



Summary of Meeting with Ann Rest

Civic Caucus

Friday, June 30, 2006

Caribou Coffee, 36th Avenue North and Hwy 169, New Hope

Guest speaker: State Senator Ann Rest

Present: Verne Johnson and Paul Gilje

A. Background on Ann Rest —Sen. Rest is a leader on transportation policy in the Minnesota Senate. She serves as assistant majority leader and is vice chair of the Rules Committee. She has served 22 years in the Minnesota Legislature. She was elected to the Minnesota House in 1984 and to the Senate in 2000.

B. Discussion with Sen. Rest —During discussion with Verne and Paul the following points were made:

1. Unusual circumstances in passage of transportation amendment —The amendment is on the ballot simply by accident. It was added to an omnibus transportation bill in the House on the last night of the 2005 session. The Senate decided to go with the bill as is because of other features. The Governor vetoed the bill, but the Governor's veto didn't apply to the constitutional amendment, so the amendment remains on the ballot. During the 2006 session much discussion occurred over whether the language of the ballot question or the constitutional language could be changed. Some legislators favored a specific 40 percent for transit and 60 percent for highways. In the end nothing happened, so the original amendment is in front of the voters, which provides that the Legislature will have to determine the exact split between transit and highways, except that transit is guaranteed at least 40 percent by the constitutional amendment.

2. Rest's criteria for a constitutional amendment —Rest said she personally believes three criteria should be followed in determining whether an amendment is appropriate for the state's constitution: (1) Is the issue serious? (2) Can the issue only be handled by the constitution? For example, a unicameral Legislature could not be created by legislation, only by a constitutional amendment. (3) Is the issue not an affront to conscience? She reviewed the history of an amendment for petit juries. The Minnesota Supreme Court had ruled that only 12-person juries were constitutional. Thus a statute for six-person juries would be unconstitutional. The Legislature proposed the amendment and it was approved by the voters.

3. Rest's position on the transportation amendment —Rest favors the amendment. She agreed that the amendment doesn't fit perfectly with her second criteria, because the Legislature could

dedicate MVST to transit and highways by law, without an amendment. However, placing MVST in the constitution is consistent with other state policy on transportation, she said. People understand that the gasoline tax for motor vehicles is already dedicated by the constitution to transportation. They assume that the sales tax on motor vehicles also is constitutionally dedicated (even though it isn't). Thus, a constitutional amendment seems appropriate to affirm what the people already assume is the case.

4. Need for additional revenues —It was noted that the MVST transfer would provide, at most, 13 percent of trunk highway needs. Rest agreed that a gasoline tax is needed, too. She believes that voter support for a gasoline tax increase will be present, irrespective of whether the amendment passes or fails. She doesn't think that passage of the amendment would cause people to think that funding needs have been satisfied. She repeated her point that many people already think MVST is dedicated.

Rest was critical of the Pawlenty administration's assumption that highway bonding is the sole solution to highway funding. She said the administration incorrectly assumed that federal dollars would be forthcoming to match state bonding money. When that didn't happen as expected, major projects had to be delayed.

5. Position on an amendment for natural resources —Rest said she would not support dedicating in the constitution a portion of current sales tax revenues for natural resources. The Senate's position was that voters would have the opportunity to dedicate an increase in the sales tax to natural resources. She acknowledged that the principles she outlined earlier aren't fully consistent with her stand on the natural resources amendment. However, she feels that the need is very urgent.

6. Use of transit dollars for capital and operating purposes —Rest said that substantial amounts dedicated for transit would go for operating purposes, because transit requires considerable personnel to operate. She said that bonding would be used for new light rail investment, so capital needs wouldn't be held back by use of dollars for operating assistance.

7. Legislature not plagued by polarization and paralysis —Rest said she's not so down on the Legislature as many people are. She cited significant accomplishments in 2006, including a bonding bill, limitations on eminent domain, and reductions in mercury emissions. The bipartisan approach the Legislature took on mercury might also be used in subsequent sessions for renewable energy.

C. Thanks —Verne expressed the thanks of the Civic Caucus for Rest's meeting with us today.

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A working group meets face-to-face to provide leadership. They are Verne C. Johnson, chair; Lee Canning, Charles Clay, Bill Frenzel, Paul Gilje, Jim Hetland, John Mooty, Jim Olson, Wayne Popham and John Rollwagen.