

Dear Neighbor,

Thank you for giving us the opportunity to represent you in the Minnesota Legislature! The Legislature adjourned its 2019 session following a brief special session on May 24–25. The goal of this year's session was to establish the state's \$48.5 billion biennial budget.

The budget as passed by the legislature and signed into law by Governor Walz represents a compromise between the DFL-controlled House, Republican-controlled Senate, and executive branch. From our perspective, the compromise reflects some positive gains, but also includes many disappointments.

Our progressive DFL values were reflected in bills that were passed on the House floor and Senate DFL amendments to Republican authored bills. We fought hard to increase funding for education and health care; address the urgency of climate change; make desperately needed new investments in roads, bridges and transit; prevent gun violence; reform criminal justice; ensure clean and fair elections; and protect a woman's reproductive freedom.

We are concerned that future spending is designated to come from the state's budget reserves. What does this mean? It means the use of unsustainable funding for ongoing needs – wiping out a potential source of stability should the economy falter – and potentially downgrading our credit rating.

Opportunity, freedom, and security are things that Minnesotans expect their state government to prioritize and invest in. Our respective legislative efforts kept those values at the center. So many of you were extremely active at the legislature this year. We are grateful for your leadership, ideas, advice, and partnership in advancing numerous solutions to the challenges we face. We look forward to remaining in touch with you on any matter of importance to you.

Sincerely,

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Senator Scott Dibble

Representative Frank Hornstein

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Highlights and Successes

Provider Tax: Sunset Repealed

The scheduled sunset for the medical provider tax that funds the Health Care Access Fund for lowincome Minnesotans was repealed. As a result 1.2 million Minnesotans whose health care was in jeopardy will continue to receive their health care, disability supports, and mental health services.

Opioid Crisis: Funding for Prevention

A new law requires opioid drug companies to pay significant fees to support hospitals and local governments that incurred increased costs for healthcare services and other supportive services responding to the opioid epidemic.

Protections Against Elder Abuse in Care Settings

After years of advocacy, Minnesota passed comprehensive reforms to put an end to abuse and neglect of seniors and the disabled in longterm care. Sen. Dibble was a key legislative leader working to end Minnesota's distinction as the only state that didn't license assisted living facilities. Because of this bill, residents may now place monitoring cameras in their rooms. Properly evaluating patient complaints, better investigations, and enforcement are all a part of this initiative.

Wage Theft

39,000 Minnesotans are estimated to lose \$11.9 million in unpaid wages annually. This session, the Legislature adopted the strongest wage theft law in the country to ensure that all Minnesota workers receive an hour's pay for an hour's work.

\$100 Increase in the MFIP Grant

Families enrolled in the Minnesota Family Investment Program (MFIP) will see a \$100 increase in their monthly cash benefit, the first since 1986. While modest, this increase will make a big difference to many low-income families.

Hands Free Cell Phone Bill

Minnesota joined 17 other states this spring when it passed Rep. Hornstein's bill banning the use of handheld cell phones while driving. The legislation comes after a decade of advocacy and will take effect on August 1, 2019.

Housing

The Legislature secured \$78 million in new housing investments for emergency shelters, rental assistance, preservation, and new production. The housing portion of the budget also includes stronger tenant protections.

Disappointments

Alec Smith Emergency Insulin Act

Alec Smith was a young Minnesota man who could not afford his insulin, so rationed it. He died as a consequence. A proposal that would have created a fund to help those in need through a fee on insulin makers was killed behind closed doors by Republican Senators, despite earlier declarations of support.

Gun Violence Prevention and Safety

More than 80% of Minnesotans support common sense measures to reduce gun violence, accidents and suicides. In historic votes, the House passed provisions requiring criminal background checks for gun purchases and allowing for extreme risk protection orders for those who are likely to harm themselves or others. These bills did not receive hearing in the Republican-controlled Senate.

Restore the Vote

Minnesotans who have paid their debt to society after committing a transgression are better rehabilitated if they are connected to their community, democracy and future. Studies show that restoring voting rights is an important part of reducing recidivism rates. Legislation to restore the vote did not pass this year, but we will work to ensure this bill is included in future election policies.

Driver's Licenses for All

We are strong advocates of the *Drivers Licenses for All* legislation to ensure that aspiring citizens can obtain a drivers license. This legislation passed the House, but the Senate bill authored by Sen. Dibble was denied a hearing despite strong support from law enforcement, business, and faith communities.

Conversion "Therapy"

Minnesota has yet to join the growing number of states where the extremely damaging, discredited practice purporting to change the sexual identity or orientation of LGBTQ people called "conversion therapy" is illegal. Sen. Dibble fought passionately for this bill, but Senate Republicans were unmoved by the numerous personal stories shared by survivors of this barbaric practice and killed the bill to ban it in Minnesota.

Bonding

Last-minute demands from House Republicans stymied a hoped-for capital investment bill to fund needed improvements to the state's public infrastructure. The job-creating bonding bill would have funded university buildings, local bridges, transit, clean water, natural resource preservation, and cultural and recreational amenities.

No New Transportation Funding

The House DFL transportation bill authored by Rep. Hornstein addressed the significant funding needs for roads, bridges, public transportation and bike and pedestrian infrastructure. As House and Senate transportation leaders, Rep. Hornstein and Sen. Dibble championed legislation to increase new revenue for a transportation and transit system that strengthens the economy, improves safety and mobility, and reduces greenhouse gas emissions. Senate Republicans rejected the plan, so the legislature passed a status quo bill that does not address our state's need for improved transportation.

100% Carbon Free by 2050

Rep. Long authored legislation to establish a 100% carbon-free electricity by 2050 standard in Minnesota. This bill passed the House in an important vote. The Republican-controlled Senate, however, failed to take any action on this legislation, not even granting the bill a hearing in the Senate Energy and Utilities Committee.

Paid Family and Medical Leave

The US is one of a few countries that does not ensure paid family and medical leave. A bill to ensure paid family and medical leave was a high priority for working Minnesotans, DFL legislators and the Governor, and passed the House. The Minnesota Chamber of Commerce and other conservative organization opposed the bills in the Senate and the bills did not pass this session.

Equal Rights Amendment

It is long past time to guarantee the most basic, fundamental equality for everyone regardless of gender in our state's constitution. A bill to allow voters to do this passed the DFL House but was quashed by the Republican Senate.

E-12 Education

Key Provisions That Passed

The E-12 education budget provides a two percent increase each year in the basic per-pupil funding formula, allows 4,000 young learners all across the state to access to early childhood education, puts significant new funds towards the special education cross subsidy to help school budgets, and makes permanent funding increases for Minnesota's Bureau of Indian Education (BIE) schools. Although the House and the Governor were able to overcome cuts proposed by the Senate, the increases do not allow schools to keep up with inflation or to make up for under-funded budgets the past 15 years. The final bill did include a new initiative to better identify and assist students with dyslexia.

Provisions Not Included Comprehensive Sexual Health Education

Minnesota lacks any requirement that ageappropriate, comprehensive sexual health education be given to its students. A bill passed the House, but strenuous Senate opposition based on religious objection and deliberate misrepresentation of its provisions prevented the bill's passage.



Transportation

Key Policy Provisions That Passed

- Cities will be able to set speed limits on those roads they control (look for speed limit reductions on residential streets in the not too distant future).
- Five million dollars in already available federal funds will be targeted towards active transportation, bicycling and pedestrian facilities throughout the state.
- Non-citizens, suddenly last fall disallowed ownership of purchased vehicles using their foreign identification, will once again be allowed to purchase and own their vehicles.
- Drivers licenses can now have emergency contacts listed on them. Additionally, one can opt to have their autism or mental health condition noted so police may better interpret one's behavior.
- A study to evaluate extending NorthStar commuter rail service to St. Cloud.

Provisions Not Included

- Transportation is the largest contributor to greenhouse gases in Minnesota. Republicans rejected all efforts to create a plan, policies and measures to turn this around.
- Efforts to establish specific new bicycle routes and assist communities with their planning efforts was resisted by Republicans. However, onerous new restrictions on funding and siting bike paths and lanes, pushed by the Republican chair, were defeated.
- A number of items to benefit poor and minority communities were resisted and defeated by Republicans. These included ensuring that new non-polluting electric buses be first deployed to low income neighborhoods disproportionately affected by poor air quality and allowing nearby Native communities be given the first shot at building and maintaining state highways near their reservations.
- Seemingly punitive measures to charge electric vehicle owners more were defeated.
- An effort to increase carpools to three or more people in order to use high occupancy toll (MnPASS) lanes was defeated.



Energy, Utilities, and Climate Change

The House DFL and Governor Walz supported bold new initiatives to address the growing climate crisis. Rep. Long authored and passed several initiatives in the House to expand renewable energy and promote energy conservation. Senate Republicans refused to accept any of these initiatives.

Key Policy Provisions That Passed Energy Storage

Energy storage is vital in the transition to a clean energy future. More effective storage addresses the demands of daily peak hours, and can serve as repositories of excess energy. This legislation requires large investor owned utilities (such as Xcel Energy) to assess energy storage as they make their future electrical energy generation plans.

Efficient Buildings

A provision authored by Rep. Long to allow commercial buildings better access to financing for energy efficiency improvements passed into law.



Key Provisions Not Included Clean Energy First

A bill to require utilities to prioritize renewable energy, efficiency, demand response, and energy storage was heard but not advanced in the Senate. Also quashed in this package was an initiative to promote "beneficial electrification" as a cleaner source authored by Sen. Dibble and Rep. Long.

Enbridge Line 3 Legal Appeals

The House blocked a Senate Republican effort to prohibit the Commerce Department from appealing the Public Utilities Commission's decision to grant a certificate of need for Enbridge Line 3, an expanded pipeline that would carry Alberta Tar Sands oil from Canada to Wisconsin across sensitive and pristine areas of northern Minnesota.

Nuclear Moratorium

The effort to repeal Minnesota's prohibition on the issuance of a certificate of need for new nuclear power plants was unsuccessful.

Electric Vehicle Subsidies

An initiative authored by Rep. Long to provide rebates to incentivize the purchase of electric vehicles did not advance.

Solar on Schools

Senator Dibble's measure to virtually eliminate schools' second greatest expense – their electric utility bill – by allowing them to get their energy from the sun, was defeated.

Health and Human Services

It was a major achievement to overcome a proposed \$500 million cut to health and human services proposed by Republicans and to continue funding that allows us to take care of the poor, the elderly, those living with disabilities. That \$500 million cut would have thrown thousands out of child care, caused thousands of elderly and disabled people to lose the services that keep them in their homes and their jobs, and those with medical assistance would have lost coverage to see a dentist.

Key Policy Provisions That Passed

Rather than expand our very successful MinnesotaCare program, Republicans extended the expensive and unsustainable reinsurance program that protects the insurance industry status quo. Importantly, this does nothing to protect Minnesotans from future rate spikes.

Child Care Assistance Program (CCAP)

The legislature enacted a number of measures to address program oversight weaknesses in CCAP.

Mental Health

To avoid closures, the state will replace lost federal funding for children's residential facilities. Additionally,150 more beds for children will be added in the state's psychiatric residential treatment facility and regional mobile mental health crisis response teams will be established throughout the state.

Comprehensive Suicide Prevention

Minnesota's suicide prevention hotline will be reestablished after shutting down last year due to a lack of funding.

Statewide Tobacco Cessation Quitline

The services of QUITPLAN, the state's tobaccocessation hotline, will be extended beyond the planned closure of ClearWay Minnesota, a timelimited entity that had been created pursuant to the state's tobacco lawsuit settlement.

Rare Disease Advisory Council

A council will be formed at the University of Minnesota to bring together advocates, experts, and specialists to focus on improving the lives of people with rare diseases.



Facility Fee Disclosure

To avoid surprises that can significantly increase out-of-pocket costs for patients, health care facilities will now be required to notify patients about the fees they add on their services and treatments.

HMO Conversions to For-Profits

DFL legislators are opposed to for-profit conversions of non-profit HMOs and successfully halted them this year. In one case, an insurer had transfered millions of dollars gained in public funds, paid to cover premiums for low income Minnesotans, to a for-profit out-of-state subsidiary. Asset transfers are now limited, and insurers are required to use their net earnings for health care for Minnesotans.

AIDS Drug Assistance Program Expansion

Authored by Rep. Hornstein and Sen. Dibble, the AIDS Drug Assistance Program (ADAP) has been updated and gaps have been closed so that more people living with HIV/AIDS will qualify for both health care coverage and drug purchasing.

Key Provisions Not Included

Medical Cannabis

Removing cannabis from what is known as *Schedule I* — a legal designation that puts it on par with heroin and methamphetamine — failed despite bipartisan support. A significant cost saving measure would have also allowed patients to access the plant form of cannabis.

Tobacco 21

Raising the age for legal use of tobacco to 21 has been shown to significantly reduce overall tobacco use. The legislature did not opt to make this change statewide this year.

Abortion Ban at 20 Weeks

A frontal attack on reproductive freedom in the form of a ban on abortion after 20 weeks of gestation was defeated. The bill would have charged physicians with felonies and severely limited exceptions for abortions.

Higher Education

The Higher Education omnibus budget and policy bill provides funding increases for the Office of Higher Education, students in the State Grant Program, the University of Minnesota, and our MinnState (MnSCU) college and university system.

Key Policy Provisions That Passed

Higher Education Tuition Cap Set at Three Percent MinnState institutions are required to cap tuition increases at three percent for the next two years for resident undergraduate students. The U of M is requested to do the same (the Legislature is constitutionally limited in its ability to direct the operations of the U of M). Tuition relief must not be offset by increases in mandatory fees, charges, or other assessments.

Mental Health Services and Health Insurance

Mental health services will be offered free of charge to students with no or inadequate insurance at five MinnState campuses.



Environment and Natural Resources

Key Policy Provisions That Passed

Chronic Wasting Disease (CWD)

This prion disease is an enormous threat to our state's deer and other *Cervidae*. New regulations for hunters, new fencing requirements and redundant gates at deer and elk farms, more regulatory authority for the Board of Animal Health, stricter inspection requirements, and research funds have been enacted.

State Park Open House Days

Open house days at state parks have been expanded by allowing the DNR to select three days during the year for free park admission.

Aquatic Invasive Species (AIS) Surcharge

Combating aquatic invasive species will be stepped up through an increase in the aquatic invasive species surcharge on watercraft licenses.

No Child Left Inside

A initiative passed to allow firearms safety training, trap shooting, archery, hunting, and angling activities in physical education classes to introduce kids to outdoor sports. Nonprofits can apply for grants to create fishing leagues in high schools and will be able to utilize a basic angling curriculum from the DNR.

Minnesota State Bee

The Rusty Patched Bumble Bee, *Bombus affinis*, whose populations have plummeted since 2000, was designated as the official bee of the State of Minnesota. Sen. Dibble's bill also calls for a statewide survey of native pollinators.

Walter F. Mondale Scenic Riverway

The St. Croix Water Trail between Wild River State Park and William O'Brien State Park and facilities are designated as the Walter F. Mondale Scenic Riverway.

Clean Water Legacy Act

Updates and improvements were made to the Clean Water Legacy Act as well as local water management programs to achieve coordinated management toward *One Watershed*, *One Plan*.

Forever Green

Development of new high-value commodity crops that conserve and restore the soil and nutrients, prevent erosion, protect water quality, and reduce the need for chemicals, will be funded in a bill authored by Sen. Dibble. The bill will bring researchers in plant breeding, agronomy, food science, and economics together with farmers and food businesses.

Key Provisions Not Included No Open Season for Wolves

There will be no prohibition on an open hunting season for wolves. Sen. Dibble co-authored a bill to prevent the open season which was passed by the House, but killed by the Senate. Meanwhile, Congress is pushing to arbitrarily removed wolves from the Endangered Species Act.

Bde Maka Ska Name Restoration

Sen. Dibble, Rep. Hornstein and Rep. Long all authored bills to provide for a process to confirm the restoration of the historic name of *Bde Maka Ska*.

Trichloroethylene (TCE) Ban

A ban on the use of this very harmful to public health metal degreasing chemical, mishandled for years by a company in White Bear Township, failed in the Senate despite its successful initial bipartisan passage in the House.

Re-Establishment of the Minnesota Pollution Control Agency's Citizen's Board

Efforts to reestablish the MPCA Citizens Board were not successful.

Salt Applicator Certification

Minnesota's waters are increasingly contaminated from the overuse of deicing salt. A voluntary training program to certify professional applicators and allow them to avoid liability for accidents when they've used best practices failed for the second biennium in a row.



Judiciary and Public Safety

The House and Governor overcame an inadequate Senate fiscal position in order to provide 67 additional guards (versus zero), and important increases to fund our court systems. The bill also funded a Department of Corrections ombudsperson and the state's school safety center. The legislation also funded a missing and murdered indigenous women task force, and a task force to study the state's sexual criminal conduct laws. Policy in the bill included changes to the state's sexual criminal conduct laws and a number of other small provisions.

Key Policy Provisions That Passed Driving While Intoxicated Provisions

DWI-related laws for snowmobiles and ATVs are made the same as those for driving, in furtherance of *Little Alan's Law*, named in honor of the young boy who was killed by a man (with multiple prior DWIs) operating a snowmobile.

Data Privacy

Data privacy protections for customers of ride sharing services such as Uber and Lyft were strengthened.

Racial Covenants

Minnesota has high racial disparities in home ownership and segregation in neighborhoods and schools. This is due, in part, to a history of restrictions on the ability of people of color to purchase homes in particular areas. The effects of racial covenants put into place by developers in Minnesota in the 1920s–1940s are intergenerational lasting, to this day. Despite previously being made unenforceable, these racial covenants remain in many home titles; over 17,000 of these covenants appear in home titles in Hennepin County alone. Now homeowners can add language to their deeds disavowing any racial covenants on it.

Key Provisions Not Included Legalizing Cannabis

Debate about creating a system to regulate the sale and use of use of cannabis for non-medical purposes – or to set up a task for to examine numerous questions around the idea – burned out and failed to advance beyond committee in either body.



Probation Reform

Despite strong bipartisan support, Rep. Long's bill to cap probation length at five years for most crimes and remove the excessive punishments that too many still receive (such as 40 years for simple drug possession in some cases), did not pass.

Privacy Protections

Sen. Dibble authored several bills that would have strengthened privacy protections for Minnesotans. Legislation to require law enforcement search warrants for private electronic data (such as emails older than six months) and data from cell phones and other electronics failed this session. The Legislature also did not adopt initiatives to prohibit employers from forcing employees or applicants to hand over their private social media logins.

Family Laws

Provisions to mandate courts presume equal custody time for children whose parents are not together and establishing a divorce process that would occur outside of the oversight of the courts did not advance.

State Government

After a long delay in the Republican-controlled Senate, \$6.6 million in federal Help America Vote Act (HAVA) funds have finally been released so that Secretary of State Steve Simon can commence work on securing our elections from external threats. Funds, also blocked for too long, will be allocated to assist the state's responsibilities with the upcoming 2020 Census.

Key Policy Provisions That Passed Census Funding

Rep. Long's bill to provide \$1.6 million for census mobilization efforts passed. These funds to help ensure a complete count in our state is vital for the upcoming census. The census will determine whether Minnesota keeps its 8th Congressional seat and \$15 billion in annual federal funds.

Key Provisions Not Included Cuts to the Historical Society Budget

The DFL House defeated an inexplicable \$4 million cut per year to the Minnesota Historical Society by Republican Senators as it was revealed to be retaliation against the Society for including "at Bdote" (the Indigenous name for confluence of the Minnesota and Minnesota Rivers) on a welcome sign at historic Fort Snelling.

Election Reform

The Senate rejected House-passed election reform bills, including Automatic Voter Registration, and Rep. Long's bills to expand early voting and establish a permanent absentee voter program.

Redistricting

The final budget bill contains no funds for costs associated with any of the proposals for redistricting.





Taxes

The tax bill conforms state taxes with most elements of federal tax system. Unfortunately, the bill also contains tax cuts that will strain future budgets while also using \$491 million from budget reserves for ongoing spending, which is difficult to justify during this time of budget surplus.

Key Provisions that Passed Income Tax Reduction

Minnesota's income tax rate in the second bracket has been reduced from 7.05% to 6.8%, amounting to \$430 million overall.

Expanded Working Family Tax Credit

The amount of the credit and income eligibility thresholds have been increased for taxpayers with no and with three or more children, and the phase out rate for all eligible taxpayers is reduced so more taxpayers will qualify.

Standard Deduction Doubled

The standard deduction was raised to \$24,400 for married/joint filers and to \$12,200 for single filers (matching the federal amount), which will cut taxes by \$134 million for over 1.9 million taxpayers. The average tax cut is \$160 – about a seven percent tax cut for the median household income.

Social Security Tax Subtraction

The current maximum Social Security tax subtraction for married/joint filers increased from \$4,500 to \$5,150 and from \$3,500 to \$4,020 for single or head-of-household filers. (Note: this comes on top of a significant new tax subtraction for Social Security benefits in 2017.)

Property Taxes: Local Government Aid (LGA) and County Program Aid (CPA)

State aid to local governments are critical to helping cities and counties provide essential services, such as public safety, without having to rely entirely on local property taxpayers to fund those community necessities. We have never made up the ground lost back in 2002.

The tax bill will eventually bring us back to the 2002 levels, when the major aid cuts – and corresponding property tax increases – began. Every dollar of LGA delivered to a city results in a 50-cent levy reduction.

Key Provisions Not Included Sports Betting

The Senate Tax Committee considered a proposal to legalize sports wagering in Minnesota and collect taxes on the earnings. This is a new possibility for state after last year's U.S. Supreme Court decision in Murphy v. NCAA, which found a federal ban on the practice in all states but Nevada, was unconstitutional. The Senate bill would have established a Sports Wagering Commission and allowed federally-recognized tribes and racetracks to apply for licenses. The bill passed out of the Tax Committee, but never received a hearing in the State Government Committee.