



# Senator Tarryl L. Clark

Assistant Majority Leader

June 24, 2009

## E-News

Volume 2009

Issue 8

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Serving St. Cloud, Waite Park, St. Augusta, Rockville, and Haven Township

### Events

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#### June 25-28

Granite City Days

Visit [www.granitecitydays.com](http://www.granitecitydays.com) for a listing of events.

#### July 10-12

Rockville Rock-Fest

Visit [www.rockvillerockfest.com](http://www.rockvillerockfest.com) for a listing of events.

### Governor Makes Unallotment Announcement

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It has been just over one month since the Governor announced he was ending negotiations and would go it alone on budget cuts. We thought it was unwise then and it remains so now to do budgeting behind closed doors. Unallotment is meant to be a scalpel, not an ax and it is meant to be used at the end of the two-year budget cycle, not the beginning. It is for unanticipated budget shortfalls, not ones created by vetoes and a refusal to negotiate.

This will be the sixth unallotment in the 70 years the statute has been on the books; three by all previous governors and three by this governor alone. This unallotment is almost 10 times bigger than any previous one.

And make no mistake the Governor's cuts will cost us jobs across the state, jobs in hospitals, nursing homes, schools, and colleges. Police and fire will be reduced and libraries and parks will not be spared. And in the end the cuts alone won't be enough. This year for the first time Minnesotans will pay more in property taxes than income taxes. That is a direct result of this Governor's policies and the Governor's unilateral cuts will only make it worse.

As equally disturbing for the state's future is the Governor's over-reliance on one-time funds to "fix" an ongoing problem. For two years federal recovery funds helped fill some of the budget hole, but that money is going away and the underlying problems remain. Also, the Governor is "shifting" state payments of \$1.8 billion in education funds. The Governor is trying to mimic a shift normally done by the legislature, but his efforts are not the real thing. The legislature must act to restore those funds or the shifts become cuts and districts are left holding the bag. Taken together the loss of federal funds and the need to repay the districts will reopen a gaping shortfall

of \$4.9 billion, \$7.3 with inflation, in the state's budget. This is a fiscal mess the Governor's plan leaves for a future governor and legislature.

***Legislators Question Administration on Cuts***

Last week I participated with the Legislative Advisory Commission (LAC) when we heard from Minnesota Management and Budget Commissioner Tom Hanson about the Governor's unallotment plans. We asked for additional details on the unallotment cuts, including: proposed private and public sector job cuts, teacher layoffs, health care industry layoffs, local property tax increases, potential loss of federal funds, repaying local schools after the Governor's cuts, and the structural deficit in fiscal years 2012-13. The LAC meets again next Tuesday, June 30, when the legislature expects to receive answers to some of these questions.

***Local School Districts Will Receive Cuts from Governor's Unallotment***

The St. Cloud school district will borrow \$8.2 million to cover operating expenses. This will mean an additional \$250,000 in interest payments for the district.

***Cities and Counties Targeted For Cuts***

The Governor is cutting aid to Stearns, Sherburne and Benton counties this year and plans a larger cut for next year.

	<b>2009</b>	<b>2010</b>
Stearns	\$863,374 cut	\$1,752,912 cut
Sherburne	\$526,400 cut	\$1,068,751 cut
Benton	\$263,000 cut	\$534,813 cut

The Governor is also cutting aid to most local cities and townships in 2009 and almost doubling those cuts in 2010.

	<b>2009</b>	<b>2010</b>
St. Cloud	\$1,164,917 cut	\$2,687,906 cut
Waite Park	\$148,038 cut	\$228,590 cut
St. Augusta	\$0	\$0
Rockville	\$36,097 cut	\$11,497 cut
Haven Township	\$3,939 cut	\$8,310 cut

***End of Session Highlights***

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In the next editions of the E-News I will highlight end of session updates from the 2009 legislative session. I will provide updates on my bills as well as budgets and policy changes enacted by the legislature.

## Photos

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Senate Majority Leader Larry Pogemiller (DFL – Minneapolis), Sen. Lisa Fobbe (DFL – Zimmerman), Rep. Larry Haws (DFL – St. Cloud), and Speaker of the House Margaret Anderson Kelliher (DFL – Minneapolis) joined me in St. Cloud on May 19 following adjournment of the legislative session.

## Survey Results

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I received over 300 constituent responses to my mid-session survey and have compiled the data which is listed below.

### **What are the top three issues that are most important to you?**

Central Minnesota's top 3 issues in order are:

- Economic Development (56% of central Minnesotans)
- Property Tax Relief (52%)
- Lowering health care costs through reform (48%)

### **Solving Minnesota's Budget Problem**

Minnesota is facing a historic deficit of \$6.4 billion. Because of one-time federal stimulus funds of \$1.8 billion the deficit is reduced to \$4.6 billion. How would you propose to balance the budget? Find \$4.6 billion in cuts, revenues and shifts. Please note that empty responses were assumed to be a zero.

### **Section A: Cuts**

Given this historic deficit, the responses below show how difficult it is to find consensus on resolving the shortfall.

***Health and Human Services:***

- 53% of central Minnesotans would cut 0% of Health and Human Services funding
- 28% would cut HHS by 10% (\$959 million)
- 12% would cut 20% (\$1.92 billion)
- 8% would cut 30% (\$2.88 billion)

***K-12 Education:***

- 52% of central Minnesotans would cut 0% from K-12 Education funding
- 30% would cut 10% (\$1.38 billion)
- 9% would cut 20% (\$2.76 billion)
- 7% would cut 30% (\$4.14 billion)
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***Public Safety and the Judiciary:***

- 59% of central Minnesotans would cut 0% from Public Safety and Judiciary funding
- 25% would cut 10% (\$169 million)
- 7% would cut 20% (\$338 million)
- 8% would cut 30% (\$507 million)

***Property Tax Relief Programs (LGA, property tax rebates, etc):***

- 58% of central Minnesotans would cut 0% from property tax relief funding
- 25% would cut 10% (\$317 million)
- 8% would cut 20% (\$634 million)
- 7% would cut 30% (\$951 million)

***Higher Education:***

- 40% of central Minnesotans would cut 0% from Higher Education funding
- 24% would cut 10% (\$314 million)
- 15% would cut 20% (\$628 million)
- 19% would cut 30% (\$942 million)

***Department of Natural Resources:***

- 41% of central Minnesotans would cut 0% from DNR funding
- 24% would cut 10% (\$24 million)
- 13% would cut 20% (\$48 million)
- 21% would cut 30% (\$72 million)

***Agriculture and Veterans Affairs:***

- 53% of central Minnesotans would cut 0% from Agriculture and Veterans Affairs funding
- 26% would cut 10% (\$17.5 million)
- 11% would cut 20% (\$35 million)
- 8% would cut 30% (\$52.5 million)

***Economic Development Funding:***

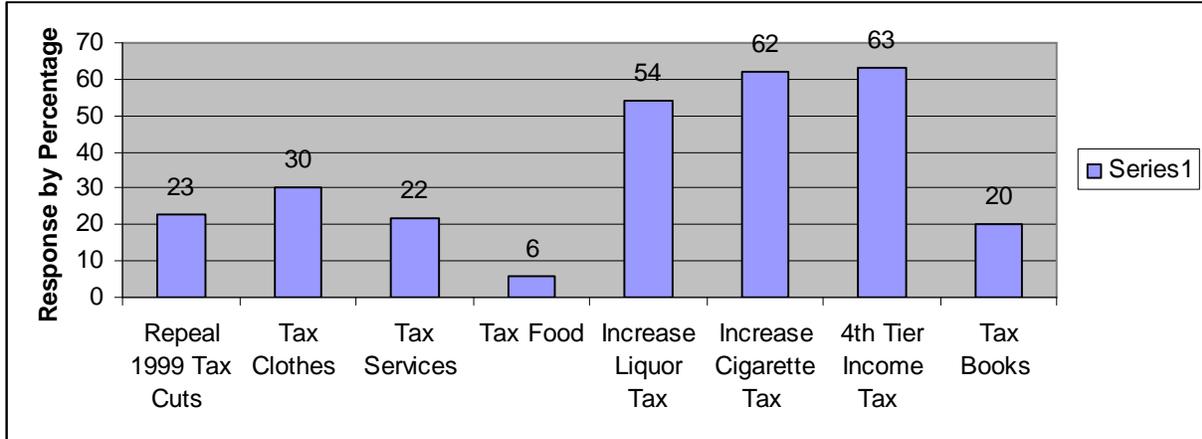
- 46% of central Minnesotans would cut 0% from Economic Development funding
- 25% would cut 10% (\$32 million)

- 11% would cut 20% (\$64 million)
- 15% would cut 30% (\$96 million)

**Cash Assistance to Families and Children (MFIP):**

- 51% of central Minnesotans would cut 0% from (MFIP) funding
- 18% would cut 10% (\$15 million)
- 11% would cut 20% (\$30 million)
- 16% would cut 30% (\$44 million)

**Section B: Revenue Raisers**



**Section C: One-Time Money and Shifts**

- 15% of central Minnesotans favor an Education shift (\$1.2 billion)
- 19% favor borrowing money to pay off the next two years of debt payments (\$950 million)
- 24% favor selling the lottery (\$300 million)

**How to Contact Me**

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**District 15 Fun Fact**

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The South Side University Neighborhood in St. Cloud was founded in 1856. The neighborhood features architectural styles such as Queen Anne Victorian, Craftsman, Colonial Revival, and country French. Some houses feature St. Cloud yellow brick and several colors of St. Cloud granite.

