill, S.F. 599, authored by Sen. Jim Vickerman (DFL-Tracy), was approved 42-22.

Tuesday, May 1

Marijuana bill okayed

A measure permitting the use of marijuana by patients with debilitating conditions was the main item of business before the Senate, Tues., May 1. S.F. 345, authored by Sen. Steve Murphy (DFL-Red Wing), was granted preliminary approval on General Orders.

Medical marijuana use has value to families all across Minnesota, Murphy said. Everyone knows someone who has been affected by a debilitating disease that the medical use of marijuana could help, he said. Murphy said medical use of marijuana is not for everybody, but it can help people with very serious conditions and intractable pain. Marijuana use has helped patients, he said, including those who are not aided by marijuana substitutes, such as a pharmaceutical known as Marinol. The bill does not let patients grow their own marijuana, he said, and limits how much patients may possess at any one time. He said the bill also imposes tight guidelines on the registered organizations that are permitted to grow marijuana for patients. The bill also makes clear that it is a felony for a patient to abuse the privilege the bill creates by providing access to marijuana to others, he said.

Pain is very subjective, and this bill is an attempt to accommodate Minnesotans



Senators Steve Dille (R-Dassel), left, and Lawrence Pogemiller (DFL-Mpls.) confer during the Senate's Tues., May 1, floor session.

Photo by David J. Oakes

Floor update



Senators Ann Rest (DFL-New Hope) and Don Betzold (DFL-Fridley) look over a spreadsheet in the Senate Chamber following the Tues., May 1, floor session.

Photo by David J. Oakes

who believe smoking marijuana alleviates their pain, said Sen. David Hann (R-Eden Prairie). There is a process established for evaluating new medical treatments and drugs, he said. There is no good reason for the Legislature to circumvent the process and insert its judgment into which medicines are useful, Hann said. Approving this bill creates a troubling standard for drug approval, he said. Sen. Julianne Ortman (R-Chanhassen) noted that marijuana use and possession will remain illegal under federal law. Additionally, she said, there are unavoidable consequences to expanded marijuana use: increased access, abuse and crime. Sen. Mary Olson (DFL-Bemidji) said the bill sends the wrong message to children and law enforcement.

A lot of people suffer from terminal illness, but there are also a lot of people who suffer from the problems drug use creates, said Sen. Bill Ingebrigtsen (R-

Alexandria). Without a limit on the number of registered organizations, said Sen. Thomas Neuville (R-Northfield), we will face having hundreds or thousands of marijuana growers scattered across the state.

Sen. Claire Robling (R-Jordan) offered an amendment requiring marijuana wrappers to be self-extinguishing. The Legislature is considering similar provisions for tobacco cigarettes, she said, to address situations where someone falls asleep smoking. Marijuana use can cause drowsiness, she said, and we should protect these patients from accidental fires. Murphy said he did not know if self-extinguishing wrapping paper was available. The amendment was defeated, 21-38.

The bill was granted preliminary approval, 33-31.

In other action, Senators adopted two conference committee reports. H.F. 2227, the omnibus agriculture, veterans affairs

and military affairs budget package, carried by Sen. Jim Vickerman (DFL-Tracy), appropriates \$170.24 million in FY 08-09. The bill was repassed, 64-0. H.F. 966, sponsored by Sen. Ellen Anderson (DFL-St. Paul), modifies provisions governing overtime for nurses employed by the state. The bill was repassed, 50-10.

Wednesday, May 2

Domestic partner bill approved

Members met for a short floor session Wed., May 2, to process routine business and grant final passage to a bill providing for patient visitation by domestic partners. The measure, S.F. 1398, authored by Sen. John Marty (DFL-Roseville), was approved by a 43-22 vote.

The omnibus environmental policy bill, S.F. 1312, carried by Sen. Satveer Chaudhary (DFL-Fridley) was also on the

Calendar for the day, but was returned to General Orders. Sen. Pat Pariseau (R-Farmington) objected to a total maximum daily load provision in the bill and said members need to have a better discussion of the content of the provisions. Chaudhary said the provisions in the bill were discussed in committee and on the floor, but agreed to return the bill to General Orders if members want to talk about it more.

Senators also granted concurrence and re-passage of two bills. S.F. 358, authored by Sen. Mary Olson (DFL-Bemidji), helps siblings separated by foster care find each other if both parties are willing. S.F. 555, authored by Sen. Linda Berglin (DFL-Mpls.), extends the essential community provider designation. The House made only technical changes to each bill, the authors said.

Thursday, May 3

Public safety bill considered, returned to conference committee

Senators met Thurs., May 3, to consider the conference committee report

on the omnibus public safety and judiciary budget bill.

H.F. 829, carried by Sen. Linda Higgins (DFL-Mpls.), spends over \$2.01 billion in FY 08-09, primarily from the general fund. It provides funding for the courts, various legal agencies and the public safety and corrections system. The bill funds three new judges for the Court of Appeals and seven new judges in the District Courts, provides for upgraded cameras in squad cars, and supports youth intervention programs. The measure also includes a variety of policy provisions, including regulation of scrap metal dealers, and stronger treatment of repeat domestic violence offenses and violations of no-contact orders and orders for protection.

The principal point of contention was a provision permitting insured persons to sue their insurer if the insurer acts without good faith. Under the provision, the insurer does not act in good faith if it lacks a reasonable basis to deny benefits of a policy and knows or acts with reckless disregard of the lack of reasonable basis when it denies a claim. Alternatively, the insurer does not act in good faith if it engages in any fraud, misrepresentation or

deceptive practice. If an insurer acts without good faith, it can be held liable for damages, court costs and attorney fees.

Sen. Thomas Neuville (R-Northfield) moved to reject the conference committee report, which he signed, because the governor has indicated he will veto the entire bill because of the good faith provision. I think there is some middle ground on this issue, he said, but we should not risk having no public safety bill at all. It would be more efficient for the Legislature to recognize the reality and renegotiate the language rather than engage in an exercise in futility by sending a bill to be vetoed, he said. I thought this provision was going to be removed and raised concerns about its presence before I signed the report, Neuville said. Sen. Linda Scheid (DFL-Brooklyn Park) said she shares Neuville's concerns and thinks fairer language could be achieved with more discussion.

The language in the bill gives insurers more protection than the provisions separately considered by the Senate, said Sen. Mary Olson (DFL-Bemidji). From a consumer's perspective, we have very watered down language in this bill, she said. Minnesotans need to be paid on



Senators Ann Lynch (DFL-Rochester) and Ron Latz (DFL-St. Louis Park) closely examine proposed legislation on the floor of the Senate during the Tues., May 1 floor session.

Photo by David J. Oakes

Floor update

claims when their homes burn down or they are injured in accidents, Higgins said. People pay insurance premiums in the expectation that help will be there for them when they need it, she said.

This is an important policy issue, said Sen. Gen Olson (R-Minnetrista). But the bill is a budget bill, she said. The insurance provision should be in a separate bill, she said. It does not have to be part of this budget bill, she said. We should not risk this whole bill being vetoed or rejected by the courts as a violation of the single subject requirement, she said. Sen. Claire Robling (R-Jordan) said Senators should be able to fully debate the provision, with an opportunity to offer amendments. Including it in a conference committee report means we can only vote it up or down, she said.

The motion to reject the conference committee report and return the bill to the conference committee was defeated, 32-33. After a recess, Majority Leader

Lawrence Pogemiller (DFL-Mpls.) moved to reconsider the Neville motion. Pogemiller said that, after consultation with the other body and the administration, the plan was to send the bill back to the conference committee to remove the good faith insurance provision. The Senate approved the motion to return the bill to conference committee.

Before considering the conference committee report, Minority Leader David Senjem (R-Rochester) raised a point of order concerning the lack of targets for conference committees. Under House Concurrent Resolution 1 adopted February 19, he said, the Senate majority leader and the House speaker were required to set targets for conference committees by April 27. We have not seen targets yet, Senjem said. We have nonetheless started to vote on conference committee reports, he said. Senjem said the Senate should refrain from taking action on any further conference committee reports until we have full

information. Pogemiller said the resolution does not require public announcement of the targets, merely their establishment. We have publicly announced targets for all the major spending bills except for the omnibus tax, higher education and E-12 education bills, he said. Pogemiller said legislative leaders have slowed down to include the governor in negotiations on targets. After the discussion, Senjem withdrew his point of order, but reiterated that he and the Minority Caucus remain concerned about the lack of information regarding targets.

In other action, Senators also granted final passage to a bill permitting the use of medical marijuana by patients with debilitating conditions. S.F. 345, authored by Sen. Steve Murphy (DFL-Red Wing), was granted final passage, 35-29.

Members also suspended the rules in order to grant S.F. 2236, the Browns Valley flood relief mitigation bill, final passage. Sen. Keith Langseth (DFL-Glyndon) said



Senators Tom Saxhaug (DFL-Grand Rapids), left, and Dennis Frederickson (R-New Ulm) compare notes during a meeting of the environment, natural resources and energy appropriations conference committee, Wed., May 2.

Photo by David J. Oakes

the measure was needed because an ice jam caused a flood in an area that had never before flooded. Members adopted an amendment specifying the funds be available until June 30, 2008. Sen. Warren Limmer (R-Maple Grove) offered an amendment appropriating \$600,000 for relief for damages caused by the Sept. 16, 2006, tornado in the city of Rogers. Limmer said the people of Rogers did not have time to take shelter because the tornado came so quickly. Langseth said it was necessary to send a clean bill to the governor. Sen. Don Betzold (DFL-Fridley) said the bill Limmer introduced was for an appropriation for a noise barrier, rather than for damage relief for the city. The amendment was not adopted. The bill was granted final passage on a 62-0 roll call vote.

In addition, the Senate adopted the conference committee report on H.F. 272. The bill, authored by Sen. Dan Skogen (DFL-Hewitt), continues licenses and certificates of registration for active duty soldiers. The bill was repassed on a unanimous roll call vote.

Friday, May 4

Econ dev, state gov bills okayed

Senators began the Fri., May 4, floor session by granting approval to the economic development and state government finance bills.

Carried by Sen. David Tomassoni (DFL-Chisholm), S.F. 2089 is the omnibus economic development finance bill.

Sen. Amy Koch (R-Buffalo) made a motion to reject the conference committee report. Koch said the measure includes \$52 million more than the governor's recommendation. The committee needs to tweak the numbers, she said. Koch also said the measure is policy heavy and includes several provisions not heard by Senate committees. Tomassoni said the bill is about compromise and most of the policy provisions are non-controversial because problems were worked out before the conference committee adjourned. The motion to reject the report failed 22-43.

Tomassoni said the conference committee report focuses on business development, workforce training, homeless programs and increased and affordable housing programs. The measure includes approximately \$50 million for new

programs around the state, including \$25 million to help individuals find affordable housing, \$4 million for bioscience projects around the state, \$3.5 million for the arts and \$10 million to help youth get jobs, Tomassoni said. Sen. Julie Rosen (R-Fairmont) spoke against a provision in the bill known as the packing house bill of rights. Rosen said it is unnecessary to single out one industry. The industry is currently regulated by strict federal and state guidelines and owners want to protect their employees, she said. The provision unfairly targets an industry that provides over 100,000 jobs in Minnesota, Rosen said. Tomassoni said the provision was a compromise and will protect workers, but won't hurt the industry. Members adopted the conference committee report and re-passed the bill 42-22.

Members also considered the conference committee report on S.F. 1997, the omnibus state government finance bill. Sen. Don Betzold (DFL-Fridley), co-chair of the conference committee, said the measure retains the spending from the Senate's version of the bill, but because of additional tax compliance money from the House, members were able to look at additional areas of expenditures. The measure appropriates \$676.8 million from the general fund for the 2008-2009 biennium for the legislative and administrative expenses of state government. Betzold said the report includes \$750,000 to continue the process for the State Capitol renovation. The House has agreed to an additional \$4 million for the project in a separate bonding bill, Betzold said. Sen. Dennis Fredrickson (R-New Ulm) said he was chagrined that the Legislature is not doing more to move forward with the project this year.

Betzold said the report also includes a number of policy provisions not in the Senate's original bill. The provisions that were adopted were heard in the Senate as separate bills, but were not included in the omnibus bill, Betzold said. The measure includes several election provisions, a lights-on provision to continue appropriations until the end of July if a new budget has not been set, and a provision to allow best value contract bidding, he said.

Sen. Betsy Wergin (R-Princeton) said the bill includes several provisions she has a problem with. Wergin objected to a provision in the bill requiring a reduction

of deputy commissioners to save \$7 million. Betzold said the provision applies to all state agencies, not to the governor's office and the cuts are doable.

The conference committee report was adopted and the bill was re-passed 42-23.

Historical database available

The Legislative Reference Library has developed a database, "Legislators Past and Present," containing information about Legislators who have served since territorial times. The database's information was compiled from official legislative directories, obituaries, news clippings, family files and other sources. It contains information about terms of service, education, occupation, party or caucus affiliations, leadership positions, represented communities and more.

The database also includes information about Minnesota Legislators who served in other government functions, ranging from the local level to the national level. It even indicates which Minnesota Legislators also served in another state's legislature. (There were five: Cyrus Aldrich in Illinois, Francis Cornell in New York, Mark Dunnell in Maine, Willis Gorman in Indiana and Knute Nelson in Wisconsin.)

"Legislators Past and Present" is available online at <http://www.leg.state.mn.us/legdb/index.asp>

Civic education DVD available

A DVD containing nine short segments on the legislative process is available from Senate Media Services. The segments cover political parties, the three branches of government, the duties of the president of the Senate, the Senate Chamber, ways to gather information about bills, the role of lobbyists, how to read a bill, and tips for people coming to testify before a legislative committee. An additional segment recounts the story of a student at Roseville High School who lobbied for a law banning hazing; she was motivated by her own high school hazing experience.

For information on obtaining a copy of the DVD, contact Senate Media Services at (651) 296-0264. The segments are also available online, along with many other civic education pieces, at <http://www.senate.mn/media> (under the "Civic Education" category).

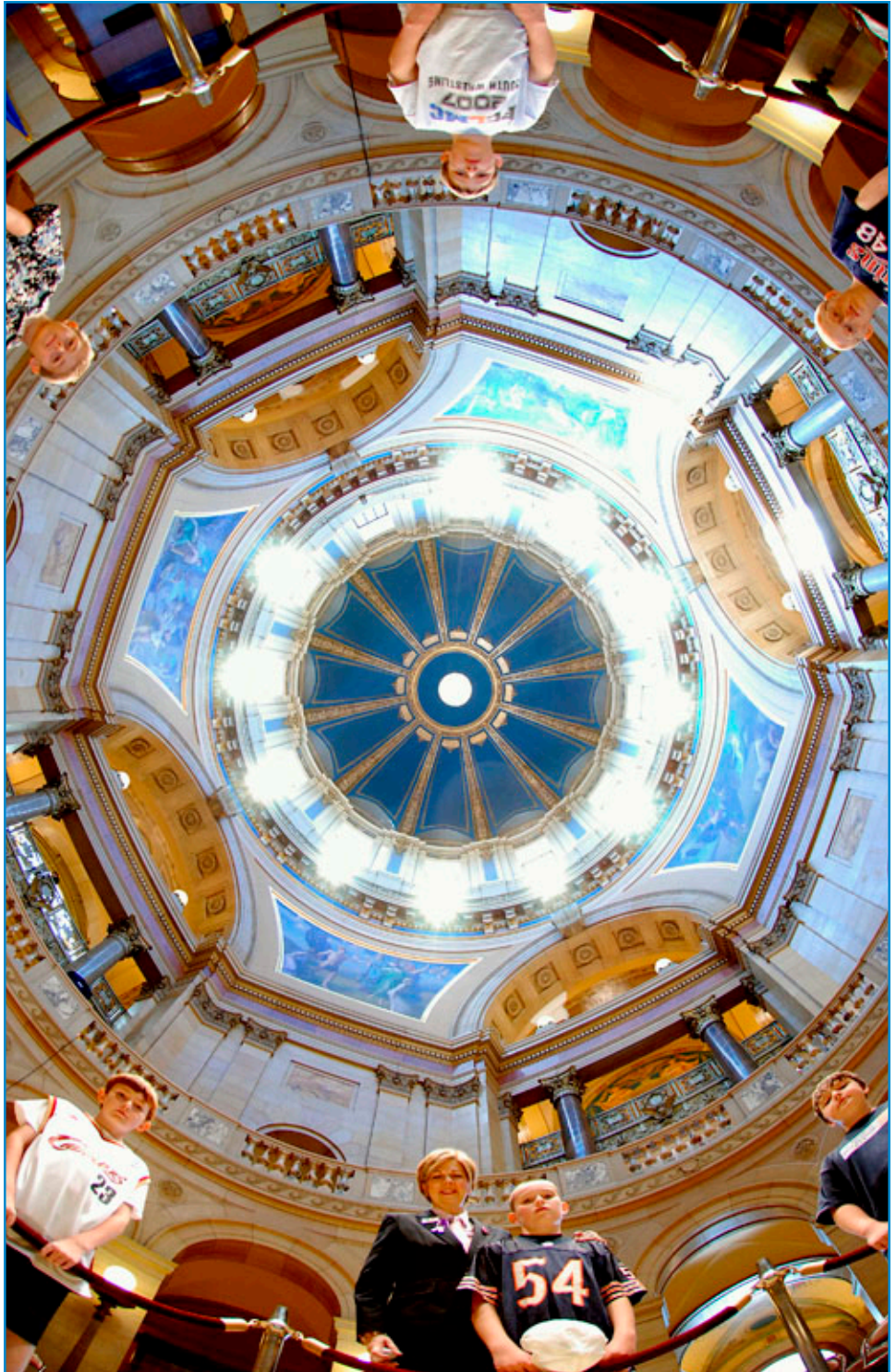
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With the chandelier lit high above in celebration of Minnesota's Statehood Day, Sen. Sharon Erickson Ropes (DFL-Winona) and students from Fillmore Elementary in Preston gather in the Capitol Rotunda, Fri., May 11. Photo by A.J. Olmscheid



May 11, 2007

Senate Highlights

Blue skies for smoking ban, dedicated funding bills

A statewide smoking ban and a proposed constitutional amendment to raise the sales tax by three-eighths of one percent to pay for natural and cultural resources both gained final approval from the Senate, Fri., May 11.

Authored by Sen. Kathy Sheran (DFL-Mankato), S.F. 238 enacts a statewide smoking ban. Sheran said the conference committee clarified language in the bill relating to what constitutes indoor air and the exemption for smoking in tobacco product shops. The conference committee also agreed on exemptions for farms and when smoking is a part of a theatrical production, she said. An effective date of Oct. 1, 2007 was agreed upon, Sheran said. The report does not preempt local ordinances that are stricter, she said.

Sen. David Tomassoni (DFL-Chisholm) spoke against the report. Adults are able to make the decision as to whether or not to enter a smoking establishment, he said. Tomassoni said the measure is going to kill jobs and hurt charitable gambling establishments and the causes they support. Tomassoni said without preemption, the state will continue to have a patchwork of laws.

Sen. Scott Dibble (DFL-Mpls.) said the measure is responsive to the public's concerns. The report includes provisions for displaced workers and delays the enactment date to allow businesses time to prepare, he said. Dibble said the report is a leap forward for workers' safety and workers' health. Sen. Steve Dille (R-Dassel) said he supports the measure because it will provide an environment in the state that discourages people from starting to smoke or encourages them to quit. Smoking is a killer, Dille said.

Sheran said the conference committee report sustains what the bill is really about, protecting all workers from the dangers of secondhand smoke. The conference committee report was adopted and the bill was re-passed 43-21.

S.F. 6, carried by Sen. Lawrence Pogemiller (DFL-Mpls.), increases the state sales tax by three-eighths of one percent and dedicates the revenue to cultural and natural resources. The bill sets up three funds. The great outdoors fund, for clean water projects will receive approximately \$125 million per year for 25 years, Pogemiller said. The heritage enhancement fund, for hunting, fishing and forestry, will receive \$100 million and the cultural legacy fund will receive \$70 million he said. Under the bill, Minnesota will decide on the question during the 2008 November election. It has become obvious that this generation needs to do something so the next generation is able to participate in the type of cultural and outdoor activities members have been able to, Pogemiller said.

The bill survived several amendments proposing significant changes.

Sen. Pat Pariseau (R-Farmington) offered an amendment to insert an alternative plan into the bill to use one-eighth of one percent of the current sales tax to establish a game and fish preservation fund. The proposal would still require voter approval, but does not include funding for clean water or cultural resources Pariseau said. Sen. Dennis Fredrickson (R-New Ulm) opposed the amendment because it doesn't address the critical needs of clean water and cultural resources. The amendment was not adopted, 13-47.

Sen. Claire Robling (R-Jordan) offered an amendment reducing the portion of the revenue dedicated to the arts from 24 percent to 10 percent. Under

the amendment, the remaining 14 percent is distributed among all the funds created in the bill, at the Legislature's discretion. We need flexibility to deal with unknowns, she said, including major water-related catastrophes, new invasive species, new animal diseases, or the sudden availability of significant land. Pogemiller spoke against the amendment, saying the bill is about creating long-term legacies, not dealing with immediate crises. Sen. Dennis Frederickson (R-New Ulm) also opposed the amendment, saying the arts are already getting the smallest portion of funding. The other funds have flexibility in how money can be spent, he said. The amendment was not adopted, 22-43.

An amendment to change the dedication from constitutional to statutory was offered by Sen. John Marty (DFL-Roseville). A similar amendment was adopted by the Taxes Committee, but changed back to a constitutional dedication in the Rules and Administration Committee before the bill came to the floor, he said. Marty said a constitutional dedication locks the state into funding for 25 years and does not allow flexibility. Ten years ago, the state didn't know how important clean water is and no one can predict what the future needs might be, he said. Sen. Thomas Bakk (DFL-Cook) spoke in support of the Marty amendment. Members cannot know what future priorities will be and the amendment will give the Legislature the flexibility to respond to the people's priorities, he said. Bakk said voting for the amendment says these things are important and they're so important the Senate is going to raise taxes to pay for them, to put real money into these programs. Sen. Julianne Ortman (R-Chanhassen) said the amendment will create a slush fund for Legislative spending and increases taxes without voter approval. Pogemiller also opposed the amendment. Members need to set aside the reasons to be against the bill and get something done for the future of Minnesota, he said. The amendment failed on a 28-38 roll call vote.

Sen. Warren Limmer (R-Maple Grove) offered an amendment to divide the ballot question into two parts so residents can vote separately for increasing the sales tax to fund natural resources and cultural resources. Sen. Betsy Wergin (R-Princeton) said the question should be put on the ballot in a fair way so individuals can think about each portion and have the

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Senators Ron Latz (DFL-St. Louis Park), left, and Scott Dibble (DFL-Mpls.) closely examine a side-by-side comparison of Senate and House proposals during a conference committee meeting on a statewide smoking ban bill, Tues., May 8.

Photo by David J. Oakes

opportunity to support natural resources, cultural resources or both. Sen. Satveer Chaudhary (DFL-Fridley) said the bill was not able to gain traction until it was broadened to include not just outdoor enthusiasts, but other enthusiasts as well. The amendment was not adopted on an 18-45 roll call vote.

The body accepted small changes to the bill. An amendment to add the name of former Sen. Bob Lessard, a long time supporter of a constitutional amendment to dedicate funding for the environment, to the title of the heritage enhancement fund was adopted. An amendment to move funding for historic sites from the great outdoors fund to the cultural legacy fund was also adopted.

Sen. Ellen Anderson (DFL-St. Paul) said the state's natural resources are precious and limited. They are a part of what makes Minnesota Minnesota, she said. A constitutional amendment is needed because the natural and cultural resources are the expendable parts of the state's budget, Anderson said. Chaudhary agreed. The state's natural and cultural

resources are the things Minnesotans cherish the most, he said. The state only spends one percent of the general fund on the things residents love the most, Chaudhary said.

The bill was granted final passage on a vote of 52-14.

In other action, Senators acted on several appointments.

Senators confirmed the appointments of four agency heads: Susan Heegaard as director of the Office of Higher Education, Mark Holsten as commissioner of the Dept. of Natural Resources, Brad Moore as commissioner of the Pollution Control Agency, Dianne Mandernach as commissioner of the Dept. of Health and Timothy Marx as commissioner of the Housing Finance Agency.

Senators also confirmed the appointment of Kathleen Hvass Sanberg as a judge of the Tax Court. Three members of the Housing Finance Agency Board of Directors were confirmed: Michael Finch, Lee Himle and Marina Munoz Lyon. Four members of the Emergency Medical Services Regulatory Board were con-

firmed: Lori Brown, Laurie Hill, Robert Jensen and Marlys Tanner. Judson Bemis, Jr., and Andrew Berryhill were confirmed as members of the Board of the Arts. Three members of the Racing Commission were confirmed: William Kozitza, Lynn Leegard and Camille McArdle.

Senators confirmed the appointments of members of the new Clean Water Council: David Bennett, Marilyn Bernhardson, Pamela Blixt, Earl Bukowski, Brian Davis, John Greer, Delvin Haag, Scott Hoes, David Jeronimus, Christopher Kolbert, William Moore, Gary Pedersen, Steven Pedersen, Louis Smith, Sarah Strommen, Deborah Swackhamer, Paul Torkelson, and Robert Vogel.

In addition, members granted final passage to seven bills on the Senate Calendar. S.F. 883, authored by Sen. Linda Scheid (DFL-Brooklyn Park), makes changes in the Darlene Luther Anatomical Gift Act. S.F. 184, authored by Marty, allows registered nurses to dispense contraceptives in family planning clinics, expands the definition of governmental unit and provides for an adjustment of

Senate Highlights

Medical Assistance reimbursement rates for family planning clinics. S.F. 1823, sponsored by Sen. Patricia Torres Ray (DFL-Mpls.), changes licensing requirements for physical therapists and physical therapist assistants. S.F. 1360, carried by Sen. Dan Skogen (DFL-Hewitt), adds legislative members to the Game and Fish Budgetary Oversight Committee. S.F. 1185, also carried by Skogen, modifies registration and operation requirements for off-road recreational vehicles, provides for off-trail snowmobile use in certain state forests, modifies the acquisition authority for state trails and provides for membership on the Game and Fish Budgetary Oversight Committee. S.F. 893, authored by Sen. Dan Larson (DFL-Bloomington), moves the date of precinct caucuses from the first Tuesday in March to the second Tuesday in February. S.F. 445, carried by Sen. Michelle Fischbach (R-Paynesville), modifies provisions relating to X-ray operators.

Committee Update

Education

New math standards discussed

The House and Senate Education Committees met to hear a presentation on the final draft of the K-12 academic standards in mathematics Thurs., May 10. Rep. Carlos Mariani (DFL-St. Paul) and Sen. Charles Wiger (DFL-North St. Paul) chair the committees respectively.

Education Commissioner Alice Seagren said the standards were developed by a committee of 26 people, including parents, math instructors and business representatives. The committee studied other states' standards, held public meetings, and worked with national experts to develop the standards, Seagren said. Ellen Delaney, associate principal, Spring Lake Park High School, who worked on developing the standards, said moving algebra I from ninth grade to eighth grade frees up time in high school to pursue additional kinds of math. Changes were also made to the formatting of the standards to focus the assessments on the standards themselves so schools teach to the standards rather than the test, Delaney said.

Sen. Sandy Rummel (DFL-White Bear Lake) said she has concerns about students being ready to be tested on the new



ment. He said the statutory language was not satisfactory. Most prefer the constitutional amendment language in order to allow all Minnesotans to participate in the discussion on the use of sales tax revenue for outdoor and cultural purposes, he said. The amendment allows Minnesotans the opportunity to vote on the issue, Frederickson said. The amendment was adopted.

Members also discussed a provision specifying that if the base of the sales and use tax is changed, the Legislature may proportionally adjust the sales and use tax rate to within one-tenth of one percent in order to provide the same amount of revenue as practicable for each of the funds created in the bill.

The panel also incorporated a suggestion, made by Sen. Gen Olson (R-Minnetrista), to add forest resources to the

list of purposes for which the funds may be used.

The bill was approved and advanced to the Senate floor.

The committee also advanced four additional measures. S.F. 1196, carried by Sen. Michael Jungbauer (R-East Bethel), establishes a manufactured home relocation trust fund. The bill was advanced to the Finance Committee. S.F. 886, sponsored by Sen. Jim Vickerman (DFL-Tracy), is a resolution memorializing Congress to enact comprehensive immigration reform that includes provisions that prioritize and expedite family reunification, the expansion of the number of both high- and low-skill work visas that satisfy the demands of local communities in agriculture and business industry, and provisions that support a competitive grant program to fund certified entities to provide civics and English classes. The resolution also

calls on Congress to provide federal reimbursement of hospitals for the emergency care of undocumented immigrants. The bill was advanced to the Senate floor.

S.F. 1648, carried by Sen. Dan Larson (DFL-Bloomington), creates a task force to study airport safety standards for compatible land use. The measure was advanced to the State and Local Government Operations and Oversight Committee. S.F. 162, carried by Sen. Dan Sparks (DFL-Austin), imposes customer sales or service call center requirements. The measure was advanced to the Senate floor.

Taxes

Property tax relief, dedicated funding measures advance

A bill to raise income taxes on the highest income earning Minnesotans to



Rep. Bernard Lieder (DFL-Crookston), left, and Sen. Steve Murphy (DFL-Red Wing) look over a proposed amendment to an omnibus transportation budget bill during a conference committee meeting, Tues., May 8.

Photo by David J. Oakes

Committee update

pay for property tax relief and a bill to increase the sales tax and dedicate the revenues to natural and cultural resources were both advanced by the Taxes Committee Wed., May 9.

Chair Tom Bakk (DFL-Cook), carried H.F. 2294, which modifies the levy authority for the Cook-Orr Hospital District. The committee amended the bill to insert a property tax relief plan based on revenues from a new fourth tier tax bracket of nine percent on individuals earning over \$226,230 and married couples earning over \$400,000. Bakk said the increase will raise \$452 million in the next biennium and all of the revenue will be spent on property tax relief. The House has the same income tax increase included in its omnibus tax bill, Bakk said.

Bakk said \$223 million will be used for property tax refund programs. The bill increases the eligibility for the homestead credit program to households earning

\$150,000. The remaining revenues raised by the income tax increase will be used to reduce property taxes by buying down school levies, he said.

Bakk said property tax relief is his number one priority this session. If the Legislature is unable to pass an omnibus tax bill, members will still be able to provide property tax relief with this bill, he said. Sen. Julianne Ortman (R-Chanhassen) said the bill is in conflict with the previous Senate position on an income tax increase. Bakk said the measure is a compromise and pares down spending. Sen. Warren Limmer (R-Maple Grove) said the measure provides significant property tax relief, but at the expense of new taxes. Bakk said the proposal raises the income tax to buy down property taxes and make the property tax a less regressive tax. The measure was recommended to pass and advanced to the Senate floor.

The committee also considered S.F. 6, a proposed constitutional amendment to raise the state sales tax three-eighths of one percent to fund natural and cultural legacy programs. A motion to advance the measure was defeated at a previous hearing when several members expressed support for the programs, but objected to dedicating funding through the state's constitution. Sen. Rod Skoe (R-Clearbrook) made a motion to reconsider the vote. Skoe said the motion would allow members the opportunity to continue to work on an important issue. Ortman spoke against the motion. The issue has already been decided by the committee, she said. The motion to reconsider was adopted.

Sen. John Marty (DFL-Roseville) offered an amendment to change the bill to a statutory dedication instead of a constitutional dedication. Sen. Keith Langseth (DFL-Glyndon) said the state shouldn't change the constitution unless



Senators Linda Higgins (DFL-Mpls.), left, and Julie Rosen (R-Fairmont) confer in the Senate Chamber during the Tues., May 8, floor session.

Photo by A.J. Olmscheid



Sen. Gen Olson (R-Minnetrista) signs autographs on the front steps of the Capitol for fifth grade students from Groveland Elementary school in Minnetonka, Tues., May 8.

Photo by David J. Oakes

there is good reason. Langseth said the purposes in the bill do need funding, but it should be done through statute. Ortman said a statutory dedication will turn into another slush fund and the Legislature cannot guarantee the money will go for these purposes. Bakk said a statutory dedication is law and it is not fair to characterize it as spending any way the Legislature wants. By changing the bill to a statutory dedication, members are putting together a bill that can get the votes it needs on the Senate floor. The amendment was adopted. The bill, as amended, was recommended to pass and re-referred to the Senate floor.

At the meeting, panel members also considered four other bills.

S.F. 2276, authored by Sen. Richard Cohen (DFL-St. Paul), provides a tax credit for film production expenditures. The bill also requires a study of the effectiveness of providing tax incentives for film production expenditures. Cohen said tax credits attract film makers to Minnesota and help create jobs and other

tax revenues. The bill was recommended to pass and sent to the Senate floor.

Sen. Mee Moua (DFL-St. Paul) brought a proposal to the committee that modifies the definition of sales performance of services for regulated investment companies under the apportionment formula. The proposal will be introduced as a bill at a later time. Bakk said the provisions are included in the House omnibus tax bills and he wanted to put the measure in front of the committee for consideration.

S.F. 610, authored by Bakk, makes miscellaneous tax provisions modifications. Bakk said the provisions in the bill are included in the omnibus tax bill. S.F. 610 was recommended to pass and sent to the Senate floor.

Also carried by Bakk, S.F. 2249 makes technical changes to tax increment financing provisions. The bill was recommended to pass and advanced to the Senate floor.

Historical database available

The Legislative Reference Library has developed a database, "Legislators Past and Present," containing information about Legislators who have served since territorial times. It contains information about terms of service, education, occupation, party or caucus affiliations, leadership positions, represented communities and more. "Legislators Past and Present" is available online at <http://www.leg.state.mn.us/legdb/index.asp>

Capitol Report: on air, online

Explore current policy issues and hear lawmakers discuss current legislative proposals by watching "Capitol Report," a weekly public affairs program produced by Senate Media Services. "Capitol Report" airs weekly on public television affiliates in the Metropolitan Area and on cable access channels across Greater Minnesota. It is also available online: <http://www.senate.mn/media>

Floor update

Friday, May 4

Environment, natural resources and energy appropriations okayed

The latter portion of the Fri., May 4, afternoon floor session was devoted to consideration of two additional conference committee reports.

Senators again took up the conference committee report on the omnibus public safety appropriations bill, H.F. 829. Sen. Linda Higgins (DFL-Mpls.) said the conference committee report includes all the provisions considered the day before with the exception of the good faith insurance provisions. She said the bill appropriates \$2 billion to protect the citizens of the state and urged members to support the conference committee report. Sen. Thomas Neuville (R-Northfield) also urged support and said the concerned parties should work toward compromise on the good faith insurance language in order to pass a separate bill on the issue. The conference committee report was repassed on a 65-0 roll call vote.

The members also took action on the conference committee report on S.F. 2096, the omnibus energy, environment and natural resources appropriations bill. Sen. Ellen Anderson (DFL-St. Paul) said the compromise package was challenging to put together because of the extremely tight time frame. She said the conferees developed a balanced bill that moves the state forward in protecting the state's waters, forests, land and mineral resources, and in developing alternative energy sources. Anderson said the Senate conferees highest priority was providing for clean waters. She said the appropriation for water consisted of the largest portion of the one-time money available for the conferees. She said the bill also provides for parks and trails, forestry improvements, waterways management, fish and wild life management and land management. The measure provides funding for the Dept. of Natural Resources, the Pollution Control Agency, the Board of Water and Soil Resources, the Minnesota Conservation Corps, the Zoological Board and the Science Museum of Minnesota, Anderson said. The conference committee report does not include increased boat fees that had been in the Senate bill, but does accept the Senate position on ATVs. The measure also establishes an invasive species account to control, assess and

monitor invasive species, she said. Anderson said the measure also contained all the provisions relating to the Dept. of Commerce, rather than just the energy division contained in the Senate bill. The measure contains compromise language on predatory lenders and protections for consumers relating to utility shut-offs, Anderson said.

Sen. Tom Saxhaug (DFL-Grand Rapids) said the bill contains a number of forestry investments and improvements. The bill does a lot to help our forest products industry and secures the forest for future use, Saxhaug said.

Sen. Ray Vandeveer (R-Forest Lake) moved to reject the conference committee report and send the bill back to conference. He said the Monticello dry cask assessment on Xcel Energy contained in the bill is going to increase electric rates for consumers. Sen. Dennis Frederickson (R-New Ulm) urged members to reject the motion. He said the 1994 agreement allowing dry cask storage requires the assessment to be placed in a fund to help Minnesota move away from nuclear energy and coal burning plants. Frederickson said the language in the bill is an appropriate trade-off for allowing highly toxic nuclear waste to be stored on the banks of the Mississippi River. Anderson said the language in the bill is the Senate position, which is a lower dollar amount than in the other body's proposal. The motion to reject the conference committee report failed on a 15-44 roll call vote.

Frederickson said one of the major focuses of the bill was funding the clean water legacy provisions with a total of about \$54 million. He said it is critically important to clean up our waters over the next few years. The activities and programs funded in the bill mean a great deal to the citizens of the state in being able to use the state parks, to hunt and fish and to use our forests. He said the funding of these vital resources amount to less than one percent of the state budget and there is little hope of more funding unless there is dedicated funding. He urged members to bring S.F. 6, the bill dedicating a portion of the sales tax for environmental, natural and cultural resources, to the floor.

Members adopted the conference committee report and repassed the bill on a 64-1 roll call vote.

Members also granted H.F. 2433 final passage. The bill, sponsored by Sen. Keith Langseth (DFL-Glyndon), provides for Browns Valley flood relief mitigation. The

Senate measure had been laid on the table at a previous session. Langseth's motion was to place the Senate language on the other body's bill. Langseth said he had committed to carrying a clean bill, relating only to Browns Valley, but the other body had accepted language relating to providing relief for the city of Rogers resulting from tornado damage. Sen. Warren Limmer (R-Maple Grove) said both the other body and the governor have agreed to the additional language. Members adopted the motion and granted the bill final passage on a unanimous vote.

In the last action of the day, the Senate began discussion on the omnibus transportation policy bill. S.F. 1971, sponsored by Sen. Steve Murphy (DFL-Red Wing), contains the primary seat belt language, provisions rejecting the federal Real ID Act, provisions specifying that parking tickets are legal, provisions renaming several highways in honor of specific individuals, a provision authorizing emergency medical services personnel to use communication headsets, provisions requiring appropriate child restraints and provisions dealing with provisional driver's licenses.

Murphy offered a series of amendments containing language from the omnibus transportation appropriations bill. The first amendment provides that money remaining in the World War II Memorial donation matching account is to be appropriated to the commissioner of veterans affairs for services and programs for veterans and their families. Another amendment requires the Metropolitan Council to have purchases over \$125 million be reviewed by the Legislative Advisory Commission and the chairs and ranking minority members of the appropriate legislative committees. The final amendment requires the commissioner of transportation to construct a Northstar Corridor Commuter station in the city of Fridley at the earliest opportunity that will not result in the loss of federal funds. All three amendments were adopted.

Sen. Scott Dibble (DFL-Mpls.) offered an amendment containing a number of provisions from the Metropolitan Council that also were contained in the appropriation bill. The amendments contain provisions designating the Metropolitan Council as the lead agency for planning, developing and operating light rail in the Metro Area, allowing the Met Transit Police to cooperate with other law

enforcement agencies and requiring the Metro Council and the Dept. of Transportation to cooperate in providing paratransit services. Saxhaug offered an amendment establishing the Jim Oberstar Causeway over Lake Pokegama. Both amendments were adopted.

Sen. Paul Koering (R-Fort Ripley) offered an amendment allowing local governments to issue administrative tickets, rather than issuing traffic citations. Murphy spoke against the amendment and said to the extent local governments adopt the ordinances there may be a significant effect on the state's general fund. In addition, Murphy said the state would have no idea of the driving records of individuals who get repeated administrative fines, because the offense would not be on drivers' records. The amendment was adopted.

The bill was progressed and no action was taken.

Monday, May 7

Transportation and environment policy, health finance bills OK'd

Members passed the omnibus health finance conference committee report and granted preliminary passage to two omnibus policy bills, transportation and environment, at the Mon., May 7, floor session.

Sen. Linda Berglin (DFL-Mpls.) carried S.F. 2171, the omnibus health and human services finance bill. Berglin said the conference committee report includes \$376 million in new spending in one-time and ongoing money. Sen. David Senjem (R-Rochester) made a motion to reject the conference committee report and refer the bill back to the conference committee. Senjem said the governor is probably going to veto the bill and he hoped the body could send the bill back to conference committee and work together on a

health and human services bill that can move forward. Berglin said the question is not what is going to happen when the bill reaches the governor's desk, the question is whether it is a responsible bill the Senate can support. The Senjem motion failed 22-44.

Berglin said the bill includes additional money for childcare grants, food shelf programs, suicide prevention grants and funds long-term homeless programs. Positive alternatives grants, which were reduced in the Senate's bill, are funded at the base level, she said. Several of the governor's initiatives, including the health exchange plan, are also included in the bill, Berglin said. Programs and provisions in the bill provide healthcare coverage for an additional 72,000 Minnesotans, she said. Sen. Paul Koering (R-Fort Ripley) spoke in support of the bill. There are so many good things in the bill that outweigh any bad things, he said. The measure takes

care of the people of Minnesota, Koering said. The conference committee report was adopted and the bill was re-passed on a 47-19 roll call vote.

Acting as the Committee of the Whole, members took up S.F. 1971, the omnibus transportation policy bill. The bill, authored by Sen. Steve Murphy (DFL-Red Wing), was progressed during the Fri., May 4, floor session. The Senate continued to work on the bill, offering several amendments.

Sen. Ray Vandever (R-Forest Lake) offered an amendment to designate I-494 and I-694 the Ronald Regan Beltway. Murphy said other bridges and roadways given names in the bill were named after people from Minnesota, and urged members to vote against the amendment. The amendment was not adopted.

An amendment to require proof of residency to get a Minnesota driver's license or ID card also failed on a vote of 25-38. Sen. Mee Moua (DFL-St. Paul) said the provision was not



Senators Sandy Rummel (DFL-White Bear Lake) and John Marty (DFL-Roseville) examine the details of a spreadsheet during floor debate in the Senate Chamber, Thurs., May 10.

Photo by David J. Oakes

Floor update



Senators Linda Scheid (DFL-Brooklyn Park), left, and Terri Bonoff (DFL-Minnetonka) converse during the Senate's Tues., May 8, floor session.

Photo by A.J. Olmscheid

introduced as a bill and members ought to have the opportunity to look at and discuss the issue in committee.

Sen. Thomas Bakk (DFL-Cook) authored an amendment to allow multiple units of government to form an airport authority. Bakk said the measure will allow a city and county to form a joint powers agreement and spread the airport tax levy across willing units of government. Sen. Julianne Ortman (R-Chanhassen) challenged the germaneness of the amendment. The amendment goes to a different subject, taxing, and a different purpose, creating a taxing authority, she said. Bakk withdrew the amendment.

Ortman also offered an amendment to require the title of a vehicle designated a lemon to say "lemon law vehicle." The amendment was adopted.

An amendment to remove a provision in the bill increasing the age requirement for child restraints in motor vehicles from

four to eight did not gain approval. Sen. David Hann (R-Eden Prairie) called the measure excessive and said parents are qualified to decide whether children need special restraints. Murphy said the change helps save lives and lowers injuries among the state's smallest residents.

Sen. Betsy Wergin (R-Princeton) authored an amendment to delete a provision in the bill limiting the number of passengers in the car during the first six months of licensure. The provision takes the decision out of the hands of parents and puts it in the hands of government, Wergin said. Parents are capable of deciding how many other kids should be in the car, she said. Sen. Satveer Chaudhary (DFL-Fridley) spoke against the amendment. Provisional driver's licenses help kids get the practice they need to follow the rules of the road. The provision reduces distractions for young drivers and will save lives, he said. Sen. Michael Jungbauer (R-East Bethel) said the measure is a good

policy for government to help kids have all the time they need to be safe on the road. The amendment was not adopted.

An amendment was offered by Sen. David Tomassoni (DFL-Chisholm) to remove a provision in the bill making non-seatbelt use a primary offense. Minnesota already has a law that requires everyone to wear a seatbelt, he said. It's not necessary to give the police another reason to stop people, Tomassoni said. Murphy said if Minnesota sees an increase in seatbelt use similar to other states that have adopted a primary seatbelt law, it will save 30 to 50 lives every year. The amendment failed 23-40.

S.F. 1971 was recommended to pass.

Senators also granted preliminary passage to S.F. 1312, the environment and natural resources omnibus policy bill, authored by Chaudhary. The measure had previously been approved on General Orders, but was returned from the Calendar at the author's request. Chaudhary offered

an amendment removing a repealer from the bill. The language proposed to be repealed related to the authority of the Pollution Control Agency to issue permits for dischargers that result in decreased loading to an impaired water. Chaudhary said the issue was currently the subject of litigation and Legislators should wait for judicial resolution before acting. The amendment was adopted. S.F. 1312 was recommended to pass on a voice vote.

Tuesday, May 8

Higher ed bill approved

The conference committee report on a bill spending almost \$3.168 billion on higher education in FY 08-09 was the focus of the Tues., May 8, floor session. S.F. 1989, authored by Sen. Sandra Pappas (DFL-St. Paul), provides support for the University of Minnesota, Minnesota State Colleges and Universities, financial aid programs and other elements of the higher education system.

Before acting on the conference committee report, Senators considered a motion from Minority Leader David Senjem (R-Rochester) to reject the report and return the bill to conference committee. There are a lot of good things in this bill, Senjem said, but there are also deficiencies. We should continue to work on the bill, get the governor involved and obtain his support for the result rather than send the bill forward to be vetoed, Senjem said. Sen. Claire Robling (R-Jordan) said the biggest issue is the lack of a global perspective on the budget. The conference committee report is richer than the Senate position, she said. We are potentially stealing that money from E-12 education, Robling said.

Majority Leader Lawrence Pogemiller (DFL-Mpls.) replied that the bill is only \$30 million richer than the Senate's proposal for ongoing funding, and only \$6 million over the Senate position in onetime funding. If passed, this bill fits within the available resources without a tax increase, he said. Pogemiller said all the conference committee reports considered by the Senate so far have fit within available resources. This bill is \$40 million below the governor's recommendations, Pappas said. It is hard to believe he is accusing the Legislature of overspending, she said. The other body entered negotiations \$80 million above the Senate, she said, and the final bill is well within current budget constraints.

The motion to reject the conference committee report was defeated, 23-41.

Pappas then proceeded to review the bill's provisions. It appropriates \$1.42 billion to the University of Minnesota, \$1.355 billion to MnSCU, \$380 million to the Office of Higher Education for its operations and financial aid programs, \$10 million to the Dept. of Veterans Affairs for the Minnesota GI Bill, and \$2.452 million to the Mayo Medical Foundation to support Minnesota students attending the Mayo Medical School and to support up to 27 residents in the foundation's family practice and graduate residency program. Pappas said the bill focuses on the core elements of higher education, rather than pet projects. The institutions are encouraged to increase productivity or reallocate funds if they feel strongly about starting a new initiative, she said. She said core operations are still behind in funding. If higher education had not taken a 15 percent cut in 2003, she said, but had only gotten inflationary increases, the higher education budget would be six percent higher than the funding in this bill.

The bill seeks to control tuition growth, Pappas said. She said MnSCU has indicated tuition increases will be held to less than four percent annually with this level of funding. The University indicated tuition at the Morris campus would decrease by 10 percent, she said, while tuition increases at Duluth would be about one percent, at Crookston about two percent, and in the Twin Cities at two percent the first year and five percent the second year. Additionally, we eliminate out-of-state tuition at key campuses in our two-year colleges, she said, and seek to expand flat tuition to the entire MnSCU system eventually. Until a few years ago, she said, students and their families bore only one-third of the cost of higher education. Now, students pay half if they go to a MnSCU school or 60 percent if they go to the University.

Pappas also discussed new initiatives considered for the bill. We usually put new programs through a three-step process—plan, pilot, implement—she said. The governor's ACHIEVE proposal was not a proven success, Pappas said, and so was not funded. However, two similar programs have shown themselves to be successful—college in the schools and the intervention for college access program (ICAP), she said, and funding was increased for both. Pappas said the bill also

provides \$500,000 for a pilot textbook rental program to seek to hold students' book costs down. The proposed India Center at the University of Minnesota is advanced with a match requirement, she said, to see if there is community support for the proposal. The bill designates two seats on the MnSCU Board of Trustees for active members of the state's largest labor organization and two seats for active members of large business organizations. Pappas said the bill also reforms the process for selection members of the University Board of Regents, including removing the governor from the process.

Robling spoke against the bill, reiterating that it needed more work. I have serious concerns about designating seats on the MnSCU board for interest groups, she said. While the institutions have indicated they will control tuition, Robling said, nothing in the bill requires them to do so. She said the governor's ACHIEVE proposal could have been rolled out in a phased manner to test it, but instead was being rejected out of hand. Minnesota has often been an innovator in education, she said, and we had another opportunity to innovate in preparing high school students for higher education with the ACHIEVE proposal.

S.F. 1989 was repassed, 44-21.

Additionally, Senators concurred in the other body's amendments to S.F. 1193, the Department of Commerce's weights and measures bill. Sen. Debbie Johnson (R-Ham Lake), chief author, said the other body added a provision requiring persons to remain near the dispenser nozzle when dispensing fuel. The provision provides that no civil or criminal penalties apply to violations. Johnson said she discussed the language with the chair of the Judiciary Committee, Sen. Mee Moua (DFL-St. Paul), before deciding to move to adopt the added language. The bill was repassed, 60-4.

In other action, Senators granted preliminary passage to six bills on General Orders. S.F. 1346, sponsored by Sen. Patricia Torres Ray (DFL-Mpls.), contains technical updates in provisions governing the secretary of state's business and nonprofit entity regulatory functions. S.F. 961, authored by Sen. Dan Skogen (DFL-Hewitt), requires local governments to permit resort owners to maintain structures or replace them if there is damage due to a fire or natural disaster. The bill also requires local governments to permit

Floor update

minor expansions of resort structures to minimally meet code requirements. Skogen said the bill is needed to protect “mom and pop” resorts.

Sen. Ann Rest (DFL-New Hope) carried S.F. 1753, which creates an advisory task force to study airport funding issues and the state airports fund. S.F. 303, sponsored by Sen. Betsy Wergin (R-Princeton), extends the life of the Municipal Boundary Adjustment Advisory Task Force and requires the costs of the task force’s report to be shared by the League of Minnesota Cities, the Coalition of Greater Minnesota Cities, and the Minnesota Association of Townships. S.F. 1449, authored by Sen. Julie Rosen (R-Fairmont), modifies requirements for 911 emergency communication fees. S.F. 1215, carried by Sen. Michelle Fischbach (R-Paynesville), is a housekeeping bill from the Dept. of Health.

Wednesday, May 9

Anatomical gift bill gains

Much of the action at the Wed., May 9, floor session revolved around discussing bills on General Orders. S.F. 883, carried by Sen. Linda Scheid (DFL-Brooklyn Park), contains changes to provisions of the Uniform Anatomical Gift Act. Scheid said much of the bill is recodification, but several substantive provisions are in the measure. She said the first act was adopted in 1968, after the first heart transplant, and since that time states have changed various provisions of the law. It is important to have uniformity in state laws, Scheid said, because organs come from all over the country. The bill also clarifies how individuals may make their wishes known regarding organ donation, Scheid said. She said currently about 42 percent of Minnesotans are donors, although 97 percent of all Minnesotans support organ donation.

Scheid offered two amendments to the bill. The first amendment includes blood and blood components in the bill. The second amendment delays the effective date until Apr. 1, 2008. Both amendments were adopted. Sen. Don Betzold (DFL-Fridley) offered an amendment that allows the Dept. of Health to assist an organization setting up a donation registry. The amendment was adopted.

Sen. Thomas Neuville (R-Northfield) offered an amendment clarifying that an individual may refuse to donate when applying for a driver’s license. Scheid said

in other states similar language makes some people feel mandated to make a choice. She said the amendment almost makes driver’s license bureau employees go into the role of counselors. In addition, Scheid said many people do not realize they can be donors and that there are other ways besides driver’s licenses for people to indicate their desire to become a donor. Sen. Pat Pariseau (R-Farmington) said the language may help settle disputes among family members. The amendment failed on a 20-43 roll call vote. The bill was granted preliminary passage on a 53-6 roll call vote.

A bill, S.F. 184, relating to family planning clinics was also granted preliminary approval. Sen. John Marty (DFL-Roseville), chief author, said the bill directs the commissioner of human services to make adjustment in Medical Assistance reimbursement rates for family planning clinics, expands the definition of a government unit and authorizes registered nurses to dispense oral contraceptives. S.F. 1823, carried by Sen. Patricia Torres Ray (DFL-Mpls.), makes changes to provisions

relating to physical therapists and physical assistance licensure. Sen. Michelle Fischbach (R-Paynesville) sponsored S.F. 445. The bill provides for examinations and regulation of X-ray operators. All were granted preliminary passage.

Sen. Dan Skogen (DFL-Hewitt) sponsored two measures. S.F. 1360 expands the membership of the game and fish oversight committee to include a member of the Senate and a member of the House of Representatives. S.F. 1185 clarifies the provisions relating to snowmobile use in state forests, modifies acquisition authority for state trails, modifies requirements for recreational vehicles and modifies the Willard Munger State Trail. Members adopted an amendment adding the language from S.F. 1360 to the bill. Sen. Dennis Frederickson (R-New Ulm) offered an amendment providing for the regulation of the new Class II ATVs. The amendment was adopted on a 36-22 roll call vote. Sen. Gary Kubly (DFL-Granite Falls) offered, and members adopted, an amendment adding segments to the Minnesota River Valley Trail. Sen.



With a bust of Cushman Davis, governor and U.S. Senator in the late 1800s, peering over his shoulder, Sen. Rod Skoe (DFL-Clearbrook) listens to debate on a tax bill during a Senate floor session, Thurs., May 10.

Photo by David J. Oakes

Satveer Chaudhary (DFL-Fridley) offered an amendment clarifying a penalty for drivers operating an ATV in a wetland. Both measures were granted preliminary passage.

S.F. 893, authored by Sen. Dan Larson (DFL-Bloomington), shifts the state primary from September to June. Larson said the bill will shorten the discussion about who the party nominee should be and lengthen the discussion about who should be elected. Larson said the bill will also allow more participation by Minnesotans serving in the military. Larson said, though, that there were not enough votes to pass the bill. As a result he offered an amendment to move the precinct caucuses to the second Tuesday in February, rather than the current first Tuesday in March. He said moving the caucus date will allow Minnesotans to have more of a voice in the selection of candidates for the presidential race. Larson said the bill places precinct caucuses one week after the so-called "Monster Tuesday" primary date in other states. Larson said the presidential candidate selection is broken and that he thought the 2008 election will show the weaknesses of the current system and the need for reform. The amendment was approved on a 39-20 roll call vote. The bill was given preliminary passage on a voice vote.

In other action, members also granted concurrence and repassage to S.F. 1509. The bill, sponsored by Sen. Ann Rest (DFL-New Hope), modifies design-build provisions for Hennepin County. Rest said the only change from the Senate version was that the other body caught and corrected a drafting error.

A total of eight bills were granted final passage on the Senate Calendar. S.F. 1971, carried by Sen. Steve Murphy (DFL-Red Wing), is the omnibus transportation policy bill. S.F. 1312, authored by Chaudhary, is the omnibus environment and natural resources policy measure. S.F. 1346, sponsored by Torres Ray, regulates registrations, filings and dissolutions of entities in the Office of the Secretary of State. S.F. 961, authored by Skogen, provides for regulation of shoreland resorts. S.F. 1753, carried by Rest, creates an advisory task force to study airport funding issues. S.F. 303, authored by Sen. Betsy Wergin (R-Princeton), extends the Municipal Bond Advisory Task Force. S.F. 1449, carried by Sen. Julie Rosen (R-Fairmont), modifies requirements for 911

emergency communication fees. S.F. 1215, sponsored by Fischbach, makes technical changes in health related provisions. All of the measures were granted final passage with little or no opposition.

Members also adopted the conference committee report on S.F. 1045. The bill, sponsored by Sen. Julianne Ortman (R-Chanhassen), renames the Scott County Housing and Redevelopment Authority. Ortman said the Senate position prevailed in the conference committee. The bill was repassed 57-1.

Thursday, May 10

Income tax hike, property tax relief package okayed

A measure creating a new top tier in the individual income tax and providing property tax relief to homeowners was the focus of the Thurs., May 10, Senate floor session.

H.F. 2294, carried by Sen. Thomas Bakk (DFL-Cook), imposes a nine percent tax on taxable income over \$400,000 for married couples filing jointly, over \$340,720 for head-of-household filers, and over \$226,230 for single filers. Bakk said the new tier includes fewer than 21,000 returns. The new rate raises about \$452 million in FY 08-09, he said, which the bill redirects to property tax relief in two forms. The first form of relief is a super-charged refund for homeowners who pay more than two percent of their income in property taxes, he said. The second relief vehicle is a reduction of various school levies, Bakk said.

The public sent us here to get things done, said Sen. Kathy Sheran (DFL-Mankato). This bill does not increase taxes, she said, but it is about a different way of collecting revenue. We are asking upper-income earners to pay closer to their fair share, she said. Currently, they pay less as a percentage of their income than middle-income earners, she said. In exchange, middle-income earners get relief on their property tax burden, Sheran said. Sen. David Tomassoni (DFL-Chisholm) noted that many school districts cannot provide appropriate education programs using local property tax revenue. The state constitution requires the state to ensure there is a uniform system of schools, he said. That requires state support, he said, which is what this bill does.

Sen. Julianne Ortman (R-Chanhassen) said the bill creates a disincentive to hard

work. Imagine two neighboring families living in similar homes with the same value and getting the same local services, she said. The bill imposes different property tax obligations on them based on their income, she said. Ortman said it is a mistake for the state to assume more of the cost of local services. Doing so removes local accountability and interferes with the relationship between local elected officials and residents, she said.

Property taxes have gone up in recent years, said Sen. Dick Day (R-Owatonna), but property values have also gone up dramatically. He noted that many local units of government get as much as 70 percent of their revenue from the state, instead of from local residents. This is a bait-and-switch proposition, he said. Local governments will not let this money stay in residents' hands for long, Day said, but will raise property taxes again.

H.F. 2294 was granted final passage, 35-31.

Senators also concurred in the other body's amendments to S.F. 538. Sponsored by Sen. Gary Kubly (DFL-Granite Falls), the bill requires the consideration of geothermal heating and cooling systems for public building projects subject to predesign review. Kubly said the other body added solar thermal heating and cooling systems. The bill was repassed, 63-0.

In other action, Senators referred several appointments to the Rules and Administration Committee. Sen. Satveer Chaudhary (DFL-Fridley) moved to remove the appointments from the Confirmation Calendar and return them to the Environment and Natural Resources Committee, which he chairs. The appointments, which pertained to the Legislative-Citizen Commission on Minnesota Resources and the Pollution Control Agency, had been removed from the committee under a Senate Rule requiring appointments to be acted upon in committee within 60 legislative days. Wergin said she was concerned that the Senate was skirting its rules when a committee had not acted in a timely fashion. After further discussion, Majority Leader Lawrence Pogemiller (DFL-Mpls.) and Minority Leader David Senjem (R-Rochester) agreed the appointments could be referred to the Rules and Administration Committee. Chaudhary consented to the arrangement, under which the appointments will be returned to the Environment and Natural Resources Committee if the latter committee will act upon them quickly.

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*Rare Sunday floor sessions in both the Senate and House find the second floor of the Capitol Rotunda alive with activity.
Photo by David J. Oakes*



May 22, 2007

Senate Highlights

Transportation, higher ed okayed

In an effort to avoid a special session, members began their last day of work, Mon., May 21, by passing scaled back versions of the higher education and transportation funding bills.

H.F. 562, authored by Sen. Steve Murphy (DFL-Red Wing), appropriates \$3.793 billion during the next biennium for transportation, the Metropolitan Council and public safety activities and programs. Murphy said the bill provides lights-on funding for the Department of Transportation. The bill includes appropriations for state road construction, county state aid highways and municipal state aid streets, and represents a one percent cut to both Metro Area and rural transit, he said. Murphy said the bill also includes fee increases to change the Driver and Vehicle Services to a fee based agency. An amendment to transfer additional funds to the State Patrol was adopted. Murphy said the amendment corrected an oversight. The amendment also includes a provision that the bill is repealed if the House and Senate override the governor's veto of the first transportation funding bill.

Sen. Michael Jungbauer (R-East Bethel) said the state needs more than a lights-on bill. He offered an amendment proposing an alternative transportation funding plan. The amendment raises an additional \$100 million in each year of the biennium for transportation. Jungbauer said the amendment includes a five cent per gallon gas tax increase phased in over two years, a half cent sales tax increase in the Metro Area, with voter approval, a county wheelage tax and trunk highway bonding.

Murphy said the governor has stated clearly that he remains opposed to any tax increase for transportation. Murphy said he

thought the governor would veto the bill if the Jungbauer amendment was adopted and the Legislature would not have another chance to pass a transportation funding bill. Sen. Julianne Ortman (R-Chanhassen) said she is frustrated by the all-or-nothing approach to transportation; either there is no new money for transportation or the Senate raises taxes that citizens cannot afford. The amendment was not adopted. The bill was granted final passage on a 65-0 roll call vote.

Authored by Sen. Sandra Pappas (DFL-St. Paul), H.F. 1063 is the omnibus higher education finance bill. The measure appropriates \$3.167 billion during the 2008-2009 biennium for higher education, she said. An amendment to increase funding for ACHIEVE scholarships, a governor's initiative to provide scholarships for students to take advanced courses while in high school, was adopted. Pappas said the course requirements were changed to increase access for students in rural areas whose schools may not offer Advanced Placement or International Baccalaureate programs. Sen. Claire Robling (R-Jordan) said there are some really good provisions in the bill for higher education, including efforts to make students better prepared for college, to make college more affordable and to get students into college. The bill was granted final passage, 65-0.

Members also approved conference committee reports and two bills on the Calendar.

H.F. 1208, carried by Sen. Linda Scheid (DFL-Brooklyn Park), changes provisions for construction codes and licensing provisions. Scheid said the conference committee added one public member to the Plumbing Board and reinstated language requiring a ratio of one licensed high pressure pipefitter to two apprentices. The report requires the Board

of High Pressure Piping to examine the issue and report back to the Legislature. The conference committee report was adopted and the bill was re-passed, 62-2.

Members also re-passed S.F. 1196, authored by Jungbauer, which establishes the Minnesota manufactured home relocation trust fund. Jungbauer said the only change was a removal of the sunset date. The conference committee report was adopted and the bill was repassed, 64-0.

Two bills on the Calendar were granted final passage without dissent. H.F. 2293, authored by Sen. Ron Latz (DFL-St. Louis Park), provides for settlement of claims against the state. H.F. 1175, authored by Sen. Yvonne Prettnier Solon (DFL-Duluth), modifies statutory provisions relating to aircraft facilities.

School insurance pool approved

Senators used the early afternoon portion of the session to adopt the conference committee report on a bill creating a statewide health insurance pool for school district employees, H.F. 464. The bill was repassed, 43-23.

Virtually everything in the conference committee report was in the versions passed by the Senate, said Chief Author Don Betzold (DFL-Fridley). He said one provision was missing, language that allowed districts to opt out of the pool by a vote of district employees. The provision was offered to the conferees, its sponsor, Sen. Betsy Wergin (R-Princeton), addressed the conferees, and the public was invited to comment, Betzold said. The provision failed to gain support from any of the other body's conferees, he said, and was thus excluded from the conference committee report.

Wergin said the provision should have been more strenuously advocated in the conference committee. The other body's conferees mistakenly believed there was a House position on the provision, she said, but the other body never actually considered it or anything similar to it. In the last day, I have been flooded with e-mails from teachers who say they want a choice, she said. Many of the teachers say they would vote to stay in the pool, Wergin said, and simply want a choice about whether to be involved.

Every time a committee or the Senate has added provisions to this bill, they are stripped out, said Sen. Chris Gerlach (R-Apple Valley). He noted that a Senate

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Senate and House leadership, from left, Senate Minority Leader David Senjem (R-Rochester), Senate Majority Leader Lawrence Pogemiller (DFL-Mpls.), House Minority Leader Marty Seifert (R-Marshall) and Speaker of the House Margaret Anderson Kelliher (DFL-Mpls.) address members of the Capitol Press Corps following a negotiation session with the governor shortly after noon on the last day of session, Mon., May 21.

Photo by David J. Oakes

committee had added language requiring the pool's plans to be overseen by the Commerce Department, but that the language was later removed. Without some reasonable guarantees of solvency and oversight by insurance regulators, this bill is bad public policy, he said. Betzold replied that the bill subjects the pool to the existing insurance-oversight functions of the Commerce Department. If the department believes it lacks sufficient tools in existing laws and rules, then insurance regulation should be broadly reexamined, he said.

Sen. Geoff Michel (R-Edina) said local control is a main focus of education policy and a common catchphrase for education policymakers. This plan goes in the opposite direction, reducing local control, he said. A statewide insurance pool is about greater purchasing power and strength in numbers, Betzold replied. It will help districts that have been or soon will

be priced out of the health insurance market, he said.

Before voting on the bill, Senators considered a motion, made by Sen. David Hann (R-Eden Prairie), to reject the conference committee report and appoint a new conference committee. Hann said the conference committee report is not in the spirit of the bill the Senate approved. Betzold spoke against the motion, saying the Senate conferees did what they could to keep Senate proposals, such as the opt-out provision. We only control one side of the negotiation, he said, and there is no indication the other body would change its position if we go back to conference committee. The motion to reject was defeated, 28-38.

E-12 funding bill passed

The late afternoon portion of the Mon., May 21, floor session was devoted to consideration of H.F. 2245, the omni-

bus E-12 education funding bill. Sen. Tarryl Clark (DFL-St. Cloud), chief author, said most of the \$13.7 billion bill is the same as when passed by the Senate Wed., May 16. She offered an amendment containing changes from the original bill and said, "Our goal has been to stabilize education funding, particularly in restoring general education funds being used for special education." Clark said the bill, with the amendment, still does quite well in funding special education with \$350 million in the first biennium, but it is less than the first omnibus appropriations bill that was vetoed by the governor. She said the money taken from special education is used for the general education formula with an increase of two percent the first year and one percent in the second year. Funding for all-day kindergarten is set at \$33 million the first biennium and \$35 million the second biennium, Clark said. She said alternative teacher compensation

Senate Highlights

is also being funded at \$62 million and \$66 million for the two biennia. She said the bill contains less funding for school technology and building repair under the amendment. Clark said the measure contains additional money for reading, for statewide testing and for dual enrollment. She said there was an agreement to fund a pre-kindergarten program with \$6 million, but that the funding is being carried in the omnibus health and human services budget. The measure also eliminates language relating to sex education, but does include funding for literacy early intervention.

Clark said, "This is a bill that puts us on a good path for special education funding and will allow us to do more in the future." Members adopted the amendment.

Sen. David Hann (R-Eden Prairie) said members don't know exactly what is included in the bill. He said the measure accounts for 40 percent of the budget, but that members are unfamiliar with its contents. Clark responded that the bill was basically the same that members passed earlier, but that it contained more of the governor's initiatives. "I think at this point in time, it is a good bill for the governor and most importantly it is a good bill for the school kids," Clark said. Sen. David Senjem (R-Rochester) said the bill contains \$41 million more than the original bill and will probably be vetoed.

Sen. Betsy Wergin (R-Princeton) offered an amendment authorizing Independent School District No. 728, Elk River, to levy for constructing additions to existing buildings used primarily for kindergarten, elementary, or secondary instruction. Clark asked that members not support the amendment. The amendment failed.

Sen. Warren Limmer (R-Maple Grove) offered an amendment requiring a parent or guardian to provide informed, written consent before a student is enrolled in literacy early intervention programs. Sen. Gen Olson (R-Minnetrista) said the programs work with parents to modify approaches to teaching in order to avoid the need for special education. The amendment failed.

Olson offered an amendment relating the Q comp, or alternative teacher compensation provisions. She said the amendment removes language requiring current and future districts using Q comp to increase their levies in order to pay for

the program. She said Q comp is a significant reform that leads to improved performance and increased teacher satisfaction. The amendment failed.

The bill was granted final passage on a 51-15 roll call vote.

State government, health and human services funding okayed

Members continued to approve major funding bills, passing the omnibus state government and health and human services funding bills, Mon., May 21.

Authored by Sen. Don Betzold (DFL-Fridley), H.F. 548 is the omnibus state government finance bill. The body adopted an amendment to incorporate changes requested by the governor. Betzold said the measure funds governor's initiatives such as computer security, an integrated tax system and an electronic licensing system for business and occupational licenses. In order to fund the governor's initiatives, many other expenditures had to be removed, Betzold said. Policy issues the governor had concerns with are also eliminated from the bill, he said. The bill was granted final passage on a 65-1 roll call vote without debate.

H.F. 1078, authored by Sen. Linda Berglin (DFL-Mpls.), is the health and human services budget bill. An amendment to reduce the spending in the bill and address the governor's concerns was adopted. Berglin said the target for ongoing spending was \$168 million, a reduction of approximately \$93 million from the previous budget bill. She said 56 percent of the new revenue was used for a cost of living (COLA) increase for long-term care workers at two percent each year in the biennium. Sen. Claire Robling (R-Jordan) said she is disappointed in the two percent COLA for nursing homes. Two percent is not enough for these people who are doing such difficult services for people we care about, Robling said. Berglin said the COLA is a direct result of the money available in the bill.

The body also adopted an amendment appropriating \$6 million in one-time money for pre-kindergarten projects to promote school readiness. Berglin said the program will allow low-income parents to receive an allowance to pay for a quality early education program. Sen. Claire Robling (R-Jordan) said the program will help low-income families to afford pre-K

programs and try to close the achievement gap.

An amendment was adopted changing a provision in the bill creating a two year moratorium on radiation therapy facilities in Metro Area counties. Sen. Amy Koch (R-Buffalo) offered the amendment which excluded a radiation therapy facility in Wright County that is scheduled to begin construction in June from the moratorium.

Berglin said the bill will provide health insurance to an additional 56,800 people over the next four years. She said it is a step in the right direction to implement some health care reform. The bill was granted final passage on a vote of 43-23.

Tax bill approved

The final daily session of the first year of the 85th Legislative Session continued into the evening hours, Mon., May 21, with consideration of the omnibus tax bill, H.F. 2268.

Similar to the procedure used for the other omnibus bills considered, Chief Author Thomas Bakk (DFL-Cook) initiated consideration by offering an amendment updating the bill to the latest provisions. The amendment was adopted. The amended bill is mostly the same as the bill previously passed by the Senate, Bakk said. It eliminates the foreign operating corporation loophole, he said, that permits Minnesota corporations to establish shell corporations in foreign countries and route Minnesota income through the foreign shell to avoid Minnesota income tax liability. Closing the loophole raises \$125 million in FY 09 and \$180 million in FY 10-11, he said.

Bakk said the bill focuses its tax expenditures on property tax relief. There is often a dispute about whether aids and credits to local units of government are tax relief, he said, but the historical trend has been that two-thirds of aid translates into lower local levies. The bill adds \$70 million annually to the local government aid formula and \$13 million annually to the county program aid formula, and creates a new township aid program with \$5 million, Bakk said. Additionally, the bill increases funding for the property tax relief, or circuit breaker, program, he said. The measure exempts disabled veterans from property tax obligations for their homes, he said, and adds National Guard members to a monthly combat-service stipend. He said the bill contains local

option sales tax proposals, support for the Thomsen West expansion in Eagan, and adjusted requirements for an extended JOBZ program. Finally, Bakk said the bill includes a small property tax abatement proposal for people who have lost structures to the Gunflint Trail fire. "People should not have to pay property taxes on buildings that don't exist anymore," he said.

We have come a long way since the first omnibus tax proposal, said Sen. Julianne Ortman (R-Chanhassen). There are many proposals that we have waited years to see come to fruition, she said, and many of them are in this bill. We have more work to do, and we all recognize that, she said.

In addition to the amendment containing the proposal, Senators considered three additional amendments. Bakk offered an amendment making several changes to the proposal. A key provision creates an income tax credit to offset increased fuel expenditures, he said. The amendment was adopted. Ortman offered an amendment removing a requirement that inflation be included in forecasting state expenditures. We should not be budgeting with inflation, she said, because it distorts the picture. We ought to look at the current realities, not assume increased spending, Ortman said. The amendment was defeated, 22-43. Sen. Rick Olseen (DFL-Harris) offered an amendment modifying restrictions on JOBZ to remove Chisago, Isanti, Sherburne and Wright Counties from a list of ineligible counties. He said the counties are not truly Metro Area counties and have greatly benefited from JOBZ. Bakk said the four counties are not the sort of economically disadvantaged areas that JOBZ is meant to help. We need to make the program work by limiting its scope, he said. The amendment was rejected.

The bill was passed, 53-13.

In other action, Senators concurred with the other body's amendments to S.F. 1966. Carried by Sen. Ann Rest (DFL-New Hope), the bill updates charitable gambling provisions. Rest said the changes made in the other body were minor and beneficial to charities. S.F. 1966 was repassed, 66-0. Members also adopted House Concurrent Resolution 4, setting the start date for the second year of the biennium as Feb. 12, 2008.

Bonding, COLA bills approved

In the final hour of session, members approved a bonding bill and a bill providing a half percent cost of living adjustment (COLA) for long-term care employees.

Authored by Sen. Keith Langseth (DFL-Glyndon), H.F. 1048 authorizes spending to acquire and better public land and buildings and other improvements of a capital nature. Langseth said the bill is similar to the bonding bill vetoed by the governor. The new bill appropriates \$4.5 million for State Capitol renovation, and reduces appropriations to the St. Paul Depot by \$500,000. Langseth said the bill does not include the appropriation for Browns Valley because it was passed as a separate bill. The measure also includes \$164 million in one-time general fund appropriations. The bill was granted final passage, 59-7.

H.F. 1781, authored by Sen. Rod Skoe (DFL-Clearbrook), regulates insurance requirements for certain carriers. The bill was amended in the Rules and Administration Committee to provide a half percent COLA for long-term care employees. Skoe said a small amount of money was found on the bottom line to put toward a small increase. Sen. Betsy Wergin (R-Princeton) said if there is extra money, the COLA should have been included as a part of the health and human services budget bill. Skoe said Sen. Linda Berglin (DFL-Mpls.), who authored the health and human services bill, had a handshake agreement on the bill without the additional half percent COLA and members honored that agreement.

Sen. Thomas Neuville (R-Northfield) offered an amendment to allow nursing homes in Rice County within two miles of the Dakota County and Scott County border to receive the Metro Area rate. Neuville said the city of Northfield has one nursing home that receives Metro Area rates and two that do not. It is an issue of fairness, he said. Berglin opposed the amendment. The amendment will have an unknown fiscal impact, she said. Sen. Paul Koering (R-Fort Ripley) offered an amendment to the amendment to add Crow Wing and Morrison Counties to the amendment. Koering said the nursing homes he represents need an increase too. The Koering amendment was not adopted. The Neuville amendment failed on a 21-

45 roll call vote. The bill was granted final passage, 67-0.

The Senate confirmed two appointments, Thomas Hansen as commissioner of finance and Patricia Anderson as commissioner of employee relations.

Members also approved a resolution on the operations of Senate during the interim, 67-0. A few moments before midnight, Majority Leader Lawrence Pogemiller (DFL-Mpls.), moved to adjourn the first half of the Eighty-fifth Legislative Session until Feb. 12, 2008. The motion was adopted.

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Floor update

Monday, May 14

Transportation package okayed

Senators used the Mon., May 14, session to approve a compromise transportation funding package.

H.F. 946, carried by Sen. Steve Murphy (DFL-Red Wing), appropriates \$4.18 billion in FY 08-09 for transportation projects, including state highways, county highways, local roads and transit systems. The measure also funds transportation operations, including dollars to hire additional State Patrol officers. It includes several revenue raisers, such as a new half-cent sales tax in the Metro Area for transit projects, a five-cent increase in the gas tax and an adjustment to the vehicle registration renewal fee structure for new vehicles.

Before adopting the report, Senators considered a motion from Sen. Michael Jungbauer (R-East Bethel) to reject the report and return the bill to the conference committee. The conferees did a really good job, but there is still more work to be done, Jungbauer said. He said the half-cent

sales tax proposal is a good idea, but would be improved if it were subject to a referendum. We also need more details about implementation of the new sales tax, he said. We need more money for roads, Jungbauer said, but the bill needs more details that link transportation funding and property tax reform. With a few minor tweaks, I could support this bill, Jungbauer said. Murphy said the conferees from each body made concessions to the other body and all the conferees made concessions to the governor. The session is almost over and if we return to conference, a bill may not emerge, he said. This report is the best product we can get at this date, Murphy said. The motion to reject the report was defeated, 21-39.

This bill is going to move Minnesota forward, Murphy said. We are looking at billions of dollars in construction for roads, bridges, transit, railways, airways and waterways, he said. Property taxes have been rising in large part because we have shifted the responsibility for road construction and maintenance to local units of government, Murphy said. This bill arrests

that trend and seeks to reverse it, he said, by having the state step up. The bill means fewer deaths on the road and more construction, he said. Someday, under this bill, Murphy said, we will have a complete transit system in the Metro Area. The half-cent sales tax is an exciting proposal, said Sen. Scott Dibble (DFL-Mpls.). It will put the Metro Area in the same league as other urban areas around the country that have similar local sales taxes to support their transit systems, he said. Many of us having been working on this proposal for years, Dibble said.

Taxpayers are not bottomless pits, said Sen. Ray Vandever (R-Forest Lake). He said the bill raises every conceivable tax. Murphy replied that the average burden under the bill for the average Metro Area family with three vehicles, including a new vehicle, will be \$256 per year. The average family currently pays over \$1,000 a year in hidden taxes because of congestion, he said. Gas is already too expensive, said Sen. Julianne Ortman (R-Chanhassen). This bill only makes it more



As a reminder of the time left in the legislative session, from left, Senators David Hann (R-Eden Prairie), Bill Ingebrigtsen (R-Alexandria), Betsy Wergin (R-Princeton), and David Senjem (R-Rochester) unveil a countdown clock during a press conference, Mon., May 14.

Photo by A.J. Olmscheid

expensive by increasing the gas tax, she said, and harms consumers.

H.F. 946 was repassed, 47-17.

Members also granted preliminary passage to two measures on General Orders.

S.F. 653, authored by Sen. Sandra Pappas (DFL-St. Paul), sets state tuition rates for children of immigrants. Known as the DREAM Act, the bill allows children of immigrants to pay in-state tuition rates at state colleges if they attend a Minnesota high school for three years, graduate and sign an affidavit stating they will become a citizen when it is possible. The DREAM Act will help kids who have already had to overcome numerous barriers to succeed, she said. Pappas said we need to give these students a chance. Sen. Paul Koering (R-Fort Ripley) said many colleges in the state do not charge out-of-state tuition rates, so the bill is not needed. Pappas said a few schools have moved in that direction, but in many areas in-state tuition rates are still an issue. The bill was recommended to pass on a 44-19 roll call vote.

Authored by Sen. Jim Vickerman (DFL-Tracy), S.F. 886 memorializes the president and Congress to promote the United States' ability to compete in the global marketplace for talented and necessary workers by implementing comprehensive immigration reform. The bill was recommended to pass.

In other action, Senators confirmed the appointment of Clark Dyrud as commissioner of the Dept. of Veterans Affairs.

Senators also used a short recess to acknowledge women, mothers and their contributions to society and the Legislature. The Senate women led the recognition ceremony, wearing hats, reading poetry and recounting the stories of the first four women elected to the Legislature, in 1922, other pioneering women Legislators, and their own mothers. During the recess, Senators also acknowledged more than 25 years' volunteer work by the members of the Minnesota Association of Occupational Health Nurses, who have provided free blood pressure screenings to Senators and staff during Legislative Sessions.

Tuesday, May 15

Credit card info bill okayed

At the Tues., May 15, floor session, Senators considered two measures on

General Orders. H.F. 1758 prohibits merchants that accept credit cards or debit cards from retaining the card security code data, the PIN verification code data, or the full contents of any track of magnetic stripe data subsequent to completing a transaction. Chief Author Mary Olson (DFL-Bemidji) said the bill seeks to protect consumers' financial data. Through the committee process, this bill has been tailored to accommodate and address retailers' concerns, she said, and is now acceptable to all parties. The bill was granted preliminary passage on a voice vote.

H.F. 116, carried by Sen. Dan Sparks (DFL-Austin), permits Minnesota residents who receive telephone calls from, or place calls to, customer service centers to know the country where the customer service employee is located. The bill also applies civil fraud remedies to misrepresentation of a customer service employee's location. Consumers should have a right to know where someone they are talking to is located, Sparks said, so that they can protect sensitive information they might share with the customer service employee. This bill implies that people from other countries are more likely to engage in fraudulent behavior because they are from other countries, said Sen. David Hann (R-Eden Prairie).

Sen. Steve Murphy (DFL-Red Wing) offered an amendment providing that a consumer may request to be transferred to a domestic call center if the customer service employee requests the consumer's credit, financial or identifying information. Murphy said the amendment adds real teeth to the bill and offers consumers additional protection. This language was removed in the committee process, said Sen. Chris Gerlach (R-Apple Valley). Sen. Linda Scheid (DFL-Brooklyn Park) opposed the amendment, saying the provision has taken on a xenophobic tone, rather than a job-protection focus. The amendment was defeated, 21-41.

The fraud provisions in this bill are unnecessary, Hann said. Consumers are not granted additional protection against fraud by also making it a fraud for customer service employees to misrepresent their locations, he said. Sen. Thomas Neuville (R-Northfield) said consumers are not being injured by getting false information about where a call center employee is located. This will only result in nuisance lawsuits over nonexistent injuries, he said.

Hann moved to re-refer the bill to the Judiciary Committee for additional consideration of the fraud provision; the motion to re-refer failed on a voice vote.

The debate around this issue is no longer about identity theft or losing American jobs, said Sen. Satveer Chaudhary (DFL-Fridley). This bill does nothing for consumers, he said, but it does send a message that the Legislature endorses jingoism. American customer service employees with accents are subjected to angry, xenophobic comments because consumers erroneously assume the employees are in foreign countries, he said. This bill is about people who don't like people with accents, Chaudhary said. It legitimizes anger at customer service employees, he said, not based on the service consumers receive, but based on the employees' accents. We should be spending our time trying to create jobs in Minnesota, Chaudhary said. A motion to approve the bill failed, 32-33.

In other action, Senators concurred in the other body's amendments to the omnibus liquor bill, S.F. 1070. Chief Author Sandra Pappas (DFL-St. Paul) said the amendments clarified a provision regarding alcohol sales at the State Fair and limited a provision granting the University of Minnesota additional liquor licenses to seven licenses. The bill was repassed, 56-4.

Senators also adopted the conference committee report on S.F. 118. Authored by Pappas, the bill provides for additional legislative seats on the Capitol Area Architectural and Planning Board. Pappas said the conference committee report does not designate any of the legislative seats for particular districts or regions and helps the board more easily achieve quorum by setting the necessary level at six of the 12 members. The measure was repassed, 61-1.

To facilitate the conference committee process, Senators placed the language of S.F. 1971 onto H.F. 1351, the omnibus transportation policy bill. Both bills are carried by Murphy. H.F. 1351 was granted final passage, 53-9, and returned to the other body.

Wednesday, May 16

Gift card bill repassed

Senators used the morning portion of the Wed., May 16, floor session to concur in the other body's amendments to four bills. Among the measures was S.F. 69,

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authored by Sen. Katie Sieben (DFL-Newport), which prohibits expiration dates and service fees on gift certificates and gift cards. The bill was repassed, 50-8.

The remaining three bills were repassed without dissenting votes. S.F. 303, authored by Sen. Betsy Wergin (R-Princeton), extends the life of the Municipal Boundary Adjustment Advisory Task Force. S.F. 54, carried by Sen. David Tomassoni (DFL-Chisholm), dissolves the Hibbing Area Redevelopment Agency and transfers its assets and liabilities to the Hibbing Economic Development Authority. S.F. 961, sponsored by Sen. Dan Skogen (DFL-Hewitt), requires local governments to permit resort owners to maintain structures or replace them if there is damage due to a fire or natural disaster, and requires local governments to permit minor expansions of resort structures to minimally meet code requirements.

Majority Leader Lawrence Pogemiller (DFL-Mpls.) outlined the day's planned agenda, saying the Senate would take up four measures designed to replace four omnibus appropriations bills vetoed by the governor. The spending packages have been reworked to respond to the governor's objections, he said. Pogemiller said Senators would also take up new versions of the omnibus tax bill and the omnibus E-12 budget bill. Minority Leader David Senjem (R-Rochester) expressed concern about the plan. It is a strategic mistake to go down this road, he said, that leads to vetoland. To successfully conclude the session, the Legislature needs to work with the governor, he said. Pogemiller replied that the proposed process was an attempt to provide the governor and the public information about what the Senate and other body could agree to. We also need to be sure that the Legislature has time and options, he said, and we lose time and options after today. Pogemiller said the Legislature needed to act before midnight to protect its ability to respond to gubernatorial vetoes.

Senators decided to take an extended recess during the midday hours to permit legislative leaders and the governor to meet.

Four budget bills approved

After returning from the midday recess, Wed., May 16, Senators acted on bills pertaining to four budget areas for



Wearing traditional Hmong attire in honor of Mother's Day, Sen. Mee Moua (DFL-St. Paul) greets Senators Thomas Bakk (DFL-Cook), left, and Dan Larson (DFL-Bloomington) in the Senate Chamber, Mon., May 14.

Photo by David J. Oakes

which the original omnibus bills were vetoed.

H.F. 1063, carried by Sen. Sandra Pappas (DFL-St. Paul), appropriates funds for higher education. Pappas reviewed the differences between the measure and the vetoed bill. "We did our very best to respond to each of the issues" the governor cited in his veto letter, she said. The bill reduces spending in the out-biennium, FY 10-11, by \$20 million, as requested by the governor, she said. Pappas said the bill is about \$40 million below the governor's target for FY 08-09 and about \$75 million over his FY 10-11 target.

The bill includes a pilot version of the governor's ACHIEVE proposal, she said. She said the program is limited to high school students who are eligible for free or reduced-price lunch. We added provisions making scholarships renewable

if students make satisfactory progress once they are in college, she said. To improve access to rigorous courses in Greater Minnesota, she said, the bill includes funding for the University and MnSCU to expand the College in the Schools program. Pappas said the bill includes an additional \$2 million for the Minnesota GI bill and expands eligibility to graduate students.

"I like the changes in general and I appreciate the effort," said Sen. Claire Robling (R-Jordan). Robling said she remained concerned that ACHIEVE was not funded at a higher level, but is pleased the bill offers a mechanism to start the program.

Senators adopted an amendment, offered by Sen. Ellen Anderson (DFL-St. Paul), adjusting an appropriation from the omnibus environment budget bill. The

amendment clarifies that unspent money from an FY 08 appropriation for a rural wind energy assistance program remains available in FY 09. Anderson said the omnibus environment bill had appropriations in both years, but the governor line-item vetoed the FY 09 appropriation. She said the governor has agreed to extending the availability of the remaining appropriation.

H.F. 1063 was granted final passage, 64-0.

Sen. David Tomassoni (DFL-Chisholm) sponsored H.F. 122, the omnibus economic development budget bill. This measure is about 67 percent of the way toward the governor's target, he said. Tomassoni said the measure is \$30 million in ongoing spending and \$5 million in one-time spending below the vetoed package. We removed policy provisions the governor objected to, such as language relating to severance pay and the Iron Range Resources and Rehabilitation Board, he said. A proposed packing-house workers bill of rights has been lightened, Tomassoni said, to make it more palatable to employers. This bill does a lot for economic development, jobs, arts, and tourism in Minnesota, he said.

Senators adopted an amendment, offered by Tomassoni, adjusting a bio-science business appropriation to target the funding toward biobusiness marketing. We think it makes more sense to target our efforts, rather than spread the money out, he said.

H.F. 122 was granted final passage, 54-11.

Authored by Sen. Linda Berglin (DFL-Mpls.), H.F. 1078 is the second omnibus health and human services budget bill. Berglin said the bill is a \$50 million reduction from the vetoed health and human services budget bill and an \$88 million reduction in the tails of the bill. The measure spends about 20 percent of the new revenue available, she said. Berglin said the bill still spends more than the governor's budget proposal, primarily because the Legislature gives a higher cost of living adjustment (COLA) to long-term care workers than the governor. She said the COLA represents \$123 million in new spending over the biennium. The additional \$116 million in new spending is used for the governor's mental health initiative, extending health insurance coverage and other programs, Berglin said. One provision included in the new bill

that was not in the previous bill is the creation of the Governor's Health Care Transformation Task Force, she said.

Several members expressed concerns about the bill. Sen. Betsy Wergin (R-Princeton) said she would have liked to see more money put into nursing homes. The measure spends \$30.9 million on outreach programs to enroll more individuals in welfare programs, money that could have been spent on nursing homes, she said. Berglin said the bill does provide \$123 million in new spending for nursing homes and long-term care.

Sen. Warren Limmer (R-Maple Grove) offered an oral amendment to a provision in the bill governing data privacy for health care record locator services. The Limmer amendment required an opt-in rather than an opt-out policy for patient information to be included on the service. Sen. Don Betzold (DFL-Fridley)

said the bill does not create something that isn't already happening, but creates guidelines for how record locator services are used. Sen. Mary Olson (DFL-Bemidji), chair of the Data Practices Subcommittee, said she plans to work with the department and take a closer look at the issue during the interim. Limmer withdrew his amendment.

Sen. Geoff Michel (R-Edina) called the spending in the bill unsustainable. It crowds out the Senate's ability to spend on other areas like education and property tax relief, he said. Sen. John Marty (DFL-Roseville) said he was deeply disappointed in the bill. The state is going to pay more in the long run because the bill is stingy with people in need he said. Marty said the bill is about real people and real lives, not just sterile numbers.

The bill was granted final passage on a 44-21 vote.



In recognition of Mother's Day, Senators Claire Robling (R-Jordan), left, and Kathy Sheran (DFL-Mankato) join several other women Senators in donning hats and paying tribute to all mothers at the Senate floor session, Mon., May 14.

Photo by David J. Oakes

Floor update

H.F. 548, authored by Betzold, is the second version of the state government finance bill.

Betzold said the measure addresses several of the governor's concerns as laid out in his veto message. Two of the governor's initiatives not funded in the original bill are funded in H.F. 548 – computer security projects and an integrated revenue system for the Department of Revenue, he said. Betzold said that in order to pay for the governor's programs, the bill retains tax compliance initiatives and cuts to unclassified positions in the executive branch, despite the governor's objections. Elections provisions, a lights-on funding provision and all references to domestic partners were all removed from the bill, he said. Betzold said he went as far as he could to address the governor's concerns.

Sen. Julianne Ortman (R-Chanhassen) said she has concerns about compliance provisions in the bill. The bill anticipates twice as much revenue from increased tax compliance than the governor, she said. Ortman said the bill has unattainable compliance revenues and will lead to an unbalanced budget.

Robling said she also had concerns with the bill. Robling said the measure increases funding for the Senate, the House, the State Auditor's Office and the Attorney General's Office, but cuts unclassified agency staff by \$7 million. Betzold said the funding will help the state auditor with staff retention and with the increased work load in the Attorney General's Office. The cuts to unclassified positions in state agencies are necessary to fund the governor's initiatives, he said.

Sen. Chris Gerlach (R-Apple Valley) offered an amendment to remove a provision in the bill to allow up to one percent of the budget for state building projects to be used for art. Gerlach said the current limit of \$100,000 is a reasonable and prudent fiscal measure. Betzold said the current cap does not allow for the size of a new building. The amendment was not adopted on a 22-39 roll call vote.

The bill was recommended to pass 42-22.

E-12 funding, tax bills okayed

The latter part of the Wed., May 16, floor session was devoted to consideration of two additional major bills. H.F. 2249,

carried by Sen. Tarryl Clark (DFL-St. Cloud), is an omnibus E-12 education appropriation bill. Clark said the bill goes a long way toward stable funding for Minnesota's school districts. The big items in the bill include funding the special education cap gap, with \$387 million in the first biennium and \$520 million in the second biennium, she said. "We have a two percent increase in the general education formula, which had been essentially flat," Clark said. She said, "The next major piece of the bill sets us on the path toward all-day, every day kindergarten with a \$43 million appropriation." She said there is one-time money of about \$160 million for capital grants for school districts and about \$60 million for a variety of individual initiatives. She said there are also modest increases for early education. But, under the budget we were given we were not able to fund early education as much as we would have liked, she said.

Clark said the bill was developed in consultation with the other body, but is not a conference committee report. She said the conference committee has not met in weeks and the bill was drafted in order



Third and fourth grade students from Chelsea Heights Elementary School in St. Paul listen to instructions from Plant Management Groundskeeper Art Casello prior to planting *Ageratum* flowers on the Capitol grounds, Thurs., May 17.

Photo by David J. Oakes

to get a funding bill passed and sent to the governor. Sen. Gen Olson (R-Minnetrista) said the conference committee did not meet because there were no appropriation targets provided to the members. Olson said the process of developing the bill has been extraordinary and was not done in accordance with established practice. Sen. David Hann (R-Eden Prairie) echoed Olson's comments and said members do not know what is in the bill and that the measure was developed without most members' knowledge.

Sen. Sandra Pappas (DFL-St. Paul) questioned provisions relating to all-day kindergarten and said members have not have had a chance to review the measure. Sen. Betsy Wergin (R-Princeton) said districts are not treated equally under the bill, and that the districts in Greater Minnesota do not do very well under the measure. Clark said the problems with special education funding have led to the disparity between the districts because some districts have a much greater need for special education. She said the general two percent increase does apply to all districts equally. Wergin urged members to defeat the measure. "The bill does nothing to fix the disparity between districts," she said, "it picks winners and losers."

Hann raised a point of order and said Senate rules require all bills appropriating money to be heard by the Finance Committee. The President held that the point was not well taken. The ruling was challenged but the decision of the President was upheld.

Sen. Ray Vandever (R-Forest Lake) moved to lay the bill on the table. The motion failed.

Clark offered an amendment making technical changes in appropriations and dates. The amendment was adopted. Limmer offered an amendment removing a section of the bill relating to comprehensive sex education. Limmer said the provision violated the morals and sensibilities of some districts. Pappas said the Senate has approved the provision in the past and that the content of the curriculum is left up to the individual districts. Hann said the provision was not in the Senate bill and asked how the provision came to be included in the bill. Clark said the Senate has approved the provision before and that the provision was included in the other body's bill. She said she had brought the provision, along with the other provisions, as an author's amendment to

the bill in the Rules and Administration Committee. The amendment failed on a 20-42 roll call vote.

Sen. Geoff Michel (R-Edina) expressed disappointment that the bill did not contain full funding for early childhood education and the Q comp initiative. Vandever offered an amendment dividing the amount of money represented by the two percent general education increase by the number of students in the state. The amendment failed on a 2-54 roll call vote.

The measure was granted final passage on a 47-17 roll call vote.

H.F. 2268, sponsored by Sen. Thomas Bakk (DFL-Cook), is the omnibus tax bill. Bakk said many of the provisions in the bill were contained in the original Senate tax bill. He said the bill contains many of the more non-controversial, technical provisions that were in the original bill. He said the bill raises \$ 284 million in the first year and \$194 million in the second year from the foreign corporations language contained in the original bill. He said the bill also provides \$425 million in aids and credits that restores the fiscal relationship between the state and local units of government. The measure also provides a \$120 per month stipend for military personnel, including National Guard members, serving in combat areas, Bakk said. He said the bill also exempts construction materials for low-income housing from sales tax, designates a building in Fergus Falls as historic, exempts disabled veterans from property taxes, exempts aggregate from sales tax, and makes other small exemptions. There are also a number of local option sales taxes included in the bill, Bakk said. In addition, there are several tax increment financing provisions included in the bill, he said.

Bakk said the tax conference committee is still open, but that the House chair and he thought it would be a good idea to get some of the less controversial items taken care of before the traditional end-of-session rush.

Wergin said she was pleased that the income tax increase, the change in the commercial-industrial property classification and several other provisions were not included in the bill. "I am disappointed, though, that there is not more property tax relief in the bill," Wergin said. Bakk responded that in the governor's budget there was only about \$7 million in direct

property tax relief, while the bill contains about \$18 million.

Limmer offered an amendment allowing the city of Dayton to set up a tax increment financing district in order to construct an exit ramp from I-94. He said it was in the original omnibus tax bill, but not in the current bill. Bakk said that the Dept. of Transportation expressed concern about the provision. The project should be done, Bakk said, for both safety and economic development reasons, but it is controversial. He said it was with reluctance that he urged members to vote against the amendment. The amendment failed.

Sen. Paul Koering (R-Fort Ripley) offered an amendment exempting materials and supplies used in the construction of a joint wastewater treatment facility serving the cities of Brainerd and Baxter. Bakk said there are several similar provisions still under consideration in the tax conference committee. The amendment failed on a 14-39 roll call vote. Hann offered an amendment deleting a section of the bill that requires the inclusion of inflation in budget spending forecasts. The amendment failed 16-42.

The bill was granted final passage on a 40-24 roll call vote.

Members also granted final passage to several bills on the Senate Calendar. S.F. 653, authored by Pappas, authorizes in-state tuition rates for children of immigrants at higher education institutions. S.F. 886, carried by Sen. Jim Vickerman (DFL-Tracy), is a resolution memorializing Congress to implement comprehensive immigration reform. H.F. 1758, sponsored by Sen. Mary Olson (DFL-Bemidji), provides for financial institution card data security.

Senators also reconsidered the vote on a motion to refuse to concur with the House amendments to S.F. 1333. The bill, authored by Sen. Ron Latz (DFL-St. Louis Park), is the car buyers bill of rights. Latz said he had originally intended to go to conference committee with the bill, but had changed his mind and intended to concur with the House amendments. He said the bill still contains provisions requiring car dealer add-ons to be disclosed to the consumer and regulates the sale of certified used motor vehicles. He said the bill no longer contains provisions allowing consumers to return a car within 48 hours, but that the measure still contained some good consumer protection

Floor update



As the evening wears on, Senators Warren Limmer (R-Maple Grove) and Debbie Johnson (R-Ham Lake) start to show signs of weariness as they listen to debate during the Senate's Sun., May 20, floor session.

Photo by David J. Oakes

provisions. The bill was repassed on a 51-7 roll call vote.

Finally, members adopted and repassed two conference committee reports.

S.F. 1165, sponsored by Sen. Rick Olseen (DFL-Harris), authorizes meetings by telephone or other electronic means by public bodies under emergency conditions. S.F. 1085, authored by Sen. John Marty (DFL-Roseville), prohibits the sale of mercury-containing products, modifies the restrictions on the sale, use and disposal of mercury-containing products and requires consumer information about mercury containing products.

Thursday, May 17

Pension bill approved

The omnibus pension bill was granted final passage on Special Orders Thurs., May 17.

S.F. 430, carried by Sen. Don Betzold (DFL-Fridley) makes changes in pension administrative provisions, adds positions

to the Minnesota State Retirement System-Correctional Plan membership, makes changes in disability benefits, makes changes in the statewide retirement plan appeal process, makes changes to volunteer firefighter benefits by correcting an error, and makes other miscellaneous retirement law changes.

Senators adopted an amendment requiring a study of the St. Paul Teachers Retirement Fund. Betzold said the St. Paul teachers fund is underfunded and faces some unique problems. The amendment also requires a pilot post-retirement program, he said. Sen. Sandra Pappas (DFL-St. Paul) said the amendment provides a partial fix to the problem.

Sen. Steve Murphy (DFL-Red Wing) offered an amendment to reinstate language in the bill that allows the pension fund to pay survivor benefits to the family of a police officer or firefighter who is killed while serving in as a National Guard member in Iraq or Afghanistan. Murphy said the benefit is a small price to pay for what soldiers and their

families are going through. Betzold opposed the amendment. He said other state workers are also serving overseas and may also die in the line of duty. The provision may have to apply to them too, Betzold said. Families who have already received the benefit will not be affected by the change, he said. Betzold said he supports the soldiers, but the integrity of the pension fund must be maintained and the state cannot afford to continue to pay the benefit. Sen. Betsy Wergin (R-Princeton) said when the state makes an exception to pension funds, then it must make the next one and the next one. The amendment was not adopted 19-42.

The bill was granted final passage 61-0.

Members also granted preliminary passage to several bills.

S.F. 2044, authored by Sen. Ron Latz (DFL-St. Louis Park) is the annual claims bill, which provides for settlement of various claims against the state. Latz said the bill appropriates a little more than \$50,000 and uses one-time money.

Authored by Sen. Paul Koering (R-Fort Ripley), H.F. 1409 changes provisions for well contractor's licenses. The measure raises the bond limit a well contractor must carry from \$10,000 to \$25,000 to better cover any damages that may occur, Koering said. The bill also caps the fee for three or more limited well/boring contractor licenses at \$225, he said.

The Senate concurred with several minor amendments from the House and re-passed the following bills with little or no dissent. S.F. 1959, authored by Sen. Sharon Erickson Ropes (DFL-Winona), allows the return of unopened drugs dispensed by pharmacies in a county jail. S.F. 1581, carried by Sen. Linda Scheid (DFL-Brooklyn Park) regulates continuation coverage for life insurance. Authored by Sen. Warren Limmer (R-Maple Grove), S.F. 241 prohibits the sale of mortgage application information. S.F. 1533, authored by Pappas, regulates transactions with homeowners whose homes are in foreclosure. S.F. 563, carried by Sen. John Doll (DFL-Burnsville), requires development of an economic strategy to maximize state economic development benefits from the renewable electric energy industry.

Insurance bill delayed

Senators used the mid-afternoon hours of the Thurs., May 17, session to continue considering bills on General Orders. The principal focus of discussion was a bill regulating the delay or denial of insurance claims.

S.F. 2173, sponsored by Sen. Tarryl Clark (DFL-St. Cloud), requires insurers to act in good faith in connection with claims practices. Good faith is a fundamental consumer protection concept, Clark said. Consumers should get what they have paid for, she said, and covered losses should be paid unless the insurer has a good reason to deny or delay payment.

Sen. Thomas Neuville (R-Northfield) offered an amendment replacing the bill's provisions with language permitting a consumer to recover consequential damages if the insurer breaches the insurance contract in denying or delaying a claim. The amendment does not permit consumers to recover punitive damages. Neuville said the amendment restricts attorney fees to encourage early and reasonable settlement, and to ensure the attorney fees are reasonable when compared to the consumer's recovery. This is a fair compromise, he said. Sen. Scott Dibble

(DFL-Mpls.) said the amendment is a reasonable proposal. It simply asks insurers to live up to their commitments, he said.

No need for this bill has been demonstrated, said Sen. Linda Scheid (DFL-Brooklyn Park). The amendment still subjects insurers to more litigation, she said. Putting insurers under more pressure to pay claims will increase arsons and false claim filings, Scheid said, because unsavory consumers will believe they have insurers over a barrel. Sen. Julianne Ortman (R-Chanhassen) said there are situations where consumers should be able to recover punitive damages from insurers. The amendment is a good effort, but we need more public input instead of closed-door conversations with lobbyists for insurers and trial lawyers, she said.

The amendment was adopted, 37-27.

Scheid moved to re-refer the bill to the Commerce and Consumer Protection Committee. This bill is not ready for prime time, she said, and needs public hearings. The motion prevailed, 34-30. Later in the session, Sen. Richard Cohen (DFL-St. Paul) moved to reconsider the vote on the insurance practices bill, S.F. 2173. The motion to reconsider prevailed, 30-24. Clark then sought and received progress on the bill, delaying further consideration.

Sen. Michael Jungbauer (R-East Bethel) carried a bill, S.F. 1196, that creates a manufactured home relocation trust fund, requires both park owners and residents to make payments to the trust fund and requires park owners to provide notice to residents of the possibility of compensation from the trust fund. The bill preempts local ordinances governing compensation for manufactured home park residents, except for 21 existing local ordinances that may offer higher compensation. The bill was recommended to pass.

H.F. 1396, sponsored by Sen. Mary Olson (DFL-Bemidji), requires the state court administrator to convene a study group to make recommendations to the Legislature regarding conservatorship and guardianship. S.F. 962, authored by Sen. Yvonne Prettner Solon (DFL-Duluth), modifies aircraft facilities state financing to allow flexibility in obtaining a new lessee for a facility in Duluth. The bill was recommended to pass.

S.F. 1061, carried by Sen. Sandra Pappas (DFL-St. Paul), requires companies with more than 40 employees to file certificates of pay equity compliance as a condition of participation in state con-

tracts in excess of \$500,000. The state already requires companies wishing to contract with the state to file affirmative action plans, she said. The bill uses the same pay equity standards already used in the public employment context, Pappas said. "This bill is about fair pay for Minnesota women," she said. It is common knowledge that women generally earn less than men, she said. Minnesota has the second highest female work participation rate in the nation, she said, and Minnesota women are greatly and adversely affected by gender pay disparities. Pay equity requirements in public employment have substantially helped women who work for state agencies or local units of government, she said. Companies will have a host of resources available to help them move toward pay equity, Pappas said. She said the bill requires a plan and progress toward pay equity, not an overnight, wholesale change in compensation.

This bill is premised on a logical and statistical fallacy, said Sen. David Hann (R-Eden Prairie). Women with children often earn less because they choose to trade monetary compensation for scheduling flexibility, he said. Comparisons between unmarried, childless women and unmarried, childless men show they have similar earnings, Hann said. Sen. Ellen Anderson (DFL-St. Paul) said women should not be punished at work for having and raising children. Pay equity has been an incredible success, she said, and this bill represents an opportunity to broaden the success. The pay gap emerges within the first year of workforce participation, Dibble said, before most employees choose between flexibility and compensation.

Pappas sought and received progress on the bill.

In other action, Senators adopted two conference committee reports and repassed the bills. S.F. 493, carried by Sen. Mee Moua (DFL-St. Paul), makes criminal gang behavior a public nuisance. S.F. 1724, sponsored by Prettner Solon, makes numerous changes to human services licensing provisions.

Friday, May 18

Bills repassed, Stumpf returns

Senators repassed five bills, Fri., May 18, in a floor session marked by numerous recesses as budget negotiations between legislative leaders and the governor

Floor update

continued. The bills repassed were all the result of conference committee agreement.

H.F. 532, carried by Sen. Sharon Erickson Ropes (DFL-Winona), regulates club, service and membership contracts entered into by military service personnel and requires utilities to establish payment arrangements for military service personnel. S.F. 2226, authored by Sen. Jim Vickerman (DFL-Tracy), clarifies provisions relating to private cemeteries.

Sen. Sandra Pappas (DFL-St. Paul) sponsored S.F. 1302. The bill permits the Metropolitan Council to transfer \$1 million internally for additional local government comprehensive planning assistance, allows the Met Council to create a nonprofit private parks foundation to help acquire land in the regional park system plan, and modifies comprehensive plan provisions. S.F. 802, carried by Sen. Paul Koering (R-Fort Ripley), updates provisions relating to mortuary science. S.F. 26, authored by Sen. John Marty (DFL-Roseville), modifies provisions relating to a variety of health occupations.

Senators briefly recessed at the beginning of the day's session to acknowledge the return of Sen. LeRoy Stumpf (DFL-Plummer). Stumpf was absent from the Senate for four weeks to undergo and recuperate from heart surgery. He thanked his colleagues for their thoughts, prayers and kind words. "It really makes a difference," he said.

The final action before adjournment involved reconsidering the vote whereby the four omnibus appropriations bills were granted final passage. The four measures—H.F. 1063, the omnibus higher education appropriations bill; H.F. 548, the omnibus state government appropriations bill; H.F. 1078, the omnibus health and human services appropriations bill; and H.F. 122, the omnibus economic development appropriations bill—were then laid on the table. Majority Leader Lawrence Pogemiller (DFL-Mpls.) said the plan was to amend the bills to reflect budget agreements reached by the Senate, the House of Representatives and the administration. The four bills had been developed after the original omnibus appropriations bills had been vetoed. On-going negotiations necessitated parliamentary actions to bring the bills back to the Senate in order to be amended once a final agreement is reached.

Saturday, May 19

School insurance pool gains

Senators used the first part of the Sat., May 19, session to grant final passage to a bill creating a statewide insurance pool for school district employees and two other measures.

H.F. 464, authored by Sen. Don Betzold (DFL-Fridley), establishes a statewide health insurance pool for school district employees. Betzold said the Senate passed the bill, S.F. 276, in March, but because of possible revenue implications, the bill was changed to a House file. The measure requires the pool to include about six insurance plan options, he said. Betzold said the bill from the House included only slight differences, such as moving the due date of the first report to 2009, about a year and a half earlier than the Senate bill.

Sen. Betsy Wergin (R-Princeton) offered an amendment creating a standard for school districts to opt out of the statewide plan. Wergin said the statewide pool might be a good idea, but not for every school. There are some schools that do not want to join the pool and that should be their prerogative, she said. Under the amendment, a school district could opt out of the statewide pool if 15 percent of eligible employees petition the district to hold an election to opt out and a majority of all eligible employees vote to opt out. Wergin said that districts will opt out for five years so that districts are not jumping in and out of the pool. The amendment creates a high standard for opting out, she said. Betzold spoke against the amendment. The pool cannot have a situation where people can move in or out, Betzold said. He said the health insurance pool is necessary. The bigger picture is that some school districts do not offer health insurance because they cannot afford it, Betzold said.

Sen. Terri Bonoff (DFL-Minnetonka) said the amendment is a wonderful compromise. The high threshold allows the pool to exist by a majority of the voices of school district employees, she said. Sen. Kathy Saltzman (DFL-Woodbury) also spoke in support of the amendment. The bill includes too many unanswered questions about what the plans will be, she said. The Wergin amendment is a great alternative to allow local teachers to have a voice in whether or not they want to be a part of the statewide plan, she said. The amendment

was adopted 35-29 on a roll call vote. The bill, as amended, was granted final passage 49-16.

S.F. 590, authored by Sen. Jim Vickerman (DFL-Tracy), is a resolution urging Congress to reform the federal Montgomery GI Bill for the Selected Reserves to permit members of the National Guard and reserves who have been mobilized into federal active duty in support of current wars to receive and use their federal educational benefits following separation from active reserve status and final discharge from the military. The measure was granted final passage, 62-0.

H.F. 1973, sponsored by Sen. Ann Rest (DFL-New Hope), provides for the merger of the Hennepin County and Minneapolis library systems. Rest said the merged collection will include over 5 million books, CDs and DVDs in 37 languages, accessible to patrons from over 40 library locations and two traveling bookmobiles. A major issue has been handling employees entering the merged system from differing classification and compensation structures, she said, but the issue has been resolved through negotiation by parties involved. The bill was granted final passage, 60-2.

In other action, Senators concurred in the other body's amendments to three measures and repassed the bills. S.F. 1271, carried by Sen. Thomas Neville (R-Northfield), makes a variety of Dept. of Human Services-recommended changes to child support laws. S.F. 221, also authored by Neville, requires employers to provide new employees with written notice of their rights to access their personnel files. S.F. 883, sponsored by Sen. Linda Scheid (DFL-Brooklyn Park), adopts the Darlene Luther Revised Uniform Anatomical Gift Act.

The Senate recessed to allow working groups and conference committees to meet. Majority Leader Lawrence Pogemiller (DFL-Mpls.) said it is an opportunity to have public discussion of the various items in the major budget bills.

Variety of bills gain final passage

Members resumed floor action in the early evening to consider conference committee reports and gubernatorial appointments and to grant final passage to bills on the Senate Calendar.

Senators began with consideration of conference committee reports on a variety of bills. H.F. 2433, sponsored by Sen.

Keith Langseth (DFL-Glyndon), provides \$2 million for disaster flood relief mitigation for Browns Valley. Langseth said the compromise package not only provides direct relief for Browns Valley now, but also places the city on a list for further flood hazard mitigation. S.F. 463, carried by Sen. Don Betzold (DFL-Fridley), sets the fees notaries public may charge. Betzold said the Senate bill raised the fee from \$2 to \$5. He said the compromise was to set the fee at five percent of the fee paid to become a notary, which is currently \$100.

S.F. 1131, authored by Sen. Satveer Chaudhary (DFL-Fridley), is the omnibus environment and natural resources policy bill. Chaudhary said the changes include limiting the use of crossbows to take deer

to during the firearms season only, retaining a provision for mapping ATV trails, clarifying there are to be no motorized vehicles on the Willard Munger Trail System, providing a model ordinance for outdoor lighting displays, delaying prohibition on phosphorous until July 1, 2010, and expanding the number of fish to be taken from Lake Superior for research purposes.

Sen. Tony Lourey (DFL-Kerrick) sponsored a bill, S.F. 1048, restructuring the Indian Affairs Council. He said the changes include a compromise on the number of Legislators from each body to be named to the council and changing terminology to identify tribes as federally recognized tribes. S.F. 167, carried by Sen. Dan Sparks (DFL-Austin), makes technical

changes in provisions governing unemployment insurance. S.F. 1377, authored by Sen. Ann Rest (DFL-New Hope), revises provisions governing state boards and advisory groups. Rest said the bill continues a variety of groups while repealing several groups whose status is unclear or expired. S.F. 596, carried by Sen. Mary Olson (DFL-Bemidji), is the annual data practices bill. Olson said conferees eliminated several policy provisions contained in the House language because the provisions had not been heard by Senate committees.

All of the conference committee reports were adopted and the bills repassed with little or no opposition.

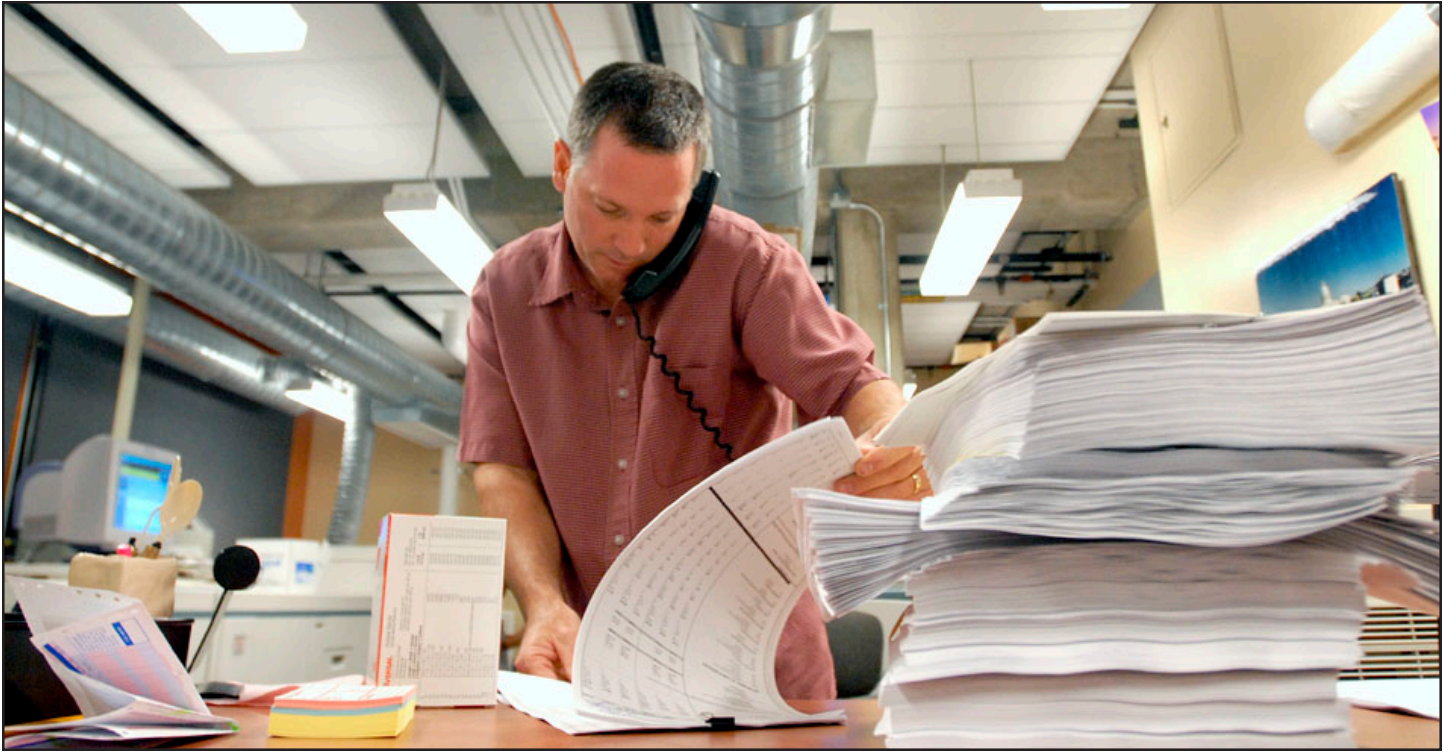
The Senate also granted final passage to one bill on Special Orders. S.F. 1274,



During the Senate's Sun., May 20, floor session, Senators Tom Saxhaug (DFL-Grand Rapids), left, and Dick Day (R-Owatonna) gaze up at the west gallery of the Senate Chamber.

Photo by David J. Oakes

Floor update



At 4:04 p.m. on the last day of the legislative session, Mon., May 21, Senate Duplicating Supervisor Dan Olson receives information that a second revision of a health and human services omnibus budget bill spreadsheet will be coming his way for printing in preparation for discussion on the Senate floor.

Photo by David J. Oakes

sponsored by Sen. Pat Pariseau (R-Farmington), is a resolution memorializing Congress to reauthorize the conservation reserve program as part of the federal farm bill. Pariseau said that about 33,000 Minnesota farms are currently participating in the program, which provides for erosion control, tree planting and other conservation measures.

Three bills were granted final passage on the Senate Calendar. H.F. 1409, sponsored by Sen. Amy Koch (R-Buffalo), changes provisions governing well contractors' licenses. S.F. 1196, authored by Sen. Michael Jungbauer (R-East Bethel), creates the Minnesota manufactured housing relocation trust fund. H.F. 1396, sponsored by Olson, provides for a study on guardianship and conservatorship.

One measure was granted final passage under a suspension of the rules. H.F. 1208, sponsored by Sen. Linda Scheid (DFL-Brooklyn Park), changes provisions for construction codes and licensing. Scheid said the bill represents a lot of hard work over the last two years and represents a good, solid compromise among all the interested parties. Sen. Dennis Frederickson (R-New Ulm) offered, and

members adopted, an amendment removing a provision limiting the number of apprentices to two for each journeyman high pressure pipefitter. He said the amendment also requires the High Pressure Piping Board to make recommendations on the appropriate number of apprentices per journeyman by Feb. 15, 2008.

Finally, members approved a number of gubernatorial appointments. Alfred Berner, Nancy Gibson, John Hunt and Mary Mueller were all approved as citizen members of the Legislative Citizen Commission on Minnesota Resources. The appointments of Donald Schiefelbein, Chester Wilander, Paige Winbarger and Barbara Battiste to the PCA Citizens' Board were also approved. The appointment of Cal Ludeman as commissioner of the Dept. of Human Services also gained Senate approval.

Sunday, May 20

Sunday session held

Senators held a rare Sunday session, May 20, as the clock ran down on the regular session for 2007. The constitutional deadline for adjournment is

midnight, Mon., May 21. Senators began the session by handling routine business and processing one conference committee report.

S.F. 1262, authored by Sen. Linda Higgins (DFL-Mpls.), regulates the manufacture and sale of jewelry products containing lead. Higgins said the amendments made by the conference committee reflect final agreements between manufacturers, retailers and consumer safety advocates. One provision, she said, permits retailers to advertise that they are selling jewelry containing safe amounts of lead, if the jewelry has been certified as safe by the manufacturer. Higgins noted that another provision clarifies that the bill does not apply to the sale of jewelry at yard sales. The conference committee report was adopted and the bill was repassed without dissent.

Before recessing for the afternoon, Majority Leader Lawrence Pogemiller (DFL-Mpls.) said negotiations were proceeding apace and all parties expected the regular session to end in a timely fashion with all spending and revenue bills passed.

Omnibus econ dev bill passed

The early evening portion of the session began with consideration of the omnibus economic development bill, H.F. 122. The bill is the product of an agreement reached by a working group comprised of House and Senate members and the governor to fund a variety of economic development initiatives throughout the state. The measure, the second omnibus economic development appropriations bill of the year, had been passed by the Senate Wed., May 16, but was subsequently recalled from the other body for further consideration. The working group further refined the measure in order to provide a bill the governor will sign.

Sen. David Tomassoni (DFL-Chisholm), chief author, said the bill was very similar to the measure passed in the Senate. He offered an amendment, which was adopted, containing the agreed upon language. The amendment contains \$1.75 million for the BioBusiness Alliance rather than the \$2 million in the original vetoed bill, \$125,000 for bioscience business marketing rather than the \$300,000 in the vetoed bill, and no funding for bioscience business development and commercialization rather than the \$1.5 million in the vetoed bill. In addition, the bill provides \$294,000 for entrepreneurial and business assistance rather than the original \$378,000. The compromise measure contains \$350,000, instead of \$700,000, for the Inver Grove Heights Veterans Memorial Center and \$14.9 million, instead of \$31.35 million, for the 21st century minerals fund and \$2.5 million, instead of \$5.4 million, for RiverCenter campus debt relief. Other decreases included no funding for a nanotechnology program, a renewable energy training study, and a rural policy center. Negotiators were able to provide \$400,000 to the city of Rogers for tornado damage relief and \$250,000, instead of \$500,000 for University Enterprise Laboratories. The bill does provide \$350,000 for the Thomsen Township Industrial Park that is part of the Thomsen-West expansion in Eagan. Under the bill, funding for Hennepin-Carver health care training is reduced from \$500,000 to \$300,000 and funding for the Minnesota Film Board's snowbate program is reduced from \$2.5 million to \$1.3 million. Homeownership and rental assistance programs were also reduced under the amendment. In addition, several appropriations for the

Minnesota Historical Society were reduced, but not eliminated, in the compromise measure. The bill provides funding for the Minnesota Humanities Commission at \$500,000 rather than the original \$1 million proposed in the earlier vetoed bill.

Overall, the bill contains \$345.821 million in general fund spending, which is \$30 million under target, Tomassoni said. He offered a second amendment containing language of a bill changing provisions for construction codes and licensing. The amendment was adopted. The bill was repassed on a 58-4 roll call vote. Moments later, though, it was discovered the wrong compromise language had been adopted. Members reconsidered the bill, reconsidered the amendment, adopted the correct amendment and repassed the bill on a 53-10 roll call vote.

Members also adopted two conference committee reports. S.F. 184, authored by Sen. John Marty (DFL-Roseville), authorizes registered nurses to dispense oral contraceptives in family planning clinics, provides for a study of the adjustment of Medical Assistance reimbursement rates for family planning clinics and authorizes the commissioner of health to enter into cooperative purchasing agreements with nonprofit community health clinics. Marty said the two changes in the bill include providing for a study of adjustments of Medical Assistance reimbursement rates and prohibiting registered nurses at family planning clinics from dispensing contraceptives to girls under the age of 12. S.F. 43, authored by Sen. Don Betzold (DFL-Fridley), is the omnibus pension bill. Betzold said the conference committee report is exactly the same as the bill passed by the Senate. Both measures were repassed with little opposition.

Energy policy bill okayed

The evening hours of the Sun., May 20, session were devoted to consideration of the conference committee report on the omnibus energy policy bill, S.F. 145.

Chief Author Yvonne Prettner Solon (DFL-Duluth) said the bill contains the final two pieces of this year's four-pronged approach to improving the environmental impacts of energy. The bill modifies community-based energy development provisions and sets a goal of reducing greenhouse gas emissions by 80 percent below 2005 levels by 2050. She noted that the bill requires stakeholders to be

involved in creating a plan for how the state will achieve the greenhouse gas emissions goal. This bill reflects hundreds of hours of work by Legislators, staff, environmentalists, and industry representatives, she said. Several Senators congratulated Prettner Solon on the bill's provisions. This bill works because everyone with an interest in it communicated and worked together, said Sen. Julie Rosen (R-Fairmont). We will once again be a national leader in this area, said Sen. Ellen Anderson (DFL-St. Paul). The bill was repassed, 59-5.

Capitol Report: on air, online

Explore current policy issues and hear lawmakers discuss current legislative proposals by watching "Capitol Report," a weekly public affairs program produced by Senate Media Services. The program includes interviews with Legislators, agency heads and prominent policy experts advising lawmakers. It also features historical and informational features about the Senate, the Capitol and Minnesota.

"Capitol Report" airs weekly on public television affiliates in the Metropolitan Area and on cable access channels across Greater Minnesota. It is also available online, with archives going back to 2000: <http://www.senate.mn/media>

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. 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.

Committee update

Business, Industry and Jobs

Construction codes bill gains

Members of the Business, Industry and Jobs Committee held a special meeting, Tues., May 15, to consider a bill modifying and recodifying construction codes and licensing provisions. The measure, S.F. 998, carried by Sen. Linda Scheid (DFL-Brooklyn Park), was advanced to the full Senate.

Scheid said committee members had already heard most of the bill's provisions, but in varying forms. John Rajkowski, Dept. of Labor and Industry, said the core of the bill is a codification of a two-year-old executive order consolidating building codes responsibilities in DOLI. Provisions modifying membership on boards overseeing electricians, plumbers, and high-pressure pipefitters were recently agreed to by interested parties, Scheid said, and bring the bill back before the committee. Representatives of the Minnesota Pipe Trades Association, International Brother-

hood of Electrical Workers, Minnesota State Building and Construction Trades Council, and the department affirmed that an agreement had been reached.

Phil Raines, Associated Builders and Contractors, said his association was concerned about a provision requiring unlicensed pipefitters to be directly supervised by licensed pipefitters and limiting the number of unlicensed individuals a licensed pipefitter may supervise to two. Todd Green, DOLI, said the state has about 2,500 licensed pipefitters and only about 600 known unlicensed pipefitters. There should be no practical problem meeting the requirement, he said. This ratio is needed because pipefitters perform dangerous work and unlicensed workers should be adequately supervised, said Gary Thaden, Minnesota Mechanical Contractors Association. Scheid said the proposed ratio mirrors an existing ratio in electricians' regulations.

Committee members, led by Chair James Metzen (DFL-South St. Paul), adopted an amendment, offered by Scheid,

adding provisions from S.F. 1474, carried by Sen. Don Betzold (DFL-Fridley). The provisions modify the statute of repose for damages based on services or construction to improve real property.

Environment and Natural Resources

PCA board appointees okayed

The Environment and Natural Resources Committee, chaired by Sen. Satveer Chaudhary (DFL-Fridley), met Thurs., May 17, to consider the governor's appointments to the Pollution Control Agency Citizens' Board and to hear an update from the Dept. of Natural Resources on wolves, moose and the wildfire in Northern Minnesota.

Members approved the appointments of Donald Schiefelbein, Chester Wilander, Paige Winbarger and Barbara Battiste to the PCA Citizens' Board. The PCA Citizens' Board consists of the commissioner of the PCA and eight members



Claiming he didn't want to make an appearance at the Senate's annual potluck empty handed, the governor offers a goodwill gesture in the form of a container of caramels to Sen. Lawrence Pogemiller (DFL-Mpls.), left, Fri., May 18. Also pictured are Senators Kathy Sheran (DFL-Mankato), foreground, and LeRoy Stumpf (DFL-Plummer).

Photo by David J. Oakes

appointed by the governor. The board considers varied and complex pollution problems that affect areas of the state and ensures that decisions made by the agency involve multiple perspectives, Chaudhary said.

Ed Boggess, Dept. of Natural Resources, gave the updates on wolves and moose. He said wolves are a success story and have recently been delisted from the protection of the Endangered Species Act. He said the population is healthy and has been increasing. The moose population has not fared as well in recent years, he said. Boggess said there are between 2,200 and 3,500 wolves in the state.

He said there are two main moose herds that are totally separate. Since the mid-1980s the Northwest moose population has crashed from as many as 4,000 to less than a hundred, he said. A study about the reasons for the population crash failed to determine a single cause, Boggess said. He said the herd exhibits signs of stress and failure to reproduce. The population in the Northeast has been more stable, but it has declined from about 8,000 to 6,500, Boggess said. Again, it has been difficult to pinpoint a cause, but one theory is that because Minnesota is at the southern edge of the moose range, the warmer summers are stressing the herd, Boggess said. He said hunting has not been a cause of the population decline, but as a precaution the 2007 season in the Northeast will be for bulls only.

Olin Phillips, Dept. of Natural Resources, also updated members on the fire along the Gunflint Trail in Northeastern Minnesota. He said the last few days have brought improved weather conditions, but the next day or two should prove crucial. He said the fire is perhaps the most disastrous fire since the early 1900s, with heavy loss of property. He stressed the cooperation Minnesota has received from the province of Ontario in fighting the fire. He said there are good indications of precipitation for the weekend and the coming week. If that holds true, Phillips said, the fire will be pretty much a non-issue by the end of next week. He said the investigation into the start of the fire is continuing.

3M PFC clean-up discussed

Members of the Environment and Natural Resources Committee, chaired by Sen. Satveer Chaudhary (DFL-Fridley), heard a presentation at the Fri., May 18,

meeting on a proposed 3M agreement to clean-up perfluorochemicals (PFCs) in the East Metro.

Leo Raudys, deputy commissioner, Pollution Control Agency (PCA), said even though the chemicals were disposed of legally, contamination occurred. The PCA has worked with 3M to negotiate a consent order, a legally binding agreement, to deal with the contamination, he said. Under the proposed order, 3M will excavate and properly dispose of PFCs at 3M sites, he said. The order also addresses municipal and private drinking water supplies, requires future actions on perfluorobutanoic (PFBA)s and requires 3M to pay \$5 million over the next four years for research costs on the presence and effects of PFCs, Raudys said. The PCA also reserves the right to take action in the future due to new information, he said. Raudys said the PCA Citizen's Board will consider approval of the agreement next week. If approved by the board and signed by the commissioner, it will be a legally binding agreement, he said.

The committee also recommended for approval four citizen appointments to the Legislative-Citizen Commission on Minnesota Resources (LCCMR), Alfred Berner, Nancy Gibson, John Hunt and Mary Mueller. The LCCMR makes funding recommendations to the Legislature on how to spend part of the revenues from the Minnesota lottery, said Chaudhary. The projects funded through the process protect and enhance Minnesota's natural resources, he said. Chaudhary said this is the first year citizens have been a part of the board. Sen. Pat Parisseau (R-Farmington) said the appointees all bring great experience to the board and will help to hone the discussions and decisions.

Finance

Claims bill advances

The Finance Committee, chaired by Sen. Richard Cohen (DFL-St. Paul), met Mon., May 14, to consider the annual claims against the state bill and a bill establishing a manufactured home relocation trust fund.

Sen. Ron Latz (DFL-St. Louis Park) said the bill, S.F. 2044, containing claims against the state is developed each year by a joint House-Senate Subcommittee and then presented to each body. He said most of the claims arise from injuries to persons

injured while performing community service or sentence-to-service work for correctional purposes or while incarcerated in a state correctional facility. A total of \$54,163.69 is appropriated under the bill to pay for the claims. The measure was advanced to the Senate floor.

Members also discussed a bill, S.F. 1196, establishing a manufactured home relocation trust fund. Sen. Michael Jungbauer (R-East Bethel), chief author, said the bill is the product of many hours of negotiations between stakeholders and represents a compromise for both mobile home owners and mobile home park operators. Under the bill, both manufactured home owners and manufactured home park owners contribute to a fund to help reimburse home owners who must move because a park closes. Members delayed action on the bill in order to await a fiscal note from the Dept. of Finance.

Two additional bills were advanced to the Senate floor. S.F. 962, authored by Sen. Yvonne Prettner Solon (DFL-Duluth), modifies aircraft facilities state financing to allow flexibility in obtaining a new lessee for a facility in Duluth. H.F. 1396, sponsored by Sen. Mary Olson (DFL-Bemidji), requires the state court administrator to convene a study group to make recommendations to the Legislature on guardian and conservator issues.

Capitol renovation bill advances

The Finance Committee, chaired by Sen. Richard Cohen (DFL-St. Paul), approved a bill Tues., May 15, to keep Capitol renovation plans moving forward. Sen. Ann Rest (DFL-New Hope), who carried the measure, said the bill will allow planning to continue so that construction could begin in 2009 if money for the project is available next session.

The bill, S.F. 2287, appropriates money to design renovation of the Capitol and authorizes the sale of bonds. Rest said the state government omnibus finance bill, which was vetoed by the governor, included an appropriation for the improvement project. During the conference committee, the Senate and House reached an agreement to appropriate \$750,000 to the Legislative Coordinating Commission for a facilitated planning process and \$4 million in bonding to continue architectural and engineering services, Rest said. She said the agreement included carrying the appropriations in a bill separate from the state government finance bill. The

Committee update

committee adopted an oral amendment reducing the cash appropriation to \$50,000 and increasing the bonding appropriation to \$4.7 million. S.F. 2287 was temporarily laid over to allow the committee to find revenue for the cash appropriation from another bill, S.F. 430.

The bill, sponsored by Sen. Don Betzold (DFL-Fridley), is this year's omnibus pension bill. The measure contains numerous small bills relating to the state's major public pension plans. In addition, the bill makes changes in pension administrative provisions, adds positions to the Minnesota State Retirement System-Correctional Plan membership, makes changes in disability benefits, makes changes in the statewide retirement plan appeal process, makes changes to volunteer firefighter benefits by correcting an error, and makes other miscellaneous retirement law changes. The committee removed provisions from the bill related to the St. Paul Teachers Retirement Association. Betzold said the bill creates a net savings of \$24,000 to the general fund. The bill was recommended to pass and advanced to the Senate floor.

The panel then took up the capitol improvement bill, S.F. 2287, again. An amendment was adopted changing the cash appropriation to \$24,000 to match the savings in the Betzold bill. The measure was advanced to the Capitol Investment Committee where, Rest said, she hoped there will be one-time money to fund the remaining \$26,000 as well as the bonding portions of the bill.

The committee considered two other bills. S.F. 998, carried by Sen. Linda Scheid (DFL-Brooklyn Park), modifies and recodifies construction codes and licensing provisions. Scheid said the bill adopts uniform licensing code and enforcement codes as part of the Department of Labor and Industry. Scheid offered an amendment making changes in the make up and responsibilities of the Board of Electricity, Plumbing Board and Board of High Pressure Piping Systems. Industry stakeholders have worked together to come to an agreement on the issues, she said. Betzold said the amendment represents policy changes that should be seen by the appropriate policy committee where testimony can be taken on the issues. The amendment was adopted. The bill, as amended, was recommended to pass and re-referred to the Committee on Business, Industry and Jobs.

The panel also considered S.F. 1196, authored by Sen. Michael Jungbauer (R-East Bethel). The committee considered the provisions in the bill, which establishes the Minnesota manufactured home relocation trust fund, at a previous meeting, but had to wait for a fiscal note. Jungbauer said the fiscal note shows the fund can remain solvent. The bill was recommended to pass and sent to the Senate floor.

Small transpo bill rolls forward

An omnibus transportation finance bill with no funding increases gained lukewarm support from the Finance Committee, chaired by Sen. Richard Cohen (DFL-St. Paul), Fri., May 18.

The committee adopted the measure as an amendment to H.F. 562, carried by Sen. Steve Murphy (DFL-Red Wing), which appropriates money for town road signs. Murphy said the Legislature was unsuccessful in passing the first funding bill and the new measure provides basic funding and will keep the lights on. The transportation bill vetoed by the governor raised approximately \$668 million in new revenues in 2008 and \$868 million in 2009, he said. Murphy said experts estimate the state underfunds transportation needs by about \$1.8 billion per year. The new bill appropriates a total of \$3.79 billion in the next biennium without significant revenue increases.

The new measure appropriates \$551.2 million in each year of the biennium for state road construction, \$5 million for a pilot project to demonstrate the governor's mileage tax, appropriates \$442 million for county state aid and appropriates \$119.5 million for municipal state aid, Murphy said. He said the bill does include small fee increases to make the Division of Vehicle Services a fee based agency.

Murphy said the bill splits the motor vehicle sales tax (MVST) revenues with 60 percent for trunk highways, 36 percent for Metro Area transit and four percent for rural transit. MVST does not raise enough revenues to fund transportation and without additional revenues, both Metro Area and rural transportation will see a cut of approximately one percent, he said. Sen. Ellen Anderson (DFL-St. Paul) said she was not sure she could support the bill with the cuts to transit. Sen. Sandra Pappas (DFL-St. Paul) said it is disappointing to see a bill at the end of session that will

barely keep the lights on and barely keep the buses running.

Sen. Steve Dille (R-Dassel) said it does not make sense to go from a rich bill down to nothing. Sen. Linda Berglin (DFL-Mpls.) said the problem is that the governor has said he won't sign any tax increase and the Legislature cannot override a veto. There's nothing else to do, she said. Murphy said going from a bill that finally addressed the transportation needs of the state to a bill that barely covers the needs of the state is disheartening at best.

The committee voted to advance the bill, as amended, to the floor without recommendation.

U biomedical bonding approved

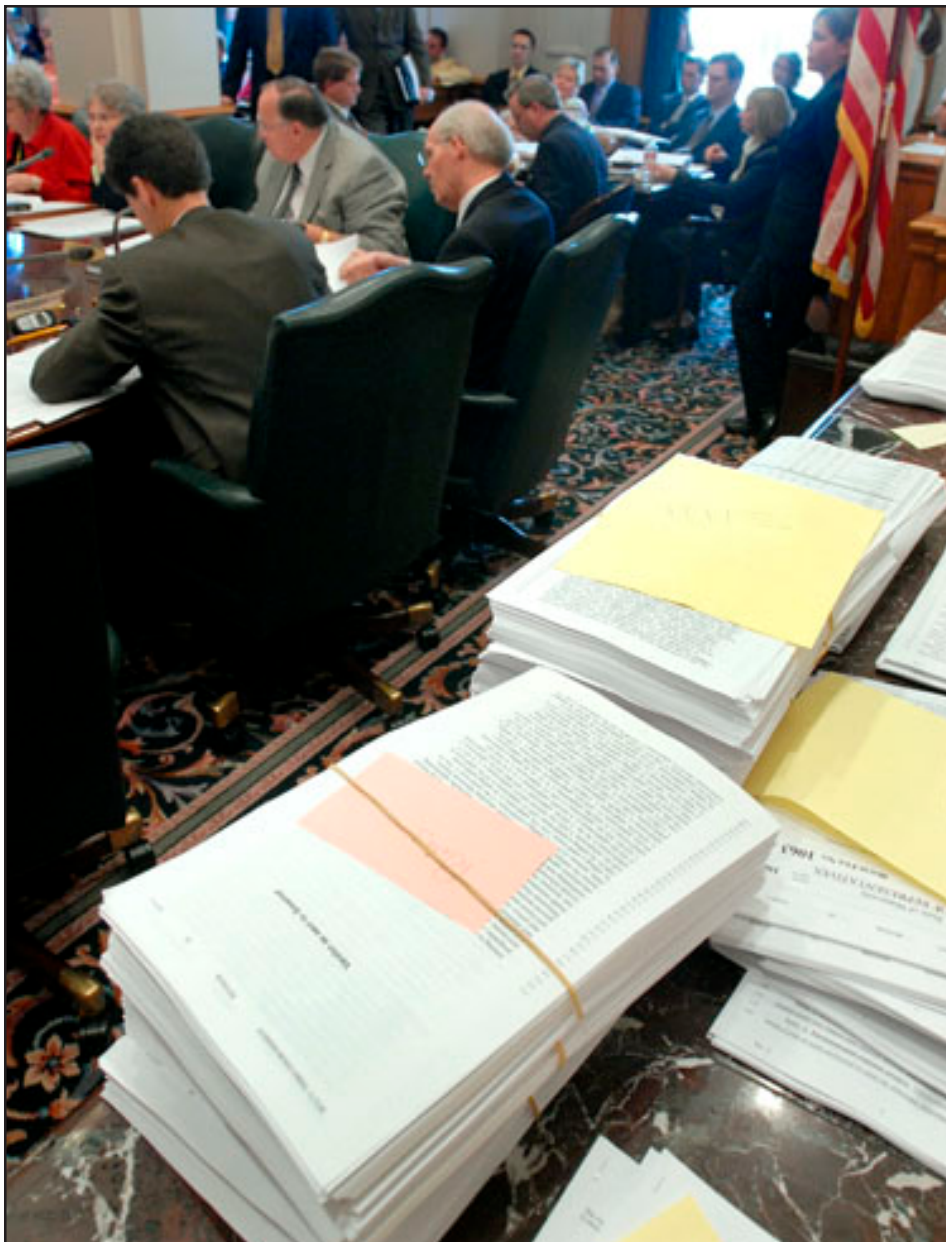
The Finance Committee, chaired by Sen. Richard Cohen (DFL-St. Paul), met briefly Sat., May 19, to approve a bill authorizing \$14.4 million in bonds for the University of Minnesota to renovate a building for use as a biomedical science research facility. The measure, S.F. 2284, is carried by Sen. Keith Langseth (DFL-Glyndon). Langseth said regardless of what else happens before the end of session, this project and the Browns Valley flood relief bonding should go through. The bill was recommended to pass and advanced to the Senate floor.

Rules and Administration

New budget bills advance

The Rules and Administration Committee met Tues., May 15, to ready several omnibus appropriations bills for floor action.

The omnibus appropriations bills for state government operations, higher education, health and human services and economic development agreed to earlier by the Legislature were all vetoed by the governor. As a result several measures were pulled from the Senate floor and referred to the Rules and Administration Committee. The committee, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), then added language from the previously vetoed conference committee reports to each of the designated bills and then further amended the measures to remove or alter language the governor had cited in issuing the vetoes. For example, H.F. 548, sponsored by Sen. Don Betzold (DFL-Fridley), was originally a bill restricting



Revised versions of the Senate's major budget bills lay in wait for discussion during a meeting of the Rules and Administration Committee, Tues., May 15.

Photo by David J. Oakes

the contracting out of previously eliminated jobs by state agencies. The committee adopted the language from the conference committee report for S.F. 1197, the vetoed state government appropriations bill, and then adopted further amendments reducing appropriations or changing language the governor objected to.

Pogemiller said the objective was to prepare the bills for action at the Wed., May 16, floor session and have the bills sent to the governor. "The hope is the bills will be acceptable to the governor and we

will be able to draw the session to a close in an orderly manner," Pogemiller said.

Members followed the same procedure with a bill, H.F. 1063, relating to the Uniform Environmental Covenants Act. The measure, carried by Sen. Sandra Pappas (DFL-St. Paul), was amended to include the language from the omnibus higher education appropriations bill, S.F. 1989. The bill was further amended to address the governor's concerns. A bill, H.F. 1078, modifying hospital public interest review process was amended to include the language of the omnibus

health and human services appropriations bill, S.F. 2171. Sen. Linda Berglin (DFL-Mpls.), chief author, said the new bill is \$50 million under the original bill in one-time expenditures for this biennium.

Members adopted an amendment reducing appropriations and altering language in the bill to address issues raised by the governor.

All three measures were advanced to the floor without recommendation.

Members recessed until the middle of the evening to allow time for the drafting of amendments and engrossing of the fourth major omnibus bill, the economic development appropriations measure. The bill, H.F. 122, carried by Sen. David Tomassoni (DFL-Chisholm), makes appropriations for a variety of projects around the state designed to spur job and economic growth. The measure was amended to include the language of the previous omnibus appropriations bill without the provisions the governor found objectionable. The measure was also advanced to the floor without recommendation.

Members recessed again until approximately 5 a.m. to provide staff time to produce two additional proposals. In the early hours of the morning the committee advanced an E-12 omnibus appropriations bill, H.F. 2245, and an omnibus tax bill, H.F. 2268, to the Senate floor. Pogemiller said neither bill relies on additional income tax revenue to fund either property tax relief or additional E-12 education initiatives. He said the original conference committees for both bills were still open, but that the new measures are an attempt to provide the governor with legislation he can sign. H.F. 2245, sponsored by Sen. Tarryl Clark (DFL-St. Cloud), and H.F. 2268, sponsored by Sen. Thomas Bakk (DFL-Cook), were advanced to the full Senate without recommendation.

Earlier in the day, the panel also advanced two resolutions to the full Senate. S.F. 590, sponsored by Sen. Jim Vickerman (DFL-Tracy), exhorts Congress to reform the federal Montgomery GI Bill for the Selected Reserves to permit members of the National Guard and reserves who have been mobilized into federal active duty in support of current wars to receive and use their federal educational benefits following separation from active reserve status and final discharge from the military. S.F. 1274,

Committee update

authored by Sen. Pat Pariseau (R-Farmington), memorializes the United States Congress to reauthorize the Conservation Reserve Program as part of the 2007 Farm Bill.

Construction codes bill gains

The Rules and Administration Committee, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met very briefly Fri., May 18, to advance a late bill to the Senate floor. H.F. 1208, sponsored by Sen. Linda Scheid (DFL-Brooklyn Center), modifies construction codes and licensing provisions. The measure was captured by Joint Rule 2.03, which means the measure must go through the Rules and Administration Committee before heading to the full Senate.

Right to affordable health care constitutional amendments gain

The Rules and Administration Committee, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met briefly Sat.,

May 19, to consider two bills that would place constitutional amendments for affordable health care before the voters. Both bills were before the panel because all proposed constitutional amendments must be heard by the Rules and Administration Committee.

S.F. 2097, authored by Sen. Linda Berglin (DFL-Mpls.), proposes an amendment to the constitution affirming that every resident of Minnesota has the right to affordable health care. S.F. 14, carried by Sen. Tony Lourey (DFL-Kerrick), also proposes an amendment affirming that every Minnesotan has the right to affordable health care. Both measures were advanced to the Senate floor.

Long-term care workers' COLA, bonding bills approved

The Rules and Administration Committee held its last meeting of the session Mon., May 21, to consider final resolutions and three bills. The panel, chaired by Sen. Lawrence Pogemiller

(DFL-Mpls.), approved resolutions authorizing the contract for the Senate's annual audit and providing for the interim operations of the Senate.

In addition, the panel advanced three bills to the Senate floor. A bill dealing with motor carrier insurance requirements, H.F. 1781, carried by Sen. Rod Skoe (DFL-Clearbrook), was amended to include language providing an additional one-half of one percent cost-of-living increase to long-term care workers in each year of the biennium. Just moments earlier, the Senate had passed the omnibus health and human services bill, H.F. 1048, which provides for two percent annual increases for long-term care workers. During debate on H.F. 1048, several Senators had expressed regret that the increases were so small. Sen. Linda Berglin (DFL-Mpls.), chief author, had also expressed regret over the size of the increases, but said the target she was given limited the amount that could be provided in the omnibus bill. Skoe said that late in the day it had been discovered the state's budget had some



The Senate Information Office is almost filled to capacity at 7:37 p.m., Mon., May 21, as lobbyists and others scramble to find out what the latest revisions of the Senate's major spending bills contain.

Photo by David J. Oakes



With only 12 minutes left before the constitutional deadline of midnight, Mon., May 21, a hallway near the Senate Chamber is filled with anticipation as a crowd gathers to watch television coverage of the final moments of the House floor session.

Photo by David J. Oakes

money remaining at the end of the biennium and he had drafted the amendment to take advantage of those remaining dollars.

The second bill before the committee, H.F. 1048, was amended to contain language for capital investment projects. After the amendment was adopted, Sen. Keith Langseth (DFL-Glyndon), explained the bonding provisions. The bill provides a total of \$334.232 million for capital projects for the University of Minnesota, the Minnesota State Colleges and Universities, Natural Resources, the Pollution Control Agency, the Board of Water and Soil Resources, the Minnesota Zoological Garden, the Dept. of Public Safety, the Dept. of Transportation, the Metropolitan Council, the Dept. of Human Services, the Dept. of Corrections and the Dept. of Employment and Economic Development. The measure contains \$164.5 million in general fund dollars, \$135 million in bonding and \$33 million in trunk highway bonds. Langseth said the bill is very similar to the bill passed earlier in the year and vetoed by the governor. He said there were

only minor changes from the previous bill including \$4.5 million for State Capitol renovations, \$2 million for an Anoka County forensic crime lab, a reduction to \$2.5 million for the St. Paul Union Depot, and \$2 million for the Rochester Mayo Civic Center. He said the bill does not include funding for Browns Valley flood relief because those funds are in another bill.

Finally, the panel acted on the annual Revisor's bill. The measure, S.F. 2283, carried by Sen. Mee Moua (DFL-St. Paul), makes technical corrections to bills enacted during the Legislative Session.

State and Local Government Operations and Oversight

Omnibus pension bill gains

The State and Local Government Operations and Oversight Committee, chaired by Sen. Ann Rest (DFL-New Hope), met Fri., May 11, to consider two measures.

S.F. 430, sponsored by Sen. Don Betzold (DFL-Fridley), is this year's omnibus pension bill. The measure contains numerous small bills relating to the state's major public pension plans. In addition, the bill makes changes in pension administrative provisions, adds positions to the Minnesota State Retirement System-Correctional Plan membership, makes changes in disability benefits, makes changes in the statewide retirement plan appeal process, replaces the current St. Paul Teachers Retirement Fund Association post-retirement adjustment mechanism, makes changes to volunteer firefighter benefits by correcting an error, and makes other miscellaneous retirement law changes. Members adopted several technical amendments before approving the measure and re-referring the bill to the Finance Committee.

In other action, the panel approved a bill, S.F. 1648, establishing a Runway Safety and Airport Zoning Advisory Task Force to make recommendations regarding best practices for safety implications of airport zoning at Minneapolis-St. Paul

Committee update

International Airport and all other airports operated by the Metropolitan Airports Commission (MAC). Members adopted an amendment adding members from representative interested parties, such as the MAC, the Air Line Pilots Association, the Business Aviation Group, the Minnesota Council of Airports and the Federal Aviation Authority. The bill, authored by Sen. Dan Larson (DFL-Bloomington), was approved and re-referred to the Rules and Administration Committee.

Taxes

Library merger gains

A proposal to merge the library systems in Hennepin County and Minneapolis was approved by members of the Taxes Committee, Thurs., May 17. S.F. 1812 was forwarded to the full Senate.

Chief Author Ann Rest (DFL-New Hope) walked committee members, led by Chair Thomas Bakk (DFL-Cook), through the bill's provisions. The measure implements an agreement between the city, county, both library boards and representatives of employees, she said. It includes language to protect employees transferring from the Minneapolis system into the Hennepin County system as part of the merger, Rest said. The bill also designates three seats on the 11-member governing board of the merged system for Minneapolis residents for the first three years.

Sen. Scott Dibble (DFL-Mpls.) offered an amendment requiring the Minneapolis Library Board, Minneapolis City Council and Hennepin County Board to hold public hearings, or one joint public hearing, on the merger. Under the amendment, the hearing must be held on a weeknight, starting between 6 p.m. and 7 p.m. The amendment also extends the Minneapolis-resident board-seat designation period to cover the entire period the city is making special payments to the merged system. A third provision of the amendment requires the county board to consult with the mayor and city council before appointing people to the library board seats designated for Minneapolis residents.

Rest said she was willing to accept the public hearing and city consultation provisions of the amendment, but did not support extending the designated seats. The hearing and consultation provisions were adopted. Dibble said the longer period of designated seats recognizes the

significant value Minneapolis is delivering the merged system. Peter McLaughlin, a Hennepin county commissioner, said the designated seat issue was negotiated by the interested parties. The current process for the county library board makes all seats open, he said. We believed it was appropriate to designate seats for Minneapolis during the initial transition period, because of the special issues that are likely to arise in a major merger, McLaughlin said. After the transition period, it is very likely Minneapolis will be well represented through the open-seat process, he said, because Minneapolis is the county's largest city. The portion of the amendment extending the designated-seat period was not adopted.

The committee also considered a bill allowing an exemption to the law prohibiting the ownership of Minnesota farmland by aliens and non-American corporations. S.F. 2305, sponsored by Sen. Dan Sparks (DFL-Austin), allows the exemption in order for the Prairie Star Wind Farm project to continue development. Sparks said leases and easements on land in Mower County for the project have been obtained by a U.S. owned company, but the company is in the process of being sold to a non-American corporation. In order for the project to go forward, an exemption to the current Minnesota law is needed, he said. Kate Watson, Horizon Wind Energy, said the project has been in development for six years, but in the course of doing due diligence for the sale it was discovered that Minnesota law would prohibit the development. Sparks said the bill is narrowly drafted to prohibit the company from actually farming the land; the land would continue to be farmed by the current owners. The \$182 million project would generate 100 megawatts of alternative energy and help meet the renewable energy goals the state has set, Sparks said.

Bob Ambrose, Great River Energy, said the wind farm would help Great River Energy meet its renewable energy goals and would provide another income stream for farmers. However, Doug Peterson, president, Minnesota Farmers Union, said the bill will have unintended consequences in that it will set a precedent for further exemptions. He said the Farmers Union has a long-standing opposition to exemptions in the corporate farm law.

Several committee members said the bill needed to be reviewed by the appro-

priate policy committees before reaching the Senate floor. Members approved a motion to send the bill to the Agriculture and Veterans Committee without recommendation.

Historical database available

The Legislative Reference Library has developed a database, "Legislators Past and Present," containing information about Legislators who have served since territorial times. The database's information was compiled from official legislative directories, obituaries, news clippings, family files and other sources. It contains information about terms of service, education, occupation, party or caucus affiliations, leadership positions, represented communities and more.

The database also includes information about Minnesota Legislators who served in other government functions, ranging from the local level to the national level. It even indicates which Minnesota Legislators also served in another state's legislature. (There were five: Cyrus Aldrich in Illinois, Francis Cornell in New York, Mark Dunnell in Maine, Willis Gorman in Indiana and Knute Nelson in Wisconsin.)

"Legislators Past and Present" is available online at <http://www.leg.state.mn.us/legdb/index.asp>

Civic education DVD available

A DVD containing nine short segments on the legislative process is available from Senate Media Services. The segments cover political parties, the three branches of government, the duties of the president of the Senate, the Senate Chamber, ways to gather information about bills, the role of lobbyists, how to read a bill, and tips for people coming to testify before a legislative committee. An additional segment recounts the story of a student at Roseville High School who lobbied for a law banning hazing; she was motivated by her own high school hazing experience.

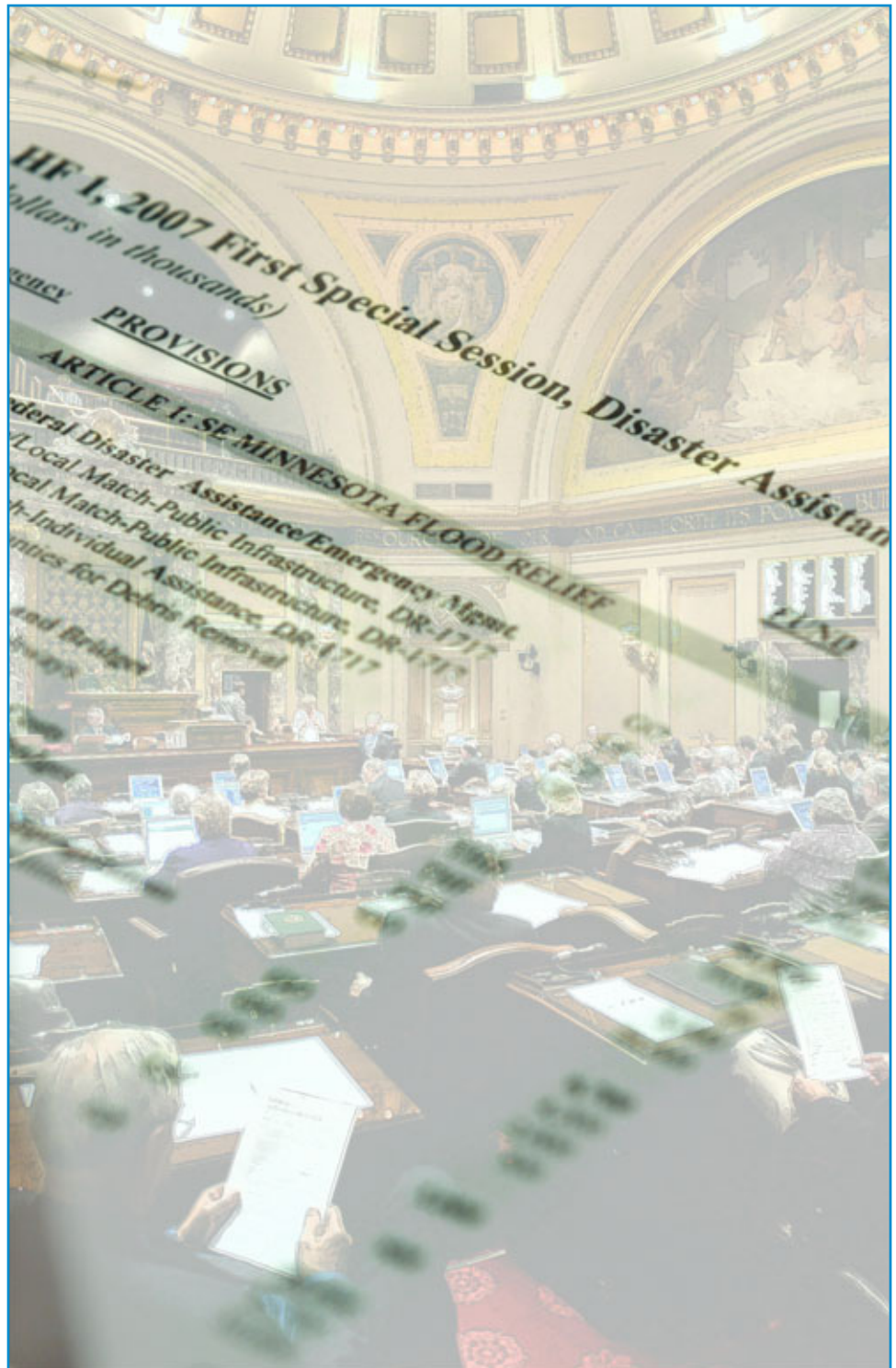
For information on obtaining a copy of the DVD, contact Senate Media Services at (651) 296-0264. The segments are also available online, along with many other civic education pieces, at <http://www.senate.mn/media> (under the "Civic Education" category).

Senate Briefly

Special Session Issue

A one-day Special Session commences, Tues., Sept. 11, to provide disaster relief funding for flood-stricken southeastern Minnesota.

Photo illustration by David J. Oakes



September 14, 2007

Senate Highlights

Flood relief bill reviewed

Before the Special Session officially began, members of the Finance Committee met, Tues., Sept. 11, to examine the proposed flood relief legislation. Committee members, chaired by Sen. Richard Cohen (DFL-St. Paul), heard from legislators whose constituents were affected by the flooding, from Finance Commissioner Tom Hanson regarding the governor's action, and from state homeland security and emergency management staff on federal aid programs.

Sen. Sharon Erickson Ropes (DFL-Winona) described the devastation in her district, which includes the three heaviest-hit counties. Homes slid off hill-sides, she said, reducing them to "piles of toothpicks." Residents had to be rescued by boats, she said, and thousands remain homeless and jobless. Hundreds of businesses have been devastated, Erickson-Ropes said. She emphasized that the losses were not suffered in a flood plain. These people were not required to have flood insurance, she said, but were supposed to be in a safe zone. The flooding was caused by the cumulative effect of 17 inches of rain and already saturated soil from previous rain earlier in the week. Senators Ann Lynch (DFL-Rochester) and Steve Murphy (DFL-Red Wing) also discussed the impacts of the flooding on their southeastern Minnesota constituents.

The legislative proposal is in addition to the governor's reallocation of \$32 million from other programs to flood relief, Hanson said. He discussed how agency staff developed the figures in the governor's reallocation order and in the proposed legislation. Hanson and Finance

Department staff also fielded detailed questions from Senators.

Senate Fiscal Analyst Matt Massman said the proposal reduces the projected FY 08-09 general fund surplus from \$373 million to about \$293 million. In FY 2008, the proposed legislation spends almost \$80 million from the general fund, over \$56 million from the bond proceeds fund, over \$61 million from the trunk highway fund, \$20 million from the trunk highway bond proceeds fund, and \$1 million from the petroleum tank release fund. Debt service costs, paid from the general fund, are projected to be \$10.6 million in FY 10-11.

The proposal totals \$218.566 million in FY 08-09 from all funds, including \$157.229 million for flood relief. The principal flood relief expenditures are \$51 million to address damage to roads and bridges, \$45 million for assistance to businesses and non-profits adversely affected by the flooding, \$19.5 million to match federal disaster relief funds, and \$18 million for housing assistance. The proposed legislation also appropriates \$53.237 million in federal aid to deal with the I-35W bridge collapse in Minneapolis and \$2 million in state matching funds for the bridge collapse. Finally, the proposal directs \$6.1 million in aid for other disasters, such as the Boundary Waters fire and Browns Valley flood.

Flood relief bill amended

The Rules and Administration Committee, chaired by Sen. Lawrence Pogemiller (DFL-Mpls.), met during the early evening hours Tues., Sept. 11, to consider the flood relief bill, S.F. 1. The measure, authored by Sen. Sharon Erickson Ropes (DFL-Winona), Sen. Steve Murphy (DFL-Red Wing) and Sen. Ann Lynch (DFL-Rochester), contains funding to aid flood ravaged counties in southeastern Minnesota. The flood relief package, totaling \$157.229 million, provides \$51 million for repair of roads and bridges, \$45 million for businesses and nonprofit organizations, \$19 million for the state's match for federal funds and \$18 million for housing assistance.

Appropriations in the bill are a mixture of general fund appropriations and bonding. The measure appropriates \$80 million from the general fund, \$56 million in general obligation bond proceeds, \$61 million from the trunk highway fund and \$21 million from trunk highway bond proceeds. The funding package also contains appropriations for forage and feed grants for portions of the state stricken by

drought, for Crookston flood aid, Browns Valley flood aid and for Grand Marais and Cook County fire aid. Finally, the bill appropriates \$53.237 million in federal aid for the I-35W bridge collapse.

Under the procedures for the Special Session, the Rules and Administration Committee is the only committee authorized to take formal action on legislation. Accordingly, members considered several amendments to refine the language in the bill.

One major amendment contained a number of technical and substantive changes to the measure. The amendment increased the appropriation for the Board of Water and Soil Resources from \$3 million to \$4 million. Under the amendment, the Board of Water and Soil Resources appropriation is for RIM conservation easements and for erosion, sediment, and water quality control cost-share program. The amendment also clarifies that nonprofit organizations are eligible for grants from the Minnesota investment fund. Another portion of the amendment provides for reimbursement to parties under contract with the commissioner of human services for residential, health care, child care, social or other services whose property was damaged by the flood. The amendment also specifies that to ensure efficient use of a \$3 million National Emergency grant from the U.S. Dept. of Labor, contractors working on projects funded under the bill give first priority to hiring employees who are available through the grant. The final portion of the amendment provides for property tax relief for destroyed property and for local option disaster credits. The amendment was adopted.

Members also adopted an amendment providing \$3.5 million to the commissioner of agriculture for flood and drought recovery assistance. Under the amendment, the commissioner may allocate the funding for livestock investment grants, organic certification assistance, forage production loss offsets for livestock producers, no-interest disaster recovery loans, water sampling and analysis and grants for mental health counseling support to farm families and business operators through farm business management programs.

Sen. Linda Berglin (DFL-Mpls.) offered, and members adopted, an amendment specifying that it is an unfair service to state or imply to an insured that filing a claim related to the I-35W bridge col-

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From left, Senators Sharon Erickson Ropes (DFL-Winona), Ann Lynch (DFL-Rochester) and Steve Murphy (DFL-Red Wing) describe to members of the Finance Committee, Tues., Sept. 11, the devastation in their districts as a result of an August torrential rainfall.

Photo by David J. Oakes

lapse for no-fault motor vehicle insurance benefits would or may result in a surcharge when the surcharge would be prohibited by law. The final amendment adopted by the committee specifies that \$100,000 from capacity building grants be appropriated to the commissioner of health for the costs of additional testing of wells where bacteria above human health risk limits have been found. The appropriation is also to be used for the costs of decontaminating any private domestic wells after a second sample result tests positive for bacteria. In addition, another \$100,000 from the capacity building grants is appropriated to the commissioner of health to conduct indoor air quality investigations and sampling in public facilities and nonprofit organizations.

Disaster relief bill passed

Senators used the one-day Special Session, Tues., Sept. 11, to enact a relief

package for victims of flooding in seven southeastern Minnesota counties: Dodge, Fillmore, Houston, Olmsted, Steele, Wabasha and Winona.

S.F. 1, sponsored by Sen. Sharon Erickson Ropes (DFL-Winona), is the disaster relief proposal. The package totals \$217.882 million in FY 08-09 from all funds, including \$157.345 million for flood relief. The principal flood relief expenditures are \$51 million to address damage to roads and bridges, \$45 million for assistance to businesses and nonprofits adversely affected by the flooding, \$19.5 million to match federal disaster relief funds, and \$18 million for housing assistance. The bill also appropriates over \$53 million in federal aid to deal with the I-35W bridge collapse in Minneapolis and \$2 million in state matching funds for the bridge collapse. Finally, the proposal directs \$5.3 million in aid for other disasters, such as the Boundary Waters fire and

Browns Valley flood. The measure was granted final passage, 62-1, and then laid on the table. Under the state Constitution, because the bill authorizes the sale of state bonds, it must originate in the other body.

After receiving the other body's flood relief proposal, H.F. 1, Erickson Ropes informed the Senate the measure was different. However, she said, the differences are minor or can be resolved later. H.F. 1 was granted final passage, 62-1.

In other action, Senators also granted final passage to a measure, S.F. 3, delaying the HAVA compliance deadline for townships. Chief Author Ann Rest (DFL-New Hope) said townships were facing difficulties in obtaining the necessary equipment to accommodate disabled voters. The technology will not be ready for the 2008 elections, she said, but townships are working to be ready as soon as possible. S.F. 3 was granted final passage, 63-0.

Senate Highlights



Above: Late in the evening of the Tues., Sept. 11, Special Session, Senate Majority Leader Lawrence Pogemiller (DFL-Mpls.), left, listens as Senate Minority Leader David Senjem (R-Rochester) addresses colleagues on the Senate floor.

Below: Senators Dennis Frederickson (R-New Ulm), left, and James Metzen (DFL-South St. Paul) examine proposed flood relief legislation during a Finance Committee meeting, Tues., Sept. 11.

Photos by David J. Oakes

