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Lyndon Carlson

STATE REPRESENTATIVE

WEEKLY SESSION UPDATE



HOW TO REACH

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Dear Neighbors,

One of the last significant budget pieces to be addressed at the Capitol this year is funding for our public schools and early childhood education. At the end of the regular legislative session, there were four distinct proposals that had been announced.

In this week's legislative update, I would like to take a closer look at those four plans as presented by the Governor, the House Republican Majority, the Senate DFL Majority, and the House DFL Caucus. Please keep in mind that this is a general comparison of each plan and doesn't include all the positives, or all the negatives, included within them.

The Governor will undoubtedly have some influence over negotiations between the House and the Senate as they meet in an Education Working Group to craft a final bill. Although there are some distinct differences between the proposals, including how the revenue is generated, and whether or not property taxes are included in those revenues, everyone seems to agree that our schools need to have more funding in order to stop the downward spiral of increasing class sizes, teacher lay-offs, and reductions in educational opportunities. Certainly the end product will be a compromise; and I feel confident that our schools will see a significant increase in much needed state revenues.

Sincerely, 

THE GOVERNOR'S PROPOSAL

The Governor on the very last day of the legislative session offered a new proposal for K-12 education funding. His bill includes a significant increase in funding—a 4.5% increase on the formula in each of the next two years and other initiatives totaling \$867 million increase for the biennium. On the other side, the plan depends on \$140 million in property tax increases and almost \$100 million in accounting shifts. In addition,

his plan as offered does not include any increased funding for early childhood education, school readiness or Headstart programs. Finally, his plan relies on \$380 million in cigarette tax revenues but he also insists that the in order to agree on the cigarette tax increase he would need the legislature to pass two of four unrelated policy “riders” including initiative and referendum and his gambling plan.

WEEKLY SESSION UPDATE

THE SENATE DFL PROPOSAL

The Senate would increase funding for schools by 5% in the first year and 4% in the second year. This will include \$797 million in new state support raised through a balanced approach of top income tax rate adjustment for Minnesota families earning over \$250,000 a year, cutting bureaucracy in state government, and closing foreign operating corporation loopholes. They also include \$21 million in deferred maintenance aid-money to help districts upgrade aging buildings-in their tax bill.

THE HOUSE PROPOSALS

THE HOUSE REPUBLICAN PROPOSAL

The House Republican majority has reintroduced their education plan, which increases funding at 3% each year. This is a total of \$740 million in new revenue. Like the Governor's plan, the House relies on \$112 million in property tax increases and \$218 million in additional shifts. They "de-link" compensatory aid, which will be problematic for our local school districts in the near future.

THE HOUSE DFL PROPOSAL

The plan includes proposals I chiefly authored including increasing general education formula funding by 5% in each of the next two years and providing for voluntary all-day kindergarten in the second year. Total revenue increases would be \$843 million. Our plan would make significant investments in early childhood education and school readiness, which help to save the state in the long run by reducing the need for remedial education. It is a comprehensive and balanced approach to providing state funding for strong schools, that does not include property tax increases and accounting shifts.