Big Week for Minnesota Governor Mark Dayton

Posted by John A. Knapp on February 11, 2011

This Week's Floor Sessions

On Thursday, the Senate passed HF 130, authored by Senator Claire Robling (R-Jordan), as amended by conference committee, in a 37 – 28 vote. This is the Phase One budget bill which was passed earlier by the House. The bill was promptly vetoed by Governor Dayton.

The Senate also passed SF 56, authored by Senator Dave Thompson (R-Lakeville), which provides school district budget relief by freezing public school employee pay for two years. After multiple unsuccessful attempts to amend the bill, the bill passed on a 36-29 vote.

HF 1, authored by Representative Dan Fabian (R-Roseau), the environmental review and permit streamlining bill, passed off the House floor Thursday with a 82-42 vote. The bill puts into effect initiatives ordered by Governor Dayton earlier this year but also adds legislature driven initiatives, including allowing appeals of environmental permits to skip district courts and go straight to the state Court of Appeals, and allowing third parties to conduct their own draft environmental reviews. The companion bill, SF 42, awaits action in the Senate Finance Committee. The bill is moving ahead of a report expected to be released February 21, 2011, from the Office of the Legislative Auditor. That report will discuss current environmental review and permitting practices and offer suggestions for improvement.

Committee Deadlines

The three committee deadlines for the 2011 session were approved yesterday in the House. The first deadline is March 25 when all finance bills must be out of their committees and be sent to the House Ways and Means Committee. The second deadline is the first policy deadline and has been set as April 29 with a second policy deadline of May 6. The February Budget Forecast is expected to be released during the week of Feb. 28, leaving legislators just over three weeks until the first committee deadline.

Renewable Development Fund

The Office of the Legislative Auditor (OLA) testified Tuesday before the House Environment, Energy and Natural Resources Policy and Finance Committee on its October 2010 report on the Renewable Development Fund. The fund was established in 1994 as part of negotiations that allowed nuclear waste storage at Prairie Island, the Xcel facility near Red Wing. The idea was that the fund would be used to help generate renewable sources of electricity through solar, wind, hydro and biomass methods. However, the report suggested the fund was not being used to support those efforts. Joel Alter from the OLA stated, “The largest project funded by the RDF was something that the Legislature authorized — a coal-based power plant for clean coal energy that did not involve a form of renewable energy.” OLA suggested legislators spend this session answering a few key questions surrounding the administration of the fund, the recouping of administrative costs using the RDF, providing greater transparency and accountability, as well as whether the private fund held by Xcel should be brought under State supervision. Chair Denny McNamara (R-Hastings) stated he felt, as a result of this report, it was likely there would be a bill introduced this session.

Liquor on Sundays?

If a bipartisan group of Senators gets their way, Sunday liquor sales are a possibility. The movement to repeal the ban on liquor store sales on Sundays is heating up at the Capitol but the Minnesota Licensed Beverage Association (MLBA) is strongly opposed. The MLBA believes the change would effectively force stores to open on Sundays but they claim resulting sales would not cover the additional business costs. Not all store owners agree. Stores located near the Wisconsin border, which allows liquor sales on Sunday, argue they lose thousands of dollars of revenue to the neighboring state. Of the states surrounding Minnesota (Iowa, North Dakota, South Dakota, Iowa and Wisconsin), all offer liquor store sales on Sunday, as does Canada. A 2009 Minnesota Department of Revenue analysis found the change would result in negligible new tax revenue for the state. While the liquor store sales would increase, it would likely mean a decrease in bar sales, which are more heavily taxed.