



State Representative **ANDY WELTI**

2005 E-NEWSLETTER

The pace at the capitol has stepped up a notch. Committee Chairs are scheduling meetings throughout the day and late into evenings. I cannot believe April is around the corner. I wish all of you a very enjoyable and relaxing spring break or Easter Weekend.

BUDGET

Minnesota's February budget forecast was released. It said we can expect this year's revenues to be about \$157 million higher than was predicted in November. When combined with projected spending changes in current law, a \$175 million budget balance is forecast for 2005. Of the \$175 million, \$25 million must replace money taken from the budget reserve and the remaining \$150 million must be used to further reduce school aid payment shifts.

Looking into the future, we see a budget situation that is brighter but still cloudy. The revenues projected for fiscal year 2006-07 will be higher by about \$234 million, leaving the state with a \$466 million deficit instead of the former projection of \$700 million in red ink. It's important to remember, however, that these numbers do not reflect inflation. When we include expected inflation, the estimated deficit balloons to about \$1.1 billion.

Some will argue that we have a spending problem. It's interesting to note that when this argument is made, no one ever tells the public that when we were facing record surpluses, the legislature enacted tax cuts to higher income earners while maintaining services.

Imagine keeping your family's basic spending budget at the same level to just get by. Imagine one of the income earners in the home receiving a cut in pay, and then a freeze. Sooner or later, household expenditures rising at the rate of inflation, or unbudgeted emer-

gency expenses, will drain your savings account and leave you with debt.

What we've done in Minnesota is made cuts to our revenues, without anticipating the level of cuts we would have to make to our expenses in lean times. If the legislature and the public are unwilling to make the necessary cuts to services, then they will have to address how we replace the revenues lost when the tax cuts were made.

JOBS

Although revenue numbers looked reasonably healthy, there was clearly disappointing news on the creation of jobs in Minnesota. The February forecast showed that Minnesota added fewer jobs, compared to national averages, during the last quarter of 2004. Between May and December, payroll employment in Minnesota grew by just 0.2 percent while nationally it grew by 0.8 percent. If Minnesota's growth had kept pace with the rest of the nation, our state would have added 20,000 jobs over that span.

This report shows that our legislature must focus on the critical elements that create jobs in the Midwest. It's our state's duty to incubate and initiate business



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Rep. ANDY WELTI 2005 E-Newsletter



Rep. Andy Welti met with local Minnesota Corn Grower members visiting the Capitol to lobby for legislation requiring 20 percent of the fuel sold in Minnesota to be ethanol.

growth in Minnesota by investing in an educated and healthy workforce, a sound infrastructure, business incentive programs, research and development. Our economic strength must not be taken for granted. It demands continuous evaluation, planning, innovation, and investment.

CITIZEN PARTICIPATION

During the 2004 legislative session, the Governor's website included an interactive opportunity for Minnesotans to respond to questions concerning the issues that affect them most. When asked how citizens would like to see the state budget spent, 93 percent of the people who responded said the state should maintain or increase funding for K-12 education and 85 percent said the state should maintain or increase funding for our colleges and universities.

Asked to name the single most important state issue, 59 percent of those who responded chose either K-12 education or higher education, and 57 percent said that higher education or K-12 education is the single most important issue that affects them or their families on a regular basis.

You can join the debate. If you want to suggest your own solutions to current budget problems, there is a tool at Minnesota Public Radio's website that can assist you. You can visit their website at:

<http://news.minnesota.publicradio.org/projects/2005/03/budget/>

Use their interactive "budget balancer" to try to find a way to balance the state budget on your own. It is a great website to visit!

EDUCATION

Education was the focus of a rally at the Capitol on February 28. About 6,000 parents, students, teachers and other school employees gathered to ask for increased state funding for education. One of the largest education rallies in recent years, it attracted participants from across the state. I had little trouble locating a group of Rochester teachers in the large crowd. Many legislators came out of the Capitol and State Office Building along with me to join the crowd gathered to rally for education.

A number of bills have been introduced to address education funding. I'm part of a bipartisan group of legislators supporting a bill calling for increased funding to the per pupil base formula. I applaud

If you have a some time to spare and would like to help someone in need, check out these sites and help support a Minnesota family with a member serving in our military:

FIRST LADY'S MILITARY CARE INITIATIVE: Connects volunteers willing to donate a service (cleaning, yard work, maintenance, daily chores, etc.), with families looking for assistance

www.governor.state.mn.us/FirstLady/flmain1.asp

OPERATION UPLINK: Donates prepaid phone cards to help service members and families keep in touch

www.operationuplink.org

MINNESOTA MILITARY FAMILY FOUNDATION: Financially assists deployed Minnesota military personnel, their spouses and children, with loans or grants during times of financial hardship

www.minnesotamilitaryfamilyfoundation.org

those who have written, rallied, or lobbied at the capitol on behalf of education. If you believe education needs additional funding, I urge you to continue contacting legislators. A bill is never safe until it has passed both bodies and has been signed by the Governor.

SERVICE MEN AND WOMEN

As a member of the Government Operations and Veteran Affairs Committee, I recently learned that Minnesota provides fewer services to families of service men and women than many other states.

One committee member, a former serviceman, told us that when people leave our military, they are given information about services and benefits various states offer. Minnesota, he said, is near the bottom of the list, and many people leaving the military will not relocate here.

Many legislators were surprised to hear this message. A group of legislators has begun meeting to address this issue and I anticipate numerous bills will be discussed over this biennium. Service members are well trained and would be an asset to Minnesota. We must work to make Minnesota a welcoming state.

More than 1,970 Guardsmen in Minnesota are serving on active duty. On very short notice, they often must leave their families with more household work than can be handled. In Minnesota, there are several programs that assist deployed service members and their families.

Do you want to get this summary by E-mail? Send a note with your e-mail address to:
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