

Summary of Meeting with State Rep. Marty Seifert

Civic Caucus, 8301 Creekside Circle, Bloomington, MN 55437

Friday, January 23, 2009

Guest speaker: State Rep. Mary Seifert, Minnesota House GOP Minority Leader

Present: Verne Johnson, chair; David Broden, Marianne Curry, Paul Gilje, Jim Hetland, Dan Loritz, Tim McDonald, Jim Olson (by phone), and Wayne Popham (by phone)

A. Context of the meeting--The Civic Caucus has been reviewing several issues related to transportation, to elections, and to education. Today's meeting is one of several sessions the Civic Caucus hopes to hold with leaders of the Minnesota Legislature.

B. Welcome and introductions--Verne and Paul welcomed and introduced **State Rep. Marty Seifert**, Minnesota House GOP minority leader. Seifert was born and raised in southwestern Minnesota, the youngest of six boys. He graduated from Cedar Mountain High School (Morgan) and Southwest Minnesota State University, with a degree in political science and a secondary teaching license. Seifert taught at Marshall Senior High School and was elected at age 24 to the Minnesota House of Representatives and now is serving his 13th year. He was Majority Whip from 2001 to 2006 and has served as minority leader since November, 2006.

C. Comments and discussion--During Seifert's comments and in discussion with the Civic Caucus the following points were raised:

1. Challenge of the budget shortfall--The 2009 Legislature's biggest challenge is the \$4.8 billion shortfall in the upcoming biennial budget, Seifert said. He hopes that real structural reform will occur, instead of using bubble gum and baling wire to do the job. The Governor's budget is expected to have reform measures tied to performance and outcomes.

2. Possibility of a tax increase in 2009--Asked if the Legislature ought to increase taxes, even if not proposed by the Governor, Seifert said he sides with the Governor who is deeply concerned about the state's business climate. Minnesota is high in comparison with other states on its corporate income tax. The state has few location advantages relate to other states, and thus must be very careful with its tax system. Seifert said he'll not be supporting tax increases this year. He said he expects Republicans in the House will largely support the Governor, although he expects proposals from GOP House members on raising some funds through gambling.

3. Benefits of federal fiscal stimulus dollars--Seifert said he agrees with a Civic Caucus member who asked whether the state, in taking advantage of likely federal dollars from a stimulus package, will simply be postponing a day of reckoning, because the federal dollars will be a one-time-only infusion.

4. Difficulty expected on attempts to change delivery of services--Seifert expects that proposals to change how services are delivered will encounter significant opposition from public employee unions. He sees significant opportunity to stimulate sparsely-populated counties to cooperate on service delivery. He praised the Minnesota Association of Counties for taking the lead. Longer term, he said, possibilities of merging multiple county services like jails must be considered while respecting traditional geographic lines. Two counties in his western Minnesota legislative district have a combined population of 11,500. Each has a sheriff, an engineer, a veterans service officer, and other county officials. Nevertheless, one will encounter significant opposition to merger, because the existence of the county courthouse is seen as a way to preserve jobs.

5. Possible changes on education funding--Seifert expects some Republicans in the House to advocate different ways of stimulating better K-12 education. He expects the Governor to propose statewide usage of Q-Comp, an experiment to partially base teachers salaries on performance.

6. Create a "seamless" program for early childhood education--Seifert said he's been part of a legislative group working for early childhood education. Several programs now exist, including Head Start and Early Childhood Family Education, but there's not enough emphasis on outcomes and accountability. He'd like to see all approaches combined in a seamless program that's not based on income or where one lives.

7. Serious problem with graduation rates in some high schools--While Minnesota's education system compares well with other states, abnormally high dropout rates among ethnic and racial minorities must be addressed, he said. One possibility is to move compulsory attendance from age 16 to age 17, he said. He also said he supports alternative schools that have demonstrated the ability to increase graduation rates among their students. Seifert said he is very impressed with teenagers who serve as House pages with whom he meets weekly and who come from a wide variety of social and economic backgrounds.

8. Potential of charter schools--Many people are questioning the worth of charter schools, he said, because of examples of poor management and bookkeeping. But some such schools have done amazingly well and have received awards. Seifert said one charter school in his district has a very low dropout rate. Asked about proposals to provide for reduced-regulatory schools within the structure of existing school districts, Seifert said he's heard about the idea but hasn't seen a bill yet.

9. Critical importance of structural change in human services--Seifert said the state has confronted huge budget problems in the past, for example, in 1979-1981, when inflation was running at 9-to-10 percent a year, and interest rates were as high as 19 1/2 percent. But he can't see how the Legislature this year can balance the budget without structural change in human services.

10. Broadening the sales tax base?--Asked about the potential of creating more revenue stability by broadening the sales tax base to include other items, Seifert said that business groups have been opposed. They fear extending the sales tax to services would damage Minnesota's competitiveness with other states. Others fear extending the tax to clothing would be too high a burden on lower-income persons.

11. Applying a "zero-based-budgeting" discipline--A member noted that state revenues for the upcoming biennium will be in the range of \$31 billion to \$32 billion, even without any change in law, an amount on a per-capita basis exceeding that of some other states. The member wondered whether the Legislature could simply start with "zero" as a base, without any guarantees for any service or agency. Seifert said that some majority Democrats seem more receptive to that idea now than they were when Republicans brought up the idea two years ago.

12. Absence of transportation in Governor's State of the State message--In response to a member's comment that the Governor didn't mention transportation in his State of the State message, Seifert noted that the Legislature last year approved an increase in the gasoline tax, a special metro area county tax for transit ways, and statewide bonding for highways. In addition, voters in 2006 approved dedication of the sales tax on new and used vehicles to transportation.

13. Is leadership, not revenue, the main transportation problem?--Seifert was asked where overall policy leadership on transportation lies today, given a wide assortment of units of government and agencies that are involved. It was noted that unified strategies on movement of people and freight around the state are urgently needed, but that it's hard to find any place--federal, state, metro, county, or local level--where overall leadership is occurring. Seifert replied that the buck stops with the Governor, as chief executive. Four key areas are vital for the state's jobs climate, he said: taxes, regulations, education, and transportation.

14. Should transportation policy focus more on rebuilding and maintenance of existing infrastructure?--Asked about the relative priority of rebuilding and maintenance versus adding more miles of roads and rails, Seifert said an intelligent mix of rebuilding and maintenance versus new construction is needed. Some infrequently used state roads should be returned to counties, he said.

15. Importance of movement of goods--Seifert noted that a major business in his district is Schwan's, which moves tons of food every day, but his district's road system has no four-lane roads. Schwan's is located in his district because of an executive's long-standing relationship with the area. If it were not for that fact, Schwan's might have looked to locate elsewhere where the road system is more extensive and tax structure more friendly.

16. Changes in the elections area--Shifting to another subject, Seifert was asked whether major changes in elections are likely in 2009, such as legislative redistricting, a presidential preference primary, or change in selection of judges. He said

the House Republican caucus is recommending that a photo ID be required for all persons who vote. Another proposal is likely to deal with filling more vacancies in elective office by election rather than appointment. On matters related to the Coleman-Franken recount, Seifert said many people are uncomfortable with giving the political parties a veto over which ballots should be subject to recount.

17. Impact of immigration on state budget—A Civic Caucus member inquired whether the state budget is affected because of extensive movement of immigrants into the state who are able to take advantage of health care and other benefits. Seifert replied that Minnesota would save significant dollars if its immigrant policy were similar to that of Wisconsin, where the benefit package is more restrictive. Seifert would prefer that Lutheran Social Services and Catholic Charities would be less aggressive in encouraging immigrants to locate within Minnesota.

18. Possible moderating factor in education achievement gap—Returning to education, a Civic Caucus member inquired whether the gap in achievement between high- and low-performing students in Minnesota might be partly because Minnesota has some students who perform at extraordinarily high levels. Seifert said he agrees but the low rates of graduation among ethnic and racial minorities concerns him deeply.

19. Waiting for budget proposals from DFL legislators—Seifert said there's been plenty of criticism of the Governor and Republican legislators for their suggestions on solving the state's budget shortfall. In the interest of constructive debate, he said he'd like to see ideas forthcoming from DFL legislators, but he has yet to see any.

20. Need for response by the House to citizens who make suggestions—A Civic Caucus member noted that the website for the Minnesota House of Representatives offers opportunities for citizens to make suggestions for change. However, the member said that it doesn't appear that citizens receive so much as an acknowledgement or a thank you from the House when suggestions are offered.