

MESSAGES AND COMMUNICATIONS RECEIVED
SUBSEQUENT TO ADJOURNMENT SINE DIE

The following messages and communications were received subsequent to adjournment sine die by the House:

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 2958, A bill for an act relating to finance; modifying the membership of the Legislative Advisory Commission; authorizing the Legislative Advisory Commission to review requests to spend federal money; limiting the authority to spend federal money without legislative review to certain emergency management purposes; providing for the validation of certain appropriation bonds; establishing an apprenticeship and on-the-job training program to administer a portion of the Minnesota GI Bill program; eliminating a surcharge on special veteran's plates for certain trucks; appropriating money for honor guards, soft body armor, and disaster deficiency; amending Minnesota Statutes 2010, sections 3.30, subdivision 2; 3.3005, subdivisions 2a, 4, 5, 6, by adding subdivision; 12.22, subdivision 1; 116.03, subdivision 3; 197.791, subdivision 6, by adding a subdivision; Minnesota Statutes 2011 Supplement, sections 16A.96, by adding a subdivision; 168.123, subdivision 1.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

CAL R. LUDEMAN, Secretary of the Senate

Mr. Speaker:

This is to notify you that the Senate is about to adjourn the Eighty-Seventh Legislative Session sine die.

CAL R. LUDEMAN, Secretary of the Senate

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 10, 2012

The Honorable Kurt Zellers
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Zellers:

Please be advised that I have received, approved, signed, and deposited in the Office of the Secretary of State H. F. Nos. 2685, 1721 and 2967.

Sincerely,

MARK DAYTON
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

The Honorable Kurt Zellers
Speaker of the House of Representatives

The Honorable Michelle L. Fischbach
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2012 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S. F. No.</i>	<i>H. F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 2012</i>	<i>Date Filed 2012</i>
1808		286	12:39 p.m. May 10	May 10
	2685	287	12:41 p.m. May 10	May 10
	1721	288	12:43 p.m. May 10	May 10
1983		289	12:46 p.m. May 10	May 10
1143		290	12:47 p.m. May 10	May 10
	2967	292	12:47 p.m. May 10	May 10

Sincerely,

MARK RITCHIE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 11, 2012

The Honorable Kurt Zellers
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Zellers:

Please be advised that I have received, approved, signed, and deposited in the Office of the Secretary of State H. F. No. 1752.

Sincerely,

MARK DAYTON
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

The Honorable Kurt Zellers
Speaker of the House of Representatives

The Honorable Michelle L. Fischbach
President of the Senate

I have the honor to inform you that the following enrolled Act of the 2012 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S. F. No.</i>	<i>H. F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 2012</i>	<i>Date Filed 2012</i>
	1752	293	12:59 p.m. May 11	May 11

Sincerely,

MARK RITCHIE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 14, 2012

The Honorable Kurt Zellers
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Zellers:

Please be advised that I have received, approved, signed, and deposited in the Office of the Secretary of State H. F. No. 2958.

Sincerely,

MARK DAYTON
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

The Honorable Kurt Zellers
Speaker of the House of Representatives

The Honorable Michelle L. Fischbach
President of the Senate

I have the honor to inform you that the following enrolled Act of the 2012 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S. F. No.</i>	<i>H. F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 2012</i>	<i>Date Filed 2012</i>
	2958	299	12:04 p.m. May 14	May 14

Sincerely,

MARK RITCHIE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 14, 2012

The Honorable Kurt Zellers
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Zellers:

Please be advised that I have received, approved, signed, and deposited in the Office of the Secretary of State H. F. No. 2690.

Sincerely,

MARK DAYTON
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

The Honorable Kurt Zellers
Speaker of the House of Representatives

The Honorable Michelle L. Fischbach
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2012 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S. F. No.</i>	<i>H. F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 2012</i>	<i>Date Filed 2012</i>
	2690	294	2:52 p.m. May 14	May14
1653		295	2:53 p.m. May 14	May14
1420		298	2:59 p.m. May 14	May14

Sincerely,

MARK RITCHIE
Secretary of State

Pursuant to Article IV, Section 23 of the Minnesota Constitution and Minnesota Statutes, Chapter 4, Section 4.034, the following bills were pocket vetoed by the Governor after adjournment sine die by the Legislature:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 14, 2012

The Honorable Kurt Zellers
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Zellers:

I write to inform you that by not signing or depositing H. F. No. 247, Chapter No. 296, in the office of the Secretary of State, I am vetoing this legislation. Although return of the bill to the house of origin and a veto message are not required because the Legislature has adjourned *sine die*, I want to provide the reasons for my decision.

The legislative majority designed and passed this bill with very little consultation or collaboration with my administration. It is a reduced version of H. F. No. 2337, the earlier omnibus tax bill, which I vetoed. It shares some of the same defects. As I stated in my May 4, 2012 veto letter, "It has been my consistent position throughout this session that any new spending increases or tax reductions had to maintain the current Budget Reserve and avoid increasing future deficits." H. F. No. 247 would cost the state over \$46 million in this biennium and an additional \$73 million in the next biennium, which would add to a deficit already projected to be \$1.1 billion.

In our very brief discussions about a tax bill for this year, I agreed to using part of the extra money from the Health Plans' refunds for tax reductions during this biennium. I also agreed to a relatively small withdrawal from the Reserve Fund, to replace the House majority's preferred reduction in the Renters' Property Tax Refund.

H. F. No. 247 respected those financial parameters for this biennium; however, it ignored my requirement that any future spending must be paid for and avoid adding to the next biennium's projected deficit. By refusing to pay for its spending, the authors of H. F. No. 247 ignored opportunities to improve tax fairness and eliminate tax preferences, which DFL leaders and I have suggested frequently. They include the "Affiliate Nexus" tax, which would benefit both large and small Minnesota retailers, and the elimination of tax preferences for corporations' operations in foreign countries.

H. F. No. 247 also fails to address another of my previously stated objectives to the earlier H. F. No. 2337. It retains a large imbalance between its significant business tax reductions and virtually no tax relief for anyone else: homeowners, renters, senior citizens, and farmers. This bill would provide almost \$120 million in tax relief over the next three fiscal years to businesses, which is 24 times more than its tax relief for homeowners. (A separate bill, H. F. No. 2690, which I have signed, does provide \$4.1 million in property tax relief to homeowners in this biennium; however, it is a one-time benefit only to homeowners whose property tax increases exceed 12%.)

There is no question that Minnesota businesses have been hit hard by recent property tax increases. But so has everyone else! Over the past decade commercial industrial property taxes increased by 57 percent, while residential property taxes increased by 93 percent. This bill would do little to relieve the financial hardships imposed on homeowners, renters, and farmers by the legislative majority's elimination of the Homestead Credit and cuts in Local Government Aids. I remain committed to broad-based, comprehensive property tax relief for all property taxpayers, including—but not limited exclusively to—businesses.

Furthermore, according to the Minnesota Department of Revenue, H. F. No. 247's one-year freeze of the statewide levy would provide the average owner of business property in Greater Minnesota valued at \$150,000 only a \$27 reduction in property taxes, a meager 0.7% tax reduction. Almost half (44%) of all business properties in Minnesota are valued at \$150,000 or less.

The typical owner of a metro business property worth \$1,000,000 would receive a reduction in property taxes of only \$228 from a total tax due of \$38,622, which would be only a 0.6% tax reduction. It is unrealistic to expect that such paltry tax relief would be incentives for business owners to hire additional employees. Such insignificant reductions for individual businesses would certainly not justify the program's total cost of over \$46 million to the state's General Fund (i.e., all other Minnesota taxpayers) during the next three years.

The bill does contain provisions which I support. It has a greatly reduced version of my own "Jobs Now" tax credit to businesses, which hire unemployed veterans or recent college graduates. I proposed increasing the R&D tax credit last year, and previously agreed to increased funding for the Angel Investor's tax credit and the up-front capital equipment exemption from the sales tax for businesses. I also support some of the bill's local business development incentives. Regrettably, those positive features, upon which we agreed, were sacrificed in favor of partisan posturing.

In my May 4th letter, I wrote, "Two weeks ago, we began discussions about a bi-partisan, fiscally responsible tax bill to encourage economic growth and job creation. That bi-partisan effort was abandoned for this very partisan measure. In the short time left in this session, I remain available to continue our development of a fair, financially sound tax bill, which encourages job creation, but not at the expense of our future."

Unfortunately, Republican legislative leaders rejected that approach. After one brief meeting, the tax conferees drafted another bill entirely to their satisfaction, with no discussions with or input from my administration.

If there is a lesson to be learned from this session, it is that genuine, bi-partisan collaborations produce successful outcomes. Notable examples include the Stadium bill, the Bonding bill, the Environmental Permit Streamlining bill, and the restoration of Health and Human Services funding.

By contrast, legislation, which the majority writes with no attempt at bi-partisan cooperation, is usually unsuccessful. And attempts to pressure me into accepting it after it has been passed, will almost certainly guarantee a veto.

Sincerely,

MARK DAYTON
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 24, 2012

The Honorable Kurt Zellers
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Zellers:

I write to inform you that I will neither sign H. F. No. 322, Chapter No. 297, nor deposit it in the Office of the Secretary of State. Per Article IV, Section 23, of the Minnesota Constitution, "Any bill passed during the last three days of the session which is not signed and deposited within 14 days after adjournment does not become a law." That is my intent with regard to this legislation.

I appreciate and respect the concerted efforts by the bill's authors to involve both proponents and opponents of the legislation, to revise its language in light of those discussions, and to engage my office. Both proponents and opponents make compelling arguments in support of their respective positions.

Every marriage is different; therefore, each divorce has its own unique set of facts, conditions, and circumstances. Thus it is very difficult to codify one set of presumptions and preferences, which will apply to every family situation. The proponents of H. F. No. 322 cite many cases where the law's changes would benefit both parents and their children. On the other hand, opponents cite many compelling reasons why, in other instances, the changes made by the legislation would have harmful consequences for at least one of the parents and the children.

The validity of one side's arguments, as applied to certain situations, does not invalidate those made by the other side, based upon other cases. With a few exceptions, such as alleging financial self-interests or ideological rigidities, people and parties on both sides of the legislation share the same, good faith intentions, rooted in their shared desire to proscribe what will be best for every parent and, especially, every child ensnared in the painful dissolution of a marriage.

Torn between the persuasive arguments of both proponents and opponents of the legislation, I am particularly influenced by the strong opposition of so many organizations (although not all of their members), who work every day with the most challenging divorces and their effects on the well-being, and even the safety, of parents and children. There is enough uncertainty about all of the ramifications of this legislation to persuade me to give pause to its enactment.

My view is that this dialogue and, hopefully, collaboration among legislators of both parties and the various stakeholders should continue into the 2013 Legislative Session. I will commit experts from my administration to become even more engaged, with the goal of producing legislation, which I can sign into law next year.

Sincerely,

MARK DAYTON
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 29, 2012

The Honorable Mark Ritchie
Secretary of State
The State of Minnesota

Dear Mr. Secretary:

I write to inform you that the following bills have been pocket vetoed:

- H. F. No. 247, Chapter No. 296, the Omnibus Tax Bill; and
- H. F. No. 322, Chapter No. 297, a bill increasing the parenting time presumption.

Sincerely,

MARK DAYTON
Governor