



Summary of Meeting - House Speaker Margaret Anderson Kelliher

Civic Caucus, 8301 Creekside Circle, Bloomington, MN 55437

Friday, February 6, 2009

Guest speaker: State Representative Margaret Anderson Kelliher, Speaker of the Minnesota House of Representatives

Present: Verne Johnson, chair; David Broden, Dan Loritz, Tim McDonald, Jim Hetland (by phone), Clarence Shallbetter (by phone), Bill Frenzel (by phone), Jim Olson (by phone), Gary Clements (by phone)

A. Context of the meeting —With the Governor's budget recently released, he has fallen under a lot of criticism for cuts, one-time savings, and a continued refusal to raise taxes. Today's meeting is to hear from the Speaker of the House her views on the present budget crisis, and on alternative proposals from the Legislature. Questions will also be on transportation, election system reform, and education.

B. Internal discussion beforehand —Caucus members discussed ahead of time what we hope to get out of this session, with the amount of time spent with the Speaker anticipated to be less than usual. Transportation and election change emerge as two key issues.

Transportation has been an area of emphasis for the Caucus in recent months, and is becoming increasingly so. The question of overall leadership at the state level is central. The Governor did not discuss transportation in his recent State of the State address. Federal earmarks drive construction as much as anything. It is difficult to identify a sound priority-setting process.

Yet transportation is a foundational element to investment in an economic crisis, for the short- and the long-term.

C. Welcome and introductions —Verne welcomed and introduced our speaker, by phone, DFL House Speaker Margaret Anderson Kelliher. The daughter of a dairy farm family, she is married with two children. Kelliher was first elected to the House in 1998 and elected Speaker in 2007. Community organizer and writer, Kelliher lives in Minneapolis representing district 60A.

Time was limited, so discussion got promptly underway.

D. Comments and discussion —During the Speaker's comments and in discussion with the Civic Caucus the following points were raised:

1. Concern over the Governor's budget: Counter proposals? There are serious concerns over the budget that the Governor put out, said the Speaker. But he had seven and a half months to put the budget together, and the legislators need time to understand it, and to talk it over with Minnesotans.

We are living in a time of fiscal instability for the state, Kelliher said, and need to have greater predictability of our revenue. This is a principal concern of the Governor's proposal: 71 percent are one-time dollars, and so it is not fiscally sustainable.

A Caucus member commented: But you have no counter proposal? Kelliher responded that legislators operate within a committee process, and so that will have to run its course. This is necessary to gain the support of all members. The public needs to have input, and an opportunity to provide feedback. "A budget is representative of values of the public."

2. Transportation —A Caucus member offered that an example of the lack of fiscal sustainability is the operating deficit of transit. Projects are built, but lack funding for maintenance. Buses and rail transit incur substantial operating losses since fares do not pay for the operating costs. The effort to close this gap in the last session by charging a fee on all auto purchases is also not working due to low auto sales. The general fund is tapped out.

There are structural questions about transportation that the Caucus has been concerned about for some time. Namely, an absence of overall transportation responsibility in the state. Federal earmarking dominates.

Transportation presents a huge challenge, agreed the Speaker. We have a bifurcated system. There are some regional planning groups. Itasca is looking at best practices from around the country. We need an umbrella planning organization to maximize the resources out there.

State leadership is not just about making the most of tax dollars, Kelliher said, but about shepherding private involvement too. This is maximizing resources. Such transportation planning leadership would have to be authorized at the state level.

A Caucus member asked if the Speaker sees any relief ahead for transport. We are less than a year out from the '08 transportation bill, she replied. Give it a year first to see where we're at.

Another Caucus member observed that there are 'silos' in the management of transportation, and this is what impedes effective planning. Right, Kelliher agreed, and we probably can't knock them down. We need to connect them.

A question from a Caucus member asked whether any federal stimulus money for transport will come to the state to be allocated based on some statewide plan, or go straight to various state, county, city, township, and special agencies that own some roads or trails?

We need to have better accountability, she responded. We spend the money that comes, from the Feds that goes to the state, but we don't come back and review how well it was spent. The same will

happen with any stimulus money unless we change procedures. The Speaker said she is holding a hearing on this the week of the 8th.

On the distribution of any coming stimulus funds, Kelliher said that some will go straight to cities. Some will go to agencies based on formulas, but we need to ensure agency efficiencies as identified in a critical report recently from the Office of the Legislative Auditor (dated February, 2008).

3. On election reform, in light of the ongoing Senate recount —The Secretary of State, Kelliher said, has been identifying areas where there can be improvement. We need to focus on where there have been real problems, not spurious claims. There has been little evidence, for example, of voter fraud. Clear up issues with the absentee balloting process. She said we should move toward early balloting, and argued for a required majority to hold statewide office.

A Caucus member asked about the Speaker's view on instant runoff voting. Kelliher responded that she supports it, but we need to see how it works in Minneapolis, first. There are other tools to try, as well. What about Presidential primaries? The caucus process is important, she responded, because it involves citizens.

4. Education and the session: Q-Comp, legislation —There is not enough data available yet, Kelliher said, to assess the performance of Q-Comp. In a time of budget crisis though, the Governor wants to continue to fund—and expand funding—for this program. That doesn't make sense. The Governor has proposed major expansion of Q-Comp, a voluntary program that allows local districts and exclusive representatives of the teachers to design and collectively bargain a plan that meets the five components of the law.

The chair brought up legislation from Education|Evolving, reflecting a major initiative for new school creation. In four bills it places primary emphasis on giving districts tools to create new schools, with autonomies similar to the charter sector. All bills will be introduced by the middle of the month. All legislation is bipartisan.

The Speaker remarked that she had not yet seen the legislation, but is very interested.

Kelliher commented that charter schools have their own problems, and are in cases not living up to their lofty rhetoric. Some have had management problems. A Caucus member suggested that this would call then for a strengthening of sponsors, as opposed to a moratorium on future creation of new schools. "We are dealing with people," though, Kelliher responded. We cannot afford to fail with new schools.

5. Prospects for bipartisanship this session —There is a lot of bipartisanship within the legislature so far, Kelliher said. Rhetoric gets heated at times but if you look at the outcomes the temperature in the Legislature has come way down in the past two years. The Speaker said that she and her colleagues have a fundamental respect for one another, and for the Governor, as elected officials.

The Senate will likely operate in a similar bipartisan manner, she said, because they have historically been more inclined to do so.

6. Any final thoughts or comments from the Speaker —On budgeting, with such a serious budget gap, Kelliher reiterated that the legislature will need to get public input on what they can tolerate being cut, and "where they want to participate more."

A Caucus member asked for clarification: Does the Speaker mean that the Legislature will be gathering testimony from citizens, to use as evidence in support for a case to raise taxes? Someone asked if voter approval of the constitutional amendment to raise the sales tax for the arts and environment might indicate willingness on their part to accept an increase in taxes to balance the budget.

"Yes," the Speaker replied.

7. Thanks —On behalf of the Civic Caucus, Verne thanks Speaker Kelliher for meeting with us today, during this very busy time of year.

E. Conversation with University Metro Consortium at the University of Minnesota —After the morning's session Civic Caucus core members spent a couple of hours with a group led by John Adams. The purpose of the meeting was to provide the Civic Caucus leadership, at the invitation of Mr. Adams, the opportunity to explain the group's purpose and process.

The meeting was hosted at the Humphrey School. Called the University Metro Consortium, the group of selected University members has been charged by President Bruininks to plan and host a series of meetings starting in June on issues of current interest. The meetings would run through the end of the calendar year. They group may articulate positions on these issues as a result, but this has yet to be decided.

Presently the group is coming up with their strategy and reached out to the Civic Caucus to share the operating premise of this organization. Conversation was productive. Verne began with an introduction of the group, and its mission to engage and educate decision makers in the state through electronic media. It is difficult to get people to come to meetings now days, he said, and so the Internet is especially apt. Engagement and feedback to notes is strong.

One participant from the University said that it is no longer sufficient to maintain an online library of communications. A Wiki or commons-space is more appropriate, where users can come in and make comments or revisions to a mutual document located on a website. This does away with the laborious process of gathering, sorting, and sending out feedback, for example.

Another person from the Journalism school noted that if the project wants feedback from younger people it won't get it from what is becoming traditional email. Instead new forms of abbreviated communication used by younger people are needed.

Thanks all around, and we will stay in touch as the consortium's work progresses.