Vincent Tiny, a Virginia contractor, testifies before the Financial Institutions and Insurance Committee regarding the cost of liability insurance for small businesses. (See Highlight, p. 3)

Iron Range Mini-Session

Despite below-zero temperatures, icy roads, and blowing and drifting snow, nearly 100 state representatives braved their way to Eveleth for the Iron Range Mini-Session, Jan. 13-15.

More than 20 committee hearings held in Aurora, Babitt, Biwabik, Buhl, Cherry, Chisholm, Cook, Duluth, Eveleth, Grand Rapids, Hibbing, and Mountain Iron gave area residents a chance to talk with legislators. Questions and discussions centered on such topics as taxes, adult literacy, hazardous waste, pensions, insurance costs, sentencing guidelines, health care, workers' compensation, status offenders, community colleges, and technical institutes.

Three committees visited either the Itasca County jail, the Tower Soudan Mine, or Virginia's Arrowhead Library.

Aside from meetings, legislators visited a number of area sites, including: a chopstick factory and a high school government class in Hibbing; the Arrowhead Economic Opportunity Association in Virginia; a nursing home and day care center in Chisholm; and an iron ore operation, and a wild game feed at a restaurant in Mountain Iron.

The Iron Range Mini-Session marks the last in a series of four mini-sessions held during the interim (the time between sessions). The first mini-session was in Mankato last September, the second in St. Paul last October; and the third in Alexandria last November. It's the first time the House has held interim mini-sessions away from the Capitol.

Nothing herein is admissible as legal proof of legislative intent.
Foreign trade office

A bill that would set up an overseas trade office in West Germany got the Agriculture Committee’s attention Jan. 15.

The bill, which Rep. Steve Wenzel (DFL-Little Falls) sponsors, calls on David Speer, the commissioner of trade and economic development, to set up a trade office to showcase Minnesota-grown products and to lure foreign investments to the state. The office would have at least one full-time trade consultant working in West Germany.

Speer says West Germany is Minnesota’s fourth largest market overseas, and the third largest foreign investor in the state. He says an overseas trade office would enhance the state’s export programs.

Thirty-eight states have either trade offices in other countries or at least one consultant working for them in a foreign city. Currently, Minnesota has one trade office in London.

Wenzel says the cost of an overseas trade office is still unclear. Iowa and Wisconsin now pay $200,000-$300,000 a year to run their offices overseas. Wenzel says the Minnesota office would cost at least that much.

Though he has not officially introduced his proposal in the House of Representatives, Wenzel says he plans to do so soon.

Providing more than 138,000 jobs and paying over $1 billion in wages, tourism has become a very important part of the Iron Range economy, says Brodie. He says new private recreational facilities have been built, and more are in the planning stages. Other businesses are expanding operations and, he says, there’s talk of creating a range-wide visitor and convention bureau.

Brodie, along with other area business owners, accredit the Minnesota Office of Tourism and the Iron Range Resources and Rehabilitation Board for the tourism boost. Brodie says that starting the school year after Labor Day had a big impact on the 1987 tourism season. He estimates the late start generated $20-$25 million in tax revenue for the state.

Town meeting

Defying frigid evening temperatures, 300 Minnesota Iron Rangers flocked to the Mesabi Community College in Virginia for a town meeting with legislators Jan. 14. House members listened quietly as citizens voiced opinions on a wide variety of issues, including child custody and pension laws, euthanasia, living wills, hazardous waste, probate, and workers’ compensation.

A 20-member panel of lawmakers fielded questions and offered occasional comments.

A Hibbing couple, each the parent of two children from a previous marriage, agreed. Currently, about 50 percent of their $1,600-a-month income is earmarked by the state to support two non-custodial children. “There’s no one to help us and we are going under,” said Marianna Suhonen.

Tourism

Minnesota’s tourism industry had its best year across the state with estimated sales of $5.7 billion, says Al Brodie, executive vice president of the Minnesota Association of Campground Operators.

Brodie, in his appearance before the Commerce Committee on Jan. 14, told legislators that, though many resort and lodging businesses in the northern Minnesota reaped many of the tourism dollars, they could still use more help from the state.

An Iron Range social worker expressed concern over domestic abuse and voiced support for a statewide mandatory arrest law. “If we just had something to work with, it’d be a big help,” he said.

A volunteer fire fighter protested the insurance system for large trucks. “Our trucks are rated the same as a Class A truck that puts 500,000 miles a year,” he said. “But in our rural area, our trucks barely put on 500 miles a year. To pay the same insurance premium as other large trucks puts too big a burden on our small fire departments.”

Other participants asked legislators to:
• stop taxing pension income;
• simplify probate laws;
• streamline the workers’ compensation process;
• enforce laws concerning accessibility to schools for the handicapped;
• pass a mandatory recycling law for cans and stop offering economic incentives to counties that construct hazardous waste dump sites.

Gerald Folman, Virginia, received applause when he asked lawmakers to “run our state like a business should be run.” He also praised the outstate mini-sessions and thanked legislators for coming to the Range. “This is the greatest thing you ever did,” he said.

Omnibus insurance bill

Commissioner of Commerce Mike Hatch explained the proposed 1988 omnibus insurance bill before the Financial Institutions and Insurance Committee in Mountain Iron Jan. 14.

Some of the bill’s provisions would:
• prohibit payment of commissions or other compensation, including finder’s fees, to non-licensed persons or firms acting as insurance agents;
• decrease the minimum continuing education requirement for insurance agents from 20 to 15 credit hours per year;
• limit continued life and health coverage through the Minnesota Guaranty Association to Minnesota residents, and to those having policies from other states with no guaranty association, if an insurance company fails;
• define "water damage" and protect the insured from all water damage;
• provide that personal auto insurance covers rental vehicles and that the owner of a damaged rental vehicle must collect for damages from the insurer, not from the driver; and
• prohibit insurers from refusing to renew an individual life or health policy (because the owner did not pay the premium) unless they give the insured a 10-day cancellation notice.

Liability insurance

Insurance companies have raised liability insurance premiums for small businesses to an intolerable level, according to a Virginia, Minnesota contractor, Vincent Tiny.

Testifying before a Financial Institutions and Insurance Committee meeting in Mountain Iron Jan. 14, Tiny said that high insurance premiums are responsible for layoffs and business closings in the area. Tiny asked legislators to consider legislation that would limit the amount that insurance carriers can charge at one time.

"It doesn't make sense to have to come up with $20,000 before you've started business for the year," he said.

Tiny blames high liability insurance costs on unwarranted lawsuits. He says his firm is among 25 companies currently being sued by a widow of a man who had worked for his firm in 1961 and later died of complications attributable to asbestos exposure. Tiny considers the claim outdated and unjustified and requests legislation that would force a plaintiff to pay a company's legal expenses should the plaintiff sue and lose.

Rep. Linda Scheid (DFL-Brooklyn Park) sympathized with Tiny's position, but said she was not certain if Tiny were asking the committee to consider legislation that would prohibit such lawsuits.

"I don't know where you draw the line between saying a person who's been injured in a certain kind of work cannot receive relief from our system," said Scheid. "...I'm not willing to say that a person can't raise that suit."

Rep. Gordon Voss (DFL-Blaine) told Tiny that there are bills aimed at unwarranted lawsuits, and that there will be more legislation aimed in that direction.

Adult literacy

To qualify for their checks, government assistance recipients must attend classes that may help them get jobs or begin a career. Members of the Education Finance Division of the Education Committee learned from teachers about the impact of this law during their Jan. 14 meeting at the Arrowhead Economic Opportunity Center in Virginia.

"We are seeing a significant increase in the reluctant student," said Fred Myers, an Adult Basic Education (ABE) instructor from Duluth. "They are not as motivated as our other students. Their only reason to be there is to receive their monthly checks."

For programs that are short-staffed and under-budgeted, the extra time needed to motivate and teach these students is costly, he said.

But Vern Zacher, coordinator of the State Department of Indian ABE, said money—not motivation—presents the biggest problem. "We need to extend the number of weeks our classes meet if we are to comply with federal assistance requirements," he said. "But we don't have enough money to pay a teacher to do that."

Experts estimate that 9,000 adults in northeastern Minnesota have no high school diploma or General Education Degree (GED).

Property taxes

"If something isn't done to aid small businesses, there will soon be no small businesses or tax base, and the area will be in even deeper trouble," a constituent told the Property Tax Division of the Taxes Committee in Hibbing, Jan. 14.

Dick Merten, a Virginia business owner, explained to committee members the hardship that high property taxes impose on small businesses and elderly property owners who are no longer physically able to care for their homes, and who do not qualify for subsidized housing.

According to Merten, such people often turn to the private sector for housing only to find that excessive property taxes have made the price of rent too high. Merten says that elderly people cannot offset high rent through the rental of their own homes because loss of their homestead credit and the resulting tax increase would absorb their profits.

Merten proposes that property taxes be tailored to each region and reflect areas of severe economic problems. As a solution to property tax inequity, revenues from a proposed state lottery should be earmarked for education and welfare, thus easing statewide the burdens those programs place on property taxes, he says.

Several representatives assured Merten that legislators are committed to dealing with these problems.

"Hang on," said Rep. Bob Neuenschwander (DFL-Int'l Falls). "There's a light at the end of the tunnel and this time maybe it's not an oncoming train."
School board merger

Thirty-three individual boards currently direct Minnesota's two-year post-secondary institutions. Under proposed legislation heard Jan. 13 at Mesabi Community College by the Higher Education Committee, one statewide board would govern all community colleges and technical institutes (TIs).

Supporters of HF1100 (Larsen, DFL-Ramsey) say that one cohesive state board could improve administrative efficiency as well as oversee course offerings to avoid unnecessary program duplication.

"A single board would be the best way to improve quality" in both community colleges and TIs, says Archie Chelseth of the Higher Education Coordinating Board (HECB).

But John Ostrem of the State Board of Vocational Technical Education says the two school systems need separate supervision. He supports unifying TI governance, but not merging with the community college board.

Other opponents of the bill say that TIs and community colleges have different missions and that one board could not do equal justice to both.

"Why try to fix something so drastically that doesn’t need it?" asked Rep. Bob Johnson (DFL-Bemidji).

AGRICULTURE

Friday, Jan. 15
- Heard a presentation from the president of the World Trade Center concerning Minnesota's role in world and regional agricultural trade markets; discussed issues surrounding the placement of a Minnesota Trade Office in West Germany. (See Highlight)

Dairy & Livestock Subcommittee/AG
Thursday, Jan. 14
- Toured a dairy farm in Cherry.

COMMERCED EVELOPMENT & HOUSING

Wednesday, Jan. 13
- Joint meeting with State Departments Division/APPROP
- Heard presentation on economic development activities of the Iron Range Resources and Rehabilitation Board (IRRRB) by Mark Phillips, director of economic development.
- Heard presentation on natural resource inventory project by Associate Director Roy Adams, and staff scientist John Gephart of the Natural Resources Research Institute.
- Heard public testimony on various economic development issues.

EDUCATION

Wednesday, Jan. 13
- Overviewed cooperative efforts among school districts.
- Heard an update on specific school district reorganization efforts.
- Attended an open house at the Arrowhead Library in Virginia.
Education Finance Division/EDUC
Thursday, Jan. 14
• Heard reports on progress and problems in adult literacy programs; discussed the impact of literacy program attendance requirements for persons receiving government assistance.
• Heard testimony from adult literacy program participants. (See Highlight)

School Facilities Subcommittee/EDUC
Wednesday, Jan. 13
• Toured the Alango Elementary School in St. Louis County.

ENVIRONMENT & NATURAL RESOURCES
Friday, Jan. 15
• Heard a presentation from the Waste Management Board on the board’s waste tire efforts; toured the Tirecycle and Whirl-Air Rubber manufacturing plants.

FINANCIAL INSTITUTIONS & INSURANCE
Thursday, Jan. 14
• Heard testimony from local resident concerning liability insurance for small business.
• Heard Mike Hatch, commissioner of commerce, explain the 1988 omnibus insurance bill. (See Highlights)

FUTURE & TECHNOLOGY
Thursday, Jan. 14
• Discussed the importance of telecommunications to rural Minnesota and toured the Hibbing Electronics Corporation.

GOVERNMENTAL OPERATIONS
Friday, Jan. 15
• Pensions—Rule of 90 HF944 (Simoneau, DFL-Fridley)—heard.
• Heard and discussed testimony about extending the Rule of 90 to members of the Teachers Retirement Association (TRA) and the Minnesota State Retirement System (MSRS).

HEALTH & HUMAN SERVICES
Wednesday, Jan. 13
• Heard testimony from area health care providers on access to health care in northern Minnesota.

HIGHER EDUCATION
Wednesday, Jan. 13
• Post-secondary education—board unification HF1100 (Larsen, DFL-Ramsey)—heard.
• Heard testimony from representatives of Minnesota’s community colleges and technical institutes about governance changes proposed in HF1100. (See Highlight)

JUDICIARY
Wednesday, Jan. 13
• Obscenity—prohibition HF402 (Reding, DFL-Austin)—heard.

Crime & Family Law Division/JUDIC
Thursday, Jan. 14
• Heard public testimony on status offenders.

Sentencing Guidelines Subcommittee/JUDIC
Wednesday, Jan. 13
• Toured the Itasca County jail.

LABOR-MANAGEMENT RELATIONS
Wednesday, Jan. 13
• Heard Commissioner Ray Bohn and Asst. Commissioner Ann Clayton, Department of Labor and Industry, discuss effects of 1987 workers’ compensation legislation (administrative improvements to the system).
• Heard testimony from Chief Administrative Law Judge Duane Harves regarding reduction of backlog of disputes requiring conferences in Greater Minnesota.
• Heard testimony from Iron Range residents regarding their experiences with legislative improvements.

TAXES
Wednesday, Jan. 13
• Heard public comment on the 1987 Omnibus Tax Bill.

Property Tax Division/TAXES
Thursday, Jan. 14
• Discussed property taxes with auditors, assessors, and a local property owner. (See Highlight)
Rep. Glen Anderson (DFL-Bellingham), left, and Rep. Bernie Lieder (DFL-Crookston), center, listen as Don Logan, Department of Natural Resources ranger, explains how iron ore is mined one-half mile below the earth's surface at the Soudan Underground Mine in Tower, Minnesota.

Russ Johannsen, Itasca County sheriff, speaks to legislators before they tour the Itasca County jail at the Courthouse in Grand Rapids.

Williard Anderson, center, from the Coalition of Retired Employees (CORE) of Northern Minnesota, discusses pension and retirement issues with Rep. Gordon Voss (DFL-Blaine), left.

An agriculture class from Cherry High School tours the Manners Brothers milking operation with Rep. Elton Redalen (IR-Fountain), right. The dairy is one of the largest on the Range.
Publications

Minnesota House of Representatives Public Information Office

**Session Coverage**

*Session Weekly,* a newsletter published once a week during sessions, reports daily House and committee action, lists all bill introductions, advance committee schedules, and provides other information to help you follow the legislative process.

*Session Summary,* a booklet published at the end of each session, summarizes and indexes all bills that both the House and the Senate passed during a legislative session, and lists their chapter numbers as they appear in *Laws of Minnesota.*

**Directories**

*Minnesota House of Representatives and State Senate Membership Directory* comes in two forms: 1) an unofficial listing (published immediately after elections) of the newly elected legislative bodies with district numbers, party designations, home addresses, home and office phone numbers and number of terms served; and 2) an official listing of representatives and senators, including individual photos, with office phone numbers, district numbers, party designations, home addresses and phone numbers, and occupations.

*Staff Directory* includes House staff listings for: leaders, officers, members, majority offices, minority offices, House offices, and House employees.

*Minnesota Legislature: Members Directory* (green book) includes, for both House and Senate: membership by district, leaders and officers, membership directory (including individual photos and brief biographies), service offices, majority offices, minority offices, House and Senate offices, committee schedules, and committee assignments. It also lists state constitutional officers and U.S. congressional representatives.

*Official Directory of the Minnesota Legislature* (red book) includes all information that’s in the *Members Directory.* It also lists House and Senate employees, and the permanent rules for both bodies. A joint Senate and House section gives information about the legislative reference library, revisor of statutes, legislative commissions, joint rules, constitutional provisions, statutory provisions, state government, state departments, news reporters, Minnesota’s representatives in Congress, and other legislative information.

**Educational Materials**

*Welcome to the Minnesota House of Representatives* booklet invites you to take a self-guided tour through the House Chamber at the State Capitol. It gives you historical and current information on the legislative process, the House Chamber, and the Capitol.

*Government is for Everyone...Be a Part of It* information packet includes five separate fact sheets about Minnesota and state government:

1. “Facts about Minnesota”
2. “Know Your Legislature”
3. “Contact Your State Legislator”
5. “The Legislature is not Congress”

Ask for single fact sheets if you don’t want all five.

*How a Bill Becomes Law in Minnesota* brochure describes the legislative process from the introduction of a bill to the governor’s signature.

*The Road to Minnesota Laws* booklet illustrates the entire legislative process in cartoon format for young people.

*Your House on the Hill Coloring Book* provides outline pictures of the Capitol, the Golden Horses, the state seal, and the House Chamber.

*Citizen Participation Quiz on Government,* a four-page publication, includes a brief quiz (with answers) on the Minnesota Legislature, Congress, and Voter Information. It also has maps of Minnesota’s legislative and U.S. congressional districts.

*The Three Branches of Minnesota State Government* brochure describes the functions and powers of the legislative, executive, and judicial branches of government. It also includes a diagram and an explanation on how a bill becomes law.

*Seating Arrangement* chart shows the seating arrangements in the House and the Senate chambers. It includes alphabetical listings of House and Senate members, their photos, party designations, home addresses, and district and seat numbers.

To request any of the listed publications, please call (612) 296-2146 or write:

Minnesota House of Representatives
Public Information Office
175 State Office Building, St. Paul, MN 55155

January 1988
The Minnesota Legislature creates, abolishes, and changes laws to fit the needs of Minnesotans. Legislators introduce hundreds of proposed laws each session. The House of Representatives and the Senate consider bills separately, but they must agree on a bill before it can become law.

The Legislature relies on committees, divisions, and subcommittees to be sure all bills get careful study and review. In the House, the speaker decides on the committees the House will have, and appoints the members and chairs who will serve on them. The speaker also assigns bills by topic to the appropriate committees.

Here's a list that briefly describes the functions and concerns of each 1988 committee and division:

### AGRICULTURE
Sets out farm policies and programs to assist farmers, promote interstate and international trade, commodity marketing, and soil conservation; makes budgetary decisions for programs the Agriculture Committee creates, including sources of funding; reviews farm programs for effectiveness and efficiency.

### APPROPRIATIONS
Recommends objectives and goals in appropriating state money; reviews the governor's budget proposals; recommends level of funding for all state agencies and any other program the state finances; provides estimates of appropriations to the Ways and Means Committee; reviews every bill that needs an appropriation even if the bill had its first hearing in another committee. (For example, a proposal having to do with agriculture that involves spending money, would go first to the Agriculture Committee or one of its divisions.)

### EDUCATION
Recommends programs for K-12 education. Looks to making education fair and equal among different regions in the state and among different social and economic groups. Also addresses teachers' training and parent/community involvement in education.

### ENVIRONMENT & NATURAL RESOURCES
Focuses on hunting and fishing regulation and promotion, pollution, waste management, wildlife protection, forestry, and mining.

### FINANCIAL INSTITUTIONS & INSURANCE
Focuses on consumer rights in insurance, and affordability and availability of insurance for individuals and companies; reviews banking charges and definitions of accounts and services.

### FUTURE & TECHNOLOGY
Concerned with long range economic and job needs, emphasizing Minnesota's place in the world market. Anticipates demographic (population) changes in the state for consideration in educational, economic, housing, health, crime, environmental, tax, and other policy decisions.

### ECONOMIC DEVELOPMENT & HOUSING
Makes recommendations for programs in job development and training, financing businesses, housing and community development, and rural development; makes recommendations for allocating private activity bonds; reviews programs in the Department of Trade and Economic Development.
GENERAL LEGISLATION, VETERANS AFFAIRS & GAMING
Addresses gambling issues and regulations, veterans' programs, regulation of elections, and other miscellaneous legislation.

GOVERNMENTAL OPERATIONS
Reviews any bill that substantially changes or creates a new state department, agency, commission, board or bureau; deals with public employee pension plans, and state workers' bargaining procedures.

HEALTH & HUMAN SERVICES
Reviews and makes recommendations for the policies, goals, objectives, reform, and creation of welfare programs; concerned with the availability of programs and services; deals with the licensing of health care providers and social workers. (The Health and Human Services Division of the Appropriations Committee works on the funding of programs.)

HIGHER EDUCATION
Makes recommendations for the goals and objectives of technical institutes, state universities, community colleges, and the University of Minnesota; assesses the quality, availability, and governance of these institutions; addresses student financial aid and enrollment issues.

JUDICIARY
Considers sentencing guidelines, bail requirements, citizen rights, civil law, data practices, and corrections. Evaluates structure and organization of courts.

LABOR-MANAGEMENT RELATIONS
Addresses concerns in areas of negotiation procedures, wages, unemployment insurance, workers' compensation, and the rights and responsibilities of workers, managers, and owners.

Unemployment Insurance and Workers' Compensation Division/LABOR-MGMT REL
Deals with the concerns of businesses, workers, and insurance companies, and the effectiveness and availability of unemployment insurance and workers' compensation.

LOCAL & URBAN AFFAIRS
Makes recommendations concerning relations between state and local governments, the impact of state laws and/or programs on local units of government, and the jurisdiction, control and bonding authority of local units of government.

METROPOLITAN AFFAIRS
Reviews the structures, goals, programs, and budgets of metropolitan agencies; concerned with all transportation, sewers, roads, bridges, parks, airports, sport facilities, and bonding for state construction projects, and all other issues of metropolitan concern.

REGULATED INDUSTRIES
Deals with controls on industries the state regulates, such as liquor, telephone, and power.

RULES & LEGISLATIVE ADMINISTRATION
Establishes a budget for House committee expenses; determines House rules, joint rules, and administrative duties of the House.

TAXES
Reviews all bills that affect state tax revenue and tax policies, though tax bills may first go to another committee; addresses budget stability; provides revenue estimates of House tax measures to the Ways and Means Committee.

Property Tax Division/TAXES
Evaluates property tax system, state aid to local governments, property tax relief for individuals, and fairness of tax base.

Tax Laws Division/TAXES
Focuses primarily on legislation regarding corporate and business taxes.

TRANSPORTATION
Focuses on highway safety, rural transit, funding for highway construction and maintenance, regulations of road use, railroads, waterways, air transportation, and licensing of vehicles.

WAYS & MEANS
Sets overall spending and taxing policies and limits for the Appropriations and Taxes Committees, and the Education Finance Division of the Education Committee.
Snowflakes fly as Agriculture Committee members brave below-zero weather to tour a dairy farm in Cherry, Minnesota.