

MINNESOTA JOURNAL

Volume 29 • Issue 1 January/ February 2012 www.citizensleague.org

Expanding the Civic Imagination

JUURNA

The way forward from here: Finding the right path together

By Larry Schumacher

hat is the Citizens League doing to solve the biggest problems facing Minnesota today? It's a question we hear from both long-standing and new members, and from people who may know only some of the many Citizens League achievements of the past 60 years.

The last Journal of 2011 was dedicated to highlighting some of those member-led achievements as the Citizens League entered its 60th anniversary—from the creation of the "Minnesota Miracle" to igniting the worldwide charter schools movement to creation of MinnesotaCare, the Metropolitan Council and Metro State University.

Those achievements were not easy. They required innovative thinking and significant effort to realize. But they came about within the context of a system that still held the civic capacity and infrastructure to create dramatic change. Individuals from different backgrounds and ideologies, representing political, civic and business interests still could and did come together to build common ground for the common good.

Many people don't believe that this is possible today. As our Executive Director, Sean Kershaw, observes (Page 4), the Tea Party and Occupy movements have arisen as a response to a moment in time when our ability to solve collective problems together appears to be lying in shambles.

So, what do we do when the road ahead appears insurmountably blocked? We forge a new path and continue moving forward. In the Citizens League's case, that means many things, several of which we outline in this, our first Journal of 2012.

It means joining efforts to prevent the tide of hyperpartisanship that has washed through our state's Capitol from reaching its courts. That's why the Citizens League joined the Coalition for Impartial Justice, which is pressing for a constitutional amendment this session.

hat is the Citizens League doing to solve the The amendment's author, Rep. Michael Beard, explains biggest problems facing Minnesota today? It's a question we hear from both long-standing and decide the issue this November (Page 5).

It means standing up to preserve one of the Citizens League's most enduring legislative accomplishments: the regional tax-base-sharing legislation known as the Fiscal Disparities Act (Page 6), which has preserved tax stability and helped prevent the development of urban blight that plagues other metropolitan areas.

But it also means looking for ways to reimagine and reinvent the systems that nourished our state's success in the 20th century, but are now failing to provide the outcomes we need for the future. Two of those areas are the state's higher education system (Page 8) and its electrical energy infrastructure (Page 11). In both cases, member-led Citizens League groups have analyzed what we need to move forward successfully, and volunteers will soon begin work on finding ways to get there.

Citizens League members know that our biggest problems won't be solved until all parties affected by the issues are brought to the table to solve them. Whether the needs are as comprehensive as including citizen voices in solving the state's structural finance woes (Page 10) or as personal as bringing students and teachers together to reduce bullying in schools (Page 14), we will continue to find new ways to move forward, based on our principles—that every individual and organization has a role in solving public problems and that being an active citizen means engaging in the places where you have the tools to make a difference. Doing so will enable us to successfully rebuild our civic capacity and infrastructure to meet the challenges of the next 60 years.

Larry Schumacher is the Citizens League's communications manager. He edits the Minnesota Journal. Contact him at 651-289-1074 or Ischumacher@citizensleague.org.

INSIDE

Connections 2
Get Involved3
Viewpoint

After the Party and the Occupation.....4

Empowering vo	oters,
restoring	
accountability	b

Fiscal Disparities law under review6

Overselling college and underselling learning......

Higher Education in Minnesota: Phase II......9

Minnesota's long-term budget challenge......10

A vision for Minnesota's electrical system......11

Anti-bullying legislation should build trust**14**

To view the Citizens League reports cited in this issue, visit http://citizensleague.org/ publications/reports.

CONNECTIONS Building a League of Citizens



MEMBER SPOTLIGHT

REBECCA **NOECKER**

Rebecca Noecker is the manager of business and nonprofit partnerships at AchieveMpls and a new Citizens League member. She is co-chair for an Emerging Leaders workgroup.

Why she joined the Citizens League:

The stalemates we've been seeing in local and national government and the lack of distinction between compromise and spinelessness are a reflection of our own reluctance to engage with our friends and neighbors on issues that matter, even if that means we'll disagree. The Citizens League stands against all of that by bringing people together to help solve society's problems and to make our democracy work the way it was meant to.

The best policies are made when as much knowledge and experience as possible are brought to bear on a problem. Since we all have unique experiences and knowledge, I think that makes each of us responsible for bringing those to light in policy discussions. For anyone who's interested in policy but isn't able to quit his/her job and run for office just yet, the Citizens League is the next best thing, offering opportunities to interact with interesting and thoughtful people about issues that matter.

Thanks to our newest sustaining members! Matt Lewis, Eric Wold

Sustaining members schedule regular monthly or quarterly payments of any amount, or automatic annual donations. Become a sustaining member today at http://www.razoo.com/Citizens-League.

Thanks to our new and rejoining members and contributing organizations as of 12/31/11

Individual members

Harry Adler Kirsten Ahrens Ben Allen Kurt Apfelbacher Jeanette Auguston Matt Auguston Becky Baskett Laird Beaver Laurie Bell Cynthia Bennett Garrett Black Brandon Boat Michael Briggs Rebecca Callahan Brett Campbell **Colton Carothers** John Carroll Erica Carter Paul Caryotakis Randy Castle Terry Cheng Michael Christensen **Bill Clements** Amber Cordes Denise Cote Cassie Cramer Dan Cramer Mark Crowder Teresa Cummings Stephanie Curtis

Julie Dalgleish Chad Davis Mary Lee Dayton Louise Deichert Elise Diedrich Jean Diekamnn Humphrey Doermann Katherine Downs Peg Duenow Paul Dunning Jennie Eukel Erik Farseth Natalie Fedie Brion Finlay Latrisha Flowers Joy Fogarty Chad Folz **Eileen Forrester** Cassidy Gardenier Ann Glumac Edythe Goldberg lan Goldsmith Elizabeth Gray Jason Grev Jennifer Grev Jonathan Gross Anika Hagenson Ed Hall Sherry Hall Aimee Hatlestad Dennis Hauck Keely Herron

Julie Hessler Gordon Hester Tracey Hester Ramon Hough Ann Howes Isabel Huizenga lim lensen Sandy Jensen Joe Jepsen **Emy Johnson** David Jones Alayne Kantor Judy Karon Ana Karypis Rima Kawas Amy Kay Kerber Diane Kessler Jasmin Knoll Joseph Knoll Kate Koepke Nate Kuehl Sandy Larson Amber Lee Ona Lentz Ted Lentz Meghan Lerch Patricia Lewis-Porte Rene Madrid Nathan Magel Drew Mahowald John Majewski Mike Martiny

Jefferev Mattfield Kevin McGlauchlen Mark Mendel **Daniel Mertes** Gregory Meuwissen Jesse Mitchell Jane Morrison Peg Morrison Katina Mortensen Raj Mukherjee Andrew Murphy Jesse Mutcherson Ouan Nouven Carrie Noble Nicole O'Connell Jacqueline Olson Jim Paist Todd Parent Andrew Paulsen **Elizabeth Paulsen** Patrick Perkins David Peterman Kael Peterson Cherie Pettersen Julie Plaut Jacob Podobinski Irene Quarshie Sarah Raser Michelle Rasschaert Eric Rauch **Kyle Reicks** Mary Richards

Michael Richards Phil Riveness Priscilla Russell Eli Sagor Sally Schiff Deidre Schmidt Ronald Schreiber Lucille Schweven Rebecca Shedd **David Sheppard** Ben Sherwood Shane Simons Heidi Smith Kathy Smith Kyle Smyth Kathleen Spehar Jeffrey Spencer Noel Spencer Susan Sprav Patrick Stadler Patrick Steele Justin Steen Jaime Stilson George Strickland Bob Swisher Kent Tangen Merilee Tangen Amanda Tempel Mark Tempel **Dayne Thomas** Michael Tortorello Brenda Trebesch

Jane Turk Bill Ulland Rishi Vajpeyi Maiyia Vang Sara Wagner Susan Walker David Walsh Chad Walstrom Marc Weber Graeme Webster Heidi Wessman Joel Wessman Colleen Whalen Jessica White Eric Wold Brent Ylvisaker JeriLynn Young Christopher

Business Contributions

Yutrzenka

Capella University CHS Inc. City of Edina Corporate Incentives, Inc. Cummins Power Generation Delta Dental of Minnesota Dorsey & Whitney, LLP

Ecolab Faegre Baker Daniels Faribault Foods, Inc. GovDocs, Inc. Grassroots Solutions Hubbard Broadcasting Foundation Kowalski's Markets LarsonAllen, LLP McCarthy Center for Public Policy & Civic Engagement Medtronic Foundation Minnesota Association of Realtors Minnesota Department of Transportation Office for Public Engagement, University of Minnesota Robins, Kaplan, Miller & Ciresi Standard Heating and Air Conditioning SuperValu The Dorsey & Whitney Foundation

GET INVOLVED What We're Doing and How You Can Get Involved

ELECTRICAL ENERGY, PHASE II: DEVELOPING GENERAL RECOMMENDATIONS

In Phase I of the electrical energy project, nearly 100 citizens and stakeholders agreed on what Minnesota's electrical system must achieve to build a strong future for the state. Now it's time to dive into how we'll make this happen. In Phase II, we'll continue to convene citizens with diverse experience and expertise to develop general recommendations to achieve these goals.

For more information on the project and how to participate, visit www.citizensleague.org/electric or contact Annie Levenson-Falk at alevensonfalk@citizensleague.org or **651–289–1072**.

BRING THE CITIZENS LEAGUE TO YOUR WORKPLACE

Did you know the Citizens League will bring interactive and individually tailored policy programs on-site to your company or organization?

Educate your colleagues and employees on critical policy

issues and introduce them to some of Minnesota's leaders on those issues through our Pizza and Policy program, or through Quantum Civics, our employee leadership development program.

Visit www.citizensleague.org/get-involved/membership/org to learn more about membership benefits for businesses, nonprofit organizations and government agencies.

For more information, contact Dani Fisher, Director of Advancement, at dfisher@citizensleague.org or 651-289-1077.

HOST A COMMON CENTS WORKSHOP

Last year, we took our Common Cents project across the state to involve over 600 Minnesotans in discussing: "What values and priorities are important to solving Minnesota's budget challenges?"

In response to highly positive evaluations, in 2012 we will be partnering with the Bush Foundation again to bring a round of state budget workshops and online activities to help Minnesotans learn, share and discuss together the enormous state budget challenges ahead. Two workshop topics will be available to help Minnesotans better grasp the fiscal issues confronting the state: **state budget balancing** and **tax reform**.

If you like to host a free workshop through your employer or civic organization, please contact Adam Arling at aarling@citizensleague.org or 651-289-1073.

Join a 60th anniversary implementation team

What does our 60th anniversary mean to you? What do you want it to mean? Help us implement our anniversary goals.

We have four different ways you can get involved.

Partnerships: Identify and secure new opportunities to partner with other civic and policy-related organizations.

60th anniversary fundraising: Help move the Citizens League's work from reports to results.

Visibility: Help to raise the visibility of the Citizens League via anniversary-specific media, marketing and communications.

Outreach: Lead efforts to plan and implement events, including house parties, member orientations and more.

Visit www.surveymonkey.com/s/CL_is_60 to sign up.

HIGHER EDUCATION REFORM RAMPS UP

Phase II of the Higher Education Project will commence this winter. It will focus on two objectives:

- To answer a subset of the critical questions framed in the Phase I committee statement (www.citizing.org/projects/highered) to better understand why the existing system behaves as it does.
- To design policies and/or products that begin to address the three challenges set forth in that statement.

Contact Lindsey Alexander at lindsey@citizing.org for more information about participating in Phase II.

The Citizens League involves people of all backgrounds, parties and ideologies to create and advance solutions for Minnesota. The Citizens League's approach to policy—civic policy making—results in the civic policy agenda, our case for action that is based on the belief that all people and organizations play essential roles in developing the ideas, skills and resources to govern for the



common good. Visit www.citizensleague.org/who/identity to find out more.

Learn more information about all of our work at www.citizensleague.org.

If you have questions about any of these projects or others, contact Policy Manager Annie Levenson-Falk at alevensonfalk@citizensleague.org or 651-289-1072.







After the Party and the Occupation, then what?

Priorities, policy and politics in a post-protest world

by Sean Kershaw

'm certain that when my grandchildren study American History in 2060, most historians will agree that the recent Tea Party and Occupy movements were desperately needed. I'm less certain that the history books will record that either movement's efforts mattered.

The Tea Party is right. We are on an unsustainable entitlement spending spree, and my grandchildren will be burdened by enormous debt and limited economic opportunity if we do nothing. Our culture and policies must promote greater fiscal responsibility. I recently overheard two middle-class Baby Boomers casually complaining about changing the mortgage interest deduction. "Give us a break," one of them said. I'm sorry, but your "break" is the next generation's burden.

The Occupy movement is also right. The Great Recession has increased poverty and shrunk the middle class. Economic mobility in the United States has declined; we've been surpassed by Western Europe. There are many more paths into poverty than out. Increasing inequality and decreasing mobility are never good for a democracy.

But the Occupy movement's "99 percent vs. 1 percent" mantra is a distraction. Tea Party protesters make the same mistake by lambasting government spending while failing to note that their own middle-class entitlements are the biggest part of this problem. Both movements miss that the enemy isn't "out there" but inside systems we benefit from daily and resist changing.

Each of these movements has identified a core economic and social injustice and sounded the alarm. The next question asked by historians will be *how* they remedied the injustice.

1965 vs. 2012

I recently had two conversations with people I trust and respect a great deal. Each cautioned me that if our work at the Citizens League isn't making someone mad, it isn't really accomplishing its mission. One was direct enough to say that we need to think about this as if it were the 1960s, with protest and outrage (and revolution!) on a much bigger scale.

They are right that systems change rarely happens easily. "Push-back" is a sign of relevance and impact. But is this enough? What happens after the anger?

Consider the 1960s. When demonstrators marched to Selma, Ala., in 1965, they were protesting a lack of fundamental civil rights. The injustice was a lack of access by a minority to a system that worked for the majority; our civic infrastructure had the capacity to tackle other big problems.

The fact that these marchers were violently blocked from crossing the Edmund Pettus Bridge is symbolically elegant. Back then, the remedy was to eliminate the barriers to democratic participation and let them cross the bridge to the "promised land" of democratic participation.

But 2012 is not 1965.

A NEW AGENDA

Acknowledging injustice—for all the anger it deserves—is the first step. But it's not sufficient to be mad as hell, and outrage can interfere with what needs to happen next.

The problem isn't one of access to a functional system: that government or the 1 percent are all that's in our way. The bridge—our civic infrastructure and capacity to solve collective problems everywhere—has fallen apart and lies at the bottom of the river.

When the protests are swept clean, a lot of bridge-building has to occur, and everyone has a role.

The Citizens League believes that all individuals are policy makers. The decisions they make every day affect the common good. Part of our mission is to make people aware of this role and responsibility to engage as active citizens, and to help build their civic capacity. So it's not enough to act as if 99 percent of citizens are helpless victims of government or of the 1 percent.

This engagement takes place everywhere. The Citizens League believes that people develop civic capacity in the places where they spend their time. Active citizens who can govern and solve big problems don't just materialize out of thin air. They are created and supported by families, schools, businesses, communities and government, and they use the tools and resources that are most relevant and accessible to them in those places.

For example, our recent policy work demonstrates how all these institutions affect issues like water pollution, longterm care and creating new pathways to prosperity.

When we learn how to solve problems in our communities, schools, workplaces and families and learn how these organizations have to change how they work together, we'll produce the leaders and organizations that can solve the larger problems and injustices we face.

So take a look at where you spend your time and have some authority. Citizens are more than protesters or passive problemfinders. Addressing the larger injustices may seem beyond your reach, but you can have an impact where you are. And when institutions begin to work together differently because they have changed from within, this impact begins to add up to the larger changes that we so desperately need and that our grandchildren deserve.

When my grandchildren study this moment in history, I hope they will see that this was when we began a quiet "civic revolution" that not only gave new meaning to the words "citizen" and "civic," but also showed how these words mattered in addressing real injustice in our time.

Sean Kershaw is the executive director of the Citizens League and a member. He can be reached at skershaw@citizensleague.org, @seankershaw (Twitter), or Facebook.

Empowering voters, restoring accountability

The Impartial Justice Act

By Rep. Michael Beard, R-Shakopee & Sarah Walker, President, Coalition for Impartial Justice

or as long as we've been active in politics, one common question has arisen each election cycle—who are these judges and where can we get information about them?

But, even if you know your judge and have an opinion, in more than 90 percent of cases, you have no chance to hold them accountable, because judges run unopposed that often. Voters are historically disengaged, disempowered and uninformed about an entire branch of their government—the judiciary. It is, therefore, impossible for voters to hold that branch accountable. This is having an effect on the quality of our judiciary.

For years, Minnesota has been known for its fair and impartial judicial system, but our ranking is slipping. For example, the very influential Institute for Legal Reform (a program of the U.S.

Citizens would have information regarding a judge's performance, the opportunity to hold the judiciary accountable and the assurance that no special interest can "buy" a judicial seat.

Chamber of Commerce) recently ranked Minnesota's court system as the 11th best overall, with our judges ranking 10th most competent and eighth most fair.

But in recent years our position has dropped—all the way from second best overall as recently as 2007. This change in position should concern everyone who depends on the justice system—and whether you're aware of it today or not, that person could be you. It may be already.

Minnesotans have little to no information about judges up for election, have no real power to hold judges accountable and are at risk of losing their courts to special interests and big money politics. We believe that Minnesota can and should do better—and it can do so this year, by passing H.F. 1666/S.F. 1465—The Impartial Justice Act.

THE SOLUTION

The Impartial Justice Act uses a three-part approach to reform the system. If passed by the Legislature, it would require a vote of the people in the November elections to be enforced. The three essential changes the act would make are:

Public Performance Evaluations: Can you imagine having a job for six years and never receiving any feedback on how to improve, or on areas of growth, or highlighting areas in which you are succeeding? If you're a Minnesota judge, that is your reality.

A transparent evaluation process, with members representing all three branches of government and both major political parties,

would give voters information about the performance of their judges to use when deciding whether a judge should retain their position on the bench. The commission would be guaranteed to represent the viewpoint of the users of the courts—a majority must be non-attorneys.

The Impartial Justice Act would create such an evaluation. By empowering voters with information, we can begin to address voters' current lack of information about their judges.

Merit Selection: Nearly all Minnesota district court judges have reached the bench through an appointment process based on merit. As a result, our judiciary is recognized as one of the best in the nation. Expanding merit selection for the entire judiciary and making it mandatory guarantees that no special interest can "buy"

> a seat on the bench. This is another concept we specifically borrow from the private sector—hiring someone to do a job because we believe they're the most qualified person to perform it.

> **Retention Elections:** An undeniable pattern has developed, effectively eliminating the right of voters to hold judges accountable. Currently, 90 percent of judges run unopposed in Minnesota, giving voters a choice only 10 percent of the time. This is unacceptable. Retention elections give voters the opportunity to voice their opinions in every race and determine whether to retain judges or remove them from the bench. This reform restores the right

of Minnesota voters to hold judges accountable 100 percent of the time.

These three elements, taken together, empower Minnesota voters. Citizens would have information regarding a judge's performance, the opportunity to hold the judiciary accountable and the assurance that no special interest can "buy" a judicial seat.

HOW TO MAKE THE PROBLEM WORSE

Others would have you believe that the only way to ensure that courts are responsive to voters is to subject them to the same kinds of elections that we have for the other branches of government. But, one needs to look no farther than Wisconsin to see this system on display.

Last year, the voters of Wisconsin were subjected to an intense, highly divisive judicial campaign centered on Gov. Scott Walker's legislative agenda. However, Walker was not on the ballot—and neither were any legal issues. Indeed, after the election, even Walker indicated that it might be time to move Wisconsin to a merit-based system.

Advocates of a more partisan electoral system suggest that their system serves voters well. And while partisan elections may be an excellent way to elect *legislators* who are supposed to directly carry out the people's will, they would be an awful way to select public servants who we expect to do what's right, even if it's unpopular.

An enduring Citizens League success will be scrutinized in 2012

Fiscal Disparities law under review

By Bob DeBoer

Regional tax-base sharing in Minnesota has been arguably the most enduring piece of Citizens League policy success and has remained essentially unchanged since its implementation in 1971 (metro) and 1995 (Iron Range).

In 2011, the Minnesota Legislature appropriated \$100,000 to the Department of Revenue to study whether the Fiscal Disparities law is meeting its purpose as defined in statute. The report was just released on February 2 and the Citizens League is assessing the new information it presents. The report does not recommend changes in fiscal disparities, it simply addresses some of the impacts of the program. Stay tuned to the Citizens League blog and e-newsletter for more information.

Without Fiscal Disparities, the highestvalue communities would have between 10 and 15 times the tax base per capita as those with the lowest value.

It is as yet unclear how much useful information this evaluation can hope to yield, but when this occurs, it is always important that everyone step back and make sure that there is a common and thorough understanding of the nature and impact of the policy that is being evaluated.

There are two things that we know for sure about Fiscal Disparities:

- It reduces the disparities in tax-base wealth. In the metro area, that means that the communities with the highest property tax wealth per capita end up with four to five times as much tax base as the communities with the lowest property tax wealth. Without Fiscal Disparities, the highest-value communities would have between 10 and 15 times the tax base per capita as those with the lowest value.
- It creates a more stable tax environment for businesses across the metro area, since close to 40 percent of the value of those properties will be subject to one metrowide rate and will not be subject to big changes in local rates.

On the Iron Range, both of these effects are much more moderate because of the relative newness of the Range pool.

Here are some important points to understand when examining regional tax-base-sharing in Minnesota.

BASE SHARING IS NOT THE SAME AS REVENUE SHARING

It is best to begin understanding the law by reminding ourselves that the fundamental activity occurs before taxes are levied on property. The key entity is the "assessment district," whose boundaries coincide with municipal boundaries.

An amount of tax base equal to 40 percent of the net growth since 1971 in commercial-industrial (C/I) value is temporarily removed from every assessment district in the metropolitan area (since 1995 on the Range). The tax-base "pool" that is created is then redistributed to the same assessment districts through a formula based on population adjusted for property tax wealth. This tax-base redistribution is performed before any city, school district, county or special district determines rates, levies taxes and raises revenue. This makes tax-base sharing very different from revenue sharing and even further removed from government spending that is approved after revenue is raised to pay for programs.

It is critical to remember these different points in the process when looking at the overall impact of the Fiscal Disparities law.

AFFECTS ALL LOCAL GOVERNMENTS

Fiscal Disparities affects every unit of local government. The law applies not only to cities but also to every other unit of government levying property taxes: school districts, counties and special districts. City councils levy only a small portion of total property taxes. Levies by school districts and counties are much more. Thus the total burden on any local property owner is significantly more dependent upon the property tax levies of these other units than by the levies of their city councils.

It is not unusual in the Twin Cities metro area for a city to be located partly in two or three or more school districts. Of course, property owners—while sharing the same property tax rate for city purposes—could have different total property tax burdens based on the school district (and even in a few cases, the county) where their properties are located.

Consequently, while a city government might appear to be a so-called winner or loser because of tax-base sharing, it doesn't necessarily follow that its taxpayers pay more or less in total taxes because of the law.

MORE EQUAL TREATMENT OF COMMERCIAL AND INDUSTRIAL PROPERTY ACROSS THE REGION

Fiscal Disparities narrows the differences in total property taxes. What might be a just as significant—but, the more overlooked impact of tax-base sharing is its effect on property taxes paid by C/I property. Because of the law, nowhere in the metro area do any of these properties pay excessively more than other properties, nor excessively less.

This is because 35 percent to 40 percent of the value of most parcels of C/I property now has the same tax rate throughout the metropolitan area. This metropolitan rate is a weighted aggregated average of the rates of all units of local government in the area. The remaining 60 percent to 65 percent of a C/I property pays the aggregate local rate, among which there can be significant variation.

DO THE EXPENSES THAT SOME PROPERTIES IMPOSE ON THEIR HOST JURISDICTIONS EXCEED THE VALUE OF THEIR TAX PAYMENTS?

The expenses that properties impose on host jurisdictions vary considerably with the type of property and the type of jurisdictions involved. Some properties impose little or no burden on school districts or counties, but schools and counties receive tax benefit from such properties. The expenses that homes with children impose on host school districts almost always exceed, by several times over, the value of their tax payments. The public expenses incurred when some homes receive repeated public safety calls

There are always periodic attempts to think of the pool as a direct source of revenue, which is not in keeping with its purpose.

almost always exceed the value of their tax payments to city government. The value of all properties to a community is based on much more than the simple arithmetic of whether the taxes they pay will cover the costs of the services and infrastructure provided. This narrow evaluation of a property and its relationship to various levels in government should not be the basis for structural changes in tax-base sharing, which operates on a very different level of fiscal policy.

WHAT HAPPENS WHEN PROPERTIES DECLINE IN VALUE?

Fiscal Disparities responds to net change in total value of C/I property in a community. The law doesn't single out only those properties that increase in value or involve new construction. Sometimes the value of new construction can be offset by reductions in value elsewhere in the community. In effect, the law shares the benefit of growth and the burden of decline.

SHOULD RESIDENTIAL TAX BASE BE SHARED?

Mechanically, there is no problem with the idea of sharing residential tax base. But a fundamental accountability problem would arise. Under current law, when a city council, school board or county board decides the dollar amount to levy against all property, that unit of government can estimate fairly accurately the resulting burden on its residential taxpayers/voters. Were residential tax base to be shared, such calculations would go out the window, because the tax burden on local residential taxpayers/voters would be dependent not just on decisions of local elected officials, but also upon the decisions of every other unit of local government. That is the essential accountability that non-residential property owners depend upon, too. While the overall metro C/I rate isn't known when a city council, school board or county board sets the dollar levy, the non-residential property owners know that they can't be singled out for paying higher taxes than their residential voters.

HOW DOES TAX-BASE SHARING WORK WITH MUNICIPAL REDEVELOPMENT STRATEGIES INVOLVING TAX BREAKS?

A simple principle prevails: Every jurisdiction that shares in the metro pool owes the pool its own contribution. If, after that, the city council in its wisdom wants to grant some tax exemptions or offer some tax-increment financing that excludes for a time some new C/I base, it's free to do that. But the city still must make a

contribution on behalf of the excluded property. The effect is to shift rates among taxpayers within its jurisdiction, but that's a local policy decision. There's no justification for shifting the tax effect of a local taxincrement decision to other, non-voting taxpayers in the region.

WHAT'S THE LONG-TERM IMPACT?

In the early years of a community's development, some cities experience rapid growth in C/I property relative to population growth; hence such a community is likely to

be a net contributor. In later years, when such communities become fully developed, their annual growth in C/I property might be much less. They still might be net contributors, but by much lower margins. Later, they're likely to experience actual decline and could be expected to become net gainers. Again, after redevelopment, they could be net contributors. Over time, everyone can be a so-called winner and everyone a so-called loser.

The law was challenged twice and upheld both times by the Minnesota Supreme Court. Over the past 40 years, the Legislature has kept the concept whole without periodic fiddling with contribution or distribution percentages or other structural changes. A few exceptions have fortunately not turned into widespread abuse of the integrity of the tax-base sharing pool, but there are always periodic attempts to think of the pool as a direct source of revenue, which is not in keeping with its purpose.

As discussions about Fiscal Disparities continue, the Citizens League will remind policy makers of the enduring nature of this unique and successful policy.

Bob DeBoer is the Citizens League's director of policy development and a member. He was a former committee administrator for the Minnesota House of Representatives' Committee on Taxes and Committee on Local Government and Metropolitan Affairs. He can be reached at bdeboer@citizensleague.org.

Overselling college and underselling learning

Higher Education Reform Phase I



By Judy Meath

A the outset, the Citizens League Higher Education Reform Committee agreed on two basic things: that higher education in Minnesota matters tremendously because it has traditionally been a key driver of the state's economic and civic progress *and* that higher education in Minnesota is falling short of fulfilling this essential function. In fact, non-whites and Latinos are much less likely to reap the benefits of attending college, and thus Minnesota communities miss out on what members of these groups would achieve given the opportunity for advanced learning.

Another aspect that requires attention is the changing nature of today's workplaces. Technological innovation in many fields

The important role that higher education plays in the health and vitality of Minnesota means that all institutions, individuals, students, employers and elected officials are called upon to re-create a system of adaptive lifelong learning for all.

Beyond that initial consensus, the committee enjoyed spirited debate. We met half a dozen times over the summer and fall to complete three basic tasks:

- 1) Describe the current global context of Minnesota's higher education.
- 2) Identify challenges to our system of higher education in the state.
- 3) Create a framework giving broad direction for reforming the system.

Our meetings and discussions, facilitated by Citizens League staff, were messy and sometimes noisy, and we argued up until the last minute. It was truly a microcosm of civil society.

GLOBAL CONTEXT OF HIGHER EDUCATION

The committee recognized that the world has changed dramatically in the past few decades, and that these changes require that higher education change, too.

For example, the declining growth of Minnesota's labor force means that the labor force we do have must be more productive. Also, the increasing cost of college coupled with decreasing state funding makes higher education frankly out for reach of many families. requires technologically up-to-date workers. Some Minnesota employers say they can't find workers with the right skills.

CHALLENGES

The committee identified three primary challenges that must be met to ensure Minnesota's continued vitality.

First, the globalized economy means that the key job skill today is the ability to adapt, learn new skills and basically reinvent one's career. Technical knowhow is not unimportant, but "knowledge economy" skills—such as abstract thinking, communication and problem solving—are all the more important in a world constantly in flux. Our institutions of higher learning need to make sure students are gaining these critical skills.

The second challenge facing higher education in Minnesota is the need for greater access to educational opportunities—both formal and informal—over the course of a lifetime. The days of a career in a single organization are over; many people are going to need access to additional education and to "retool" their skills throughout their careers.

The third challenge we identified as a committee concerns helping our young

people navigate the K-12 system with a richer understanding of the wide range of opportunities before them. This not only includes better information about postsecondary education options and how to finance them, but also more real-life exposure to a variety of work paths and work environments. We need to help young people discover their own capacities and how to fit those with a work life so that they can make their unique contribution to the world.

DIRECTIONS FOR REFORM

The committee identified five areas that could bring about change in higher education:

- 1) Money. We recognize that "more money" is a commonly voiced solution for education-related issues. Instead of asking for "more money," the committee recommends a review of how funding is allocated. If we want to emphasize lifelong learning, then financial resources need to be deployed differently. As written in the committee's statement, "The current system views money spent on K-12 education, higher education, job training and development and employer on-the-job training as distinct pots of money, and each pot rewards different outcomes. How might we realign and reallocate public and private financing to support lifelong learning and re-learning?"
- 2) **Credentials.** The committee noted an increasing skepticism among some employers about the value of today's bachelor's degree. One way of dealing with this is for colleges to do more to assess skills (see "4. Metrics" below). But we could also open up the credentialing process beyond traditional two-and four-year institutions. Some organizations are already doing this, enabling individuals to gain a credential at a lower cost and more quickly, and to respond to rapidly changing workforce needs.
- 3) **Employers.** The committee agreed that employers need to participate more in the broad conversation about what students need to learn. A primary rea-



Higher Education in Minnesota: Phase II

By Lindsey Alexander

son students go to college is to secure future employment, and yet employers don't sufficiently interact with institutions of higher learning. One feature of that interaction that should be expanded is student-employer partnerships (like internships and apprenticeships) that give students an important opportunity for experiential learning.

- 4) Metrics. Typical measures of success in higher education don't necessarily serve us today. For example, we measure "time to completion" with the assumption that four years for a bachelor's degree is ideal. But many students today have jobs and families, and it is simply not realistic to finish in four years. Rather than measuring "time to completion," we should measure what skills, competencies and knowledge are developed, which are directly related to readiness to work.
- 5) **Students!** Students are at the center of the need for reform in higher education. Students, conceived by some as mere customers, have to be architects of their own learning if it is to be relevant, lifelong and useful in creating a well-rounded life, including meaningful work. We need to provide students with a fuller understanding of career options and with the skills and knowledge required for those careers.

The committee concluded that we cannot leave reform of higher education to colleges and universities. The important role that higher education plays in the health and vitality of Minnesota means that all institutions, individuals, students, employers and elected officials are called upon to re-create a system of adaptive lifelong learning for all.

Judy Meath was a member of the Higher Education Phase I Steering Committee and is a Citizens League member. She is a doctoral student at the University of Minnesota in higher education policy and can be reached at **meath@umn.edu**.

THE HIGHER EDUCATION PHASE I WORK OUTLINED THREE KEY CHALLENGES:

- 1. 21st-century workers must possess the skills to "invent, adapt and reinvent"—both on the job and in their careers overall.
- 2. Citizens need to have easy access to educational opportunities—both formal and informal over the course of their lifetimes.
- 3. Within the K-12 system (and beyond), students need help identifying, navigating and ultimately creating career pathways.

THE GOAL OF PHASE II IS TWOFOLD:

- 1. Answer a subset of the critical questions framed in Phase I in order to better understand why the existing system behaves as it does.
- 2. Design policies and/or products that begin to address some of the challenges set forth in Phase I.

In this next phase, the Citizens League will test the conclusions from Phase I by applying them to real world challenges facing higher education. We believe the Phase I work provides a useful framework for exploring the various issues that present themselves in real-world challenges to various institutions and individuals (e.g., low completion rates or lack of skilled workers).

The process will focus on looking at issues from the bottom up in order to understand the actors and incentives at work in each challenge and then creating a policy, program or tool based on that knowledge.

TWO TOPICS HAVE EMERGED AS LIKELY AREAS OF FOCUS IN PHASE II.

The first one involves understanding why people don't complete college. Minnesota State Colleges and Universities has recently noted that 20,000 Minnesotans are near completion of a degree but have not completed for some reason.

In Phase I, the committee stated that completion might not be the best goal, and this is still an important point. However, the committee also said that people need to have access to learning opportunities throughout their lives, and understanding why people don't return to higher education to complete their degrees would yield important information about the barriers to ongoing education.

Perhaps individuals obtained the skills they needed, just not the degree. Perhaps the current postsecondary structure is too difficult to manage along with family and work responsibilities. Perhaps a greater understanding of career paths and post-secondary options in K-12 would provide a better roadmap to completion. If individuals want to finish, what supports and/or information would they need to do so? Understanding the why behind non-completion is critical to ensuring our postsecondary system meets individual and workforce needs.

The second topic focuses on Minnesota's skills gap. It is well-documented that a number of Minnesota employers are having difficulty finding workers with needed skills, especially in health care and manufacturing.

In Phase II, we will seek to gain a deeper understanding of Minnesota's skills gap by focusing on one industry and one region of the state. What skills are employers looking for? How do these compare to what high school and/or post-secondary institutions are emphasizing? Are the skills lacking, or is it a credentialing problem? Could alternative credentialing (around specific skills/knowledge/abilities) help close the gap more quickly than full-fledged degrees? What do high school students understand about these job opportunities?

With both of these areas, the end goal is to develop a policy, program or tool to address the key issues. Phase II planning is ongoing, so watch the website (www.citizing.org/projects/highered) for project updates. Anyone interested in participating in Phase II should contact Lindsey Alexander at lindsey@citizing.org.

Lindsey Alexander is a public policy consultant and a Citizens League member. Recently she has worked on the Citizens League's Common Cents and Higher Education Reform projects. You can reach her at lindsey@citizing.org.



Minnesota's long-term budget challenge

Common Cents II By Stacy Becker

t was a bit ugly, with the state government shutdown and all, but Minnesota did end up with a balanced budget. Well, at least for a couple of years.

Minnesota has what is known as a "structural deficit." This means that ongoing revenues (mostly taxes) are not increasing at the same rate as ongoing expenditures. The primary reason for this is demographic. Our elderly population, which relies more on health services and pays less in taxes because they are no longer working, is growing much faster than Minnesota's workforce.

So maintaining service levels (e.g., K-12 and higher education; health care for the poor, elderly and disabled; public safety; and property tax breaks) requires every worker to pick up a bigger and bigger share of the cost of those services.

This demographic reality will continue for the next 20 or so years. No matter what else happens, we can know this for sure: Big changes in government services, and the way they are delivered and paid for, are ahead. Hoping that things can remain the same is delusional, if not downright harmful.

Changes on this scale create political nightmares, so it's no wonder the Legislature mostly punted when it balanced the budget. Of the \$5 billion budget shortfall, \$3 billion was "solved" through temporary measures, such as bonding against future tobacco tax revenues (meaning there are less revenues for use in the future), or an accounting trick that delays payments to school districts. They failed to address the structural deficit.

The State Office of Management and Budget projects the shortfall for 2014-15 to be between \$1.6 and \$3.2 billion, depending on how inflation is treated. Will we kick the can down the road once again? Or will we start to make smart, tough choices that Minnesota needs and deserves?

THE REAL BUDGET CHALLENGE: AGREEING ON COLLECTIVE VALUES

The Citizens League knows Minnesotans have the capacity and desire to help with these questions. Last year, with funding from the Bush Foundation and assistance from Take Action, we presented a series of budget-balancing workshops around the state. We learned that Minnesotans immediately grasp the nature of our state budget challenges and that they agree on many more things than they disagree on when it comes to budget priorities.

Ultimately, budgets are about collective priorities and values. Although budgets are expressed in numbers and can be exceedingly technical, the hard part in budget balancing is NOT a technical question of getting the numbers to add up. The hard part is agreeing on how the numbers should add up—agreeing on collective priorities. For example, implicit in most budgets are value statements about the following:

• Where do we draw the line of personal responsibility for services such as long-term care, and what should the public obligation be?

- What obligations do we have to the poor, sick, elderly and those we've promised pensions?
- What kind of quality of life do we want, and what is the collective responsibility for achieving it?
- What does a "fair" tax system look like?
- What are the grounds for improving our trust in government?
- What are our intergenerational obligations to one another?

The Citizens League believes that establishing the values that guide public budgets is the prerogative of citizens. If citizens can agree on their priorities, their elected officials will have clearer guidance, and even political blessing, when it comes time to making decisions at the state Capitol.

COMMON CENTS WORKSHOPS: CITIZENS STATE THEIR VALUES

Values drive budget decisions. But unless citizens are explicitly brought into the process of answering them, we allow public officials to substitute their own personal judgment, and then battle it out legislatively to see who "wins."

The value questions are, however, very nuanced, entailing many perspectives and implications. We owe it to ourselves to provide more thought and nuanced answers than emerge from our current political processes.

To that end, the Citizens League is launching a second series of citizen budget workshops, once again with generous funding from the Bush Foundation.

Even though the issues are weighty and profound, the discussions don't have to be boring and uncivil. The workshops will strive, as always, to be objective, nonpartisan, highly interactive, informative and fun. The workshops are structured with a series of discrete questions that each and every Minnesotan has the wherewithal to answer.

This year, we'll be offering two different workshops. The first will be an overview—similar to last year's workshop. A second workshop is being added to provide the opportunity to learn about and weigh in on the significant and long-term issues associated with tax reform.

Each workshop will be an hour long. They are being offered to any organization, employer or group that would like to "host" a workshop—that is, bring together at least 20 people of differing viewpoints and provide a space to meet. We'll do the rest!

If you'd like to learn more, contact Adam Arling at aarling@citizensleague.org or at 651-289-1073. ●

Stacy Becker is a public policy consultant and Citizens League member. She directed the Citizens League's Minnesota Anniversary Project (MAP 150) and staffed our Common Cents budget project.



A long-term vision for Minnesota's electrical system

Electrical Energy

By Denise Cote

"Good morning. This is your personal wake-up call for Monday, June 30, 2040. It is 5 a.m. The current temperature is 84 degrees; relative humidity 79 percent; barometric pressure..."

The alarm clock rambles on about the forecast, your schedule, your to-do list and the news as you find your way from bed to shower to coffee pot. It's going to be another hot one, over 95 by midday, so the no-tie policy will be in effect at the office. That makes dressing easy, and you grab a spare polo shirt, in case of midday antiperspirant failure, and head out for the day.

You stop at the filling station on your way to work and thank your lucky stars that when you leased your vehicle you opted for the model with better gas mileage. Fuel prices were a heck of a lot lower during the last economic downturn, and it was pretty tempting to take advantage of the bargains on some of the big gas guzzlers. Still, with energy bills accounting for 20 percent of your

While the electrical system has not reached a crisis point, national trends towards declining reliability, combined with a system that is not sustainable in the long-term, are warning signs for Minnesota.

disposable income, maybe it would have been better to buy a plug-in electric. "Nah," you think. You never know when the power is going to go out, and they dock your paycheck when you plug in at the office parking lot. You just wish you didn't have to pay the premium for those biofuel subsidies. If it weren't for government interference, gas prices could be a good bit lower.

At least the high prices are keeping people off the roads these days, which makes for a better commute for you. The company's "Keep It Cool" policy also helps in the summer, if you don't mind getting up a little early. By starting the day at 6 a.m. and relaxing the dress code, the company is saving a bundle on air conditioning. Zipping along in relatively light traffic, you enjoy the colorful sunrise over the new, coal-fired power plant, before it's blotted out by the haze.

The day goes pretty well, with only two big interruptions: one for a grid reset to purge another virus from the system, and one for a tornado warning in the afternoon. (Note to self: Suggest the company convert the lunch room into a tornado shelter instead of herding everyone into the restrooms every other day). One of your elder co-workers entertains you with stories of the good ol' days, including outrageous claims that tornado warnings used to be a rare event. No one believes her. You observe the news blackout policy at work—the endless media barrage about floods and droughts and hurricanes and wars just gets so depressing—which is why the report you hear during the drive home—that China has outbid the U.S. for Canadian coal and natural gas contracts—takes you by surprise. The next item is equally alarming, that the food riots in South America are spreading north. With the first Category 5 hurricane of the season headed across the Gulf of Mexico, don't those people have more urgent things to worry about?

This reminds you: You'd better call your parents in their Texas seaside retirement community and make sure they aren't being stubborn about the evacuation orders. The storm surge is expected to breach the sea wall if the hurricane makes landfall near high tide. Did they ever track down the scam artists who developed that place? Everyone knew that the condos were going to be underwater someday, which is why it was such a great deal for retirees, but that wasn't supposed to happen for at least another 30 years, they said. Dang, better call those lawyers and also check the insurance policy.

Just then, the skies open up and let loose a torrential downpour. Luckily, you're near an exit, and you escape the flooded interstate and make your way around the fringes of the storm cell on secondary roads. Thank heaven for GPS! Your total delay is only half an hour or so, not bad. You stop at the Midland Market Superstore and stock up on drinking water, frozen lunches and frozen dinners to get you through the week—it's going to be too hot to cook. The prices make you feel like starting a riot of your own—and this is supposedly the discount store!

Almost home, you catch a whiff of diesel, which means the neighbor's backup generator is running, which means the power is out again, dang it. But for how long? Several hours, judging by the puddle in front of the refrigerator. Maybe you should get a backup generator, too? No, don't be silly. The neighbor needs it to keep his respirator running, but you can survive without the expense of the fuel, thank you very much. Maybe he has room in his freezer for all those meals you just bought. You can offer him the chocolate ice cream; it's a goner anyway.

If the scenario just described seems like an acceptable way to live and work, go back to sleep. You are already well on your way to a future that could look very much like that, and you can just leave things on autopilot.

If this is not the life you want for you or your children in 2040, this is your wake-up call. While the electrical system has not reached a crisis point, national trends toward declining reliability, combined with a system that is not sustainable in the long-term, are warning signs for Minnesota.

The electrical system we rely on today began in the early part of the 20th century and expanded over more than a century to reach nearly every inhabited corner of the continent. For over a hundred years, the North American electrical grid has been able to meet all the demands we've put on it, growing and adapting as the continent has transitioned through the industrial era to the age of information. Today this vast infrastructure, sometimes referred to as the world's largest machine, is the enabler of a modern life based on advanced technology, yet it is essentially unchanged from the days when it was first built. As well-managed and robust as the system has been, it is inefficient, outdated and increasingly unreliable in the face of current technology and demands. It depends largely upon fuel sources that have adverse environmental and health impacts. These fuels are also in limited supply. This issue is especially pertinent for Minnesota, which has no significant fossil fuel deposits.

On the positive side, we already have the technology, products and resources to make huge improvements in the electrical system from beginning to end, from energy source to appliance. Our aging, over-burdened infrastructure is in need of a major upgrade, and we have the means to completely transform it.

In 2010 the Citizens League recognized that we are fast approaching that moment of

change and that we have an opportunity to choose a new direction. Four working teams were created and tasked with defining some of the key concepts that would guide the discussion. The terms for this first phase were Affordability and Competitiveness, Energy Self-Reliance, Efficiency, and the Environment. The participants on these working teams were drawn from a wide array of stakeholders in the electrical system, from ordinary rate payers to utility companies to environmental groups. The groups met monthly for six months, from May to October 2011, and each produced a report of findings and proposed definitions.

The overarching question for Phase I was "What was the ideal future that Minnesota should aim for?" The working groups in Phase I have envisioned an electrical system for Minnesota and the region that is:

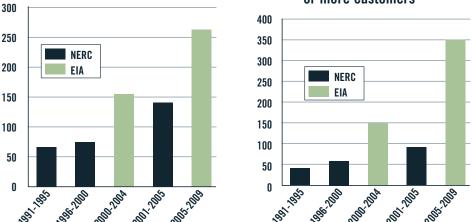
- Affordable and competitively priced, to ensure a healthy economy while providing equal access, reliability and predictability to users.
- Efficient, minimizing losses and delivering reliable, secure and economical energy in a manner that can continue indefinitely.
- Sustainable, meeting the needs of today without compromising the ability of future generations to meet their needs.
- Self-reliant, using in-state resources to generate or procure the electricity we need.
- Reliable, delivering electricity of consistent quality without interruption.
- Safe for workers, consumers and all citizens.
- Secure, protected from disturbances.

Briefly, the working groups found that:

Growing unreliability of U.S. power grid

Outages greater than 100 megawatts

Outages affecting 50,000 or more customers



Source: Amin, Massoud. "US Electrical Grid Gets Less Reliable." IEEE Spectrum. January 2011. http://spectrum.ieee.org/energy/policy/us-electrical-grid-gets-less-reliable] Reliability measurements are from NERC (North American Electric Reliability Corporation) and EIA (U.S. Energy Information Administration)

Declining reliability in other areas of the United States is a warning for Minnesota and the Midwest. The U.S. electrical grid has become continually less reliable, due to increasing demands on the infrastructure and lack of investment in maintaining and upgrading equipment. Over the past 15 years, infrastructure has depreciated at a higher rate than utilities have invested in

The present electrical system is inefficient in many senses of the word. Sixty percent to 90 percent of the usable energy is lost between resource extraction and end use.

upgrades and new equipment. In Minnesota and the Midwest, the grid has been more reliable than the national average. However, Minnesota is vulnerable to many of the same circumstances that have adversely affected the electrical system in other regions.

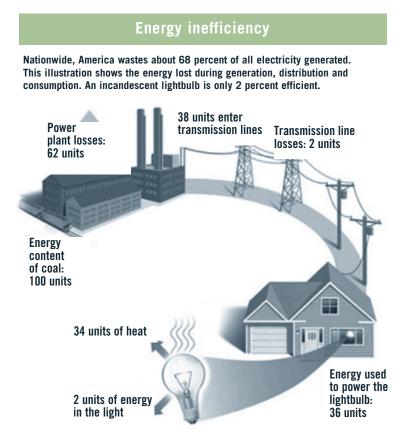
Expenditures on energy, including heating and transportation, represent over 7 percent of Minnesota's GDP. U.S. consumers currently spend *over 12 percent of disposable income* on energy, up from 7.7 percent in 2002. This surge in expense comes in spite of a significant economic downturn. While energy prices are highly volatile and unpredictable, if this trend continues, we could be shelling out close to 20 percent of our take-home pay for energy in 2040.

The way we use energy is changing. For example, hybrid and electric vehicles are a growing segment of transportation, and these vehicles could someday provide a distributed backup storage system. Cogeneration technology has made it feasible to produce electricity on a much smaller scale, while capturing the efficiency of the heat that is generated in the process. Therefore, while the teams focused mainly on the electrical system, this was in the context of all energy use.

The current electrical system is unsustainable. Minnesota depends on fuels for electricity that must all be imported, will eventually be depleted (and will become very expensive long before they run out), can sometimes have devastating environmental impacts and put more greenhouse gases in the air than any other activity. An activity is sustainable when it can continue indefinitely to meet the needs of the present without compromising the ability of future generations to meet their own needs. Our present electrical system does not meet this standard.

The present electrical system is inefficient in many senses of the word. Sixty percent to 90 percent of the usable energy is lost between resource extraction and end use. The existing infrastructure, which represents an enormous investment of money, time and resources, has locked us into a particular model of centralized production on a large scale. This may not be the optimal choice for the new energy sources and technologies available to us today.

Although Minnesota lacks geological resources, we have an abundance of sun, wind, water and biomass. Combined with advances in storage technology, these resources could be a sig-



Source: "What You Need to Know About Energy: Sources and Uses." The National Academies. http://www.nap.edu/reports/energy/sources.html nificant area of economic development and could increase our ability to achieve energy self-reliance.

Each team crafted a thoughtful set of guidelines and definitions that will shape the process for the second phase of the project.

Our aging, over-burdened infrastructure is in need of a major upgrade, and we have the means to completely transform it.

Phase II, which will begin in this year, will create the road map to guide us toward that future vision. Like any good road map, it will show many alternate routes to the same destination. The kick-off will be a workshop designed to stimulate creative brainstorming about how we will get there.

"Good morning. This is your personal wake-up call for Monday, June 30, 2040. It is 7 a.m. The current temperature is 76 degrees; relative humidity 59 percent; barometric pressure..."

As you sip your coffee, you go over your to-do list and note that today you'll need to stop in at the neighborhood business service center for a video conference at 11. You instruct your computer to reserve a booth for you, then check your dashboard. According to the stats, there's already a supply of solar-source electricity this morning from the rooftop collectors, which you can purchase at a very good rate. Better yet, your apartment complex has been selling surplus energy to the regional utility company all month, and your share of the income from that is more than enough to offset what you use.

Although there may be some afternoon thunderstorms that will cause the solar to drop off, your plug-in vehicle will be fully charged and can take up the slack, especially since you won't need to drive anywhere today. You click the permission to draw the battery down by up to 30 percent, even though you probably won't need that much. But why do you bother, anyway? You've already set up your preferences, and the software does an excellent job of finding you the best prices and coordinating with your schedule. You must like to see the graphs of your usage and expenses adjusting as you make little tweaks to your settings.

You spend the first part of the day working in your home office, enjoying the soft day-lighting and the gentle current of air being pulled in from the shady side of the building by natural convection. As outdoor temperatures climb above 79, the dampers close and the solar fans kick in, recirculating the pleasantly cool air and drawing in only enough outdoor air for ventilation. The windows have deep overhangs, so you continue to enjoy the view without worry of overheating.

PERSPECTIVES

Expanding Minnesota's Conversation



Anti-bullying legislation should build trust

Students Speak Out shows the way

By Brett Campbell

A ttorney General Lori Swanson is in the process of drafting tougher anti-bullying legislation in response to Minnesota's increased bullying problem across countless school districts. According to an article by the Pioneer Press, Swanson's legislation would require that districts "adopt policies by Jan. 1, 2013, that would prohibit students from bullying or retaliatwithout addressing how to build the relationship to do so. (A detailed description of our findings is available at http://www. citizing.org/data/pdfs/sso/SSOIssueBrief_ Bullying.pdf).

Swanson has been quoted as saying that bullying is a result of a cultural problem in our schools, and one that is not entirely

Students already know they are prohibited from bullying and they are expected to report it. They don't share information because a trusting relationship with an adult has not been established first.

ing against victims or those who report bullying and would also establish procedures for immediate reporting, investigation, discipline and potential police notification" (Nov. 30).

The *Pioneer Press* quoted Swanson as saying that Minnesota currently has some of the weakest bullying laws in the nation, so it is appropriate that Swanson is looking for a fix.

As a member of the Citizens League's Students Speak Out network, I participated in a working group made up of youths from Minneapolis Public Schools who were charged with addressing school safety. Our findings concluded that increasing trust between students and teachers will reduce bullying and harassment in schools. Our group recognized that bullying is an unavoidable reality, but there are ways to reduce the number of incidents.

Increasing the exchange of information between students and teachers is the key, but it is crucial that a trusting relationship be established first. This is a cultural problem in our schools that cannot be solved by mandating an informational exchange preventable. She has that part right. She also has it right that if students are going to report incidents of bullying so adults can help address it, they need to know what adults will do with the information. But her proposal lacks substance because it doesn't get to the root of the problem.

Students already know they are prohibited from bullying and they are expected to report it. They don't share information because a trusting relationship with an adult has not been established first. Simply put, if Swanson's legislation is to be successful, it needs to address how adults in the school can build these relationships with students.

ANOKA-HENNEPIN EXAMPLE

How would Swanson's proposed legislation have prevented bullying and increased reporting in the Anoka-Hennepin School District, where recent suicides have made national news and embarrassed Minnesota?

There have been eight student suicides in the past two years, with four said to be directly tied to anti-gay culture in the schools. Nationwide, countless suicides have also been connected to bullying of lesbian, gay, bisexual and transgender students. Anoka-Hennepin's bullying policy concerning LGBT issues—now under revision—was known as the district's "neutrality" policy.

This policy essentially prevented schools from effectively combating bullying, because it required teachers to stay neutral on matters of sexual orientation. Some Anoka-Hennepin district LGBT advocates said teachers had been placed under a "gag" order concerning the bullying of LGBT students.

If we are serious about preventing the unfair and unwarranted harassment of our students—instead of just preventing a school's liability for incidents—we cannot neglect any harassment and claim "neutrality" as a solution. There is no neutral stance on bullying; neutrality is no solution. Such neutrality leaves room for further ostracizing and isolation.

CULTURE OF ACCOUNTABILITY NEEDED

To create a culture of accountability, where students are comfortable reporting harassment, requires all students–LGBT, minority, liberal and conservative–to feel like members of their community. Schools must entertain a positive, nurturing environment to create a culture of safety and accountability. Schools cannot be afraid to stand up for those who are victimized because of personal politics or religious agendas.

Swanson's legislation must take a stronger stance on addressing the trust between students and teachers. Students who need our support, their district's support, are not able to receive the help they need with the current bullying policy, which wouldn't change a bit under Swanson's proposed legislation.

Intentions aside, and as it stands, Swanson's legislation will not improve the dire circumstances in the north metro, nor bullying anywhere else in Minnesota. If the attorney general's legislation is to be successful, Swanson needs to turn to schools where trusting relationships and positive environments already exist.

AVALON EXAMPLE

Avalon Charter School in St. Paul, where I attended eighth grade through graduation, appreciates the validity of a strong nurturing community for the overall benefit of its students. This is not only outlined in the school's mission statement, but also enforced by both teachers and students. Avalon builds a foundation of trust first, stressing the relationship between teachers and students.

Our state needs more schools like Avalon, places where not just some students, but all students are part of a safe community. Swanson's proposal would greatly benefit from taking a closer look at school such as Avalon and projects such as Students Speak Out, implemented by the Citizens League.

Swanson is serious about tackling the bullying problem, and so are students. It is about time, and taking on school bullying should be an effort that includes everyone at the table. Our schools are not the place for political battles, and bullying isn't about politics. All people involved in the bullying problem need to work together to define and develop solutions if any new bullying policy is to be successful. This is a fight worth doing right.

Brett Campbell is a Macalester College student and Citizens League member. He is a graduate of Avalon Charter School and has been active in education projects with the Citizens League since 2007.

Empowering voters

continued from page 5

HOW CAN YOU HELP?

There will likely be several constitutional amendments on the ballot this fall. We need your help to ensure that the Impartial Justice Act is one of them. Some legislators believe that having "too many" questions on the ballot might confuse voters or jeopardize the passage of others. We would argue that no matter how many questions are placed on the ballot for voters, protecting and improving our judicial system absolutely must be one of them. A broad-based coalition, which is among the most unique in Minnesota political history, has formed to support this legislation. It includes not only Minnesota's most prominent business organizations, but also unions, conservative and liberal advocacy groups and of course the Citizens League. They, along with 30 other membership organizations, have put aside their differences to ensure that the electoral warfare that plagues our legislative and executive branches of government does not spread to the judiciary-the one branch of government that must remain fair and impartial.

You need to tell your legislatordirectly-that this issue is too important to ignore or leave unaddressed until we see our first million-dollar political advertising campaign in a Minnesota Supreme Court race.

Rep. Michael Beard, R-Shakopee, is the chief author of HF 1666, the Impartial Justice Act. Sarah Walker is president of the Coalition for Impartial Justice, Chief Operating Officer of 180 Degrees Inc. and founder of the Minnesota Second Chance Coalition.

Minnesota's electrical system

continued from page 13

At a quarter to 11, you put on a nice shirt and walk two blocks to the local business service center for your conference. Your employer maintains an account here for you, providing you with the most advanced technology and equipment whenever you need it, just steps away from your home office. They also pay you an allowance for a portion of your rent and utilities (and get a tax write-off for the expense). You save on commuting time and expense. Not only that, but the county actually pays you for staying off the roads, in the form of a tax rebate. As long as you keep your local mileage below 6,000 per year, you qualify. Your company also gets tax incentives for participating in the program. ...

... And so on. Of course, this is just one possible scenario in which the outcomes proposed in Phase I–a reliable, affordable electricity supply, used efficiently and generated from clean sources–have been achieved through zoning, technology, incentives, creative business models, behavioral changes, good building practices, free market economics, and personal choices and community policies.

This is your wake-up call. If you're interested in learning more about the electricity project or how you can get involved, visit www.citizensleague.org/ electric or contact Annie Levenson-Falk (alevensonfalk@citizensleague.org or 651-289-1072). ●

The Citizens League Electrical Energy Project Phase I was generously sponsored by Great River Energy, District Energy, University of Minnesota Energy Management, Xcel Energy and several individual members.

Denise Cote is an energy analyst and Citizens League member. She has worked in the private and nonprofit sectors for Johnson Controls, Sun Microsystems and Grand Canyon Trust. She was co-facilitator, with Bruce Nelson, of the Efficiency Working Group for Phase I.

Aanaging Editor – Bob DeBoer Innnesota Journal

451 Lexington Parkway N, St Paul

Register now at http://bit.ly/x6gbWx

Wednesday, March 14th, 6-8 p.m. Wilder Foundation

Citizen Engagement in Health Reform

Help the Citizens League test an important workshop

PERIODICALS



213 Fourth Street East, Suite 425

St. Paul, MN 55101