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Education..... 1
State Government Finance. 2
Election Law 3
Redistricting 4
**Trails and Off-Highway
Vehicles (OHVS)..... 5**
**Clean Water, Air and Legacy
Amendment 5**
Toxic Chemicals..... 6
Metropolitan Council 7
Housing..... 7
Health Care 8
Immigration 9

EDUCATION

LWVMN Position: All Minnesota children should have equal access to a good public education. State funding for education should be at a level that makes programs of comparable substance and quality available to all. A student's access to a good education should not depend on the wealth of his or her school district.

LWVMN Position on State Spending: The highest priority items are (1) K-12 Education; (2) Health Care; (3) Environment.

Kay Kessel, lobbyist, 612-926-1387

This is the 7th year that I have covered the education policy committees and budget divisions at the Capitol and I want to thank all the members of these committees for their visionary work. Many of these legislators are current or former teachers and they are passionate about public education.

Rep. Mindy Greiling (DFL-Roseville), chairwoman of the House K-12 Education Finance Division, held steady on her leadership to bring about the new Minnesota Miracle,¹ only to see it cut in conference. Last summer local LWV organizations in greater Minnesota attended her committee hearings as she sought to educate citizens about the complexities of education finance. Rep. Greiling is not giving up and LWV members may be called upon to help once again.

The omnibus K-12 education (HF2) is far reaching and consumes over 40% of the state's budget. The conference report sent to the Governor ran to almost 190 pages. Our legislators worked hard during the session and had two to three meetings a week hearing from citizens, educators, lobbyists, and experts to develop what finally became the conference report on HF2.

What did they accomplish? There are a variety of provisions in this omnibus bill that will affect our schools in the next two years and several will be noted below. Parents United for Public Schools will be taking their next few updates throughout the summer months to share more information and analysis about the impact of this bill on our schools. We urge you to sign up for Parents United updates.²

Regarding funding, given the huge deficit, Minnesota schools emerged comparatively unscathed in the state budget battle of 2009. Education funding will hold steady at \$13.7 billion for the 2010-2011 biennium and increase to \$14.1 billion the following biennium.³

Yet this flat funding does not hold the schools harmless, for it is flat funding with deep school payment shifts. When the governor begins unalloting, payment shifts will occur. When the time comes to buy back these shifts, it will be a repayment of debt, which is not new funding.⁴

The on-line version of the *Capitol Letter*™ at www.lwvmn.org contains links to the elected officials and bills listed here. For contact information for elected officials see the following websites.

MN State Senators:

www.senate.leg.state.mn.us/members/member_list.php?sort=a#header

MN State Representatives:

www.house.leg.state.mn.us/members/housemembers.asp

Elected officials for your address:

geo.commissions.leg.state.mn.us/districts/start.html

On May 16 the Governor signed HF2 reluctantly, for it did not include the increased funding he had targeted at his own reform proposals, such things as Q Comp.⁵ It did not please Rep. Greiling, either, as noted above, but others observed that it includes new ways of measuring student performance, changes in special education mandates and a provision for allowing districts to create site-governed schools, among other positive changes.⁶

The many hearings that were held with national education experts produced interesting proposals for change. Rep. Carlos Mariani (DFL-St. Paul) has helped bring back the Office of Education Accountability (OEA), a non-partisan think tank that is qualified to assess educational programs and reforms. The work of the OEA will be based on sound research and data.

You can read the entire bill for yourself – or you can find a summary of the bill at <http://www.house.leg.state.mn.us/hrd/bs/86/HF0002.html>

There are 10 Articles in HF2.

1. General Education
2. Education Excellence
3. Special Programs
4. Facilities and Technology
5. Libraries, Nutrition, and Accounting
6. Self Sufficiency and Lifelong Learning
7. State Agencies
8. Pupil Transportation
9. Forecast Adjustments
10. Technical Corrections

¹ See *Capitol Letter*™, Feb. 11, 2009

² Parents United for Public Schools, <http://www.parentsunited.org/home.html>

³ Kris Berggren in *Session Weekly*, May 29, 2009

⁴ Parents United Newsletter, May 21, 2009

⁵ See *Capitol Letter*™, Feb. 11, 2009

⁶ *Ibid.*, *Session Weekly*, May 29, 2009

STATE GOVERNMENT FINANCE

LWVMN Position: Support of a balanced and diversified revenue system that is equitable, progressive, and reliable. Support of long-term financial management projections and a budget reserve. (1995)

LWVMN Position on Government Spending: LWVMN believes that the highest priority areas for state spending are the following: (1) K-12 (regular) education; (2) Health Care; (3) Environmental protection....

Laura Wang, legislative coordinator, 612-384-0219

No deal. That was the result of months of discussion, debate and negotiation between Gov. Tim Pawlenty (R) and lawmakers over solving Minnesota's historic \$4.6 billion deficit when the Legislature adjourned amid raucous debate at midnight on May 18.

A quick review of the timeline leading up to the final debacle:

On May 8 the Legislature passed HF885, a tax bill that would have raised revenue by \$1 billion by creating a 4th tier tax bracket for the highest income taxpayers, increasing the state's alcohol tax and putting a tax on excessive interest rates.

Five hours later the bill was vetoed by Gov. Pawlenty.

On May 14 the Governor line-item vetoed \$381 million from the General Assistance Medical Care (GAMC) program. This program serves very low-income adults without children, many of whom are mentally ill or addicted to drugs or alcohol.

As May 18 loomed, all eyes remained on the Governor and legislative leaders, looking for any signs of an emerging agreement or a deal. Gov. Pawlenty issued a counter-offer that included:

- \$175 billion in K-12 education payment shifts.
- \$450 million in cuts to Local Government Aid (LGA)
- \$250 million in cuts to health and human services; this is in addition to the \$500 million already cut in the HHS bill and the GAMC veto.
- \$190 million in higher education cuts
- \$100 million in additional cuts to other programs, including renters' credit and the political contribution refund. (Note: LWVMN signed onto letters of support for maintaining both of these programs.)
- No revenue increases

Legislative leaders issued their counter-offer to the Governor a few hours later. Their offer included:

- \$1.8 billion in K-12 education shifts contingent on implementing permanent revenue to bring it back
- \$120 million in LGA cuts
- \$169 million on efficiency reductions
- \$986 million in new, permanent revenue sources
- \$52 million in cuts to bills already signed
- Restoration of GAMC veto

After these offers, there appeared to be little negotiation and no movement. The Governor was frequently using the word ‘unallotment’ when discussing his next move and talk of a veto override was increasing in volume among legislators.

In the final weekend, with hope of an agreement fading, the House attempted to override Gov. Pawlenty’s veto of both the GAMC program and the tax bill. Debate was emotional as supporters of GAMC told the stories of many people, often the sickest and most vulnerable, who depend on this program for health care. Both override attempts failed. The vote to override GAMC was a party-line vote with every Democrat voting to override while all Republicans voted to sustain the Governor’s veto. The Republicans again held together to uphold the veto of the tax bill and were joined by Rep. Gene Pelowski (DFL-Winona) and Rep. Jeanne Poppe (DFL-Austin).

Negotiations continued on Monday, May 18, the final day of the session, with no agreement. In the final minutes of the session, the Legislature passed another budget balancing bill that used education shifts and tax increases as the main tools to balance the budget. Gov. Pawlenty’s anticipated veto of this bill came on May 21.

What now? The governor has said he will balance the state budget with a combination of line-item vetoes and his unallotment authority.

LWVMN Presidents Vivian Jenkins Nelsen and Judy Stuthman wrote a commentary outlining our concerns about the inability to adequately address this historic deficit and the incremental erosion of programs such as education, public safety and the human services that support of

the most vulnerable and needy members of our society. These programs have long provided the underpinning of our democracy.

Oliver Wendell Holmes once said “I like paying taxes. With them I buy a civilization. While ‘like’ may be strong word for how most of us feel about taxes, polls show that most Minnesotans, including those who would have seen increases under DFL tax proposals, are willing to accept fair tax increases to maintain a high quality of life – our civilization. Minnesota has fallen in many of the quality-of-life rankings that we once bragged about, such as educational achievement, job creation and economic growth. It is critical that we do better delivering to our elected officials the message that we value what we have lost and are willing to pay. If we do not, the joke about being a cold Omaha will become a joke about being a cold Louisiana.

ELECTION LAW

LWVMN Position: *Support of improvements in election laws regulating election procedures, voting and school district elections.*

Gwen Myers, lobbyist, 952-545-8696

Veto!

First Gov. Tim Pawlenty (R) vetoed HF1053¹ on May 21. It was sponsored by Sen. John Marty (DFL-Roseville) and Rep. Steve Simon (DFL-St. Louis Park), which, among other things, provided for automatically registering eligible citizens to vote when they apply for a Minnesota driver’s license, permit or identification card, unless they opt out. It also required a variety of officials to provide information periodically so the Office of Secretary of State (OSS) can update

the statewide voter registration system (SVRS).

Then on May 22 he vetoed SF1331,¹ sponsored by Sen. Katie Sieben (DFL-Newport) and Rep. Will Morgan (DFL-Burnsville). Originally, this bill provided for early voting, on-line registration, streamlined absentee ballot procedures and easing college student registration, among other things. In an effort to gain some Republican support, authors agreed to remove early voting and on-line registration, to no avail.

Why did Gov. Pawlenty veto bills which would have simplified voter registration and solved the absentee ballot problem which still deprives Minnesota of a Senator? He had previously said that he would only sign a bill that had bipartisan support, but not a single Republican voted for either one.

Why did every Republican vote against reasonable and necessary election reform? The bills did not contain photo ID language from HF57, sponsored by Rep. Tom Emmer (R-Delano).² This required registered voters to show a photo ID in order to vote.

Hindsight being 20-20, it seems clear that we and our legislative allies never truly addressed Rep. Emmer’s bill. We never gave responsible Republicans reasons to vote against it.

When HF57 was presented in the first committee, Rep. Emmer avoided discussing the actual language in his bill by announcing that “Everyone knows what’s in this bill,” so there was no need to go through its provisions, standard procedure in a bill’s initial hearing. No one objected! In fact, it would have been a useful exercise. For example, language in the bill makes it

impossible for one to obtain a free state ID unless one already has a driver's license³ – in which case a free state ID would be unnecessary. In addition, all of Rep. Emmer's witnesses that day testified about problems with same-day registration, which has nothing to do with the bill. No committee member pointed this out. Finally, the implementation of such a bill would have been enormously expensive for state and county governments. This was never hammered home.

Most important, the claim that we need this legislation to protect the integrity of our election system was never addressed. We simply said, "There is no record of anyone, ever, impersonating a registered voter." This is a true statement, but leaves unanswered the honest question a Republican representative asked me: "How would we know?" Rep. Paul Torkelson (R-Nelson Township) thought it possible that this was happening, perhaps on a large scale, and we would never know about it.

The correct response should have been, "How would you do it?" How would you go about impersonating a registered voter on Election Day without either getting caught at the polls or having the fraudulent vote discovered when the voter registration system is updated, as it is after every election? How would you do it even once, much less on a wide scale basis? This is what should have been asked, over and over, but was not.

LWVMN will work on increasing the transparency of the post-election procedures that assure the integrity of our election system in Minnesota. The ongoing refrain that there is fraud in our election system has convinced too many honest citizens that this is true – and it is not. The voter fraud argument must be confronted and defeated by factual

information on how the OSS checks for fraud in our system. "How do we know?" must be answered. Assertions supported by statistics are not good enough.

¹ See *Capitol Letter*™, March 25

² See *Capitol Letter*™, February 27

³ See *Capitol Letter*™, January 28

⁴ *Ibid.*, Feb. 27

REDISTRICTING

LWVMN Position: Support timely redistricting based substantially on populations and affecting all state and local governmental bodies. Support... procedures... to ensure prompt redistricting by the Legislature or by a reapportionment commission.

Laura Wang, legislative coordinator,
612-384-0219

We all know that every election, voters go to the polls to select our elected officials. The required redistricting after every census, on the other hand, has been described as the process by which elected officials select their voters. At the state and local levels of government, elected officials redraw the districts from which they are elected.¹

In anticipation of the 2010 census and another round of redistricting, legislation has moved forward in the Minnesota Senate that would reform how Minnesota draws its congressional and legislative boundaries, removing direct legislative action in hopes of eliminating some of the problematic (political) aspects of the process.

SF182, authored by Sen. Larry Pogemiller (DFL-Minneapolis), would create a panel of five retired appellate or district court judges who had never held partisan office to

draw the district lines. The minority and majority leader of each legislative chamber would have the authority to appoint a judge; those four judges would then choose the fifth member.²

The Senate passed SF182 in a 39-28 roll call vote, with support from both Democrats and Republicans. The University of Minnesota's Smart Politics blog has an interesting breakdown of the bill's supporters and opponents, along with their margins of victory in the 2008 election. The author noted that, "Republicans who enjoyed the largest margins of victory in 2006 voted for redistricting reform, while those with the smallest margins of victory voted against it. DFLers, however, were split – those voting in favor and against the legislation were equally those coming from safe and competitive districts."³

Because 2009 is the first year of the biennium, all bills that were not voted down will be alive until the Legislature adjourns on May 17, 2010. SF182 was referred to the House State and Local Government Operations Reform, Technology and Elections Committee chaired by Rep. Gene Pelowski (DFL-Winona).

¹ In 1842 Congress made each state legislature responsible for drawing up congressional districts.

² See the *Capitol Letter*™ April 8 for a brief description of the bill. (http://www.lwvmn.org/CapitolLetter2009_07.asp#Redistricting)

³ *Smart Politics*, http://blog.lib.umn.edu/cspg/smartpolitics/2009/05/republicans_in_competitive_dis.php

TRAILS AND OFF-HIGHWAY VEHICLES (OHVS)

LWVUS Position: Natural resources should be managed as interrelated parts of life-supporting ecosystems. Resources should be conserved and protected to assure their future availability. Pollution of these resources should be controlled in order to preserve the physical, chemical and biological integrity of the ecosystem and to protect public health.

Gwen Myers, lobbyist, 952-545-8696

After several years of disappointment, our Traditional Use Coalition made a major gain this year, thanks to Sen. Satveer Chaudhary (DFL-Fridley) – and thanks to a fall ‘08 *Star Tribune* series, “Renegade Riders,” written by Tom Meersman, David Shaffer and Glenn Howett.¹ The series demonstrated – and pictured – the fact that OHVs continue to damage our public lands -- especially our forests, wetlands and streams. The series reminded legislators that we have a serious problem with a percentage of motorized recreation enthusiasts.

The major gain is new law that substantially increases the penalties for violating OHV regulations:

- A person who violates these regulations is guilty of a misdemeanor, i.e., a crime, rather than a petty misdemeanor.
- The person is guilty of a gross misdemeanor if he/she “recklessly upsets the natural and ecological balance of a wetland or public waters wetland.”
- A person is prohibited from operating an off-highway vehicle for a period of one year if the person is

convicted of a gross misdemeanor or several other egregious violations.

- The OHV may be seized if a person commits a second gross misdemeanor.

Sen. Chaudhary’s enforcement language became part of SF1110,² his state parks bill. The House companion was HF1237, which did not include the OHV language, but ultimately included all the language from the four bills implementing the Clean Water Legacy Amendment. This was a very complicated bill. It went into conference the evening of May 18, the last day, and was finally reported to the House floor and passed at about 11:40 p.m. It passed the Senate minutes later. Sen. Chaudhary was a good as his word; our enforcement language was part of the conference report that passed. The Governor signed the bill on May 22. The OHV enforcement law becomes effective August 1, 2009.

¹ Sunday 9/14/08 (Part 1)
<http://www.startribune.com/local/28308249.html?elr=KArksUUUU>
 Monday 9/15/08 (Part 2)
<http://www.startribune.com/local/28377029.html?elr=KArksUUUU>
 Tuesday 9/16/08 (Part 3)
<http://www.startribune.com/local/28430149.html?elr=KArksUUUU>

² See *Capitol Letter*™ March 25, April 8

CLEAN WATER, AIR AND LEGACY AMENDMENT

Darby Nelson, Lessard-Sams Outdoor Heritage Council Member, Guest Commentary, 763-421-7334

The 2009 session launched the first of 25 years of new funding to protect and enhance Minnesota’s cultural and outdoor heritage, initiated by

passage of the Legacy Amendment to our state constitution last fall.

Each of the four funds established by the amendment moved through the legislative process differently until amalgamated into omnibus bills in the respective chambers. Ultimately they all came to roost in HF1231, the omnibus cultural and outdoor resources finance bill.

Process

Statutory language established that recommendations for Outdoor Heritage Fund (OHF) funding originate with an eight-citizen, four-legislator council (Lessard Outdoor Heritage Council). The intent was to insert a citizen voice in decision-making to reduce chances that OHF funds would be doled out comparable to the infamous earmarks of Congress. While the council understood its power lay only in passing on recommendations to legislators, many citizens hoped the legislature would honor the council’s work by moving the recommendations forward relatively unscathed. Both chambers did essentially that.

The House, however, added policy and governance language that, perhaps well intended, created many problems of redundancy, unhelpful definitions, unreasonable limits to council staffing and more. Nearly all this objectionable language was stripped out during conference.

None of the other three funds utilized a similar process, although the citizen Clean Water Council, which was established in the Clean Water Legacy bill that passed several years ago, but lacks statutory authority, does give recommendations to the governor on water funding. Many of its recommendations found their way into the Clean Water Fund bill.

Funding Outcomes

Over \$200 million in combined authorized spending was allocated out of the combined four funds. Note: the amounts of money presented below are for FY 2010. Other than the Outdoor Heritage Fund, the water, parks and arts monies were largely allocated for FY 2011 as well, so it seems that at least some funding for their projects will be renewed next year. The Outdoor Heritage Council will soon be reviewing new proposals for funding in FY 2011. The Outdoor Heritage Council will soon be reviewing new proposals for funding in FY 2011.

Below is a partial list of funding recipients.

The Outdoor Heritage Fund - \$69,500,000

Funds are to be expended for protection, enhancement and restoration of the habitats listed below.

Prairies - \$14.2 million
Forests - \$18 million
Wetlands - \$20.5 million
Fish, game and wildlife habitat - \$13.9 million

Major recipients of the above funds include: DNR, Board of Water and Soil Resources (BWSR), US Fish and Wildlife Service, Ducks Unlimited, Pheasants Forever, several metro counties, and Minnesota Land Trust among others.

Clean Water Fund - \$69,500,000

Dept. of Ag - \$3.8 million
Public Facilities - \$13.4 million
PCA - \$24.1 million
DNR - 6.7 million
BWSR - \$18 million
Dept. of Health - \$1.6 million

Parks and Trails Fund - \$29.9 million

DNR - \$16.9 million
Met Council - \$12.6 million
U of Minn. - \$400,000

Arts and Cultural Heritage Fund - \$44.4 million

Significant differences between House and Senate versions of this bill made it the most difficult of the four to resolve in conference committee. Consider the broad inclusiveness of the meaning of "Arts and Cultural Heritage."

Minnesota Board of the Arts - \$21.7 million (mostly for statewide grants)
Dept. of Education - \$4.3 million
Minnesota Historical Society - \$9.8 million

Many other entities received smaller grants including funding for statewide survey of historical and archaeology sites; public TV; MPR; Association of Educational Radio Stations; zoos (Minnesota, Como and Duluth); Minnesota Children's Museums; Science Museum of Minnesota; Perpich Center for the Arts; Minnesota Center for the Humanities.

And, of considerable interest to LWVMN, \$250,000 was appropriated to the Humanities Center for grants, under the heading Civic Education, to: Kids Voting Minnesota, Learning Law and Democracy Foundation, and YMCA Youth in Government to conduct civics education programs for the civics and cultural development of Minnesota youth.

TOXIC CHEMICALS

LWVUS Position on the

Environment: Pollution of resources should be controlled in order to preserve the physical, chemical and biological integrity of ecosystems and to protect public health.

Allene Moesler, lobbyist 507 263-0726

Passage of the BPA-free baby bill, which phases out the use Bisphenol-

A in sippy cups and baby bottles is cause for celebration on several fronts, although the final version was much less comprehensive than the original proposal. The inexplicable exclusion of breast milk containers from the BPA phase-out was accomplished by amendment in a committee under threat of veto by Gov. Tim Pawlenty (R) if the amendment failed. No other justification was offered.

Minnesota becomes the first state to pass such legislation, although similar bills are pending in several other states. A clear message is sent to the manufacturers of these infant products and the retailers who sell them: if they will not make the effort to remove toxins from these products, the public will make that decision for them through legislation and/or their purchasing power. In the past year, the words "BPA FREE" are showing up on many baby products and also on adult products.

The Toxic-Free Kids Act also underwent dramatic alterations as it moved through the legislative process, but it is an important first step toward acknowledging that our children are exposed to toxins in products designed for their use. The Department of Health is required to prioritize and evaluate chemicals used in consumer products based on their toxicity. Again, manufacturers are put on notice that they must start using less toxic chemicals in products.

According to information provided by Healthy Legacy, the major advocate for these two bills, formaldehyde and 1,4 dioxane are found in many infant skin care products sold in the United States. These chemicals are known to cause cancer in animals and are listed as probable human carcinogens by the Environmental Protection Agency

(EPA). Japan forbids the presence of formaldehyde in personal care products. The European Union does not allow even trace amounts of 1,4 dioxane in cosmetics. One hopes that as states begin to consider controlling the chemical content of children's products, the EPA will begin to take responsibility or protecting our children if the manufacturers do not.

LWVMN supported the legislation with letters to committee members, action alerts, informational events and phone calls.

METROPOLITAN COUNCIL

CMAL Position on the Met Council:

Support the Metropolitan Council as the decision-making body for metropolitan needs.... Support provisions for coordinated metropolitan services focused through the Metropolitan Council. Support retention of an appointed Metropolitan Council with greater use of its existing powers. (1969, 1976, 1993)

CMAL Position on Transportation:

Support the Metropolitan Council as the single metropolitan agency planning and coordinating a diverse transportation system....

Lois Quam, intern lobbyist, 612-861-2601

Regarding metropolitan issues, the 2009 session ended in a holding pattern, but our budget crisis will result in problems for our local governments. Important points for the metro area are as follows:

- Transit funding for building in the metropolitan area, including the Central Corridor, is assured for the next two years by the state bonding bill.¹

- The Transportation Finance bill was signed by the Governor. This means no reduction in service and no fare increases for the time period. Unfortunately, this does not address long-term transit funding needs.²
- There will be no change in the structure of the Metropolitan Council in spite of some support for HF721 dealing with the reorganization of the Met Council as a Council of Governments. Sponsored by Rep. Frank Hornstein (DFL-Minneapolis), HF721 may be laying the groundwork for future changes in the Met Council.
- Expected unallotments by Gov. Tim Pawlenty (R) of local government aid will further challenge metropolitan cities and counties and may result in property tax increases.

¹ See Transit for Livable Communities final legislative report for further information: <http://tlcminnesota.typepad.com/transit-for-livable-communities-blog/2009/05/final-2009-legislative-report-we-hope-transportation-policy-bill-vetoed.html>

² "Lawmakers Plug Transit Hole," Met Council website: <http://www.metrocouncil.org/directions/transit/transit2009/TransportationFundingBillMay09.htm>

HOUSING

LWVMN Position: All people have a right to housing. The public and private sectors should work together to ensure that everyone has access to adequate, decent, affordable housing.

Julie Johnson: LWVMN Leaders of Today and Tomorrow (LOTT); Policy Coordinator, MN Housing Partnership, 651-925-5548

Unallotment: Risks for Housing and Homeless Youth?1

Now that the 2009 session has adjourned with neither a budget agreement nor a call for special session, there is a good chance that housing and homeless programs will see additional cuts come July 1, when Gov. Tim Pawlenty (R) plans to use his unallotment power to balance the budget. With a \$2.7 billion gap that must be addressed, the breadth and scope of the unallotments leave every program at risk.

Based on what we saw from unallotments last winter, proposed budget cuts and the ensuing fight this session, it is safe to say that the Minnesota Housing Finance Agency's Housing Challenge Program stands out among those facing the carving knife this summer. At the end of last year, the Governor unallotted from the Challenge Program and then significantly cut its future funding in his initial budget proposal at the start of session.

The Housing Challenge Program provides gap financing for affordable housing development – everything from housing for the homeless to workforce housing. Without the Challenge Fund, affordable housing developments already under way will be at further risk of stalling, complicated by the drying up of funding from other resources. You can view the current funding levels

for the Minnesota Housing Finance Agency and the Challenge Program in the omnibus economic development bill, HF2088.

As for supportive services, it is no secret that the Health and Human Services budget, which includes supportive services and homeless funding, will be a key target of the unallotments threatened by the Governor. This is true even though the final HHS bill, HF1362, cuts hundreds of millions of dollars compared to the last biennium. The Governor left housing provisions intact when he line-item vetoed the bill on May 14; supportive housing services received \$3 million in one-time resources for FY 2010-11, while the Homeless and Runaway Youth Act got \$218,000. \$2.5 million was set aside in federal stimulus (not state) funds for homeless youth, however those funds are still at risk.

Finally, Gov. Pawlenty has identified the renters' credit as one area to trim. Despite attempts to eliminate or reduce this tax credit for low and moderate income renters this session, the renters' credit was untouched by the legislature. However, Pawlenty has specifically mentioned the renters' credit² as an unallotment target.

There is one win for affordable housing that will be held pretty safe from the future cuts and that is \$2 million in bonding for public housing rehabilitation. Since unallotment is a tool primarily used to balance deficits in the general fund, it is unlikely any bonding that has not been vetoed will be harmed. Though the debt service to pay state bonds does come from the general fund, the state is legally obligated to pay the debt service on bonds that have already been issued. The Governor does have the authority not to issue new bonds, but it is unlikely he will stop the number of state projects by

doing so. Housing advocates are thrilled about the new public housing bonds; there are over \$300 million worth of repairs needed in the three largest public housing authorities alone. (There are 124 public housing authorities in the state.) You can review the appropriations in the omnibus bonding bill, HF855.

There are additional unallotment risks for homeless programs, aside from housing. For more information on unallotment, check out the Minnesota Budget Bites Blog³ and the House Research brief⁴ "Unallotment: Executive Branch Power to Reduce Spending to Avoid a Deficit."

¹Material compiled from the Minnesota Housing Partnership's Capitol Update

²"Clock runs out on budget deal..." Pioneer Press, May 19, 2009,

http://www.twincities.com/ci_12395694?nclick_check=1&forced=true

³Minnesota Budget Bites Blog

⁴House Research, "Unallotment: Executive Branch Power to Reduce Spending to Avoid a Deficit," <http://www.house.leg.state.mn.us/hrd/pubs/unallot.pdf>

HEALTH CARE

LWVUS Position: A basic level of quality health care at an affordable cost should be available to all US residents.... LWVUS favors a national health insurance plan financed through general taxes in place of individual insurance premium... [and] is opposed to a strictly private market based model of financing the health care system.... (1993)

Glenda Larson, lobbyist intern 612-377-3985

Drastic Reductions in the Health and Human Services Budget

There is much concern about the Gov. Tim Pawlenty's decision to balance the state budget through unallotment and line item vetoes. On May 14 he signed the omnibus health and human services bill, but he line item vetoed General Assistance Medical Care (GAMC). The \$381 million cut will take effect in fiscal year 2011. It will discontinue health care to about 34,000 of Minnesota's most needy individuals.

GAMC covers adults age 21-64 who have annual incomes less than \$7800. Some of the covered services include doctor visits, hospitalization, prescriptions, mental health, alcohol treatment, eye exams, eyeglasses, dental care, prosthetics, hearing aids and more. There are co-pays for some of the services. Rep. Paul Thissen (DFL-Minneapolis) stated, "that veto was absolutely wrong, for two reasons. We are breaking a promise that we've had in Minnesota for generations, that we are going to take care of those least able to take care of themselves. The other thing is, it's a clear example of short-term thinking. It's thinking we can solve problems by not paying for them, or just moving them off of government's books. That's just not true."¹

Rep. Thomas Huntley (DFL-Duluth) said that the veto of GAMC would harm sick and vulnerable adults as well as cause hospitals to make major cutbacks and staff layoffs. Hospital leaders predict that the cuts to public programs for health care will have a devastating effect on Minnesota's hospitals. They warn that services including mental health care, dialysis, home health care and other important services could be reduced or eliminated in response to the cuts. Speaker of the House Rep.

Margaret Anderson Kelliher (DFL-Minneapolis) opposed the governor's actions and said, "he's willing to cut so much that hospitals and nursing homes will close."

Many Minnesota hospitals have already started to reduce spending and staffing. Park Nicollet's cuts could approach \$50 million; it has already laid off about 500 employees since Thanksgiving. North Memorial Health Care could have cuts of over \$60 million. Regions Hospital in St. Paul and Hennepin County Medical Center in Minneapolis will be affected by cuts since many of their patients receive public funding for health care. Representatives of the Minnesota Hospital Association predict that the GAMC cuts would likely eliminate over 7500 jobs in the state.²

An override of the veto to GAMC attempted in the House failed on a party-line vote of 87-47.

The omnibus bill still includes increasing MinnesotaCare coverage to 22,000 children as part of meeting the requirements of the federal stimulus package.

The Governor says he will announce unallotment details before July 1, 2009 after consultation with the Legislative Advisory Commission.

Progress for the Minnesota Health Act

The Minnesota Health Act, SF118 sponsored by Sen. John Marty (DFL-Roseville) and HF135 sponsored by Rep. David Bly (DFL-Northfield), made progress this year. The bill passed two Senate committees and had a hearing in the House. It has been co-sponsored by 29 Senators and 43 Representatives, which is one third of the legislature.

On January 26, 2009 SF118 passed the Senate Health, Housing and Family Security Committee on an 8-5 vote. Senator Marty described the bill at the hearing, saying it establishes the Minnesota Health Plan that will provide health care to all Minnesotans. The bill is funded through premiums based on ability to pay and other revenue sources. It ensures all Minnesotans receive quality health care, regardless of their income while also allowing patients to choose their own providers. A Minnesota Health Board will govern the Minnesota Health Plan and be responsible for determining costs, premiums and payment schedules for patients and health care providers participating in the plan. The bill was heard on February 10, 2009 in the Senate Commerce and Consumer Protection Committee and passed on a 7-3 vote.

Sen. Marty summarized the situation: "The United States has some of the best medical facilities, researchers and providers in the entire world, yet our access to these resources is very minimal. Our health care system is dysfunctional and we need to fix it."

The House Health Care and Human Services Policy and Oversight Committee held an informational hearing on the bill on February 25, 2009 and it was tabled for further action until next legislative session.

When the legislature reconvenes in February 2010 the bill will be heard in the Senate State and Local Government Operations and Oversight Committee, the Judiciary Committee and the Business, Industry and Jobs Committee. In the House it will be heard again in the Health Care and Human Services Policy and Oversight Committee and for the first time in the Commerce and Labor Committee.

LWVMN supports the Minnesota Health Act. LWVMN members may be contacted to call or visit their legislators who are on these committees to encourage their support for the Minnesota Health Act.

¹ Lori Sturdevant, "Unkindest cut..." *Star Tribune*, May 24, 2009

² Joe Kimball, "Hospitals face big cuts..." *MinnPost*, May 19, 2009 http://www.minnpost.com/political_agenda/2009/05/19/8915/hospitals_face_big_cuts_after_governor_kills_381_million_medical_program_for_low-income_adults

In addition, thanks to the *Session Weekly*, Minnesota Department of Health and Human Services website and the Minnesota Universal Health Care Coalition.

IMMIGRATION

LWVMN Position: Support incorporating immigrants into our communities by providing access to education, by endorsing the development of secure identification documents, and by respecting the right of law enforcement personnel to perform their duties without the burden of interpreting federal immigration policies. Support recognition... of the *matricula consular* as an acceptable document to prove identity for obtaining a driver's license.

Kathy Tomsich, lobbyist, 651-490-1809

The end of the legislative session brought some surprises for people who have been watching the status of E-Verify, the Ethnic Heritage and New American Working Group, enhanced driver's licenses, and REAL ID.

On May 16 Governor Pawlenty signed the omnibus state government appropriations bill, SF2082.¹ We were delighted when the conference committee removed the E-Verify provision and a provision that would have increased penalties on employers who hire undocumented people. These provisions were opposed by both the Chamber of Commerce and groups supporting immigrants.

In addition, we can thank Rep. Phyllis Kahn (DFL- Minneapolis) and Sen. Larry Pogemiller (DFL- Minneapolis), the House and Senate leads on the conference committee, for the including a provision renewing the State Heritage Working Group and extending its authority for another two years.² This action will not make headlines in the newspapers but it is a very important step in the direction of establishing a rational framework for public policy regarding immigration in Minnesota.

Last year Gov. Pawlenty vetoed the anti-REAL ID bill that would have prevented Minnesota from implementing the federal REAL ID Act. This year, however, the House and Senate were able to achieve near-unanimous votes for the anti-REAL ID bill, HF988, making it difficult for the governor to veto a second time. He signed HF988 on Friday, May 15.³

Observers were surprised when the bill creating enhanced drivers' licenses and identification cards⁴ was dropped in conference when the omnibus transportation policy bill, SF1455/HF9028, was being reconciled. There had been concerns that the enhanced drivers' licenses would be a back-door way to implement the REAL ID, but we assumed it would pass because of the strong support in both the House and Senate.

This session we have been watching the status of the flat-rate tuition policy that was implemented in seven Minnesota State Colleges and Universities (MNSCU) institutions two years ago to allow undocumented students and students from any state to attend a MNSCU college paying in-state tuition. It is due to expire at the end of this session. Despite lobbying efforts to preserve funding for this policy, we believe it was removed from the omnibus higher education bill by the conference committee. The only hope for continuing this program is for MNSCU to reach into their own funds to support colleges that want to continue offering flat rate tuition. We expect higher education to be hit by the governor's unallotment actions, so this program will probably be dropped by most if not all of the seven colleges.

We have all heard the saying, "Our future is in the next generation." It is a cliché but it is also true. When you look at all of the policy decisions made by this governor, his treatment of higher education may be one of the most damaging and short-sighted for the future of our state.

Much of our activity this session has involved on-going efforts to prevent anti-immigrant bills and amendments from being passed in committees or on the floor. Most were attempts to reduce illegal immigration, but often they were poorly written and would have had the unintended consequences of negatively affecting permanent legal residents, citizens, and the business community. With the Obama administration there is hope for comprehensive immigration reform and hope that Minnesotans can realize state public policies that welcome immigrants, the people who will help us meet our future labor needs while they enrich our communities.

¹ See *Capitol Letter*™, May 12

² *Ibid.*, February 11

³ *Ibid.*, March 26

⁴ *Ibid.*, February 27

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