

# SESSION WEEKLY

A NONPARTISAN PUBLICATION  
MINNESOTA HOUSE OF REPRESENTATIVES • PUBLIC INFORMATION SERVICES  
VOLUME 27, NUMBER 9 • April 9, 2010



HF3745 - HF3767



## SESSION WEEKLY

Session Weekly is a nonpartisan publication of Minnesota House of Representatives Public Information Services. During the 2009-2010 Legislative Session, each issue reports House action between Thursdays of each week, lists bill introductions and provides other information. No fee.

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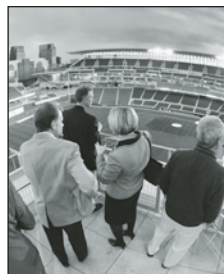
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Session Weekly (ISSN 1049-8176) is published weekly during the legislative session by Minnesota House of Representatives Public Information Services, 175 State Office Building, 100 Rev. Dr. Martin Luther King Jr. Blvd., St. Paul, MN 55155-1298. Periodicals postage paid at St. Paul, Minn., and additional offices. POSTMASTER: Send address changes to Session Weekly, House Public Information Services, 175 State Office Building, 100 Rev. Dr. Martin Luther King Jr. Blvd., St. Paul, MN 55155-1298.

Printed on recycled paper which is 50% recycled, 30% post-consumer content.



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**On the cover:** Former legislators, *from left*, Steve Kelley, Brad Finstad, Matt Entenza, Dick Day, Steve Sviggum and Dean Johnson throw out ceremonial first pitches prior to the Minnesota Twins April 3 exhibition game against the St. Louis Cardinals. The legislators were honored by the Twins for their contributions to the creation of Target Field.

— Photo by: Tom Olmscheid

# Betting on TIF

Expanded use of development tool key component to 'jobs' new law

By LEE ANN SCHUTZ

**A**mong the alphabet soup acronyms of government-speak is one that represents a tool many communities have come to rely on to create economic development. It's called TIF, short for tax increment financing.

Hoping to jumpstart the state's construction industry, the so-called omnibus jobs law expands the use of TIF so that local projects, languishing on the shelf because of the poor economy, can get going by July 1, 2011.

Another provision of the new law may be more high profile — establishment of an angel investment tax credit — but some House Taxes Committee members think the TIF expansion, and help to retain the St. Paul Ford Motor Company plant, could have a long-term greater impact on job retention and creation.

"As I see it, the real job production is the expansive emergency use of TIF that will help the building trades ... and the CARZ zone ... those are the ones that, I think, will produce the jobs out of this," said Rep. Joe Mullery (DFL-Mpls).

## A TIF primer

For those unfamiliar with TIF, a quick primer may be in order.

Using TIF, a local government can create a specific district in which property tax values are essentially frozen. Based on the physical condition of the site and the type of construction to occur, TIF districts can be classified for redevelopment, economic development, housing, renewal and renovation, or soils reclamation. However, most TIF districts need to address some sort of blight. The type of district created dictates the timeline until it sunsets and when the tax advantage goes away.

Taxes generated by the increase in property

value over the frozen amount, known as the increment, are put toward economic development, usually improvements directly beneficial to the project such as land acquisition, streets, sewer, water or parking facilities. In essence, the local authority is betting that if a piece of property is redeveloped, its value will increase and in turn, so will the property taxes generated from the improvements.

According to the nonpartisan House Research Department, one of three financing techniques is used by local authorities to fund these upfront costs:

- bonds are issued and the increment is used to pay the bonds back;
- interfund loans are used, where the authority advances money from its own funds and the increments are used to reimburse the borrowed money; or



PHOTO BY TOM OLMSCHIED

**Rep. Denise Dittich, who sponsors a bill that would allow the City of Coon Rapids to use tax increment financing, listens as Mayor Tim Howe tells the House Taxes Committee April 7 what improvements along Coon Rapids Boulevard would mean to his city.**

- the developer pays the upfront costs and the increments are used to reimburse the developer.

Although TIF districts are established locally, any deviation from state law regarding how it is used must get legislative approval. That's because redirected property tax revenue directly impacts the other local taxing authorities — namely the county and local school district.

**First Reading continued on page 4**

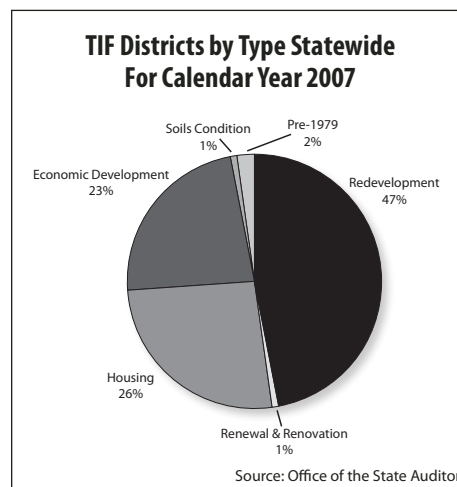




PHOTO BY TOM OLMSCHIED

**Sponsored by Rep. Denise Dittrich, HF3007 would allow the City of Coon Rapids to use tax increment financing to make improvements along Coon Rapids Boulevard.**

#### First Reading continued from page 3

#### TIF expansion

The new law, with various effective dates, makes several changes to TIF usage, most notably for the City of Bloomington to coax a phased-in expansion of the Mall of America, which is in the district represented by Rep. Ann Lenczewski (DFL-Bloomington), chairwoman of the House Taxes Committee, and sponsor of the law along with Sen. Tom Bakk (DFL-Cook).

But don't read too much into her support of TIF in this legislation. Generally, Lenczewski isn't a fan of the tool.

"It's been a bill with a lot of compromise," she said during the April 1 law signing. "My goal was to get a bill that the governor would sign, an early bill to get people back to work and no conference committee."

Lenczewski said there are about 2,200 TIF districts across the state, and that it is a form of property tax that lacks transparency.

"That's the core of the problem of TIF for me," she said. "We don't see these property tax subsidies that are going to things."

She said TIF is a "good deal" for cities because they get a "discounted new amenity paid for not only by the city tax base, but the county tax base." Her bottom line question is, "Should we be doing more things to basically subsidize private development as opposed to public development?"

Besides Bloomington, the new law addresses TIF district modifications for Oakdale, North

Mankato and Cohasset.

But they are not alone with their requests. Each session a string of cities comes forward asking for TIF changes. Seven communities were before the House Taxes Committee April 7 with their requests.


Under the new law, the need for a legislative OK won't change, but municipalities will see more opportunities to use TIF, especially for projects that will create new jobs and those that might help with "Main Street" redevelopment.

A new type of district is authorized in the law — compact development TIF districts.

Under the new definition, 70 percent of the area in the district must be occupied by structures classed as 3a commercial-industrial, and the planned redevelopment must at least triple the square footage of class 3a buildings. The blight condition does not necessarily apply, but the project should be transit-friendly. The authority for creating this type of district ends June 30, 2012. Increments from these districts may be used to pay administrative expenses, land acquisition costs, demolition and preparation costs, and public improvement costs.

Additionally, several provisions for economic development TIF districts are modified in the law. Tax increments from economic development districts may be used to provide assistance to projects deemed to create or retain jobs. Construction must begin no later than July 1, 2011. Equity investments may also be made in corporations, partnerships or limited liability companies. Municipal approval is

required. Authority to spend increments under this provision expires Dec. 31, 2011.

HF2695\*/SF2568/CH216 

#### Omnibus Jobs Law Provisions

- An investment credit for angel type venture capital investment.
- A refundable historic structure rehabilitation credit.
- Authority for local governments to finance energy conservation improvements and collect repayments as special assessments (at the request of the property owner).
- Authority of the Public Finance Authority to issue revenue bonds for city transportation projects.
- Compact development tax increment financing districts.
- Expanded authority to temporarily use TIF for economic development.
- Expanded authority to use excess TIF revenues for construction of new private development.
- Provision of modified JOBZ benefits to the Ford Motor Company site in St. Paul, if certain conditions are met.
- Expanded authority for several cities to use TIF for housing replacement.
- Additional flexibility for the City of Bloomington to expand the Mall of America.
- An appropriation for additional tax compliance activities expected to result in new General Fund revenue beginning in fiscal year 2011.

Source: Nonpartisan House Research Department



**Editor's note:** The following Highlights are coverage of select bills heard in House committees and other House activities held March 25-April 8. Designations used in Highlight summaries: HF-House File; SF-Senate File; CH-Chapter; and \*- the bill version considered by the House or the bill language signed by the governor.

## CONSUMERS

### Insurance for portable electronics

A House division laid over a bill that would regulate portable electronics insurance because of concerns it might harm mom-and-pop retailers.

Rep. Leon Lillie (DFL-North St. Paul) sponsors HF3251 that would cover insurance policies for cell phones, laptops and other portable electronics devices. The bill includes a number of protections for consumers who buy the policies.

Under the bill's provisions, retailers who sell portable electronics insurance would be required to obtain licensure from the Commerce Department, and pay a fee. Lillie said the bill is only meant to apply to large companies that can easily absorb the cost; however, some lawmakers are concerned it

would apply to small retailers as well.

Rep. Torrey Westrom (R-Elbow Lake) suggested small retailers should be exempted from the fee or be required to pay a smaller amount. Lillie responded that it is not his intention for the bill to apply to "one-store operations," and said he will consider modifying the bill's language to exclude such businesses.

The House Energy Finance and Policy Division laid the bill over April 7, and Chairman Rep. Bill Hilty (DFL-Finlayson) plans to bring it up for consideration again sometime next week.

The bill is intended to address ambiguities in the state's insurance laws. Lillie said the goal is to clarify that those who sell electronics insurance don't have to act as full-fledged insurance companies.

Peter Thrane, a lobbyist representing the insurance company Asurion, said the law is currently unclear as to whether retailers can even sell insurance on portable devices. He said the bill is supported by retailers and cell phone providers as well as the insurance industry.

The bill would require retailers to provide consumers with a comprehensive disclosure about the insurance policy. It would also require employees selling the insurance product to be trained in the terms and conditions of the insurance coverage.

A companion, SF2962, has been incorporated

into SF2510, which awaits action by the Senate Finance Committee. Sen. David Tomassoni (DFL-Chisholm) is the sponsor.

— N. BUSSE

### OK to brew in basements

**Signed  
by  
the  
governor**

Beverage producers can produce their products in basements, under a new law signed April 1 by Gov. Tim Pawlenty.

Sponsored by Rep. Mindy Greiling (DFL-Roseville) and Sen. John Marty (DFL-Roseville), the law allows the Department of Agriculture to issue permits to businesses producing certain types of beverages in basements or other subgrade areas. It is effective April 2, 2010.

Greiling said basements were previously automatically ruled out due to the "olden days" when basements were wet and had mildew problems. The department would like to look at basements on a case-by-case basis now, she said.

Seth Couenhoven, director of operations for Thuro Bread, told a House committee that he wanted to rent the basement of a building he owns to a company to make fermented tea, but was unable to do so. The basement is updated and approved for commercial packaging, but also needs to be approved for the bottling process, he said.

HF2918\*/SF2632/CH209

— P. OSTBERG

## EDUCATION

### Land exchange resolution OK'd

**Signed  
by  
the  
governor**

About 86,000 acres of Minnesota's 2.5 million-acre permanent school trust lands are within the Boundary Waters Canoe Area Wilderness and generate no income for the Permanent School Fund. They could soon be sold or traded to the federal government, as recommended by the state's Permanent School Fund Advisory Committee.

Gov. Tim Pawlenty signed a resolution April 1 affirming the state's intent to negotiate such an exchange with the United States Secretary of Agriculture.

Rep. Denise Ditttrich (DFL-Champlin), who sponsors the resolution with Sen. Tom Saxhaug (DFL-Grand Rapids), said it sends a "nod to Congress" the state would approve a transaction.

The exchange, said Ditttrich, could be



PHOTO BY ANDREW VONBANK

Jeff Peterson, left, Commerce Department director of government relations, and Peter Thrane, center, representing Asurion, testify before the House Energy Finance and Policy Division April 7 in support of a bill that would regulate portable electronics insurance. Rep. Leon Lillie, right, sponsors the bill.

worth between \$60 million and \$80 million in revenue to the school trust corpus, or principal, while the lands within the BWCAW would be preserved as wilderness. Some of the land could be exchanged for lands outside the protected area, to be used to generate income in other ways for the fund.

School trust lands are a legacy of the nation's founders, who, through the Land Ordinance of 1785, designated parcels of each township in all future territories and states to be used to generate income for public school education. Minnesota's Enabling Act of 1857 designated the 16th and 36th parcels of each township — including those within what's now the BWCAW — for that purpose.

HF3084/SF2494\*/R1

— K. BERGGREN

## ELECTIONS

### Campaign finance reform changes

Administrative changes to laws governing the Campaign Finance and Public Disclosure Board were approved 127-1 by the House April 7.

Sponsored by Rep. Steve Simon (DFL-

St. Louis Park) and Sen. Ann Rest (DFL-New Hope), HF1206/SF80\* would: remove election laws that have since been ruled unconstitutional; no longer require necessary food utensils and supplies to be reported as campaign expenditures; set a value of \$5 or less on informational material given to an official in connection to legislation; permit the board to exempt the requirement of an e-mail address being provided; and set contribution limits for judicial candidates.

The bill would allow a candidate to accept up to \$2,000 in an election year from any individual, political committee or political fund, and up to \$500 in other years. These limits are the same as candidates running for governor, Simon noted.

He said the changes were included in a larger election bill vetoed last year by Gov. Tim Pawlenty.

Gary Goldsmith, the board's executive director, said in a previous House committee, "This is really an administrative bill that makes it possible for the board to move further into the 21st century to leverage the technological resources that have been developing."

An amendment unsuccessfully offered by

Rep. Laura Brod (R-New Prague) would have prohibited political committees and others from soliciting contributions by deception or falsely implying the contributions to support a candidate for office.

Brod said a donut stand at the Minnesota State Fair was doing just that by giving proceeds to a political party without informing customers of the intent.

Simon said while he supports the direction of the amendment, it would go too far in defining a contribution.

A successful amendment offered by Rep. Jim Davnie (DFL-Mpls) would require lobbyist registration forms to include the Web address of each association to bring further transparency to the process.

The bill now goes back to the Senate for concurrence.

— P. OSTBERG

### Election administration changes

**Signed  
by  
the  
governor**

Among the variety of technical and procedural changes in an election administration law is one requiring the secretary of state

## BALLPARK TOUR



PHOTO BY TOM OLMSCHEID

U.S. District Court Judge John J. Tunheim, from left, Sen. Michael Jungbauer, Rep. Roger Reinert, Rep. Gail Kulick Jackson, Rep. Al Doty and Rep. Tim Faust check out Target Field from the Budweiser Roof Deck during an April 7 tour of the ballpark. The Legislature passed a funding plan for Target Field in May 2006.



to match data from the Social Security death index to deceased voter registrations.

Sponsored by Rep. Ryan Winkler (DFL-Golden Valley) and Sen. Katie Sieben (DFL-Newport), the law will require the Office of the Secretary of State to remove from the statewide voter registration system any registered deceased persons and report the name to their respective county auditor.

Other provisions include:

- requiring the Department of Corrections to report felony convictions to the secretary of state, and match the data accordingly with the statewide voter registration system;
- requiring the Department of Public Safety to transfer information related to the citizenship of persons to the statewide voter registration system;
- the county auditor or municipal clerk will preserve all absentee ballot applications for 22 months;
- voters are given the right to be absent from work for a necessary time period and without reduction in pay to vote, unlike previous law that specifically said "during the morning" of a work day;
- allowing city elections to be postponed due to inclement weather;
- persons conducting exit polling will be permitted to be within 100 feet of a polling place; and
- conforming changes to federal law in helping military and overseas voters receive their absentee ballot at least 45 days before an election.

Signed April 1 by Gov. Tim Pawlenty, the law has various effective dates.

HF3108\*/SF2388/CH201

— P. OSTBERG

## EMPLOYMENT

### Unemployment insurance changes

A special state extension of unemployment insurance benefits is among several unemployment changes proposed in a bill that won committee approval April 7.

Sponsored by Rep. Jim Davnie (DFL-Mpls), HF3127 would also help pay down the \$1.6 billion deficit in the state's unemployment insurance trust fund. The House Finance Committee approved the bill April 7 and referred it to the House Ways and Means Committee.

The special benefit extension would last up to 13 weeks, and would be effective from June 30, 2010, to March 26, 2011. It would replace a special emergency unemployment compensation program from 2009; however, those who have not exhausted their benefits under the old program could continue to

receive benefits up to their original determined maximum.

The bill also contains provisions that would guarantee that people who return to work after being on unemployment, only to get laid off a second time, receive a similar level of benefits to what they had before. These provisions were incorporated into the bill from HF3274, sponsored by Rep. Mike Obermueller (DFL-Eagan).

To help pay down the deficit in the state's unemployment insurance trust fund, the bill would offer employers a tax discount if they prepay their future unemployment taxes.

"This is a win-win. The trust fund gets additional funds, while the employer saves money through the prepayment," Davnie said.

The way in which the unemployment tax rate is computed would also be changed. Essentially, the bill would ensure the tax rate remains at its current maximum level unless the trust fund has a positive balance.

Lee Nelson, director of legal affairs for the Department of Employment and Economic Development, said the tax rate is in danger of dropping in the near future, despite the trust fund's deficit. He said the trust fund could end up borrowing more money and paying more interest if the tax rate drops.

A companion, SF2895, has been incorporated into SF2510, sponsored by Sen. David Tomassoni (DFL-Chisholm). It awaits action by the Senate Finance Committee.

— N. BUSSE

## ENERGY

### Utility shutoffs must be posted

Signed by the governor

When a landlord falls behind on paying utility costs, tenants may not know until the utility is shut off.

A new law signed April 1 by Gov. Tim Pawlenty requires

those who plan to discontinue supplies of home heating oil, propane, natural gas, electricity or water to a building due to a building owner's non-payment to notify building residents. The posting must be placed in a conspicuous location in, or on, the building. The provision to post on a building's exterior was added to enable suppliers to notify tenants when they are unable to gain access inside a building. Tenants would then have the option of paying for continued services.

Sponsored by Rep. Mike Beard (R-Shakopee) and Sen. Rick Olseen (DFL-Harris), the law is effective April 2, 2010.

HF3259\*/SF2875/CH210

— S. HEGARTY

## ENVIRONMENT

### Speeding up BWSR review

Signed by the governor

Effective Aug. 1, 2010, the timeline for the Board of Water and Soil Resources to review draft watershed management plans will be shortened.

Sponsored by Rep. Rick Hansen (DFL-South St. Paul) and Sen. Sandy Rummel (DFL-White Bear Lake), the new policy will allow public hearings 14 days after the 60-day review period of the draft plan, rather than the previous 30- to 45-day time period.

The measure only applies to the Twin Cities metropolitan area, and repeals the option for BWSR to issue a 30-day extension for plan approval or denial.

Gov. Tim Pawlenty signed the law April 6. HF3067\*/SF2843/CH218

— S. HEGARTY

### Mercury test requirements updated

Signed by the governor

Solid waste facilities that are diligent about testing for and removing mercury from the waste-stream will be rewarded for good behavior, under a new law signed by Gov. Tim Pawlenty

April 1.

For example, Olmsted County has a proven track record of removing more than the required amount of mercury under its current permit. It plans to expand its incinerator facility and, if mercury emissions remain below 50 percent of the new unit's permitted limit for one year, fewer tests will be required, according to the new law. That could save the county up to \$40,000 annually, according to county officials.

Rep. Kent Eken (DFL-Twin Valley) and Sen. Dan Skogen (DFL-Hewitt) sponsor the new law, which is effective April 2, 2010.

HF3027\*/SF2604/CH213

— S. HEGARTY

## HEALTH

### Health reform discussed

State lawmakers are trying to determine what the March 23 passage of federal health care legislation means for Minnesota and how new reforms may be implemented.

The House Commerce and Labor Committee, the House Health Care and Human Services Policy and Oversight Committee and the House Health Care and Human Services Finance Division met April 6 for an informational hearing on the federal law.

Minnesota is in a unique position because of past state-level health care reforms that are already operational, according to officials with the Commerce, Health and Human Services departments.

“One of the interesting things about realizing how much work we have is to compare us to other states that don’t have rate review, medical loss ratios, a high-risk pool,” said Manny Munson-Regala, deputy commissioner with the Department of Commerce. “Those states keep coming to us for information, so it makes us feel a little bit better.”

Yet the work is not as simple as moving participants in Minnesota programs into newly created or expanded federal programs. For example, the federal law establishes a temporary, high-risk pool to cover individuals with pre-existing conditions who have been uninsured for at least six months. While Minnesota already has a similar safety net, the Minnesota Comprehensive Health Association, not everyone in MCHA will qualify for the federal pool, said Julie Sonier, deputy director of the University of Minnesota State Health Access Data Assistance Center.

Similarly, state officials are waiting on information from the federal government to determine how many participants in General Assistance Medical Care and MinnesotaCare may be covered under an expansion of Medicaid.

Rep. Steve Gottwalt (R-St. Cloud) said he is concerned the federal provisions could up-end

some Minnesota policies that are working. He recommended state officials explore options for keeping those policies in place.

Rep. Tina Liebling (DFL-Rochester) requested a list of the choices legislators will be facing as a result of the federal law.

“I don’t know how long such a list would be,” she said, “but it would be helpful to sort of have the full scope of what our decision-making has to cover as we get started on some of this.”

The hearing was attended by a delegation representing the Citizens’ Council on Health Care, which opposes conforming Minnesota law to the federal reforms. The group’s president, Twila Brase, said federal law violates the constitution by requiring people to purchase health insurance and will ultimately lead to higher health care costs.

— L. RADOMSKI

### Hospital construction law modified

**Signed  
by  
the  
governor**

A technical change to a law enacted last year will allow planners of a children’s psychiatric hospital to build at their desired location.

The 2009 law makes an exception to the moratorium on hospital construction to allow a children’s psychiatric hospital of up to 20 beds to be built in western Hennepin County. A new law signed by Gov. Tim Pawlenty March 26 amends the earlier provision to specify the hospital will be located in the western two-thirds of Hennepin County.

Sponsored by Rep. Marsha Swails (DFL-Woodbury) and Sen. Yvonne Prettner Solon (DFL-Duluth), the law is effective March 27, 2010.

HF3116/SF2743\*/CH198

— L. RADOMSKI

### Licensure requirements modified

**Signed  
by  
the  
governor**

Psychologists can expect a handful of noncontroversial changes to licensure requirements, under a new law signed March 26 by Gov. Tim Pawlenty.

Sponsored by Rep. Kim Norton (DFL-Rochester) and Sen. Yvonne Prettner Solon (DFL-Duluth), the law:

- provides reciprocity for psychologists licensed in other jurisdictions as they apply for full licensure in Minnesota;
- extends the time limit for guest licensure from 30 days to nine months;
- allows a retired psychologist to apply for licensure to offer services pro bono as a “licensed psychologist-volunteer;”
- allows psychologists to be the last reviewer of appeals for denial of services by health plans; and
- redefines the make-up of the Board of Psychology.

Norton said the law is intended to make it easier for qualified psychologists to practice in Minnesota. It takes effect Aug. 1, 2010.

HF2897/SF2596\*/CH199

— L. RADOMSKI

## FULL JOINT



PHOTO BY ANDREW VONBANK

Seats were hard to come by on April 6 when the House Health Care and Human Services Finance Division, House Health Care and Human Services Policy and Oversight Committee and House Commerce and Labor Committee held a joint informational hearing on state conformity with the federal Patient Protection and Affordable Care Act.



## Thou shall not cheat

Beginning Aug. 1, 2010, civil action can be taken against someone who deliberately cheats with respect to a board licensing or certification examination.

Rep. Jim Abeler (R-Anoka), who sponsors the law with Senate President James Metzen (DFL-South St. Paul), said that in addition to cheating during an exam, test questions have been made available for a fee, often on the Internet. The law simply says if someone engages in examination subversion, they could be sued by “any person damaged or likely to be damaged” by the practice.

Examination subversion could include:

- removing examination materials from the examination room without authorization;
- disclosing or publishing any portion of the examination;
- selling or offering to sell any portion of a future, current or previously administered examination;
- improperly obtaining examination questions, answers or materials before, during or after the examination;
- communicating with another person during administration of the examination to give or receive help; and
- copying answers from another examinee or letting another examinee copy your answers.

Supporters say the law, signed April 1 by Gov. Tim Pawlenty, will help ensure that qualified people are working in patient care, not just someone who received exam questions and answers in advance.

HF1713/SF1494\*/CH202

— M. COOK

## Public health omnibus bill approved

The House Housing Finance and Policy and Public Health Finance Division approved its omnibus health bill April 7, incorporating many of the budget cuts recommended by Gov. Tim Pawlenty. It now goes to the House Finance Committee.

Sponsored by Division Chairwoman Rep. Karen Clark (DFL-Mpls), HF1993, as amended, would eliminate \$1.6 million in health and human services General Fund expenditures in fiscal years 2010 and 2011, with another \$1.6 million in cuts across fiscal years 2012 and 2013. The bill would reduce the operating budget of the Department of Health, as well as the budgets of various health-related boards. Cuts would also affect the Emergency Medical Services Regulatory Board and ombudspersons for families, mental health and developmental disabilities.

The bill’s companion, SF1897, is sponsored by Sen. Patricia Torres Ray (DFL-Mpls)



PHOTO BY ANDREW VONBANK

**Deputy Commerce Commissioner Manny Munson-Regala, from left, April Todd-Malmlov, a health economist with the Department of Health, and Brian Osberg, Medicaid director at the Department of Human Services, testify during an April 6 informational hearing on state conformity with the federal Patient Protection and Affordable Care Act.**

and awaits action in the Senate Energy, Utilities, Technology and Communications Committee.

Unlike the governor’s supplemental budget proposal, the division bill does not ratify \$902,000 in unallotments to the Department of Health from 2009. Also, the bill includes a \$214,000 appropriation to the Department of Human Services in fiscal year 2011 for distribution to food shelves. Smaller food shelf appropriations would follow in fiscal years 2012 and 2013.

A couple of topics discussed by members earlier in the session are included. One provision would direct the Department of Human Services to seek a federal waiver to increase eligibility for coverage of specialized food products for children under the Supplemental Nutrition Assistance Program, formerly food stamps. It is designed to assist parents like Amy Goodlund, whose 16-month-old son has severe food allergies and requires prescription-only formula costing over \$200 a month.

“It terrifies me that my husband and I have blown through every piece of savings that we have,” Goodlund told the division March 24, describing the difficulty of getting her son’s condition diagnosed.

The legislation also has implications for health-related licensing boards, which have previously seen licensing fee revenue transferred to the General Fund. The bill would create a dedicated account for board-related revenue, with money annually appropriated back to the boards.

— L. RADOMSKI

## HOUSING

### Protections for homebuyers

Minnesota would adopt new mortgage industry regulations meant to protect homebuyers, under a bill that won division approval April 7.

Sponsored by Rep. Joe Mullery (DFL-Mpls), HF2600 would enact the “Secure and Fair Enforcement” (SAFE) mortgage licensing act — a set of federal regulations meant to protect homebuyers from corrupt and incompetent mortgage loan originators. The regulations were signed into law by former President George W. Bush in 2008, and all states are required to comply. Minnesota is the only state that has not yet adopted the act.

“I got a call from the banking commissioner of Massachusetts in August. He said, ‘I know you’re kind of independent up there (in Minnesota), but are you seceding or what?’” Mullery said.

He added that failure to pass the bill this year could result in the U.S. Department of Housing and Urban Development taking over mortgage regulation in Minnesota.

“If we don’t pass it this year, the federal government, under their law, has the right to come in and set up a licensing system on their own and charge us whatever they want,” Mullery said.

The bill specifies minimum educational and continuing education requirements for mortgage originators, and requires testing to measure originators’ knowledge and comprehension of ethics and state and federal laws.



PHOTO BY ANDREW VONBANK

**Commerce Department Commerce Analysis Supervisor Robin Brown testifies April 7 before the House Energy Finance and Policy Division in support of a bill that would provide licensing and regulation for an individual engaged in the business of a mortgage loan originator or the mortgage loan business.**

Additionally, the bill would require background checks and fingerprinting of loan originators. Each licensed individual would be assigned a unique identification number in the national registry. Felons, people guilty of financial crimes and people whose licenses have ever been revoked would not be allowed to attain a license.

Commerce Department Commerce Analysis Supervisor Robin Brown said that whereas Minnesota currently licenses mortgage lending institutions, the bill would make it so that the individual mortgage originators are licensed instead, and also registered within a new national licensing system.

A companion, SF2643, has been incorporated into SF2839, which awaits action by the full Senate. Sen. Linda Scheid (DFL-Brooklyn Park) is the sponsor.

— N. BUSSE

## HUMAN SERVICES

### Pawlenty signs GAMC bill

**Signed  
by  
the  
governor**

A revised, less expensive version of General Assistance Medical Care will continue past its scheduled March 31

expiration date, under a new law signed by Gov. Tim Pawlenty March 26.

Under the law, the estimated 35,000 low-income Minnesotans covered by GAMC each month will continue to receive basic medical services. These services will be administered by “coordinated care delivery systems” — partnerships of hospitals that may contract with the Department of Human Services for reimbursement. This provision is effective June 1, 2010, for hospitals serving the largest number of GAMC patients. Hospitals with fewer GAMC patients may receive reimbursement through November as they decide whether to form similar delivery systems.

The law also implements reforms in the delivery of mental health urgent care, which may be phased in based on the limits of appropriations and the level of need, as determined by the Department of Human Services. Other provisions include the establishment of a collaborative psychiatric consultation service, as well as a state review of procedures for administering antipsychotic and attention deficit disorder medications to children.

Sponsored by Rep. Erin Murphy (DFL-St. Paul) and Sen. Linda Berglin (DFL-Mpls), the law is a result of months of bipartisan work by legislators and discussions with the governor on how best to care for the GAMC population.

HF802/SF460\*/CH200

— L. RADOMSKI

### SOS redesign proposed

A plan from the Department of Human Services to transform care for people with mental illness is opposed by some health care providers and advocacy organizations.

The House Health Care and Human Services Policy and Oversight Committee took testimony March 23 and March 25 on a proposed redesign of State Operated Services, which runs campus and community-based programs serving people with mental illness, developmental disabilities, chemical dependency and traumatic brain injury. SOS is under pressure to eliminate \$17 million from its budget by June 2011, the result of unallotment and budget cuts.

“It really felt appropriate that with such significant changes in the total appropriation that would be available to us, we needed to really step back and, rather than just cut across the system, focus on where can we achieve some efficiencies, what can we do differently,” said Dr. L. Read Sulik, assistant commissioner for Chemical and Mental Health Services at the Department of Human Services.

The department proposes closing or

reorganizing several existing facilities and creating new psychiatric care centers around the state. Some of the new centers would be targeted at Minnesotans with immediate mental health needs; other facilities would provide care at a lower urgency level. Department officials say the redesign would improve access to mental health services and save money.

Planning for the redesign began in 2008 and has included stakeholder meetings around the state. However, several testifiers said the plan lacks crucial details on cost, timelines and job losses, which could affect an estimated 200 positions.

“Our questions continue to go either under-answered or unanswered,” said Becky Romosz, a nurse at the Community Behavioral Health Hospital in Annandale. “We can’t seem to get a real handle on what’s going on.”

“Our mental health system is woefully underfunded, and so cutting \$17 million is simply devastating, not transformative,” said Sue Abderholden, executive director of the National Alliance on Mental Illness of Minnesota.

Department officials said the redesign will be phased in over the next 15 months, with some changes effective as soon as May.

— L. RADOMSKI

### Civil commitment signature changes

**Signed  
by  
the  
governor**

Civil commitment documents will no longer need to be notarized.

Sponsored by Rep. Karla Bigham (DFL-Cottage Grove) and Sen. Don Betzold (DFL-

Fridley), a new law permits documents to be officially made under oath or affirmation if a statement is included that the signer attests the document is true and correct, and is being signed under penalty of perjury. A telephone number and address where the signer can be contacted must be included.

The law also clarifies that electronically signed documents, as part of an electronic record system now used by most hospitals, will be allowed as evidence in civil commitment cases.

Bigham said the state hospital association, county attorneys association, Minnesota Disability Law Center and the Department of Human Services are all comfortable with the change.

Signed April 6 by Gov. Tim Pawlenty, the law is effective Aug. 1, 2010.

HF3187\*/SF2328/CH220

— M. COOK

If you have Internet access, visit the Legislature's Web page at: [www.leg.mn](http://www.leg.mn)



## LAW

### Financial records release clarified

**Signed  
by  
the  
governor**

No government authority has permission to access or obtain copies of the records from a financial institution of any customer unless the records are reasonably described and meet

an expressly stated reason.

Judicial or administrative subpoenas have been added to the list of acceptable reasons.

Sponsored by Rep. Karla Bigham (DFL-Cottage Grove) and Sen. Mee Moua (DFL-St. Paul), the law is identical to language inadvertently removed from a 2009 law related to investigations of the financial exploitations of vulnerable adults. The law, signed April 1 by Gov. Tim Pawlenty, is retroactively effective Aug. 1, 2009.

HF3139\*/SF2952/CH214

— M. COOK

### Instruments to secure debt clarified

**Signed  
by  
the  
governor**

A new law retains the requirement that an instrument explicitly state its intent to be used as security for a debt, but caps the amount of the debt to the initial amount stated in the

instrument.

The law, signed April 1 by Gov. Tim Pawlenty, comes about because of a 2009 Minnesota Supreme Court decision where the debt secured was greater than the amount of the mortgage, and the mortgage registry tax was not fully paid. This is a common situation in commercial loans where a company, for example, gets a \$1 million corporate loan secured by a guarantee on the principal's homestead. However, because there is only a limited amount of equity in the homestead, the mortgage is limited to \$200,000.

Rep. Gail Kulick Jackson (DFL-Milaca), who sponsors the law with Sen. Linda Scheid (DFL-Brooklyn Park), gave another example of loaning someone \$4 million, securing \$1 million of it on the person's residence and the other \$3 million on a coin collection. "We will pay mortgage registry tax on \$1 million, and therefore, even if your land doubles, I can't come back and collect \$2 million off of foreclosing. I am limited to the amount of the debt expressed in the mortgage and expressed by the mortgage registry tax."

The law takes effect July 1, 2010.

HF2828\*/SF2231/CH211

— M. COOK

## LOCAL GOVERNMENT

### New Richfield firefighter residency

**Signed  
by  
the  
governor**

Newly hired Richfield firefighters must live within a response time of no more than 10 minutes from the fire station, according to a new law signed April 1 by Gov. Tim Pawlenty.

Rep. Linda Slocum (DFL-Richfield), who sponsors the law with Sen. Ken Kelash (DFL-Mpls), said it will help the city respond to budget cuts without compromising public safety. She said the residency requirement is a better alternative to shifting some full-time employees to part-time and paying off-duty personnel to be on call whether they are actually called to an emergency.

The requirement holds for the first 10 years of employment or until the proposed seven-year expiration date. The sunset clause will allow the city to evaluate the measure, Slocum said.

The law is effective April 2, 2010.

HF2729\*/SF2400/CH207

— K. BERGGREN

### Sewer fees help stagnant fund

**Signed  
by  
the  
governor**

Because of the stagnant economy and slow construction starts, the Metropolitan Council's wastewater reserve capacity fund, normally funded by sewer availability charges (SAC) assessed on new commercial or residential development, is running low.

A new law, signed by Gov. Tim Pawlenty April 1, authorizes the council, if necessary, to temporarily change its source for revenue to cover debt service payments from the wastewater reserve capacity transfer to regular sewer fees charged to local governments in the seven-county Twin Cities metropolitan area served by the council. Local governments could then assess consumers to cover the increase. That cost per household is estimated at no more than \$1.20 per month.

The law takes effect April 2, 2010, and expires Dec. 31, 2015.

Rep. Paul Gardner (DFL-Shoreview), who sponsors the law with Sen. Ann Rest (DFL-New Hope), called the measure "a common sense approach during economically difficult times" that would help maintain high bond ratings.

The shift would be made up in subsequent years when a two-year balance in the wastewater reserve fund is reached. Then, the SAC transfer to the operating fund must be increased to make up for prior reductions. At that point, charges to local governments would be reduced proportionately.

HF2949\*/SF2925/CH212

— K. BERGGREN

### Commission structure adjustment

**Signed  
by  
the  
governor**

The Minneapolis School Board was recently restructured by voter referendum from an all at-large board to one composed of six members representing specific zones and three at-large

members.

A new law, signed April 1 by Gov. Tim Pawlenty, gives the city permission to appoint two members from the school board to that city's redistricting commission, in lieu of current commission members appointed by the majority and minority caucuses of the city council.

The school board members would participate in redistricting school board districts in the city, but not city council districts.

The law requires new school board districts, to the extent possible, to hold relatively equivalent distributions of population; retain concentrations of racial or language minority populations; consist of "contiguous compact territory;" and, when possible, feature boundaries that run mostly east to west, or north to south.

Rep. Jim Davnie (DFL-Mpls) and Sen. Patricia Torres Ray (DFL-Mpls) sponsor the law, which takes effect the day after the Minneapolis school district files with the secretary of state a certificate indicating its approval of this law.

HF2360\*/SF2738/CH208

— K. BERGGREN

### Duluth area board expansion

**Signed  
by  
the  
governor**

The Spirit Mountain Recreation Area Authority can increase its board from seven to nine members.

Gov. Tim Pawlenty signed the new law April 1. It takes effect upon approval by the City of Duluth, and specifies the two new board terms will initially be four years, then revert to three-year terms.

The Duluth ski area plans to offer four-season activities to draw more tourism, according to Rep. Roger Reinert (DFL-Duluth), who sponsors the law with Sen. Yvonne Prettner Solon (DFL-Duluth). More members will help the board carry an increased workload accompanying its expansion plans.

HF2786\*/SF2397/CH203

— K. BERGGREN

If you will be visiting the Capitol in the near future,  
call the Capitol Historic Site Program  
at 651-296-2881 to schedule a tour.

## St. Clair baseball field ads OK

Signed  
by  
the  
governor

The St. Clair School District can place advertising signs within its baseball field perimeter.

Gov. Tim Pawlenty signed the new law April 6. It is effective

April 7, 2010.

Rep. Tony Cornish (R-Good Thunder), who sponsors the law with Sen. Julie Rosen (R-Fairmont), said that the law is "meant to be a fix between two conflicting state statutes." One permits school districts to collect revenue from outdoor ads, such as billboards placed on school property; the other permits advertising only within 100 feet of a school.

The new law allows the ads within the baseball field area and requires signs to be visible only to those inside the stadium area.

HF3172\*/SF2797/CH221

— K. BERGGREN

## Town hall meeting minutes

Signed  
by  
the  
governor

Outdated references to how town hall meeting minutes are signed will be removed from statute, under a new law signed by Gov. Tim Pawlenty.

Sponsored by Rep. Jeanne Poppe (DFL-Austin) and Sen. Tony Lourey (DFL-Kerrick), the law allows the town clerk and a meeting moderator to sign meeting minutes. If the town clerk is the moderator, the minutes will also have to be signed by a supervisor in attendance.

Poppe said the changes come at the request of the Minnesota Association of Townships because elections were previously held simultaneously with town hall meetings. Now that events are separate, statutes need to reflect the changes.

The law is effective Aug. 1, 2010.

HF3468/SF3167\*/CH195

— P. OSTBERG

## Employees can't be a city leader

Signed  
by  
the  
governor

Full-time, permanent employees of a city will be prohibited from serving as mayor or on the city council.

The new law, signed by Gov. Tim Pawlenty March 30, takes

effect for elections held or appointments made on or after Aug. 1, 2010.

Rep. Steve Smith (R-Mound), who sponsors the law with Sen. Gen Olson (R-Minnetrista), said it is consistent with other statutes regarding school board and county employees serving as elected officials.

David Osmek, a Mound City Council member, told the House Local Government

Division March 15 the law would have prevented some ongoing conflicts of interest. He cited the case of a city employee participating in closed union contract negotiations, which had a direct effect on the Mound administrative code, and in turn, his own salary.

In another instance, the council had to decide on home water meters based on what they later learned was incomplete information given by one of its members who worked in that field and favored a particular kind of meter.

HF3350\*/SF2953/CH206

— K. BERGGREN

## MILITARY

### Veterans' business preference

Certain military veterans who own small businesses are given preference in bidding for state contracts for goods and services. A bill that would have expanded that preference to all veterans failed on a 6 to 4 vote March 25 by the House State Government Finance Division.

Sponsored by Rep. Dan Severson (R-Sauk Rapids), HF2809 would expand the preference from women, minorities, the disabled and those who served in active service since Sept. 11, 2001, to include all military veterans. The bill would cap the total number of veterans' preference contracts at 6 percent.

"We have received correspondence from some Vietnam veterans, some Desert Storm, Gulf War veterans who say, 'Why are you discriminating against us?'" Severson said.

Division Chairwoman Rep. Phyllis Kahn (DFL-Mpls) said a proper study would be needed to determine if there is a problem with certain veterans not receiving their share of contracts. New and disabled veterans were added to those with preference without a study because the need was so visible, she said. Florida is the only state that gives preference to all veterans, she added.

"It's the Vietnam-era veterans and it's the Gulf War veterans who have the companies that want to hire these men and women," said Jerry Kyser, vice chairman of the United Veterans Legislative Council of Minnesota. While current law allows younger veterans to take advantage of the preference, many of these younger veterans don't own a business capable of handling a state contract, he said.

A companion, SF3234, sponsored by Sen. Chris Gerlach (R-Apple Valley), awaits action by the Senate State and Local Government Operations and Oversight Committee.

— P. OSTBERG

### Cookie notification not required

Signed  
by  
the  
governor

A temporary computer cookie is often needed to provide electronic government services.

Effective Aug. 1, 2010, a government entity will no longer be required to provide notice when installing a temporary cookie on a person's computer that will be deleted when the user closes their web browser or web application. An entity would still need to notify the user if placing a permanent cookie on their computer.

Brought forth by the Office of Enterprise Technology, the law is needed because current statute does not differentiate between temporary and permanent cookies.

Current statute says that if a person refuses to accept a temporary cookie, a state agency still has to facilitate the transaction.

Designed to facilitate a transaction by connecting Web pages together — such as one page contains your name and address and another page contains credit card information — temporary cookies are not considered a threat to data privacy, and are used by the federal government, most other states and many companies.

Rep. Gene Pelowski, Jr. (DFL-Winona) and Sen. Don Betzold (DFL-Fridley) sponsor the law, signed April 6 by Gov. Tim Pawlenty.

HF2988\*/SF2327/CH222

— M. COOK

### Publication survey required

Signed  
by  
the  
governor

Recipients of three free legislative publications will be surveyed.

Sponsored by Rep. Brita Sailer (DFL-Park Rapids) and Sen. Lisa Fobbe (DFL-Zimmerman),

a new law requires the Office of the Revisor of Statutes to survey and obtain written requests from people authorized to receive free distribution of 2010 Minnesota Statutes, 2010 Minnesota Laws and 2011 Minnesota Rules.

The survey must notify the recipients that the text of the statutes, laws and rules will be available on the revisor's Web site prior to the availability of the print versions. The revisor is also required to ask recipients if they would like to continue to receive the free copies. Only those who respond to the survey requesting copies will receive them.

Signed April 6 by Gov. Tim Pawlenty, the law is effective April 7, 2010.

HF1780\*/SF1682/CH217

— P. OSTBERG



## TAXES

### Could TIF help fund streetcars?

Imagine streetcars as part of the mix of mass transit options in the Twin Cities metropolitan area. Rep. Frank Hornstein (DFL-Mpls)

sponsors HF3218 that could help bring the lines back to the streets.

The bill would create a new type of tax increment financing district to help finance improvements and costs related to rail and bus rapid transit lines. It was held over April 7 by the House Taxes Committee for

possible omnibus bill inclusion.

Although the change could be applied along a transit corridor anywhere in the state, Hornstein hopes the new TIF category would help bring the old transportation mode back to the streets of Minneapolis —specifically along the Lake Street Corridor and serve as a “critical connector” between the Hiawatha Line and the proposed Southwest rail line. It could also be a catalyst for development.

The concept has the support of the City of Minneapolis, and the Metropolitan Council has indicated its willingness to collaborate on the project.

TIF is an economic development tool that is not without its critics, including Rep. Ann Lenczewski (DFL-Bloomington), chairwoman of the committee. “We have a lot of TIF districts in the state, and this would obviously create a whole bunch more, and a whole bunch more property taxes that are not transparent. It’s not about this TIF bill, but every TIF bill.” She cautioned that, while many TIF bills before the committee are limited in scope, this one would apply across the state and needs careful consideration.

To qualify, the new TIF-designated area would need to be within one-half mile of a qualifying transit line, such as light rail, commuter, bus rapid transit or streetcar.

Rep. Roger Reinert (DFL-Duluth) suggested that passenger railroad lines also be included.

Peter Wagenius, policy director for the City of Minneapolis, said that at least four cities in other states have received federal funding for streetcar projects, and that Minnesota could be in line to see funds. “There is nothing superior about their projects,” he said. “We just are not yet in the position to compete. They took the streetcar concept earlier; they identified local funding streams for the match.”

A companion, SF2919, sponsored by Sen. D. Scott Dibble (DFL-Mpls), awaits action by the Senate Finance Committee.

— L. SCHUTZ

## WAITING TO BEGIN



PHOTO BY ANDREW VONBANK

Rep. Gene Pelowski Jr., left, and Rep. Jeanne Poppe confer on the House floor prior to the March 29 session.

## TRANSPORTATION

### Bridge classification system

**Signed  
by  
the  
governor**

The Trunk Highway Bridge Improvement Program of 2008 established criteria for classifying bridges in need of repair through June 30, 2018.

Effective Aug. 1, 2010, bridges that did not qualify as part of the original three-tiered system for repairs will fall into a subsequent prioritization program based on:

- service interruption risks resulting in temporary road closures or restrictions; and

- risk factors such as age, condition, load capacity, traffic volume and susceptibility to flood damage.

The transportation commissioner shall develop the new classification system by Feb. 1, 2011.

Sponsored by Rep. Bernie Lieder (DFL-Crookston) and Sen. Michael Jungbauer (R-East Bethel), the new law was signed April 1 by Gov. Tim Pawlenty.

HF2915\*/SF2847/CH205

— S. HEGARTY

### North Branch to honor war hero

**Signed  
by  
the  
governor**

Marine Cpl. Johnathan Benson, a graduate of North Branch High School, was granted a purple heart after he was wounded during a second tour of duty in Iraq in 2006. The 21-year-old died from his injuries Sept. 9, 2006.

In remembrance of Benson's sacrifice, a stretch of Highway 95 in North Branch will be renamed the "Corporal Johnathan Benson Memorial Highway." Signed into law March 26 by Gov. Tim Pawlenty, it takes effect Aug. 1, 2010.

Rep. Jeremy Kalin (DFL-North Branch) and Sen. Rick Olseen (DFL-Harris) are the law's sponsors.

The Transportation Department will adopt a suitable marking design and erect the appropriate signs. Community funding will pay for new signs.

HF2575/SF2183\*/CH196

— S. HEGARTY

### License reinstatement extension

**Signed  
by  
the  
governor**

Effective March 27, 2010, a new law extends the period that people are allowed to participate in the driver's license diversion program.

The 2009 law authorizing a program contained a June 30, 2011, sunset. The new law removes that sunset and clarifies that a city participating in the program can accept participants until that date. A third party administering the program can collect and disburse collected fees through Dec. 31, 2012, at which time the pilot project will end.

People charged with driving after suspension or revocation, but who have not yet entered a plea can participate. In exchange for a diversion driver's license, participants must maintain insurance, make regular payments toward the outstanding fines and complete a class that teaches life and financial management skills. Offenders will pay for program costs. It is directed at people who

## FILL'ER UP



PHOTO BY ANDREW VONBANK

**Rep. Kate Knuth inspects the electric-charging connection on an electric car during an April 6 demonstration of electric/plug-in hybrid vehicles and solar infrastructure outside the Capitol.**

want to get valid licenses, but for various reasons, such as limited finances, are unable to do so.

Duluth, St. Paul, South St. Paul, West St. Paul and Inver Grove Heights are eligible to take part in the pilot program; however, the public safety commissioner may permit other cities to establish a program. That is not

expected until after a report is submitted next year on the program's effectiveness. Nearly 500 people are taking part in the St. Paul program.

This just says that people that get into the program late have the same amount of time and opportunity as people who got in the program early, said Rep. John Lesch (DFL-St.



Paul), who sponsors the law with Sen. Yvonne Prettner Solon (DFL-Duluth).  
HF3321/SF2946\*/CH197

— M. COOK

### Eminent domain modification

**Signed  
by  
the  
governor**

If a governing body determines that land it acquired through eminent domain for public use is no longer needed, it must offer to sell the land back to the owner from whom it was acquired at the lower of the condemnation price or the fair market value.

Signed April 6 by Gov. Tim Pawlenty, a new law will correct an oversight in a 2008 law to put Minnesota in compliance with federal law when dealing with excess property disposition in the transportation area.

Effective Aug. 1, 2010, it requires the acquiring authority to offer to sell excess, unneeded property acquired by eminent domain back to the previous owner at fair market value if the property interest was obtained with federal transit funding. This is already established in law for property acquired using federal highway funding.

Rep. Steve Simon (DFL-St. Louis Park) and Sen. Sandy Pappas (DFL-St. Paul) are the sponsors.

HF3336\*/SF3031/CH219

— M. COOK

### Veterans honored in North Branch

**Signed  
by  
the  
governor**

Military veterans will be honored with the renaming of the Highway 95 Bridge in North Branch.

Gov. Tim Pawlenty signed

the law authorizing the name change to the "Veterans Memorial Bridge" March 30. The Transportation Department will adopt a suitable marking design and erect the appropriate signs. Community funding will pay for new signs.

Rep. Jeremy Kalin (DFL-North Branch) and Sen. Rick Olseen (DFL-Harris) sponsor the law, which takes effect Aug. 1, 2010.

HF2561\*/SF2182/CH204

— S. HEGARTY

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Call House Public Information Services  
at 651-296-2146  
or 800-657-3550

## LIGHT OF DAY



PHOTO BY TOM OLMSCHIED

A stream of light from one of the windows of the Capitol Dome illuminates a March 29 meeting between lobbyist Dominic J. Sposeto and Rep. Tom Anzelc outside the House Chamber.

## Frequently called numbers

Area code 651

### House Public Information Services

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### Meeting Hotline, House

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### Chief Clerk of the House

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### House Index

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### Senate Information

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### Secretary of the Senate

296-2344

Voice mail/order bills..... 296-2343

### Senate Index

296-2887

### Meeting Hotline, Senate

296-8088

## Ensuring good management

Twelve legislators decide which programs legislative auditor will evaluate

By SUE HEGARTY

**E**ven American Idol contestants cringe when being critiqued, but when you are a state agency or tax-funded program, becoming a finalist for a program evaluation by the Office of the Legislative Auditor can be downright scary.

"There have been very few reports where the auditor sits down and goes, 'They're doing a fine job. We oughta give 'em a gold star,'" said Rep. Mike Beard (R-Shakopee), vice chairman of the Legislative Audit Commission, which selects programs for the OLA to evaluate.

According to its Web site, "The office's principal goal is to provide the Legislature, agencies, and the public with audit and evaluation reports that are accurate, objective, timely, and useful. Through its reports, the office seeks to strengthen accountability and promote good management in government."

Two years after the office was created in 1973, the Program Evaluation Division was added. Each year, OLA staff analyze about three to six state-funded programs. Legislative Auditor Jim Nobles accepts the assignments from the commission, which is comprised of 12 legislators. There are six House and six Senate members, and it is equally divided between the majority and minority parties.

In addition to Beard, current commissioners are: Rep. Rick Hansen (DFL-South St. Paul), Rep. Bill Hilty (DFL-Finlayson), Rep. Mary Liz Holberg (R-Lakeville), Rep. Ron Shimanski (R-Silver Lake), Rep. Steve Simon (DFL-St. Louis Park), Sen. Don Betzold (DFL-Fridley), Sen. Joe Gimse (R-Willmar), Sen. David Hann (R-Eden Prairie), Senate President James Metzen (DFL-South St. Paul), Sen. Ann Rest (DFL-New Hope) and Sen. Claire Robling (R-Jordan).

The program evaluation division is apolitical, amid the push and pull of bipartisan commissioners.

"In the world we operate in here, you have interest groups and entities providing their

opinions and they have goals and objectives. We need that third-party evaluation to cut through some of these issues, and to do that follow-up to make sure things are working as we intended," said Hansen, the commission's topic selection subcommittee chairman.

Anyone can suggest a program evaluation, but most ideas are vetted through legislators. Commissioners ask for topic ideas in January, and narrow the list to 12 in March. Then a subcommittee recommends three to six programs.

"People corner you and persuade you to pick their topic," Hansen said. "When you make that first cut down from 69 (topics) to 12 you have a lot of disappointment."

Commissioners receive one background sheet on each topic finalist, and then they publicly vote on which programs to evaluate. For example, on March 26 the commission chose three topics that the subcommittee recommended for review this year: environmental permitting, K-12 online learning and the state's sex offender treatment program at Moose Lake and St. Peter.

However, that process is not necessarily a slam-dunk. Last year, Rep. Mary Murphy (DFL-Hermantown) joined commissioners at the table and pleaded her case for a library evaluation. Commissioners chose it as one of six programs to evaluate; the report was released March 22.

Auditors will spend the next six to nine months mapping the scope of the topics chosen, studying literature, reading peer reviews, interviewing and writing their findings and recommendations. Those being evaluated will be notified; there are no surprise

### Recent OLA Reports

The following program evaluation reports from the Office of the Legislative Auditor can be found online at [www.auditor.leg.state.mn.us](http://www.auditor.leg.state.mn.us).

- Public Libraries (released March 22, 2010)
- Natural Resource Land (released March 5, 2010)
- Workforce Programs (released Feb. 17, 2010)
- Public Defender System (released Feb. 16, 2010)
- MnSCU System Office (released Feb. 9, 2010)
- Alternative Education Programs (released Feb. 3, 2010)


visits. Auditors sign disclosure statements prior to each assignment so Nobles can determine their level of objectivity for a topic. For highly specialized topics, consultants may be brought in.

The OLA is the only legislative branch office protected by the Data Practices Act.

"We get to see everything that an agency has. Anybody that receives public money, not just agencies, but nonprofits and private organizations that receive public money, must provide to the legislative auditor all documents of any classification that the legislative auditor requests to see," Nobles said. "It also imposes on us a very strong requirement to retain the confidentiality of a lot of material that we obtain."

In the fall, representatives of programs being evaluated may read the draft report and offer changes or corrections. Their formal responses are included in the final report, which is traditionally published in time for the next session.

Reports frequently are a catalyst for new legislation.

For example, Beard drafted bills resulting from a 2004 report on the Metropolitan Airports Commission. This year's report critical of the Department of Natural Resources' deferred maintenance of land holdings also prompted legislative action to divert acquisition funds toward a backlog of maintenance needs. 



# Budget cuts, round one

Despite deep spending cuts, legislators try to soften the blow

By Nick Busse

**L**awmakers promised quick action on balancing the state's budget, and they delivered — the first one-third of it, anyway.

On April 1, Gov. Tim Pawlenty signed a new law that will cut \$312 million from the state's budget. Covering a wide range of programs and agencies, the law will reduce the state's estimated \$994 million budget deficit by nearly one-third, mostly through spending cuts.

The law marks the first of what are expected to be three budget-balancing bills put forward by the Legislature this year. The next two pieces will cover health and human services, and funding for schools. Speaking on the House floor March 29, Rep. Lyndon Carlson Sr. (DFL-Crystal) said the first round of cuts, though painful, will ease the pressure on those other budget areas.

"Making targeted cuts in these areas will allow us to protect education from cuts to the classroom and reduce the amount that must be cut from health and human services," said Carlson, who sponsors the law with Sen. Richard Cohen (DFL-St. Paul).

House and Senate leaders negotiated a deal with the governor that includes many of the cuts Pawlenty wanted, but also cushions the blow for poor and disabled Minnesotans and local governments.

The largest cut, \$111.3 million to local aids and credits, is less than half of what Pawlenty called for in his supplemental budget plan. DFLers said the governor's plan would have

## Budget cuts in the law

Local aids and credits.....	\$111.3 million
Higher education.....	\$47 million
Public safety.....	\$35.4 million
State government.....	\$33 million
Environment.....	\$24.1 million
Energy and commerce.....	\$23.8 million
Economic development.....	\$16.3 million
Transportation.....	\$14.5 million
Agriculture and veterans.....	\$7 million
Arts and cultural heritage.....	\$2.5 million

harmed core government functions like police and fire services.

Likewise, the Legislature mostly spared student financial aid programs from the budget ax, despite a \$47 million total cut to higher education. So, too, did they mitigate the governor's proposed cuts to economic development programs — especially those targeted toward disabled Minnesotans.

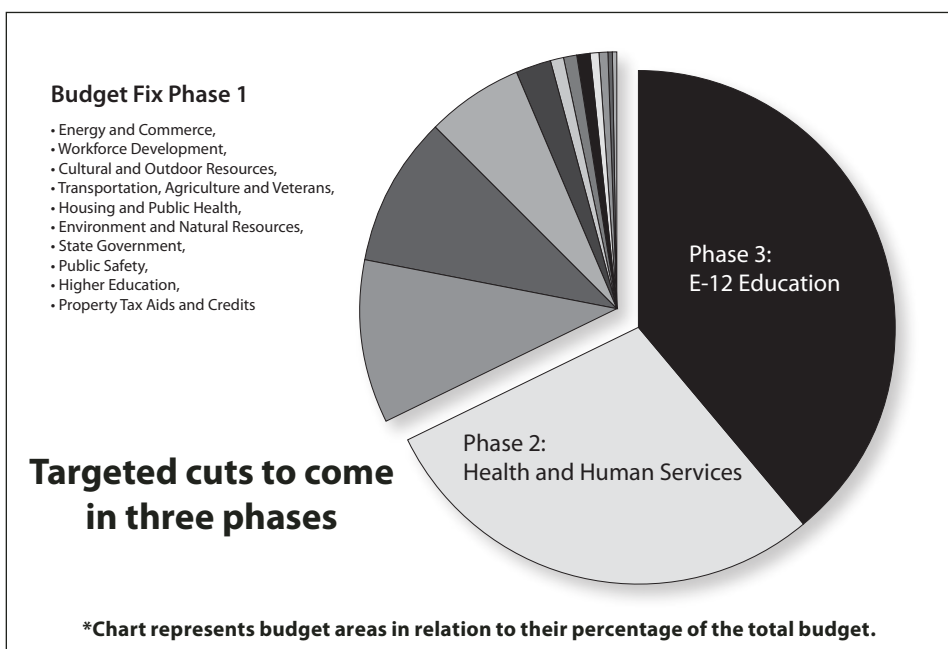
In some areas, such as environment and transportation, the Legislature actually cut more than what the governor wanted, however. DFLers, who last year proposed a \$1 billion tax increase package as part of their budget solution, were not altogether happy about passing yet another round of cuts.

"There's a lot of us on this side of the aisle that didn't get elected to hurt people like they're being hurt in this bill," said Rep. Tom Rukavina (DFL-Virginia). "We had a practical solution to balance the budget, but we don't have a practical governor anymore."

Republicans, for very different reasons, don't like the bill either.

Despite making an "admirable set of cuts," Rep. Keith Downey (R-Edina) said the law doesn't address the state's long-term deficit, which according to some estimates might reach the \$5 billion to \$8 billion range in the next biennium. Downey said permanent changes to government programs are needed to reduce spending.

"This Legislature is not dealing with fundamental reforms. We're not dealing with



Source: House Budget Resolution

Budget continued on page 22

# Not-so-great expectations

State colleges and universities prepare for more budget cuts

By Nick Busse

**W**ith the ink barely dry on the latest round of state cuts to higher education funding, officials from the University of Minnesota and the Minnesota State Colleges and Universities system are already planning for more cuts next year.

“The state’s fiscal outlook at this juncture in the process is as bad as I’ve ever seen it,” said MnSCU Vice Chancellor and Chief Financial Officer Laura King. “As we think about biennial budget planning, it’s a question of bad or worse, from an outlook standpoint.”

During the last two years, the state’s ongoing fiscal problems have led to a series of budget cuts and unallotments to higher education. From \$713 million in fiscal year 2008, the university has seen its state funding drop to just \$591 million for fiscal year 2011. During that same period, MnSCU has gone from \$667 million to \$606 million.

The supplemental budget bill signed by Gov. Tim Pawlenty April 1 sets the institutions’ base funding at a higher level in fiscal year 2012; however, neither MnSCU nor the university seems to think they’ll actually get the amount promised.

“I think that’s wishful thinking,” said Richard Pfitzenreuter, vice president and chief financial officer for the university.

On April 7, Pfitzenreuter, King and other officials presented their institutions’ respective 2012-13 biennial budget plans to members of the House Higher Education and Workforce Development Finance and Policy Division. The plans include layoffs, closure of academic programs, salary freezes or cuts, reduced services and tuition increases.

At the university, Pfitzenreuter said 1,200 faculty, staff and student positions are being cut through early retirement incentives,

elimination of vacant positions and layoffs. In addition, tuition increases, temporary salary reductions and furloughs are also in the works. Finally, the university is restructuring various campus services: delaying classroom upgrades, repairs and replacements, and reducing maintenance and cleaning.

Some MnSCU schools are contemplating similar measures. St. Cloud State University President Earl Potter said his school is already laying off nine faculty members and eliminating 26 academic programs — one-tenth of the total offered — to deal with the current deficit. Potter said they expect to eliminate another 25 or so faculty positions in the next biennium.

“We have squeezed all the blood out of the stone that we think we can, and so I don’t see that we can negotiate the next biennium without faculty layoffs,” Potter said.

He added that the school has already cut all of the programs that were not considered financially successful, and that “the next cuts we have to make will be things that are successful.”

One option that’s always available to shore up higher education budgets is tuition increases, but neither MnSCU nor the university intends to solve

a majority of the problem that way. While both King and Pfitzenreuter said that tuition would be a part of the overall solution, King emphasized the commitment to keep higher education affordable and accessible to the public.

“Our approach to tuition will be reasonable,” she said, adding that tuition increases at MnSCU would likely be kept below double-digit percentages.

**Higher Education continued on page 22**



PHOTO BY TOM OLMSCHIED

**Ann Wynia, president at North Hennepin Community College, tells the House Higher Education and Workforce Development Finance and Policy Division April 6 that her college is doing more with less to give low academic students a chance to succeed. Wynia is holding a copy of the college’s magazine that features a story of one student and an instructor who influenced his success.**



# Nursing a level playing field

Sides differ on who should pay for nursing home costs

By LAUREN RADOMSKI

**A** I McAfee thought he and his wife of 61 years, Alice, were doing everything they were supposed to.

They worked for decades: he as a teacher and small business owner, she as a legal secretary, accountant and federal program officer. They invested their money and skipped extravagances. When Alice was diagnosed with dementia in retirement, their long-term care insurance, pensions, savings and Social Security kicked in to cover her nursing home costs.

Now McAfee is concerned a proposal to lift restrictions on nursing home fee-setting could disrupt their delicate payment balance.

Rate equalization is the Minnesota policy that prohibits nursing homes from charging private pay residents more than residents on Medical Assistance, except in certain circumstances. Minnesota is one of only two states with a rate equalization law, which was adopted in the early 1980s.

Gov. Tim Pawlenty and some House members support repealing rate equalization and gradually allowing cash-strapped nursing homes to set their own rates for private pay residents. While providers say the repeal is long overdue, some residents and their families claim it would punish people who saved for their long-term care.

"I'm just saying I thought most people did that," McAfee told the House Health Care and Human Services Policy and Oversight Committee March 11. "...Tell me what I should do. Buy a Cadillac? My neighbor

went to Hawaii three times on his credit card. I went once — in World War II."

## Help for nursing homes

Under the governor's supplemental budget proposal, rate equalization would be phased out over the next three years. Beginning in July, nursing homes could increase private pay rates by up to 2 percent. Incremental increases would be permitted until October 2013, when nursing homes could charge private pay daily rates at whatever amount they choose. The repeal is intended to help providers

manage anticipated cuts in Medical Assistance, the state's Medicaid program.

Proponents of the phase-out say it is not unreasonable to ask people who can afford it

to contribute more to their own cost of care, especially when some nursing homes are struggling.

Christine Bakke is the administrator of St. Benedict's Senior Community in St. Cloud, where cuts to Medicaid reimbursement

have strained finances. It's to the point where Bakke is considering reducing staff wages and benefits.

"We all know that when you cut your staff in a health care setting, the only people that impacts are your

residents and the quality of the care that they receive," she said.

St. Benedict's is not alone. The Long-Term

Care Imperative, a partnership between Minnesota's two long-term care provider associations, estimates nursing homes lose an average of \$20 per resident per day as a result of the gap between state rates and actual costs of care.

"People should pay what it costs us to provide a service," Bakke said. "We have watched our nursing homes deteriorate because we can't make a profit."

Not everyone agrees repealing rate equalization would be the best solution. Michele Kimball, director of AARP Minnesota, is concerned shifting costs would hit private payers hard. She predicts the repeal would drive state costs up in the long term, as private payers run out of money and wind up on Medical Assistance.

Others say rate equalization is an important protection for low-income residents who could otherwise face discrimination in obtaining housing.

"Of greatest concern in eliminating rate equalization is the looming possibility that nursing homes will pick and choose from the waiting list for admissions based on the ability to pay," said Jane Ochrymowycz, president of the Seniors and Workers for Quality Coalition.

That should not happen, Bakke said, as such discrimination is prohibited in the regulations governing nursing homes' participation in Medicare and Medical Assistance.

## Taking responsibility

The debate over rate equalization is ultimately about personal responsibility. People who favor the repeal say the current system does not offer Minnesotans incentives to purchase long-term care insurance or save for their own long-term care costs. Opponents claim that repealing rate equalization would only exacerbate the problem.

It is already common for seniors to transfer assets to family members or to a favorite cause in order to qualify for Medical Assistance and

**Others say rate equalization is an important protection for low-income residents who could otherwise face discrimination in obtaining housing.**

**Proponents of the phase-out say it is not unreasonable to ask people who can afford it to contribute more to their own cost of care, especially when some nursing homes are struggling.**

# Legislative powers

Giving legislators a chance to call themselves into special session

By PATTY OSTBERG

**R**ep. Lyndon Carlson Sr. (DFL-Crystal) thinks legislators could have acted more quickly to pass a comprehensive transportation bill after the Interstate 35W bridge collapse in 2007, and provided state assistance when flooding happened in southern Minnesota last year.

However, they couldn't because they weren't called into a special session.

Sponsored by Carlson, HF2577 would ask voters this November if legislators should be able to call themselves into special session. Currently, only the governor can call a special session.

Approved March 18 by the House State Government Finance Division, the bill awaits action by the House Finance Committee, which Carlson chairs.

The proposed constitutional amendment would allow the Legislature to convene for seven legislative days after written agreement by the president and majority leader of the Senate, speaker and majority leader of the House, and the rules committees in each body.

Carlson amended his original proposal to specify only seven days, saying it still allows for public participation while resolving issues in a timely manner.

Under current law, the Legislature can only call a special session on the first Tuesday after the first Monday more than 30 days after an attack on the state. Otherwise, the governor can call a special session upon "extraordinary occasions."



***"It would provide for more transparency, it would hopefully eliminate gridlock ... it allows the Legislature to act promptly if we were dealing with a disaster."***

— Rep. Lyndon Carlson Sr.  
DFL-Crystal

more transparency, it would hopefully eliminate gridlock ... it allows the Legislature to act promptly if we were dealing with a disaster."



***"I don't know why we would want to grant the Legislature carte blanche authority to take up bills at any point of time through the year."***

— Rep. Keith Downey  
R-Edina

balance between the branches of government and reduce the gridlock that results when

governing bodies do not agree," Carlson said.

Rep. Joyce Peppin (R-Rogers) has two problems with the proposal: minority party members are not included in calling a special session and the Legislature could potentially call several special sessions because the bill doesn't limit the number.


Carlson said the rules committees have both minority and majority members, and requiring minority caucus authorization could lead to more gridlock. "Public opinion would probably weigh in if it appeared it was being abused," he said.

"I don't know why we would want to grant the Legislature carte blanche authority to take up bills at any point of time through the year," said Rep. Keith Downey (R-Edina), adding the constitution has built-in constraints for the governor such as "extraordinary occasions."

Downey also expressed concern that the authority would give the Legislature less incentive to be done on time; instead it could "push the deadline back, and push the deadline back, and just like any other project where you have a movable final date ... people just push things off."

Countered Carlson, "I always find it rather interesting when legislators are concerned about having greater opportunity for input. ... I would think that would be something that most of us would be quite interested in, and that's to maintain and have a good balance of power between the executive and legislative branch."

Rep. Mary Kiffmeyer (R-Big Lake) noted there is a cost to putting the constitutional amendment on the ballot. To add one proposed amendment to optical scan ballot cards, for county auditors to program and count votes cast, and for printing and publishing the total cost is \$102,000.

A companion, SF2260, sponsored by Sen. Richard Cohen (DFL-St. Paul), awaits action by the Senate Rules and Administration Committee. 



# Helping farmers help themselves

Low-interest loan program designed to assist agricultural growth in state

By PATTY OSTBERG

**W**ithout a low-interest agriculture improvement loan from the Rural Finance Authority, Greg Piller said he wouldn't have been able to expand his dairy farm from about 60 to 120 cows. The loan helped to build a new barn and other buildings to improve their production and improve the facilities to "run more efficiently, so we were able to increase our herd without basically adding any labor," he said.

Like Piller, many beginning farmers and those struggling financially have turned to the state for help. The RFA, a division of the Department of Agriculture, shares risk with commercial banks to give various types of low-interest loans to farmers. About 2,400 farmers have benefitted from the authority's loan program since the Legislature established it in 1986.

Since then, the RFA has issued \$161 million in loans. As of December 2009 the outstanding loan balance was \$55.7 million, representing 623 loans.

Dennis Kasper, vice president of agriculture loans at Security State Banks of Wanamingo, said many of the basic farm loans he helps young farmers process are to obtain needed land and for dairy farm expansions. He said an interest rate of just 3 percent to 4 percent can "make or break a young farmer's cash flow."

"It's tough for a new farmer to get involved unless he's connected with his dad, or

programs such as RFA's beginning farmer program," Kasper explained. Livestock expansion and equipment programs are permitted fund uses to help dairy farmers expand their herd and install technology upgrades, such as robotic milking devices, he said.

Many times Kasper will help farmers obtain federal farm loans and RFA loans combined. The advantage of the state programs is they are more user-friendly with less paperwork, he added.

## A winning relationship

RFA Director Peter Scheffert describes the relationship with banks as "a win-win all around." He said the authority doesn't want to compete with banks, but "to be able to support them, and not do a job the private industry can do." By sharing the loans with banks it helps reduce risk to the bank and lowers the interest rate to the beginning farmer, he said. Since its inception, the authority has only had 15 loan losses totaling \$200,893.

Jim Boerboom, deputy commissioner with the Department of Agriculture, said the loans are a great example of a public/private partnership with limited credit risk to the state and financial institutions. RFA works with more than 400 commercial banks and 32 farm credit offices across the state.

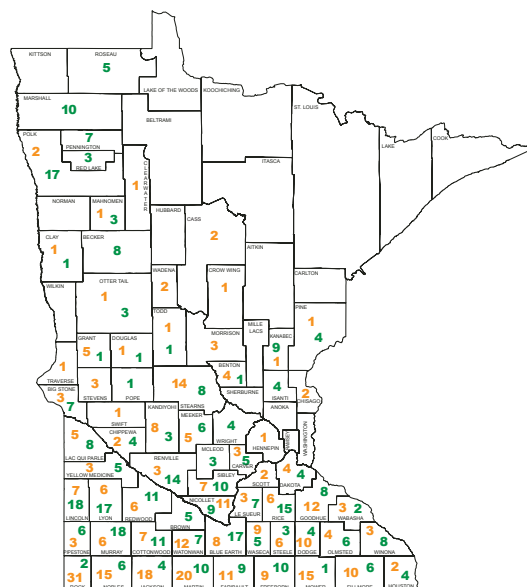
As provided for by the state constitution, the state sells bonds and the RFA uses the bond proceeds to fund the loans to farmers while offering them at a reduced interest rate. The authority has received requests to expand their program to such things as loan guarantees, but it's resisted because of the increased credit risk, Boerboom said.

Because of the economic stress of commodity prices in the livestock industry during the past year, RFA is finding dairy and hog farmers using a lot more restructure loan programs, said Scheffert.

"If we're going to give you money, we want you to be successful," Scheffert said.

**Agriculture continued on page 22**

Farm loans made through the RFA Programs through 7-1-09



Source: Department of Agriculture

**Agriculture improvement loans finance such things as grain handling facilities, machine storage and manure systems. Restructure loans help farmers reorganize their farm debt to improve cash flow. Livestock expansion creates affordable financing for new state of the art livestock production facilities.**

## Budget continued from page 17

the structural deficit that we have, and we're just nibbling around the edges," Downey said.

Republicans also criticize DFLers for what they see as a piecemeal approach to balancing the budget. The new law covers virtually every area of the state budget except for the two largest pieces: K-12 education and health and human services. Rep. Mark Buesgens (R-Jordan) compared voting for the first budget bill to taking out a mortgage on a house after only seeing a picture of it.


But DFLers counter that they can't bring the other two budget bills forward. They're on hold while lawmakers await confirmation of a proposed federal expansion of health care funding. If enacted, that expansion could solve as much as \$400 million of the state's remaining \$682 million problem.

Moreover, there's another holdup: lawmakers are also awaiting a pending Supreme Court decision on the constitutionality of Pawlenty's budget unallotments last year. If the court rules against the governor, it could force a reinstatement of the funding he cut unilaterally, leaving the Legislature with an additional \$2.7 billion budget gap to deal with.

House Majority Leader Tony Sertich (DFL-Chisholm) dismissed criticisms about the one-bill-at-a-time approach, noting that the DFL majority's full budget plan, including education and health and human services funding, has already been spelled out in the House's budget resolution. He also said it was important to move quickly to solve as much of the deficit as possible.

"Halfway through the session, we are going to solve a significant chunk of this budget deficit, and I don't know why people are afraid of that," Sertich said.

Most provisions in the law are effective April 2, 2010.

HF1671\*/SF3223/CH215 

## Higher Education continued from page 18

### Hurting toward a cliff

As deep as the cuts have been over the last two years, they might have been deeper if not for the federal stimulus.

The American Recovery and Reinvestment Act of 2009 provided Minnesota with "stabilization funds" that lawmakers used to shore up higher education funding. That money came with a requirement that Minnesota can't reduce its higher education funding to below its 2006 levels.


Next year, that money will dry up, and lawmakers will be free to cut funding as

much as they need to. To make matters worse, college enrollment statewide is at an all-time high, as workers laid off during the recession have returned to school seeking retraining or looking for a new career field.

"We are really up against it from a capacity standpoint," King said. "We are reaching a point at some of our institutions where we are at de facto enrollment caps already."

King calls it "a time of great ambiguity." Without new federal money or an increase from the state, the hard times will only continue at state colleges and universities.

There's always a chance the state's budget situation will improve dramatically in the coming months, but Pfutzenreuter said he doesn't expect it to happen. In the meantime, the university is preparing to face the funding cliff as best they can, looking for efficiencies wherever they can find them — no matter how small.


"I have to now take my own garbage to a main receptacle," Pfutzenreuter said. "They don't come around and take it for me anymore." 

## Health continued from page 19

avoid paying for long-term care costs out-of-pocket, said Rep. Diane Loeffler (DFL-Mpls). She believes this practice would grow should rate equalization be eliminated.

"We're going to give more people who are uncomfortable with this whole discussion more justification in their own mind to feel like they're just playing the game like everyone else and they're not going to get ripped off by having to pay more than the person who is on, quote, 'welfare,'" she said.

Kari Thurlow, vice president of advocacy for Aging Services of Minnesota, says the aversion to paying for long-term care is a real problem. But she maintains that repealing rate equalization would be part of the solution and "the start to a conversation" about significant reform.


"We view it as a step toward changing the entire paradigm and the way we approach financing long-term care," she said. "Part of it is changing mindsets." 

## Agriculture continued from page 21

Therefore, farmers using RFA loan programs are required to attend a farm management education program that meets less than 10 times a year. Using computerized analysis a farmer can compare their data to others, thus showing the strengths and weaknesses in a farmer's cash flow, he said.

Scheffert said while the RFA has some expansion ideas, now isn't the time to ask the Legislature for adjustments in programs that might need funding. The RFA has sufficient funds to meet loan demand though 2011, he said.

The major loan programs offered through RFA's bond proceeds include: basic farm and seller assisted loans for entry level farmers to purchase land; agricultural improvement program for upgrading technology, such as grain elevators or manure systems; livestock expansion or equipment programs; and a restructuring program to help farmers reorganize their debt.

The authority also manages a revolving fund that supports the following loan programs: value-added agriculture product stock, disaster recovery, livestock equipment pilot and methane digester. 

### Minnesota State Agencies

Administration.....	651-201-2555
Agriculture .....	651-201-6550
	800-967-2474
Commerce .....	651-296-4026
Corrections.....	651-361-7200
Education .....	651-582-8200
Employment and	
Economic Development .....	651-259-7114
	800-657-3858
Enterprise Technology.....	651-296-8888
Explore Minnesota Tourism .....	651-757-1845
	800-657-3535
Health .....	651-201-5000
	888-345-0823
Higher Education Services .....	651-642-0567
	800-657-3866
Housing Finance Agency .....	651-296-7608
	800-657-3769
Human Rights .....	651-296-5663
	800-657-3704
Human Services.....	651-431-2000
Iron Range Resources .....	218-735-3000
	800-765-5043
Labor and Industry .....	651-284-5005
	800-342-5354
Management and Budget.....	651-201-8000
Mediation Services .....	651-649-5421
Metropolitan Council.....	651-602-1000
Military Affairs .....	651-268-8919
Natural Resources .....	651-296-6157
	888-646-6367
Pollution Control Agency .....	651-296-6300
	800-657-3864
Public Safety .....	651-201-7000
Revenue .....	651-296-3403
Transportation .....	651-296-3000
	800-657-3774
Veterans Affairs.....	651-296-2562



## Monday, March 29

### HF3745-Jackson (DFL)

#### Finance

Mille Lacs County; nursing facility payment rates increased to the peer group one median rate.

### HF3746-Clark (DFL)

#### Environment Policy & Oversight

Enhanced occupational safety standards required for closed landfill cleanup.

### HF3747-Olin (DFL)

#### Taxes

Thief River Falls airport authority allowed to levy against referendum market value rather than net tax capacity.

### HF3748-Simon (DFL)

#### Finance

Chairs and ranking minority members of the Finance and Ways and Means committees authorized to request local impact notes.

## Tuesday, April 6

### HF3749-Brown (DFL)

#### Finance

Flat fee eliminated for uncertified copies of court documents, and court administrator authorized to charge actual costs for uncertified copies.

### HF3750-Hosch (DFL)

#### Finance

Avon; Public Facilities Authority loan forgiveness authority required.

### HF3751-Seifert (R)

#### Taxes

Social Security benefit subtraction allowed.

### HF3752-Kath (DFL)

#### Taxes

Owatonna; local sales and excise tax use expanded.

### HF3753-Downey (R)

#### Health Care & Human Services

#### Policy & Oversight

MinnesotaCare voucher demonstration project established.

### HF3754-Downey (R)

#### Health Care & Human Services

#### Policy & Oversight

Regional service centers created.

### HF3755-Koenen (DFL)

#### Taxes

Construction materials and equipment used in the construction and improvement of a wastewater treatment facility exemption provided.

### HF3756-Lenczewski (DFL)

#### Taxes

Construction rules provided, and technical and clarifying changes made to the estate tax.

### HF3757-Hilty (DFL)

#### Finance

Securities transaction exemptions modified, and money appropriated for the state grant program.

## Wednesday, April 7

### HF3758-Ruud (DFL)

#### Finance

Driver's license applicant allowed to donate \$2 for public information and education on anatomical gifts.

### HF3759-Hansen (DFL)

#### Finance

Air handling system improvement grants provided to improve air quality in indoor ice arenas.

### HF3760-Marquart (DFL)

#### Taxes

Homestead treatment modified for manufactured home park cooperatives.

### HF3761-Atkins (DFL)

#### Commerce & Labor

Cable communication equipment fees prohibited.

### HF3762-Abeler (R)

#### Taxes

Ramsey; tax increment financing district created and subjected to certain rules.

### HF3763-Dill (DFL)

#### Taxes

Application of homestead resort classification extended.

### HF3764-Hosch (DFL)

#### Taxes

Job Opportunity Building Zone amendments allowed to agreements under certain circumstances.

### HF3765-Marquart (DFL)

#### Taxes

Detroit Lakes; food, beverage and entertainment taxes authorized.

### HF3766-Brod (R)

#### Health Care & Human Services

#### Policy & Oversight

Human DNA vaccine and informed consent labeling required for administration of those vaccines.

### HF3767-Dill (DFL)

#### Taxes

Ely; sales and use tax authorized.

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## MINNESOTA INDEX

### Twins Territory

Year the Minnesota Twins first played in Minnesota.....	1961
Team's all-time win-loss-tie record entering this season.....	3,828-3,808-8
Year of last tie game.....	1999
Division titles for the Twins from 2000-09.....	5
Years the Twins called Metropolitan Stadium home.....	1961-81
Years the Metrodome was their home.....	1982-2009
Cost, in millions, to build Target Field.....	\$545
Millions paid by Hennepin County, in part through 0.15 percent sales tax increase....	\$350
Millions paid by the team.....	\$195
Year the Legislature approved Target Field funding plan.....	2006
Estimated full-time equivalent jobs created during Target Field construction.....	3,500
Seats in Target Field.....	39,054
Seats in the Metrodome for baseball.....	55,300
Percent of Target Field, Metrodome seating in upper level.....	32.9, 58.7
Women's restrooms in Target Field, Metrodome.....	401, 256
Men's restrooms.....	266, 192
Display size, in square feet, of Target Field scoreboard.....	5,757
Square feet of Metrodome scoreboard.....	1,292
Distance, in feet, from home plate to the closest seat at Target Field.....	45
Distance from home plate to the pitcher's mound, in feet-inches.....	60-6
Miles team is scheduled to fly in 2010.....	28,773
Complete game shutouts all-time by Twins pitchers.....	272
Number by Bert Blyleven.....	29
Number by Jim Kaat.....	23
Times Minnesota has had a 20-game winner.....	15
Estimated distance, in feet, of longest home run hit by a Minnesota Twin (Harmon Killebrew – 1967).....	520
Rows into the upper deck the ball landed at Metropolitan Stadium.....	6
Career batting average for Rod Carew.....	.328
Career batting average Joe Mauer entering this season.....	.327
Career batting average for Kirby Puckett.....	.318
Career batting average for manager Ron Gardenhire.....	.232

— M. COOK

**Sources: Minnesota Twins 2010 Record and Information Book; [www.twinsbaseball.com](http://www.twinsbaseball.com).**

### FOR MORE INFORMATION

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