

Lyndon Carlson

STATE REPRESENTATIVE

WEEKLY SESSION UPDATE



HOW TO REACH State Representative Lyndon Carlson

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Other Projects of Interest Included in the Bonding Bill Agreement

\$37.5 million for the Northstar Corridor

\$12 million in Permanent Supportive
Housing Loans

\$1 million for Perpich Center for Arts
Education

\$22.6 million for the MN Zoo

\$22 million for the MN Planetarium and
Space Discovery Center

BUDGET RESOLUTION NARROWLY PASSES THE HOUSE

This Tuesday, the House narrowly passed their Budget Resolution (HR6) on a vote of 67-66. The resolution sets the maximum limit of expenditures from the general fund for the House at \$29.8 billion.

The dollar amount determined as the maximum limit of expenditures closely reflects the amount contained within the Governor's budget plan released earlier this year. Citing insufficient support for education and healthcare and the Governor's reliance on property tax increases to balance the state budget, Rep. Carlson voted no on the budget resolution.

However, he did support an attempt to amend the resolution to lift the limit by \$358 million, allowing for more flexibility as the legislators continue on their task to craft a state budget.

Rep. Lyndon Carlson reports that while the resolution vote marks the beginning the budget debate on the house floor, he remains concerned that the strict enforcement of the resolution could mean that K-12 education and healthcare funding can only come at the expense of each other or what should also be key priorities in the budget debate, such as transportation and higher education.

BONDING AGREEMENT ANNOUNCED

Accompanied by the Governor, House and Senate Capital Investment Committee Co-chairs announced this Wednesday that they have arrived at a compromise on the final bonding bill. The agreement, as passed by the conference committee, includes \$945 million in total bonding for projects all across the state.

The University of Minnesota will receive investments \$19 million over what the House Republican majority had recommended, although it is \$10 million less than what the Senate Democratic majority had passed in their version of the bonding bill.

The Minnesota State Colleges and

Universities will receive \$58.8 million more than the House recommendations as well.

Rep. Lyndon Carlson believes this is a victory for our higher education systems in the state, which have suffered in recent years due to waning state support. As a senior member of the House Higher Education Finance Committee, Rep. Carlson continues to work to see that our public institutions, including the University of Minnesota, are able to thrive and perform as they historically have-as key economic drivers in the state

FEBRUARY FAST PACED PRICE INCREASES SHOW SIGNS THAT INFLATION RATES WILL RISE

Inflationary pressures continue to pick up strength as consumer prices rose at the fastest pace in four months in February. The Associated Press reported that the consumer price index jumped .4 percent in February as costs rose for items such as energy, healthcare and education.

Just as price increases put pressures on family budgets, they also strain tight state budgets. For that reason, Rep. Lyndon Carlson is closely monitoring the increase in interest rates as he works with colleagues to find a solution to the state's budget challenges.

Although Global Insight, a leading economic firm and the main source for the Department of Finance in constructing budget forecasts, recently reported that we should expect anywhere from 2.5% to 2.75% increase in inflation in the near future, the state does not include inflation for expenditures in its budget forecasting. Rep. Carlson knows that the state cannot legislate away inflation and believes that this is a dishonest approach to the budget. He believes that we should analyze data that estimates inflation increases and plan accordingly. This is why he has co-authored legislation (HF10) that would require the state to include inflation as a factor in its budget forecasting.