# A DIBLIC POLICY MONTHLY FROM THE CITIZE

PUBLIC POLICY MONTHLY FROM THE CITIZENS LEAGUE

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# Leaders suggest budget, legislative priorities

# Part 1 of 2.

Editor's Note: Historically, the midterm budget is the governor's best opportunity to have a lasting impact on the policy landscape in Minnesota. Each governor's first budget is typically developed under the pressures of assembling a new cabinet and getting comfortable in office. In contrast, the midterm budget offers the governor and his team a chance to reflect on their priorities and develop a few key proposals to make long-term changes to state policy.

The next biennial budget will be Governor Ventura's big chance to make the Big Plan a reality and implement the proposals his administration has developed to build healthy and vital communities, encourage self-sufficiency, promote improved service, not systems, and make Minnesota a world competitor. The Governor has made it clear that he aims to achieve these goals without further increases in spending. In the budget guidelines issued in June, the Finance Department clearly instructed agencies to improve the efficiency of existing services and offer new initiatives only if reallocating money from elsewhere can fund them.

No matter how carefully the Governor constructs

his budget proposal, however, the Legislature can be expected to press for both different spending priorities and additional tax relief. Clearly, we can look forward to the next legislative session being as exciting as anything we have seen so far in our nascent tripartisan system.

State agencies will be working through the summer to devise specific proposals for the Governor's fiscal year 2002-2003 biennial budget, which will be reviewed and finalized at the end of the year. In the interest of contributing to this process (and previewing the breadth of issues the next legislative session will have to consider), the Minnesota Journal has asked a number of community leaders to offer their suggestions for priority issues for the next legislative session and the fiscal year 2002-3 biennial budget in this month's and next month's issues.

This month's responders include: former legislator Dee Long, now with Minnesotans for an Energy Efficient Economy; Hennepin County Commissioner Mark Stenglein; Russ Adams of the Alliance for Metropolitan Stability; and Duluth Mayor and League of Minnesota Cities President Gary Doty.

# State environmental initiatives: From forefront to the back seat

by Dee Long

Once upon a time, Minnesota was known for its position on the cutting edge of environmental issues. With a legacy of strong leadership from individuals like Willard Munger, Bob Dunn, Gene Merriam, Janet Johnson, John Rose and Steve Morse, we led the nation in passing landmark legislation to protect our water and air and preserve our natural resources and quality of life for future generations.

But in the past few years, while Minnesotans have rested on their environmental laurels, other states have left us in the dust of their efforts. Increasingly relying on fiscal policies like incentives and tax reforms, a new wave of environmental policy is emerging. A few examples: New York's Governor Pataki recently signed into law provisions granting tax credits for the construction of energy-efficient "green" buildings. In Pennsylvania, Governor Ridge's Green Government Council works to assist state agencies in incorporating environmentally sustainable practices. Under its direction, the state has constructed its first green building. This June, the Pennsylvania Legislature overwhelmingly approved a strong package of measures promoting smart growth and regional planning.

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# Two Minnesota laws with League ties named innovation semifinalists

by Kris Lyndon Wilson

Two Minnesota laws with strong ties to the Citizens League have been named semifinalists for the 2000 Innovations in American Government Awards, sponsored by the Ford Foundation, the Kennedy School of Government and the Council for Excellence in Government. The 1991 law authorizing charter schools and the 1993 law creating the Board of Government Innovation and Cooperation have both been named semifinalists for this prestigious award.

The Innovations in American Government Awards recognize "examples of Government's capacity to address and develop creative solutions to critical problems." The two primary objectives of the awards are to help restore public confidence in government effectiveness and to encourage the replication of outstanding federal, state and local programs. Award applicants are evaluated based on the originality of the approach, the effectiveness in addressing an important problem, the value of service provided to clients and the potential for replication by others. Board of Government Innovation and Cooperation

The Board of Government Innovation and Cooperation resulted from the work



Charter schools and Board of Government Innovation and Cooperation—our pride and joy!

of a 1992 Citizens League study committee on local government services, cochaired by Bill Blazar and Larry Bakken. The League's report, Results for Citizens, Options for Officials, recommended that local governments be allowed to choose "results-based regulation," which would hold them accountable for the outcomes achieved, rather than the process followed.

The following year the Legislature passed a bill, cosponsored by Sens. Ember Reichgott Junge (DFL-New Hope) and John Hottinger (DFL-Mankato) and Rep. Irv Anderson (DFL-International Falls), to create the Board of Government Innovation and Cooperation. The Board was given the authority to grant waivers and exemptions from a variety of administrative and procedural regulations in cases where local officials have a plan for achieving the same or better outcome by following a different path.

The 11-member board is comprised of the State Auditor, the Commissioners of Finance and Administration, two administrative law judges and six state legislators. In addition to granting waivers, the Board also administers a competitive grant program that supports the development and

> implementation of innovative public services and works to streamline voluntary mergers of local governments in order to achieve economies of scale and efficient public service delivery.

"The Board of Government Innovation and Cooperation has made a contribution," said Citizens League committee cochair Bill Blazar, vice president of government affairs at the

Minnesota Chamber of Commerce. "How does innovation move into standard prac-

tice? What's the best way to bring change? In some cases, an experiment might be the right way. In other systems you might need to go for wholesale change.

"There's a principle of nuclear physics that if you get a reaction going it keeps growing and growing. That's how I see the Board of Innovation and charter schools. They show that these innovations can work."

Blazar said Sen. John Hottinger, one of the sponsors of the bill creating the Board of Government Innovation, has continued to be a leader in the Legislature in reforming rules. A bill he sponsored this past session will require agencies to systemically review their rules and ask whether they are still relevant.

This is the second year the Board has been named a semifinalist for this award.

According to Douglas Benson, acting director of the Board, Minnesota is currently the only state with an agency empowered to grant such waivers. However, the Minnesota Board has received inquiries from several other states, and even other countries, interested in how the process works.

Benson identified several challenges facing states interested in replicating Minnesota's effort. For starters, there is an element of risk in all of these innovations. "When you're a local official spending public money, taking significant risks can get you un-elected," noted Benson.

Secondly, it is difficult for state agencies to embrace the idea of waivers and accept the fact that another agency has the power to grant waivers to their rules and regulations. And additionally, there have always been legal questions about granting special treatment to one city or county, while requiring others to comply with all the rules and regulations.

The most commonly requested waivers come from the human services field, says Benson-especially in areas such as mental health, chemical dependency and children's services.

# **Charter schools**

Seven years after its creation, the Board

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# Good ideas for a better place: Innovation for Minnesota

## by Lyle Wray

Minnesota should be proud to have two innovations that are semifinalists for the prestigious 2000 Innovations in American Government Awards, sponsored by the Ford Foundation, the Kennedy School of Government and the Council for Excellence in Government. (See article on page 2.)

Over the 15 years of the Innovations Awards program, according to the program's former director, Minnesota has won more awards per capita than any other state. It is not surprising, given Minnesota's strong tradition of innovative thinking about public policy.

The Citizens League can be proud, too, since both of Minnesota's semifinalist nominees came from core ideas advanced by Citizens League study committees. The first semifinalist innovation is the 1991 w authorizing the creation of charter schools in Minnesota, based on the Citizens League's 1988 report Chartered Schools=Choices for Educators and Quality for All Students. The law authorizing charter schools built on earlier Citizens League work on public school choice and postsecondary options to add an important ingredient: the possibility of a diverse mix of

> The Minnesota Journal Publisher—Lyle Wray Editor-Dana M. Schroeder Contributing Editor-Ted Kolderie Sketches—Ray Hanson

school experiences that were still within

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Sen. Ember Reichgott Junge (DFL-New Hope), who was a major force in both laws passing, hosted a visit last month with Bill Parent, former director of the Innovations Award program and now a site reviewer of nominations. That visit included a meeting of pioneers in the charter school movement in Minnesota, including CL Past President and charter school study committee chair John Rollwagen, past League Executive Director Ted Kolderie, who has been a tireless advocate for charter schools, and many of the early actors who brought the law into reality.

Minnesota's second semifinalist innovation is the Board of Government Innovation and Cooperation. The 1993 law creating the Board arose out of the 1992 Citizens League report Results for Citizens, Options for Officials. In the report the League recommended that local governments be allowed to choose "resultsbased regulation" over the traditional thicket of top-down, prescriptive laws and rules. Former Golden Valley Mayor Larry Bakken and Bill Blazar of the Minnesota Chamber chaired the Citizens League study committee.

The core concept of the Board of Government Innovation and Cooperation, as recommended by the League, was to offer incentive grants to local governments to find a "better mousetrap" in providing more effective and efficient public services. The second element was to provide waivers of state laws and rules in return for a contract around outcomes or results for citizens in public services. (In the same report the League also recommended the now well-established Best Practices Reviews based in the Office of the Legislative Auditor.)

Both of Minnesota's 2000 semifinalist nominations point to the core of the Citizens League's work: getting citizens involved in developing and promoting the innovative ideas that make Minnesota a better place to live and work. The track



the public education system.

record of Citizens League studies (many of which are now posted on the web) covers decades of ideas that make our metropolitan region and state a better place, from the Metropolitan Council, to the Minnesota Miracle, to charter schools and the Board of Government Innovation and Cooperation. These good policy ideas don't just spring up out of the ground and walk themselves over to the state capitol. They come from our region's rich and concrete tradition of bringing citizens together to find innovative solutions to public problems, a tradition the Citizens League has realized for the last half century.

As the future unfolds (at this writing, the completion of the first draft of the human genome has just been announced), we will need to find new ways to involve citizens in finding the good ideas that make our place better. Maintaining a high level of involvement and creating opportunities for people to participate is a constant challenge for the Citizens League. There are new challenges and opportunities-from an emerging new economy, changing demographics and a need to broaden change strategies to recognize more and new stakeholders-that will keep us busy.

But for one day, it is nice to reflect on the honor for Minnesota and the Citizens League to have two Minnesota innovations nominated as semifinalists for a prestigious national award. Citizens coming together around good ideas for a better place can make a big difference and national recognition is a nice, formal acknowledgement of the improved quality of life those of us lucky enough to live here know firsthand. MJ

Lyle Wray is executive director of the Citizens League.

of Government Innovation and Cooperation remains a uniquely Minnesota invention. However, Minnesota's second Innovations in Government Award semifinalist-charter schools-has been widely replicated all across the country.

When the Minnesota Legislature passed the charter law in 1991, Minnesota became the first state in the nation to allow parents, teachers and others to start and run these less regulated, independent public schools. Today, charter laws are in effect in 36 states and the District of Columbia and, in the 1999-2000 school year, there were nearly 1,700 charter schools, serving more than 350,000 students. By this fall, Minnesota will have about 70 charters in operation, with at least 20 more in various stages of development.

Minnesota's pioneering charter law was also the inspiration for the federal charter school grant program, which was originally authored by former U.S. Senator-and long-time Citizens League member-Dave Durenberger (R-Minn.). Since it was created in 1994, the federal grant program has pumped more than \$400 million in start-up funds into charter schools in more than 30 states.

The national impact of Minnesota's charter law was also evident in President Clinton's visit in early May to the nation's first charter school, City Academy, in St. Paul. The President's visit was part of the first annual "National Charter Schools Week."

"You have encouraged the growth of charter schools," the President noted, "but you do hold charter schools responsible for results. That's what every state in the country ought to do. And I think we should build the level of accountability you find here in charter schools into all the schools in our system."

In 1988, three years prior to passage of Minnesota's charter law, the Citizens League recommended that the state authorize "chartered' public schools that empower teachers to develop high quality schooling opportunities." The League's vision was that charter schools would be public schools, serving all children, with the freedom to pursue different educational routes developed cooperatively by

teachers, parents, administrators and students.

John Rollwagen, the League's charter school study committee chair, attended a recent meeting with the reviewer for the innovation awards. "It was energizing for me to hear from teachers that they've used the charter law to create learning environments that have worked," Rollwagen said. "It had made a difference in some people's lives. One teacher said when she saw the Citizens League report, she held it under her principal's nose."

"We had started down the road toward choice with postsecondary enrollment options and public school choice," he said. "Our committee looked at, O.K., now that we've opened that door, we have to think about how to get more choices."

Sen. Ember Reichgott Junge was also the chief Senate author of the 1991 charter school bill and remains a strong champion of the idea, both in Minnesota and around the country. The original bill's chief House author was former Rep. Becky Kelso (DFL-Shakopee).

Passed by the Senate in 1990, but not the House, the charter legislation was finally adopted in 1991 with a number of compromises from the original Citizens League proposal. While former League Director Ted Kolderie worked behind the scenes, the League's then-legislative director, Peter Vanderpoel, was at the Capitol lobbying extensively for the law.

Throughout its history, Minnesota's charter program has enjoyed strong bipartisan support in the Legislature and from both DFL Gov. Rudy Perpich and Republican Gov. Arne Carlson. Others responsible for helping to pass and strengthen the law over time have included the Minnesota Business Partnership, Minnesota Chamber of Commerce, Urban Coalition, Children's Defense Fund and key education reform leaders like Joe Nathan, director of the Center for School Change at the University of Minnesota's Humphrey Institute of Public Affairs.

Work on the charter school law began in 1988, remembers Sen. Junge, just after the Legislature had passed the openenrollment law, giving parents and students the right to access the school of their choice. The creation of charter schools was essential to ensure that there were choices out there for people to access, says Junge.

When charter schools moved from an innovative idea to a bill being debated in the Legislature, "we could always count on the Citizens League, the Business Partnership and the Urban Coalition to provide testimony and talk to legislators," said lunge.

Junge believes Minnesota's charter school law has drawn national recognition for several reasons, including the fact that it is an innovation that has been sustained over time and grown rapidly. She points out that the authorization of charter schools is an innovation that has shaken up every level of public education, because it allows parents and educators to innovate in each individual charter school, while also spurring innovation through competition in the more traditional schools run by the districts.

10 winners

As a sponsor of both pieces of legislation now contending for this award, Junge sees a strong tie between Minnesota's charter schools and the Board of Government Innovation and Cooperation. "The Board of Government Innovation and Cooperation is essentially a charter school for local governments," said Junge. "We're waiving barriers and regulations in return for results."

"The overall lesson here," said Junge," is that government officials need to remove the barriers, let citizens take the lead and the solutions will come."

On October 13, the Ford Foundation, the Kennedy School of Government and the Council for Excellence in Government will announce 10 winners of the Innovations in American Government Awards, with each receiving \$100,000. Optimistic that at least one of Minnesota's nominees will be among the final 10 award winners, the Board of Innovation's Douglas Benson believes Minnesota's strong presence among the nominees "demonstrates that Minnesota is serious about providing a high level of public services for all its citizens."

Kris Lyndon Wilson is a research associate at the Citizens League.

Maryland has eliminated the state sales tax on energy-saving washing machines, refrigerators, room air conditioners, and heating, cooling and fuel cell generating equipment for buildings. Arizona now provides tax incentives for the purchase of energy-efficient homes and the installation of renewable energy technologies. Our neighbor Wisconsin has received awards from the EPA for its efforts in promoting energy efficiency in state and local government purchasing. Governor Whitman of New Jersey recently directed the establishment of a clean water initiative aimed at promoting smart growth and preserving the state's water quality.

Many states have enacted tax incentives promoting the use of less polluting, more efficient alternative fuel vehicles, includ-

# Empower local governments to tackle tough issues and don't micromanage

# by Mark Stenglein

Minnesota, a haven for creative thinkers and good-deed doers, seems saddled with a number of unsolved problems. Even with all its talent at the top, it continually aspires to legislative mandates that have a spider web of strings attached resulting in solutions that are far too expensive, too burdensome, and in the end, outcomes that look a bit lackluster when compared to their original intent.

Translation: determine reasonable checks and balances. Provide local governments with the necessary ammunition to fight the battle and empower us to make key decisions at the front line. The bottom line? Don't micromanage.

This issue is not new. Local governments repeatedly beg for more control but it seems to fall on deaf ears. The key is accountability and outcomes-they go hand in hand. Would Red McCombs ever develop strategies and plays or work with the quarterback on his passing? Hardly. He knows his limita-

# Improve access to opportunity, natural resources in the Twin Cities

# by Russ Adams

Next year, we're going to need an "access" agenda. The Minnesota Legislature should focus on helping people gain access to economic and social opportunity and preserve access to our natural

ing the new hybrids coming on the market. Minnesota's new law reducing license tab fees takes the opposite tack, cutting fees for gas-guzzling mega Sport Utility Vehicles (SUVs) on an equal basis with cleaner, more efficient cars. One bright spot for fiscal policy and the environment was the tax credit for employers who provide transit benefits to their employees, but it was a small accomplishment against the tide of breaks for huge autos.

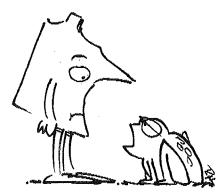
Minnesota's 2001 budget presents a great opportunity to start catching up with the rest of the nation. Most of the programs and incentives adopted by other states are not particularly expensive to implement. Minnesota needs to do more in responding to the environmental needs and challenges of the 21st Century. The

tions and hires experts to do it. If the team doesn't perform, the experts go. With that said, bear in mind that each local government is loaded with talent who have been at the 10-yard line, up against a 300-pound tackle. We know the plays and we know how to score. If government followed this plan-accountability and outcomes-we'd win our games too.

By now, the legislature knows that cook-

ie-cutter solutions don't work-what works in Hennepin County may not work in Otter Tail or Jackson County. Each jurisdiction must have the autonomy to inject its own talent and expertise to solve problems. A major priority should be to readdress welfare reform. At year three, we fail to see any significant changes in actual caseload numbers. And the five-year clock continues to tick. In Hennepin County, statistics indicate that one-third of welfare recipients have found work and left the system. However, digging deeper, the numbers show that a full 28 percent of our cases are new

resources. From a regional advocate's perspective, this translates into: housing, transportation, jobs and the environment. Citizens value choices in terms of where they can live, work, learn and recreate. People want access to the destinations



"You're right. It's not easy being green!

first biennial budget of the new century is a good place to begin.

Dee Long (long@me3.org) is the Director of the Environmental Tax and Incentive Program at Minnesotans for an Energy Efficient Economy and a former Speaker of the Minnesota House of Representatives.

arrivals; most are families from out-of-state and in need of numerous county social services. Sure, we've gained some vardage and even scored a touchdown or two, but clearly, the game plan is not working.

A candid, open dialogue needs to begin discussing the real causes of welfare. Then our state needs to design innovative approaches to move people off the welfare rolls and onto the payroll. The simple solution and optimal outcome is to empower people through employment with disincentives implemented to dissuade people moving to Minnesota just for the benefits.

Blueprint the outcome. Provide the tools. But let us design the project and build the solution. And woven throughout: accountability, accountability, accountability.

Mark Stenglein (Mark.Stenglein@co. Hennepin.mn.us) is a Hennepin County Commissioner.

that make our communities livable and the opportunities that allow families to attain modest prosperity. They want access to jobs, housing, educational opportuni-

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ties, day care, commercial/retail shops, groceries, social services, medical care, pristine natural areas, parks, clean rivers and lakes, and cultural institutions.

Three simple rules for lawmakers:

1) support the institutions and systems that promote equal access to these community values;

2) clear away the barriers that impede access:

3) don't let growth destroy the things we love about the region, such as ecologically sensitive areas.

Some will call this a "Smart Growth" agenda. Of course it is. Others might see this as an economic and community development strategy. Right again. Others might call it a Livable Communities initiative. That's fine, too.

Here are some investment priorities:

Housing. Clearly our metropolitan region is facing a crisis of catastrophic proportions. The private sector has utterly failed to produce, in large numbers, housing that is affordable to low-wage workers. There's an enormous deficit developing between people looking for rental apartments and vacant units.

We need a greater commitment of money from the state—one percent of the biennial budget would be a good start. We're currently halfway there.

Transit. Our transportation system is woefully inadequate, under funded, and heavily auto-dependent. This year, we saw the largest single increase for transportation in the history of the state. The results: almost \$600 million for new roads and bridges, no significant expansions to our bus system, no dedicated funding

source for transit and no investment in a regional commuter rail line. We need a \$100 million increase for transit alternatives and a permanent, dedicated funding source.

Coordinated growth strategy. Produce more affordable housing, focus development along transit and transportation corridors, require real commitments to higher residential densities and create links to job centers and employment clusters.

Future legislation should be consistent with these growth goals. New funding programs should support a coherent regional agenda that promotes access, inclusion and opportunity for our poorest citizens.

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# result in fewer jobs and a weakened tax base.

City officials are considering responses to the deregulation challenges, such as aggregation or municipal ownership of the electric energy functions. The goal of such endeavors is to ensure that residents and businesses are not denied the benefits of competition simply because they live in a small, rural community.

Deregulation of these two important industries offers much promise, but it must occur in ways that do not jeopardize the vitality of our cities, which have so significantly contributed to our quality of life.

Gary Doty is the Mayor of Duluth and president of the League of Minnesota Cities. MJ

On Balanciews From Around the State

Editors could not endorse party endorsements.

Saint Paul Pioneer Press said (June 6) that the DFL's newly endorsed candidate for U.S. senator, state Sen. Jerry Janezich, "must try to prove that party endorsement still carries some weight." He must survive a primary election contest with three challengers who are better known and have greater financial resources. "One of the strengths of the endorsement system is that it has allowed candidates of modest means to run for and win high public office. But the system will be tested as never before in this fall's primary contest. Star Tribune said (June 5) the DFL's heart, rather than its head, carried the day in Rochester. "Minnesota's political parties have yet to come to grips with the fact that the September primary has eclipsed party conventions as the decisive event in the state's candidate-selection process...As long as the dichotomy between convention and primary politics persists, party endorsement will continue to wane in relevance to Minnesotans." The paper said the interval between endorsement and nomination should be not three months, but three weeks. St. Cloud Times said (June 10), "The party achieving the most success in November will be the one quickest to douse party infighting and find a way to connect with rank-and-file voters." The paper said average voters may not have to pay attention to candidates until the primary "squelches intraparty bickering."

Rochester Post-Bulletin said (June 8) by endorsing state Sen. Jerry Janezich for Senate, DFLers "put more emphasis on party loyalty and tradition than on winning in November." The paper said convention delegates don't represent voters at large and tend to put more emphasis on party loyalty and other qualities than on ability to win votes in the general election. Worthington Globe asked (June 6) why parties must endorse candidates. It said voters should be able to review all candidates and vote for the candidate of their choice in a primary, which can't happen if unendorsed candidates drop out prior to the primary. Also, attempts to

pare down the field don't work, as candidates bypassed by the endorsement system refuse to bow out of the primary. Fergus Falls Daily Journal called (June 6) Jerry Janezich's endorsement "a wasted opportunity." The DFL could have capitalized on the voter dissatisfaction with Sen. Rod Grams by "finding and selecting a candidate with name recognition and a moderate political ideology that fits that of the state's majority." Potential candidates like Tim Penny, Bill Luther, David Minge, Collin Peterson had such credentials, but decided against running. And the party endorsed a man that "fits neither criteria."

Pioneer Press said (June 26) that as the Citizens League has argued, tax-increment financing (TIF) "needs to be dramatically reshaped and fitted into a strategy that helps the Twin Cities compete in the new economy against other regional centers." It said TIF creates a mechanism that can be used to lure businesses located in a neighboring community; there are no guarantees that the public benefits of the new development will match the public costs; and the system is enormously expensive for Minnesota taxpayers.

Mankato Free Press said (June 10) the proposal for a scaled-back, mostly privately financed baseball stadium "makes more sense than any we've seen in recent years...Those who want to play ball in Minnesota need to pay their own way." Star Tribune said (June 7) the new concept responds to Minnesota taxpayers' emphatic rejection of public financing for a new ballpark; it would be a true community ballpark—smaller, less expensive and able to fit comfortably into an existing neighborhood; and it excites advocates of the new urbanism that seeks to fill in, beautify and humanize existing communities. Brainerd Daily Dispatch called (June 16) the proposal "like something out of 'Field of Dreams." It said people will not fill any stadium to see a losing team; the team can't generate enough revenue to buy the quality players it takes to compete; and the Twins have no chance of

# Restructure utilities to serve communities, citizens

# by Gary Doty

The 2001 Legislature will consider two technology issues that will profoundly affect the future of municipalities and their residents and businesses.

# Telecommunications restructuring

The growth of electronic commerce and alternative communications technologies promise to change the very fiber of both the American economy and American society. However, as with most new markets, private businesses generally seek out the largest, most lucrative ones first.

Being left out of the initial implementation of these new technologies could result in a downward spiral for the economies of those communities less strategically located. If businesses and residents relocate to areas served by advanced telecommunications providers, the remaining businesses may never be a viable market for providers of these technologies.

City officials across the state are not willing to let their communities suffer such a fate. In communities such as Crookston, Lakefield, Marshall and Willmar, officials are aggressively courting advanced telecommunications providers or considering forming municipal telecommunications utilities to provide these new services.

Currently, state law discourages munici-

palities from undertaking such activities. Separate proposals introduced last session by Sen. Steve Kelley (DFL-Hopkins) and the Ventura administration to restructure the telecommunications industry included a role for municipalities, but no action was taken.

Why does it make sense to allow local government to compete on behalf it its residents? A brief history lesson may provide an answer. At the turn of the century, rural areas suffered from a similar dilemma-unreliable and high-cost electricity. City officials took matters into their own hands, forming electric utilities to serve their residents and businesses. Today, 126 municipal electric utilities still exist in Minnesota.

# Electric deregulation

As with the telecommunications industry, many states are considering legislation that would introduce competition to the electric energy industry; some have already done so. While Minnesota has yet to act, the Legislature has devoted considerable time and energy analyzing the implications for Minnesota residents and businesses.

Reliable, low-cost energy has been a luxury enjoyed by Minnesotans for decades. If competition jeopardizes this status, the impact could trickle through the state economy and ultimately could



holding on to whatever good players they do find. "Nothing can solve the Twins' difficulties except a mountain of money." Bemidji Pioneer said (June 8), "the idea that a business coalition may be able to meet the Twins' needs without heavy participation from the public tax well is exciting and ought to be encouraged." Rochester Post-Bulletin approved (June 13) of the proposal for a privately funded ballpark. But, it said, a new stadium would not alleviate the Twins' disadvantage of operating in a smaller market.

**Pioneer Press** said (May 31) that Jim Solem, who is retiring as chief administrator of the Metropolitan Council, helped restore the Council's reputation after a decade of "devastating and demoralizing turmoil." The paper said Solem worked effectively with then-Council Chair Curt Johnson and more recently with Chair Ted Mondale to build a cohesive professional organization that has regained some of its national reputation for regional planning and coordination; streamline the regions' sewage treatment operations; and professionalize the management of the regional transit service.

**Red Wing Republican Eagle** said (June 15) the closing of Success Academy in St. Paul "offers a painful lesson that sponsors need to keep closer oversight as guardian of the schools." But it said the closing "should not be a springboard to impose more regulations and thus curtail the creativity and potential of charter schools." Free Press said (June 13) charter schools need better financial oversight than is currently in place. It said the problems at Success Academy should not be used "as a way to pile regulations onto charter schools." It recommended that the Legislature review the oversight of charter schools and put rules in place than ensure financial irregularities are caught sooner.

# Take Note Policy Tidbits

"Tobacco, as it is commonly abused by most men, 'tis a plague, a mischief, a violent purger of goods, lands, health, hellish, devilish and damned tobacco, the ruin and overthrow of body and soul."—R. Burton

The state of Maryland is doing something unique with its tobacco settlement dollarsconvincing farmers to stop growing tobacco. Under a new buyout program passed by the state legislature and supported by Maryland Gov. Parris Glendening (D), every year for the next 10 years the state of Maryland will pay farmers \$1 for every pound of tobacco they grew in 1998-if they agree to stop growing the historic crop. Farmers, who stand to receive about \$50,000 a year for every 30 acres of dormant tobacco fields, are ready to sign up in droves. With tobacco prices falling and overseas competition on the rise, a recent survey of Maryland farmers found almost 90 percent planned to take the state's money and get out while the getting's good.—Kris Lyndon Wilson.

School districts are struggling with the idea of site management. Is a part of the trouble perhaps the notion that the function of the "site councils" is to run the school?

This notion forces parents into a *producer* role. Parents may be no good at running the school and may not want to run the school. Why not offer parents a *consumer* role? Ask them, instead: What do you like and not like about this school? Is it giving your child what s/he needs? If not, why not? Most institutions don't insist that we run the place just because, as consumers, we say we want to be heard.—*Ted Kolderie*.

As the major (and minor) candidates for President begin the election-year tradition of endlessly bickering over debate formats and schedules, two candidates for state Senate in New Hampshire have wasted no time in agreeing to make their campaign a model of deliberative democracy. Clifton Below, the incumbent, and Jim Rubens, the challenger (and Below's predecessor in the seat), plan to make joint appearances in each of their district's 17 towns to debate issues and meet with voters. Below has even suggested the two candidates pool their campaign funds to purchase television ads and mailings that jointly offer their positions to the public.

Although this might look like just another publicity stunt, it appears to be a sincere effort to reach out to voters and create, in Below's words, a "joint campaign of ideas." This is, after all, New Hampshire, one of the most politically engaged states in the nation. Not to mention, the two candidates are, according to the *Concord Monitor*, well known as "earnest and long-winded policy enthusiasts" who disagree on most of the state's major issues.—*Dave Chadwick*.

It's essential to see clearly the "disruptive change" that has come upon school districts. Until quite recently the message districts got from the state was that it wasn't important that students learn. Kids had to go to school till 16 and had to take a minimum curriculum. But the state would not check to see if they were learning. And there would be no consequences for anyone if they were not.

Now suddenly the state switches signals and says it's serious about kids having to learn. It now checks to see if they are and compares and publishes the results. There will now be consequences for somebody if kids do not learn.

To adapt to this policy change, districts will have to scrap practices built up over decades and will have to change their whole culture. This would be a challenge for any organization. For organizations in the public sector it is tougher still, almost impossible for leadership to engineer in the absence of competitive pressure from the outside—which, of course, school districts fiercely resist. The Legislature has a major, major problem here.—T.K.

**In an effort** to increase the number of small businesses offering health insurance to their employees, the Minnesota Department of Commerce has approved new health insurance policies for employers with less than 50 workers. The plans cover 20 of the 37 coverage categories that are otherwise mandated

The Minnesota Journal Citizens League 708 S. Third Street, Suite 500 Minneapolis, MN 55415 by law, granting small employers waivers from the other 17 mandates. Among the mandates not required in these new plans are minimum hospital stays after the birth of a baby, treatment of breast cancer by chemotherapy with bone marrow transplants, the treatment of Lyme disease and reconstructive surgery.—*K.L.W.* 

Two people from a very large national foundation were in the Twin Cities recently, looking for opportunities to invest in education where it would make a difference. At breakfast they listened to officials from one district talk about that district's vision.

Later the foundation people made it clear they're not interested in visions. Every superintendent has a vision. They're looking for organizations with a way to realize the vision. They're interested in *methods*. And money isn't a method, they said. They know of no case in America where a foundation intervention produced substantial and lasting change in a big-city school district. None.—T.K.

According to research reported in the June issue of the Center for Urban and Regional Affairs *Reporter*, grassland-nesting birds do better on private lands enrolled in the Conservation Reserve Program (CRP), a federal set-aside program that pays farmers to keep certain environmentally sensitive lands out of production, than in areas owned outright by the state of Minnesota. The difference is due to the fragmentation of habitat and differences in vegetation patterns between public and private lands.—D.C.

Contributors to "Take Note" include Minnesota Journal and Citizens League staff members.

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NEWS FOR CITIZENS LEAGUE MEMBERS

JULY 11, 2000

# Welcome

# New and returning members

Kathleen H. Corley Bettina Dehnhard Cheryl Dickson Julie Dyste John Fisher Carol Kelleher Laura Lazar Katherine McGill

# **CITIZENS LEAGUE**

708 South 3rd St. Suite 500 Minneapolis, MN 55415 612-338-0791 Fax 612-337-5919 www.citizensleague.net

The Citizens League promotes the public interest in Minnesota by involving citizens in identifying and framing critical public policy choices, forging recommendations and advocating their adoption

The Citizens League is an open membership organization Please call 612-338-0791 for more information about membership.

# **Eight directors elected to League board**

The Citizens League Election Committee tallied ballots at the League office on Friday, June 30. There were 598 qualified ballots counted (58 more than last year). Membership enthusiasm for this year's ballot seemed high as nearly 35 percent of the membership voted, significantly higher than the five-year average of 30.1 percent.

The following were elected to three-year terms:

Carl "Buzz" Cummins, Workers Compensation Reinsurance Association; Katherine "Kit" Hadley, Minnesota Housing Finance Agency; Roger Hale, retired CEO, Tennant Company; Ken Keller, University of Minnesota.; Laura Sether, Minnesota Planning; Barb Sporlein, St. Paul Public Housing Agency; Missy Staples Thompson,

Minnesota Partnership Office of Fannie Mae; and **Emily Anne Tuttle**, retired Hennepin Co. Commissioner and community activist.

Emily Anne Tuttle was elected to a second consecutive three-year term. Thompson, Sether and Hadley are currently finishing one-year appointments.

Past president Buzz Cummins returns to the Board after an absence of several years, while Roger Hale returns after more than 20 years. Ken Keller and Barb Sporlein are newcomers to the League Board of Directors.

The newly elected members join returning Board members whose terms expire in 2001. They are: Marcia Avner, Jean Harris, Susan Heegaard, Steve Keefe, George Latimer, David Olson, and Robert Vanasek.

And the class of 2002: Andy Brown, Cal Clark, Gary Cunningham, Kent Eklund, Rich Forschler, Matthew Ramadan, and Kathleen Vellenga.

Citizens League bylaws stipulate that the 24 elected Board members may appoint up to 10 additional directors plus four officers.

The officers and additional directors for 2000-2001 will be appointed at the annual transitional board meeting scheduled at noon on Wednesday, August 30 at the Metropolitan Council.

While the League welcomes new directors every year, we also regretfully say goodbye to others.

Members completing their three-year term are: John S. Adams, Mike Christenson, Lani Kawamura, Gene Merriam and Jane Vanderpoel.

League bylaws limit Board terms to no more than

six consecutive years. Adams, Christenson and Vanderpoel have served two consecutive elected terms and are ineligible for re-election or appointment. All three have been very active members of the League for many years. Mike Christenson was League president in 1997-98. Thanks for your service to the League.



**Buzz Cummins** 



Laura Sether



Kit Hadley



Barbara Sporlein



**Roger Hale** 



**Missy Thompson** 



Ken Keller



**Emily Anne Tuttle** 

# Citizens League policy seeds flourishing this summer

If there ever was a doubt that the League has made an imprint on the policy landscape in Minnesota, this summer provides evidence of meteoric impact.

As noted in this month's Minnesota Journal, two Minnesota policy initiatives that came out of Citizens League study committees (the charter school law and the Board of Innovation and Cooperation) are still in the running for the prestigious Innovation in American Government Awards.

The 1991 Charter School Law was based on the work of a 1988 League study committee led by chair **John Rollwagen** and vice chair **Donn McCiellan**.

The charter school innovation was the culmination of a decade of League reports dealing with education. Those reports also resulted in the open enrollment, postsecondary options and second-chance laws. These reforms also required followthrough, diligence and persistence. It often takes more than just good ideas to produce good policy.

On the other hand, sometimes the League's good ideas become enacted more quickly. Such was the case for the Board of Innovation and Cooperation. The idea came from a 1992 committee on local government services which was co-chaired by **Bill Blazar** and **Larry Bakken** and passed into law the following year.

A more recent League report has seen its main recommendation implemented this summer. In the 1997 report on urban growth strategies, a committee co-chaired by **Don Fraser** and **Sally Evert** 

# Thanks to this year's Election and Nominating Committees

The Citizens League Board of Directors election couldn't happen without the work of two very important committees. The Nominating Committee is chaired by the immediate past president and recommends and recruits candidates to run for the Board and ensures that ballots are mailed to all League members at least five weeks before the election.

Members of this year's Nominating Committee were: George Latimer, chair; Marcia Avner, Peter Bell, Gary Cunningham and Sean Kershaw.

The Election Committee takes over after all the ballots have been received by the League office. In recent years, the League office has taken on a festive atmosphere on election day as a core group of regulars renew old friendships and catch up with the staff. This year's Election Committee included: Ruth Hass, Patricia Leary, Larry Kelley, Jack Parsons, Bill Tarbell and Gertrude Ulrich. All are multiple year veterans.

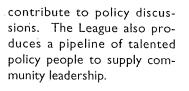
Thanks to all who participated in the 2000 Board election.

urged citizen involvement to create a vision for regional growth based on the tastes and preferences of regular citizens, and not just planners.

This summer, the Metropolitan Council, through a grant from the McKnight Foundation, will begin an effort to involve citizens in designing their neighborhoods. The Council has hired the consulting firm of Calthorpe & Associates to create a community vision based on consumer preference of various growth options.

And sometimes it's not just the League's good ideas that

**NETWORK** 



For instance, League Board member **Emily Anne Tuttle** has been named chair of the new State Operated Services Governing Board. Appointed by Department of Human Services Commissioner Michael O'Keefe, the board will help shape strategies for state operated services for people with disabilities. Tuttle recently co-chaired the League study committee on seniors with disabilities.



# presents

# ReFirement

featuring Dr. James Gambone

Wednesday, August 2, 2000 4:30 - 6:30 p.m.

# Theodore Wirth Park Pavilion Wirth Parkway and Glenwood Avenue Minneapolis

Recent advances in medical and biological technology offer the promise of longer, healthier lives. But are the systems, that are designed to help older people, prepared for the future? Are we as individuals ready to rethink the issues of aging? Jim Gambone provides a positive and optimistic vision of how to live a meaningful life beyond the traditional notions of aging and retirement. He challenges baby boomers as they approach retirement to reexamine values that have defined them as a generation.

There is no charge for this event, but reservations are encouraged. Snacks and refreshments will be served. To register: call 612.338-0791, fax 612-337-5919 or email info@citizensleague.net.