

**COMMUNICATIONS AND ANNOUNCEMENTS RECEIVED
SUBSEQUENT TO ADJOURNMENT**

The following communications and announcements were received subsequent to adjournment by the House:

PETITIONS AND COMMUNICATIONS

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 24, 2011

The Honorable Kurt Zellers
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Zellers:

With this letter, I am vetoing and returning H. F. No. 42, Chapter No. 38, the Omnibus Tax Bill.

Your tax proposal would require most Minnesota property owners and renters to pay higher property taxes. The property tax is the most regressive and unfair of all state and local taxes. Minnesota businesses pay four times more in property taxes than they do in either corporate income taxes or individual income taxes on business income. Your budget would increase property taxes on Minnesota businesses by \$89 million in 2012.

By contrast, my proposal makes our tax system more progressive, and it raises taxes only on the top 2% of Minnesota income earners. Ninety-eight percent of all Minnesotans would pay no higher state income or property taxes under my proposal.

On a positive note, I appreciate that the Legislature included conformity to most federal tax law changes in the bill and included provisions necessary to maintain Minnesota's conformity to the streamlined sales and use tax agreement. We agree on the importance of expanding and improving the Research & Development Tax Credit and the Angel Investor's Tax Credit. I would consider supporting other measures, such as the single apportionment formula for business, if we can agree on an overall revenue target for this bill.

Chapter No. 38 makes unnecessary and geographically imbalanced cuts to local government aids, which the Minnesota Department of Revenue estimates would reduce funding for critical local services by over \$400 million and increase property taxes by over \$400 million next year and by over \$1.2 billion during the next three years. Those property tax increases would fall disproportionately on low and middle income Minnesotans.

Over 20% of your budget solution calls for shifting the state's budget problem to local units of government and property taxpayers. More specifically, Chapter 38:

- reduces local government aid (city LGA) by nearly 30% in FY2012-13, and eliminates aid entirely for selected communities;
- lowers county program aid by almost 19% in FY2012-13 and beyond;

- uses \$60 million of local resources, maintained by the state in the Douglas J. Johnson Fund to balance the state budget;
- eliminates the market value homestead credit that targets property tax relief primarily to owners of low-valued homes; and
- cuts property tax refund payments to 308,000 renters statewide by an average of 45%, including 85,000 senior and disabled renters, many of whom are on fixed incomes. Property tax refund payments would be entirely eliminated for 72,000 renters.

After making those cuts to local governments—which would result in significant property tax increases—your bill then directs over \$200 million from those cuts to expanded tax expenditures for corporations and others. Further, while advocating for reductions in local government spending, your bill extends authority for local options sales tax to nine cities and grants special tax increment financing authority to others. The Department of Revenue estimates that your local options sales tax provisions will increase sales taxes on Minnesotans and visitors by about \$17 million per year.

Chapter No. 38 includes other problematic provisions, such as various changes to mineral tax laws and the language specifying how the State of Minnesota is to re-establish an income tax reciprocity agreement with Wisconsin. Additionally, the operating budget and workforce reductions in Chapter No. 40 will diminish the Department of Revenue's ability to effectively collect projected voluntary and compliance revenue.

Your budget solution, which results in the bottom 90% of households paying nearly 20% more of each dollar of income in state and local taxes than do the top 10%, is unacceptable to me. Under your proposal, Minnesota's state and local tax system would become more regressive. My proposal, on the other hand, asks the state's wealthiest 2% to contribute to solving our budget challenge and, even after this increase, the wealthiest 2% would still pay a smaller share of their incomes in state and local taxes than other Minnesotans.

In sum, Chapter No. 38 would destabilize the state-local finance system, make the tax system more regressive and more complex, and exacerbate our ongoing budget challenges by beginning new tax expenditures in future years and eliminating state budget reserves.

Sincerely,

MARK DAYTON
Governor

[NOTE: Pursuant to Joint Rule 3.02(c), the above vetoed bill, H. F. No. 42 (Chapter No. 38), which was returned to the House by the Governor with his objections, was laid on the table.]

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 24, 2011

The Honorable Kurt Zellers
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Zellers:

With this letter, I am vetoing and returning H. F. No. 934, Chapter No. 42, the Education Finance Bill. I do so with the hope that we can come together to find a compromise: a balanced solution without the damaging cuts and harmful policy items contained in this legislation.

Legislators from both parties have worked well with Education Commissioner Cassellius and with me, to find areas of common within this bill. I thank them for their thoughtful and persistent work. Ensuring an excellent education for all Minnesota students should be among our highest budget priorities. Having worked together on the alternative pathways to licensure bill, I know we can find compromise. I am encouraged by the potential to find common ground in this bill in early reading proficiency and recognition of high-achieving schools. I am hopeful that we can build on those areas of agreement.

Unfortunately, this Education Finance Bill would have very harmful effects on students, on teachers, and on schools. I will not sign an education funding bill that pits student-against-student or district-against-district. I have consistently stated my intention to increase education funding, which is why my original budget included \$36 million in new funding for schools. Subsequently, in agreement with the Legislature's desire to put additional money on the per pupil formula, I proposed to increase the formula allowance by \$50 per pupil in each fiscal year of the biennium, for a total of \$164 million in new education investments. By contrast, this bill cuts school funding by nearly \$44 million below current base-funding level. Within those reductions, it unfairly and disproportionately shifts funding among school districts.

The cuts to special education would create significant funding gaps that would force school districts to shift funds from general education programs, increase class sizes, or raise property taxes, just to maintain their current levels of special education services. Additionally, the elimination of integration revenue and freezing of compensatory revenue wrongfully harms poor children and children of color, which I will not accept.

None of Commissioner Cassellius and my education proposals are contained in this bill; most notably, funding for optional all-day Kindergarten and initiatives in early childhood education. The bill also contains numerous policies, including school grading, collective bargaining limitations, teacher evaluation, and Common Core prohibitions, which are controversial, are punitive to teachers, and have little research to support their efficacy in improving student learning and closing achievement gaps. I am disappointed that the bill creates a private school voucher program, an experiment that has not worked in other states. Until our public schools are funded at adequate and sustainable levels, a diversion of public dollars to private schools is unwise.

The funding cuts to the Department of Education were reduced in this bill, which I certainly appreciate. However, when combined with the 15% staff reductions in the State Government bill, the agency would be faced with the loss of at least 30 fulltime employees. Cuts of this nature, on top of eight years of cumulative budget reductions, would further hinder the Department's already limited capacity to provide technical assistance, support, and oversight to schools throughout Minnesota.

Budgets are about priorities, and priorities are about choices. We can choose to work together, compromise, and create a budget that fairly spreads the burden we must all shoulder if we are to weather these tough times and position Minnesota for future success. I know that working together we can create a reform-minded blueprint for our state's K-12 education, of which we can all be proud.

Each of us started our budget proposals by making a choice. I chose a balanced approach to our budget; one that included both significant cuts, but asked the top two percent of Minnesotans to pay more to ensure our quality of life and the services millions of Minnesotans depend on. My approach chooses not to balance the budget on the backs of the other ninety-eight percent of Minnesotans.

In the spirit of compromise, more than one week ago, I cut my proposal in half, in the hopes that an offer to meet in the middle would spur action towards the balanced solution the people of Minnesota have asked for.

Instead, you chose to present me with an all-cuts approach, one that has serious consequences for Minnesotans, and that I do not believe is in line with our shared commitment to build a better Minnesota.

From the beginning of this legislative session, it has been clear that compromise would be necessary to balance our state's budget. In November, Minnesotans voted for a divided government, and I believe, in their wisdom, they did so because they want part of what each of us has to offer, and they want us to work together to solve the state's budget crisis and build a better Minnesota.

Compromise is never easy, because each person must give up something that is important. Compromise requires us to agree to items that we don't agree with. That is the only way we will reconcile our differences on the state's budget. I am returning this bill to you with the hope that you will choose to work with me, to find a fair, responsible, and balanced solution.

Sincerely,

MARK DAYTON
Governor

[NOTE: Pursuant to Joint Rule 3.02(c), the above vetoed bill, H. F. No. 934 (Chapter No. 42), which was returned to the House by the Governor with his objections, was laid on the table.]

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 24, 2011

The Honorable Kurt Zellers
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Zellers:

With this letter, I am vetoing and returning H. F. No. 1010, Chapter No. 46, the Environment, Energy and Natural Resources Finance Bill. Reductions at the levels proposed in this bill to the MPCA, DNR, BWSR and the Department of Commerce would have harmful effects on Minnesotans throughout our state.

In regard to the MPCA's budget, the reduction of 67% to the general fund appropriation hits a few key areas especially hard. Some of the cuts will directly undo the gains made in the timely environmental review and permitting of projects my executive order and H. F. No. 1 accomplished earlier this year. Specifically, the elimination of general fund dollars and staff for MPCA's environmental assistance and multimedia programs is estimated to result in 30 to 45 day delays in wastewater permits for industries and municipalities.

MPCA's clean water activities receive a disproportionate reduction, including support for ambient surface water monitoring, SSTS technical assistance, and Clean Water Partnership grants. Minnesotans wanted more resources to go to these activities when they approved the dedicated funding constitutional amendment, not fewer.

The Agency would also find it much harder to respond to the increasing requests for assistance from citizens, businesses, and its local partners. It is MPCA staff regulated parties prefer to turn to, not high-priced consultants when seeking help to comply with state and federal regulations. Equally troubling is the elimination of funding for the environmental health tracking and biomonitoring program, which is a successful, cross-agency collaboration we need to be expanding, not abolishing.

My fiscal concerns related to MPCA are not limited to funding reductions. I also oppose the shifts and caps proposed in the bill. Moving penalties from the environmental fund to the general fund (coupled with the significant general fund cuts) effectively disconnects the penalty monies from their intended purpose—having the polluter pay for environmental protection. The reduction in dollars transferred from the environmental fund to the remediation fund will extend the time it takes to close the remaining closed landfills and require the program to operate at higher staffing levels longer into the future—costing the taxpayers more in the long run.

In regard to the Department of Natural Resources sections of the bill, I have concerns about using environment and natural resources trust fund dollars to fund accelerated efforts to prevent future spread of aquatic invasive species; the state needs a long-term and dedicated funding source to build lasting programs. I urge you to include my Aquatic Invasive Species funding proposal to fund these important programs.

General fund reductions to DNR water programs would negatively impact the Department's ability to support critical water management activities, including dam safety, shoreland management, climatology, ground water monitoring, and flood programs and damage reduction efforts. Managing the state's water supply is critical to supporting drinking water for two-thirds of the state's population and important industries throughout the state.

The general fund reductions for DNR forest management programs would reduce the Department's ability to offer approximately 170,000 cords of wood for sale annually (out of an annual target of 800,000 cords). This has the effect of reducing revenue by more than \$3 million annually, and would have devastating impacts to forest economies in northern Minnesota. These reductions will have huge impacts on Minnesota's forest product industries and threaten thousands of jobs in northern Minnesota that depend on the state's forest economy. In addition, the language related to the State Forest Nursery program is problematic and needs to come out of the bill.

Reductions to DNR's Divisions of Lands and Minerals will result in reduced technical assistance and mineland reclamation-permitting activities, resulting in reduced field inspections and monitoring, delays in permitting decisions, and lengthened permit review timeframes.

The bill does not include my recommendation for restructuring of game and fish license fees and related funding initiatives for a conservation officer academy, wildlife, and fisheries programs. This initiative has the strong support of the hunting and angling community, and I urge your consideration of this proposal.

The proposed reductions to the Board of Water and Soil Resources (BWSR) come on top of multiple reductions since FY02 that would total 46%. By necessity and ingenuity, BWSR and our local government conservation partners have already implemented many cost-savings and efficiency measures during that time period. There is no capacity to absorb \$7M in cuts (26%) in one biennium without compromising the ability of the agency and the local governments to meet the agency's mission and the clean water and conservation goals of the state.

The impacts to the core agency operations and local government programs seriously jeopardize the ability of the state to secure and implement projects with federal conservation funding, which brings in over \$100 million to Minnesota per year. USDA economic analysis (January 2010) shows that every dollar invested results in \$1.28 in total return within Minnesota and that one fulltime job is created or maintained for every \$107,250 of project funding.

This bill will significantly reduce technical capacity statewide, resulting in delayed project design and implementation, including many agricultural practices such as feedlot water quality projects and soil conservation practices. The Federal Farm bill brings in the majority of clean water and best management practice funds available in Minnesota. However, there is very little money available for the technical assistance. It is the responsibility of the state to fund technicians and engineers who get the projects done.

With respect to the Department of Commerce sections of the bill, there will be serious impacts on the Department's ability to fulfill its mission to protect consumers and to ensure equitable commercial and financial transactions and reliable utility services. The Department investigates and resolves consumer complaints, regulates insurance and banking and business activity in more than 20 other industries, advocates for the public's interest before the Public Utilities Commission, and administers various state and federal programs.

The effects of the bill are substantial. The bill contains a significant cut in the Administrative Services Division, which provides department core functions, including the Financial Management, Human Resources and Information Technology. The 31% cut, while offset by increases to unclaimed property staff, hurts these core functions.

My budget contained an appropriation for three positions for the Division of Energy Resources, which were not included in the bill. These three positions would help expedite rate case reviews and other regulatory filings that the Department must process. There was no net impact on the General Fund as the cost for these positions would be assessed to the regulated utilities. These positions are supported by industry.

H. F. No. 1010 contains \$29,707,000 in special revenue fund transfers not contained in my budget. These funds are paid by businesses and individuals for specific and limited purposes. Two of the fund transfers are particularly troubling:

- The bill transfers \$950,000 from the Insurance Fraud Prevention Account, which funds positions in the Department's Insurance Fraud Unit. The transfer would create a severe cash flow gap starting July 1, 2013, jeopardizing anti-fraud efforts and severely restricting the unit's ability to perform its duties.
- The bill transfers \$1,500,000 from the Auto Theft Prevention Account. Funds from this account are used for grants to law enforcement and local units of government for auto theft prevention programs. The transfer will significantly curtail grant-making while the fund is restored to financial health.

Two controversial policy provisions were added to the bill during the conference committee process. Policy language on restrictions to new coal-fired power was added by the conference committee and is highly controversial. This issue is moving through the legislative process on its own and has no place in an omnibus budget bill. Additionally, the bill transfers the Auto Theft Prevention Account from the Department of Commerce to the Department of Public Safety. The account is properly located at Commerce, and I object to its transfer.

Finally, the interplay between the State Government Finance bill and this bill only compound these already significant impacts to Minnesota's quality of life, economic well-being (especially in rural Minnesota), and the sustainability of Minnesota's valued natural resources. The 15% reduction in staff required by 2015 in the State Government Finance bill will result in valuable workers being laid-off, in addition to those released because of this bill's reductions. Not to mention the additional cutbacks that each of them will be required to take because of the Legislature's \$95 million unallocated reduction in the State Government Finance bill.

I trust we can work together in the coming weeks to find a mutually agreeable resolution to these key government services.

Sincerely,

MARK DAYTON
Governor

[NOTE: Pursuant to Joint Rule 3.02(c), the above vetoed bill, H. F. No. 1010 (Chapter No. 46), which was returned to the House by the Governor with his objections, was laid on the table.]

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 24, 2011

The Honorable Kurt Zellers
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Zellers:

With this letter, I am vetoing and returning H. F. No. 1140, Chapter No. 49, the Transportation Finance Bill.

There are areas on which we agree. I greatly appreciate your inclusion of a new trunk highway economic development account. This tool builds on the success of previous initiatives for stimulating economic growth, and complements efforts to use transportation infrastructure for building a vital economy in Minnesota. I understand that the Legislature intends to also fund the Better Roads initiative, which I recently proposed. It is a very important program to improve pavements on the trunk highway system around the state. I look forward to working with you further on this program.

Your funding of many other transportation-related programs at the levels I recommended is also greatly appreciated. I remain optimistic that, with your leadership, the final budget will move closer to a more balanced perspective that invests in multimodal transportation programs so that we can continue to provide the quality transportation system Minnesotans expect.

However, in its current form, this bill would seriously underfund transit, resulting in drastic fare increases and cuts to services. It also fails to invest in our transportation future, including passenger rail and modernization of Driver and Vehicle Services.

I believe that providing comprehensive and reliable transit services, both in the Metro Area and in Greater Minnesota, are essential components of the transportation system in Minnesota. Transit services improve labor market efficiency, freeway performance, and air quality in the metro area, while sustaining economic viability in Greater Minnesota. The draconian cuts to transit in this bill are unacceptable to me.

My budget spared transit funding from cuts due to the critical nature of public transportation and its connection to jobs and the economy. This bill moves in a very different direction. This bill cuts \$109 million from the state's general fund commitment to Metro area transit for the biennium—an 85 percent reduction.

Cuts of this magnitude will fundamentally change the availability of transit services in the region. This cut would mean:

- An across-the-board fare increase of 50 cents (29% increase from base fare of \$1.75); resulting in the loss of 6.8 million rides, 8% of annual ridership; and
- Service reduction of 241 buses, 30% of the service on the street, resulting in the loss of 20 million rides, 23% of annual ridership.

Combined, the fare increase and service reduction would result in 27 million fewer rides a year, 31% of annual ridership, as well as the layoff of 610 Metro Transit employees, 22% of Metro Transit's workforce.

This bill includes options allowing the Metropolitan Council to reduce the bill's impact on transit. Unfortunately, the choices fall short of addressing the cuts and would shift the Metropolitan Council property taxes for essential and economically sensitive non-transit activities to transit.

The bill also cuts the general fund appropriation for Greater Minnesota transit by \$3.729 million per year. Transit plays an important role in many of the communities outside metro areas, providing a transportation option to people who are unable to drive. Transit in Greater Minnesota keeps people in their communities, in their homes, greatly improves their quality of life, reduces the cost of long-term care, and helps sustain viable communities across Minnesota.

This decrease in spending would result in a reduction of about 101,000 hours of service per year, approximately a 10% cut. That would result in the loss of about 50 jobs. It would lead to a loss of mobility for thousands of Minnesotans, making it much more difficult for them to get to work, medical services, school, and shopping. People who use local public transit are disproportionately elderly, disabled, or low income.

Additionally, the lack of an appropriation for passenger rail activities results in the elimination of the Mn/DOT Passenger Rail Office. If there were no state general funds for the Passenger Rail Office, federal funds for rail activities would be relinquished. Mn/DOT would obtain no federal funds for intercity passenger rail activities, and private sector jobs for the next steps on passenger rail would occur in other states. As a condition of receiving federal funding, Mn/DOT's Passenger Rail Office is required to administer and manage existing agreements, and ensure federal grant requirements are met. Mn/DOT is already under contract for several passenger rail activities. Additional activities that would end include discussions on a partnership with Wisconsin and Amtrak to establish a second, daily train service to Chicago, and grant applications for the next round of federal TIGER funds anticipated for this summer/fall.

Experience in other regions of the US, and other countries around the world, has demonstrated that people value passenger rail service. Investments in passenger rail development are an opportunity to leverage existing private investments with public investment to improve efficiency and capacity of both freight and passenger rail service in Minnesota. I think it is imperative that we find compromise to keep the rail office open and functioning.

I am disappointed at the failure to extend the Driver and Vehicle Services technology fee to 2015. This funding is essential to complete the Minnesota License and Registration System (MNLARS), the state's new information system for vehicle and driver's license-related records and transactions. MNLARS will be relied upon by the courts, law enforcement, automobile dealers, and various other stakeholders—as well as the public.

On top of the impacts listed above, the State Government bill also includes items that impact transportation agencies negatively. A 15% reduction in personnel for Mn/DOT, in addition to the 400 employees taking early retirement in fiscal year 2011, will result in a potentially serious loss of institutional knowledge. It will have an unacceptable impact on service levels in key functions like engineering, highway maintenance, and delivery of construction programs of around \$1 billion per year.

The fleet management provision is likely to increase costs for Mn/DOT. Mn/DOT has a highly developed fleet management system, which is administered by certified fleet managers. It is very likely that purchasing fleet management from a central pool will only add additional overhead without additional efficiency.

Finally, the information technology consolidation will cause unintended inefficiencies in agency operations, and will add cost to Mn/DOT IT functions. Mn/DOT has over 100 specialized information technology applications, such as traffic management systems and bridge design software. A previous consolidation of email service resulted

in higher costs and reduced service levels for Mn/DOT. The consolidation of IT services, at the same time the agency is reducing staff, managing construction volumes of historically high proportions, and implementing a new, statewide accounting system will inevitably reduce efficiency and affect service delivery for Mn/DOT.

I trust we can work together to find a compromise solution.

Sincerely,

MARK DAYTON
Governor

[NOTE: Pursuant to Joint Rule 3.02(c), the above vetoed bill, H. F. No. 1140 (Chapter No. 49), which was returned to the House by the Governor with his objections, was laid on the table.]

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 24, 2011

The Honorable Kurt Zellers
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Zellers:

With this letter, I am vetoing and returning H. F. No. 1101, Chapter No. 50, the Higher Education Finance Bill. The deep cuts for the University of Minnesota and Minnesota's State Colleges and Universities would cause hundreds of faculty layoffs, tuition increases, and fewer courses available to students. Minnesota would have a harder time providing employers with employees who have the skills and education they require. When the future of our state depends on strong institutions of higher education, H. F. No. 1101 includes, in real dollars, the deepest cuts to higher education in our state's history.

The cuts of 19% to the University of Minnesota and 14% to MnSCU are far too extreme. The total appropriations leave both the University of Minnesota and MnSCU with substantially lower levels of state funding at the same time they are serving 50,000 more students. Your bill contains \$240 million less than my recommendation and is unacceptable to me.

The combination of reduced funding and tuition caps included in the bill would unwisely limit the systems' abilities to manage the severe funding reductions. The proper entities to make final tuition decisions within our two state systems are the University of Minnesota's Board of Regents and MnSCU's Board of Trustees.

The funding for the Office of Higher Education is also too low. The reductions for administrative support would limit the agency's ability to provide critical services, such as student financial aid: work-study, grants, and loans. The combined effects of additional cuts proposed in the State Government bill could force on OHE a 42% reduction in staff funded through the General Fund.

The bill contains a policy provision that prohibits the use of state or federal funds to support human cloning or to pay for any expenses incidental to human cloning. The definition included in the bill is vague and could threaten further development of stem cell research. It is imperative for Minnesota's bio-medical future that both the University of Minnesota and the Mayo Clinic approve of any language affecting this vital area of research, which has the potential to bring thousands of jobs to Minnesota and save many thousands more lives.

The choices we made as leaders are a reflection of our values and priorities. Our colleges and universities, as well as our highly-skilled and educated workforce, are part of what make Minnesota great. I am returning this bill to you with the hope that we can come together and compromise, and demonstrate our commitment to our students and to higher education in Minnesota.

Sincerely,

MARK DAYTON
Governor

[NOTE: Pursuant to Joint Rule 3.02(c), the above vetoed bill, H. F. No. 1101 (Chapter No. 50), which was returned to the House by the Governor with his objections, was laid on the table.]

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 24, 2011

The Honorable Kurt Zellers
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Zellers:

Please be advised that I have received, approved, signed, and deposited in the Office of the Secretary of State H. F. Nos. 493, 895, 1326 and 1343.

Sincerely,

MARK DAYTON
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

The Honorable Kurt Zellers
Speaker of the House of Representatives

The Honorable Michelle L. Fischbach
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2011 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S. F. No.</i>	<i>H. F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 2011</i>	<i>Date Filed 2011</i>
779		43	1:25 p.m. May 24	May 24
	493	48	1:26 p.m. May 24	May 24

742	51	1:29 p.m. May 24	May 24
895	52	1:29 p.m. May 24	May 24
1326	55	2:22 p.m. May 24	May 24
1343	57	2:23 p.m. May 24	May 24
1162	58	2:24 p.m. May 24	May 24
478	60	2:25 p.m. May 24	May 24
1208	61	2:25 p.m. May 24	May 24
1265	62	2:26 p.m. May 24	May 24
249	63	2:27 p.m. May 24	May 24
302	64	2:28 p.m. May 24	May 24
1009	65	2:28 p.m. May 24	May 24

Sincerely,

MARK RITCHIE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 24, 2011

The Honorable Kurt Zellers
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Zellers:

Please be advised that I have received, approved, signed, and deposited in the Office of the Secretary of State H. F. Nos. 57, 186, 650, 258, 229, 844, 695, 808 and 763.

Sincerely,

MARK DAYTON
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

The Honorable Kurt Zellers
Speaker of the House of Representatives

The Honorable Michelle L. Fischbach
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2011 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S. F. No.</i>	<i>H. F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 2011</i>	<i>Date Filed 2011</i>
67		44	1:26 p.m. May 24	May 24
	57	53	1:31 p.m. May 24	May 24
	186	54	2:20 p.m. May 24	May 24
137		66	4:56 p.m. May 24	May 24
1044		67	4:57 p.m. May 24	May 24
1270		68	4:59 p.m. May 24	May 24
	650	70	4:59 p.m. May 24	May 24
	258	71	5:00 p.m. May 24	May 24
	229	72	5:00 p.m. May 24	May 24
	844	74	5:01 p.m. May 24	May 24
	695	75	5:02 p.m. May 24	May 24
885		76	5:02 p.m. May 24	May 24
994		77	5:04 p.m. May 24	May 24
508		78	5:05 p.m. May 24	May 24
882		79	5:05 p.m. May 24	May 24
	808	80	5:06 p.m. May 24	May 24
680		81	5:07 p.m. May 24	May 24
955		82	5:08 p.m. May 24	May 24
	763	83	5:08 p.m. May 24	May 24
1130		84	5:09 p.m. May 24	May 24

Sincerely,

MARK RITCHIE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 25, 2011

The Honorable Kurt Zellers
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Zellers:

With this letter, I am vetoing and returning H. F. No. 460, Chapter No. 47, a bill forbidding the State Building Code, the State Fire Code, or political subdivisions from requiring the installation of anti-fire sprinklers in a new or existing single-family home.

This requirement is part of the International Residential Building Code, which will soon be considered for adoption in Minnesota. Any objections to such a policy are best considered through the regular code adoption process, allowing adequate notice and time for fact gathering and a public hearing.

Evidence supports the use of sprinklers in promoting the safety of home residents and their property. Further, the concerns brought forward by fire safety professionals need to be addressed. They cite the fact that newly built homes burn more quickly and that more of their fire fighters are being injured when floors collapse during fires. With sprinkler systems in place, fires can be more easily contained, resulting in fewer injuries. I simply do not see how we can further jeopardize the lives of the individuals whose mission is to protect the public and who risk their lives on a daily basis.

For these reasons, I have vetoed this bill.

Sincerely,

MARK DAYTON
Governor

[NOTE: Pursuant to Joint Rule 3.02(c), the above vetoed bill, H. F. No. 460 (Chapter No. 47), which was returned to the House by the Governor with his objections, was laid on the table.]

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 25, 2011

The Honorable Kurt Zellers
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Zellers:

I have vetoed and am returning H. F. No. 201, Chapter No. 56.

H. F. No. 201 infringes upon a woman's basic right to health and safety—a right every woman has, regardless of how she receives her health coverage. Our place is not between a woman and her doctor. The law already prescribes that state funding may only be used for abortions in cases of rape or incest, for health or therapeutic reasons, and when a woman's life is in danger. H. F. No. 201 would interfere with critical and difficult medical decisions.

Furthermore, it is unclear which other programs would also be subject to the prohibitions of H. F. No. 201, because the bill does not contain a definition of a "state-sponsored health program." Thus it might apply to state employees who pay premiums to state healthcare plans and to private healthcare programs regulated by the state.

All women deserve to be healthy and safe. I will not approve a bill that infringes upon a woman's Constitutionally-protected rights, discriminates against a woman because of her socioeconomic status, or does not protect her health and safety.

Sincerely,

MARK DAYTON
Governor

[NOTE: Pursuant to Joint Rule 3.02(c), the above vetoed bill, H. F. No. 201 (Chapter No. 56), which was returned to the House by the Governor with his objections, was laid on the table.]

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 25, 2011

The Honorable Kurt Zellers
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Zellers:

I have vetoed and am returning H. F. No. 936, Chapter No. 59.

H. F. No. 936 infringes upon a woman's basic right to health and safety. The bill forces doctors to make critical medical decisions, but prevents them from considering the best interests of their patients. This is not consistent with standards of good medical practice.

Medical research, findings, and conclusions are best left to experts who are trained to make medical, not political, decisions, and who are in the best position to protect a woman's health.

Our place is not between a woman and her doctor. Imposing civil penalties and making it a felony for a doctor to deliver care that is in the best interest of the patient is unconscionable.

Sincerely,

MARK DAYTON
Governor

[NOTE: Pursuant to Joint Rule 3.02(c), the above vetoed bill, H. F. No. 936 (Chapter No. 59), which was returned to the House by the Governor with his objections, was laid on the table.]

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 25, 2011

The Honorable Kurt Zellers
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Zellers:

With this letter, I am vetoing and returning H. F. No. 562, Chapter No. 73, a bill regulating water and sewer charges by manufactured home parks and repealing the prohibition on air admittance valves.

Approximately 180,000 individuals reside in manufactured home parks throughout the state. The vast majority—an estimated 80 percent—are low- or very-low income. This bill puts residents at risk for an unjustified increase in the cost of residing there. As responsibility for buying water shifts from the park owner to the resident, rent should be renegotiated to reflect that it no longer buys water. I cannot support legislation that could drive up rent for some of the poorest Minnesotans, especially while high unemployment persists.

The bill also repeals the statutory ban on air admittance valves in plumbing systems, enacted in 2007. Air admittance valves are prohibited because of the danger they may fail and allow sewer gas to leak into the home. Until their reliability has proved itself over time in other states, repealing the ban in Minnesota is premature.

Sincerely,

MARK DAYTON
Governor

[NOTE: Pursuant to Joint Rule 3.02(c), the above vetoed bill, H. F. No. 562 (Chapter No. 73), which was returned to the House by the Governor with his objections, was laid on the table.]

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

The Honorable Kurt Zellers
Speaker of the House of Representatives

The Honorable Michelle L. Fischbach
President of the Senate

I have the honor to inform you that the following enrolled Act of the 2011 Session of the State Legislature has been received from the Office of the Revisor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S. F.</i> <i>No.</i>	<i>H. F.</i> <i>No.</i>	<i>Session Laws</i> <i>Chapter No.</i>	<i>Date Filed</i> <i>2011</i>
1308		88	May 25

Sincerely,

MARK RITCHIE
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 27, 2011

The Honorable Kurt Zellers
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Zellers:

With this letter, I am vetoing and returning H. F. No. 988, Chapter No. 94, a bill that modifies who is eligible to be represented by a public defender.

I understand this bill is based on recommendations of the Legislative Auditor. Additionally, I understand the need for more objective criteria for judges when making these determinations.

However, I am troubled that the tiered income levels for public defender eligibility are far too low. Under the bill, an offender must be at or under 125% of the federal poverty guidelines for misdemeanor crimes, 150% for gross misdemeanors, and 175% for felonies. For a single person, 125% of the poverty level is \$13,612, 150% is \$16,335 and 175% is \$19,057. Many Minnesotans whose income is very low could not secure quality legal counsel given these thresholds.

The Constitution guarantees a right to counsel. This bill will have serious consequences for low-income individuals seeking counsel. I cannot support it.

Sincerely,

MARK DAYTON
Governor

[NOTE: Pursuant to Joint Rule 3.02(c), the above vetoed bill, H. F. No. 988 (Chapter No. 94), which was returned to the House by the Governor with his objections, was laid on the table.]

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 27, 2011

The Honorable Kurt Zellers
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Zellers:

With this letter, I am vetoing and returning H. F. No. 264, Chapter No. 101, a bill prohibiting civil actions against certain persons for weight gain as a result of consuming certain foods.

As I informed the House author, I support the bill's expressed intent to hold individuals responsible for their own dietary choices. I could support legislation limited to that intention.

Unfortunately, this bill provides to companies that manufacture, distribute, or sell food and nonalcoholic beverages civil immunity, except for: "any other material violation of federal or state law applicable to the manufacturing, marketing, distribution, advertising, labeling, or sale of food, if the violation is knowing and willful...." That requirement of being "knowing and willful" creates too broad an exemption from liability, according to legal experts with whom I consulted.

I am told that the Senate Committee on Judiciary and Public Safety removed this provision in its passage of the bill, however, the full Senate reinstated the original House language. That is unfortunate, as it reportedly precluded bipartisan support for the bill.

Given these concerns, I cannot support this legislation in this form.

Sincerely,

MARK DAYTON
Governor

[NOTE: Pursuant to Joint Rule 3.02(c), the above vetoed bill, H. F. No. 264 (Chapter No. 101), which was returned to the House by the Governor with his objections, was laid on the table.]

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 31, 2011

The Honorable Kurt Zellers
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Zellers:

With this letter, I am vetoing and returning H. F. No. 1381, Chapter No. 114, the Omnibus Education Policy Bill. While there are a number of provisions in this bill with which I agree, several must be removed or resolved before I can support it.

I do appreciate the attention given to the development and evaluation of school principals. While both are essential, one principal has even greater impact upon an entire school than one teacher. For that reason, I cannot support principals and assistant principals being given only two years of probation, while teachers are assigned three years of probation. Furthermore, the requirement in that section that a teacher, who has completed successfully three years of probation in one school district, must complete three more years on probation at a new school district, rather than one currently, seems excessive and unwarranted, even with the school board's option to modify it.

During the legislative process, the Minnesota Department of Education Commissioner Brenda Cassellius requested that all of the teacher and principal effectiveness language in the Omnibus Education Finance bill and in this one be combined into one bill or the other. This integration did not occur. All teacher and principal effectiveness language should be contained in just one bill in order to ensure equity and coherence.

Furthermore, this legislation places unacceptable limitations on rulemaking related to academic standards. Every decision made in K-12 education starts with state academic standards. The Minnesota Department of Education follows a thorough process to update standards according to guidelines passed by the Legislature. I note that DFL legislative majorities did not impose this restriction on Governor Pawlenty. It unnecessarily adds another layer of bureaucratic delay, which runs contrary to our shared desire to streamline government decision-making and reduce its timelines.

This bill also prohibits the Commissioner of Education from adopting Common Core Standards, which 42 other states have adopted. US Secretary of Education Arne Duncan called me specifically to urge my support of the Common Core Standards.

The bill's language, which allows school districts to operate as charter schools, is also of concern. There are more questions than answers about how these pilot projects would function, including how schools would be governed, how funding would be allocated, who would be responsible for student performance, and whether collective bargaining agreements would be honored. This policy has not been crafted carefully enough to be enacted. Questions on several smaller changes to language on charter schools that were not proposed by the Department of Education also need to be satisfactorily resolved.

The language on home school reporting should ensure oversight of compulsory attendance. There must be at least minimal accountability to ensure all Minnesota's children are receiving a high quality education, especially when public funding is used through nonpublic pupil aids.

For that reason, I have serious concerns with the bill's striking the requirement in current law that: "If the results of the assessments in paragraphs (a) and (b) indicate that the child's performance on the total battery score is at or below the 30th percentile or one grade level below the performance level for children of the same age, the parent must obtain additional evaluation of the child's abilities and performance for the purpose of determining whether the child has learning problems."

While I respect parents' rightful prerogatives regarding the education of their children, society also has an important stake in each child's educational success; for that child will either become a contributing adult or a societal burden, depending in large part on their educational attainment.

I am also extremely reluctant to sign any education policy or funding bill, which does not contain language and/or funding for early childhood education. During the floor considerations of H. F. No. 934, Chapter No. 42, the Omnibus Education Finance Bill, the majorities in both the House and the Senate and subsequently in the Conference Committee, took the extreme positions of eliminating all language and funding for early childhood programs. Such drastic and misguided actions would wrongfully reverse the state's modest progress in supporting this critically needed service.

After all of the rhetoric during the legislative session about closing the achievement gap, it is incomprehensible why early childhood education programming and funding, which educational experts say is the key first step toward education equity, would be eliminated.

I appreciate that provisions from the Department of Education policy bill were included in this bill, such as changes to English language learner standards and proposed changes to the charter schools statute. We share the goal of ensuring that all students be reading by the end of third grade, and support many other policy and technical provisions in the bill. I look forward to working with you in the days and weeks ahead to resolve these differences.

Sincerely,

MARK DAYTON
Governor

[NOTE: Pursuant to Joint Rule 3.02(c), the above vetoed bill, H. F. No. 1381 (Chapter No. 114), which was returned to the House by the Governor with his objections, was laid on the table.]

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 27, 2011

The Honorable Kurt Zellers
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Zellers:

Please be advised that I have received, approved, signed, and deposited in the Office of the Secretary of State H. F. Nos. 387, 1405, 954, 1144, 1179 and 1105.

Sincerely,

MARK DAYTON
Governor

**STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155**

The Honorable Kurt Zellers
Speaker of the House of Representatives

The Honorable Michelle L. Fischbach
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2011 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S. F.</i>	<i>H. F.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 2011</i>	<i>Date Filed 2011</i>
301		85	10:27 a.m. May 27	May 27
1285		86	10:28 a.m. May 27	May 27
	387	87	10:28 a.m. May 27	May 27
1159		89	10:28 a.m. May 27	May 27
612		90	10:30 a.m. May 27	May 27
881		91	10:31 a.m. May 27	May 27
477		92	10:22 a.m. May 27	May 27
799		93	10:31 a.m. May 27	May 27
	1405	95	10:33 a.m. May 27	May 27
1197		97	10:33 a.m. May 27	May 27
712		98	10:34 a.m. May 27	May 27
	954	99	10:35 a.m. May 27	May 27
	1144	100	10:36 a.m. May 27	May 27
1287		102	10:36 a.m. May 27	May 27
	1179	103	10:37 a.m. May 27	May 27
361		104	4:55 p.m. May 27	May 27
1280		105	10:37 a.m. May 27	May 27
1234		106	10:38 a.m. May 27	May 27
1115		107	10:39 a.m. May 27	May 27
1045		108	10:39 a.m. May 27	May 27
	1105	109	10:39 a.m. May 27	May 27
1286		110	10:40 a.m. May 27	May 27

Sincerely,

**MARK RITCHIE
Secretary of State**

STATE OF MINNESOTA
 OFFICE OF THE GOVERNOR
 SAINT PAUL 55155

May 31, 2011

The Honorable Kurt Zellers
 Speaker of the House of Representatives
 The State of Minnesota

Dear Speaker Zellers:

Please be advised that I have received, approved, signed, and deposited in the Office of the Secretary of State H. F. Nos. 1219, 753, 1023 and 232.

Sincerely,

MARK DAYTON
 Governor

STATE OF MINNESOTA
 OFFICE OF THE SECRETARY OF STATE
 ST. PAUL 55155

The Honorable Kurt Zellers
 Speaker of the House of Representatives

The Honorable Michelle L. Fischbach
 President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2011 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S. F. No.</i>	<i>H. F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 2011</i>	<i>Date Filed 2011</i>
54	1219	112	1:19 p.m. May 31	May 31
		113	1:19 p.m. May 31	May 31
	753	115	1:22 p.m. May 31	May 31
	1023	116	1:23 p.m. May 31	May 31
	232	117	1:24 p.m. May 31	May 31

Sincerely,

MARK RITCHIE
 Secretary of State

DISPOSITION OF BILLS UPON ADJOURNMENT

Pursuant to House Rule 4.20, the following bills were returned to the standing committee or division last acting on the bill:

H. F. Nos. 1121 and 1122 were returned to the Committee on Agriculture and Rural Development Policy and Finance.

H. F. Nos. 56, 1515 and 1533; and S. F. Nos. 429 and 1143 were returned to the Committee on Civil Law.

H. F. Nos. 657, 837, 1134, 1397, 1410 and 1530; and S. F. No. 1268 were returned to the Committee on Commerce and Regulatory Reform.

H. F. No. 966 and S. F. No. 768 were returned to the Committee on Education Reform.

H. F. Nos. 716, 1440 and 1451; and S. F. No. 1243 were returned to the Committee on Environment, Energy and Natural Resources Policy and Finance.

H. F. Nos. 495, 561, 574, 591, 789, 962, 1205, 1238, 1269, 1358, 1359, 1363 and 1538; and S. F. Nos. 134, 156, 1101, 1135 and 1266 were returned to the Committee on Government Operations and Elections.

H. F. Nos. 926, 928, 1461, 1475 and 1498; and S. F. Nos. 247, 731, 1134 and 1284 were returned to the Committee on Health and Human Services Reform.

H. F. No. 849 was returned to the Committee on Higher Education Policy and Finance.

H. F. Nos. 199, 358, 1124, 1418, 1428 and 1535 were returned to the Committee on Judiciary Policy and Finance.

H. F. Nos. 718, 956, 1067, 1214, 1245 and 1468 were returned to the Committee on Public Safety and Crime Prevention Policy and Finance.

H. F. Nos. 545, 1286 and 1376 were returned to the Committee on State Government Finance.

H. F. Nos. 548, 902, 1436 and 1573 were returned to the Committee on Taxes.

H. F. No. 1284; and S. F. Nos. 1078 and 1083 were returned to the Committee on Transportation Policy and Finance.

H. F. Nos. 4, 174, 250, 556, 705, 935, 1024, 1068, 1162, 1261 and 1611; and S. F. Nos. 149, 346 and 1173 were returned to the Committee on Ways and Means.

REPORT PURSUANT TO JOINT RULE 3.02(a)

Pursuant to Joint Rule 3.02(a) the following bills, which were being considered by a Conference Committee at the time of adjournment, were returned to the House and laid on the table and the Conference Committees were discharged:

H. F. Nos. 821, 1011, 1234 and 1406.

REPORT PURSUANT TO JOINT RULE 3.02(b)

Pursuant to Joint Rule 3.02(b) the following bills, which were re-referred to the House Committee on Rules and Legislative Administration pursuant to Joint Rule 2.03, were returned to the standing committee or division to which they were last previously referred:

H. F. No. 1607 was returned to the Committee on Public Safety and Crime Prevention Policy and Finance.

H. F. No. 1643 was returned to the Committee on Government Operations and Elections.

H. F. No. 1647 was returned to the Committee on Ways and Means.

REPORT PURSUANT TO JOINT RULE 3.02(c)

Pursuant to Joint Rule 3.02(c) the following bills were returned to the House by the Governor with his objections and laid on the table:

H. F. Nos. 42, 201, 264, 460, 562, 934, 936, 988, 1010, 1101, 1140 and 1381.

CERTIFICATE

I certify that the Journal of the House for Monday, May 23, 2011, including subsequent proceedings, has been corrected and is hereby approved.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives