



JOURNAL

A Public Policy Monthly from the Citizens League

The Business Partnership, Minnesota Chamber, and other business coalitions recently argued against more government involvement in health care, advocating instead that business must enhance market forces and stated “so now we must begin.”

Citizens League Policy Director Bob DeBoer recently sat down with J. Sean Kenney, the President and CEO of the Labor Management Health Care Coalition (LMC) for the Upper Midwest to talk about health care reform in Minnesota.

Kenney has led purchaser coalitions for almost 30 years in Minnesota and in Michigan; the Minnesota Coalition in 1980s; the Greater Detroit Area coalition in 1990s; and now LMC for six years.

This interview has been edited for length and clarity. A longer version of this interview is available online at www.citizensleague.org.

Minnesota has been “beginning” to reform the health care system for 25 years

Attempts at market reform have not produced a better system or better quality of care

Bob DeBoer:

What has been the biggest barrier to creating a market in the medical care system over the last 25 years?

Sean Kenney:

Business has never used its core business model and thinking and applied it to health care. There is a disconnect in the marketplace. They have not bought on quality and value. Most of their energy has been on the cost of their health plan or their risk for insuring a population. Where are the CEOs and the CFOs exerting their leadership on health care? It is not only a business issue but a major community and civic issue.

BD: Why do you think that is? Do they have the tools to do so?

SK: They can use the fundamental thinking that they use everyday in running their business and apply it to their health care supply chain. That would produce more and different insights than they use right now.

Why don't they do it? One, they don't see it as their core business, and two, they are afraid they are going to get sucked in to a very complicated morass, so they defer to their HR benefits people.

BD: So you don't think that business behavior is naturally going to change in this area because of what you have just outlined?

SK: It is certainly a challenge that hasn't been answered yet, but maybe should be put out there: where are the CEOs and CFOs? They should look at their experience over the last 25 years: continuing double-digit cost increases; a supplier-controlled market and little purchaser clout. Their workers are increasingly frustrated with health care directions.

They [CEOs] should be motivated by the fact that this is a system that exists with perverse incentives: you screw up and you get paid more, and their business is paying people more to deliver inefficient, poor quality care—an anathema to good business practices.

BD: That does get to the point about information that the Citizens League outlined as a major conclusion in our report [Medical Facilities, April 2006]: we concluded the market is supplier driven and we don't seem to have information available in a meaningful way to really go at these systemic changes. How do we start getting there?

SK: What would work, once again, is if business were to take their basic business model that is now applied to their suppliers and apply it to health care.

continued on page 6

INSIDE

2

Connections

3

Viewpoint: Creating the common good

4

MAP 150: Minneapolis students speak out

8

Policy Redux: Elect the Metropolitan Council

10

Perspectives:

Met Council is effective and accountable

An elected Met Council could reduce the size of government

CONNECTIONS

Building a League of Citizens



Minnesota Gov. Harold LeVander signed the Metropolitan Council into law in 1967. Pictured with him are the original members of the Council. This photograph was found in the Citizens League's archives when we moved to our St. Paul offices in 2004.

Remembering Eleanor Colborn

Eleanor Colborn, the first woman to chair the Citizens League Board of Directors, died in her home in Fernandina Beach, Florida on April 24.

Mrs. Colborn moved with her husband Earl to Minneapolis in 1958 where she was very active in civic affairs in the Twin Cities. She chaired the Citizens League Board in 1977-78 and served on several Citizens League study committees, including "An Election-Like Process for Appointments" and "Building Incentives for Drivers to Ride." She worked at the League of Women Voters, and as executive secretary to former Minneapolis Mayor Don Fraser.

We thank Eleanor Colborn for her tremendous work for the Citizens League and for her commitment to nonpartisan civic work in Minnesota and beyond. We offer our condolences to her husband, children, and family.

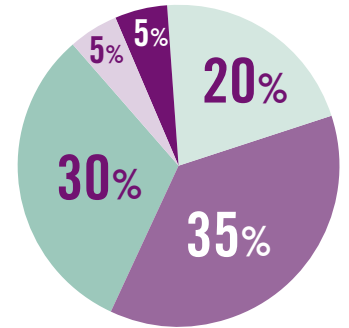
Curious about how Citizens League policy positions fared at the 2007 Minnesota Legislature? Just visit our website at www.citizensleague.org/blogs/policy for a full summary.

New members, recruiters, and volunteers

New & Rejoining Members: Ruthe Batulis, Holly Davis, Sarah Freeman, Shawn Gensch, Meghan Greenwell, John Hakes, Karen Heegaard, Julie Hoff and Ron Lattin, Michael Lander, Janet and Michael Malik, Phyllis Saltzman, Mark Schiffman, Mike and Judy Trepanier, Emily Willits **Firms and Organizations:** Alliance for Metropolitan Stability, Campbell Knutson PA, Ceridian Corporation, Corporate Incentives, Inc., Family Housing Fund, Greater Twin Cities United Way, H.B. Fuller Company, Halleland Lewis Nilan & Johnson, Hennepin County Public Affairs, Hennepin County Technical College, Kim Hunter & Associates, The Lander Group, Leonard, Street and Deinard, Lifeworks Services, Lyman Lumber Company, Mayo Clinic, Medica, Messerli & Kramer, MINCEP Epilepsy Care, Minneapolis Association of Realtors, Minnesota Medical Association, Minnesota Private College Council, Minnesota Public Radio, MSP Communications, Northeast Bank, Pohlada Family Foundation, Property Resources Corporation, Public Financial Management, Saint Paul Foundation, Sherburne & Wadleigh Ltd, Standard Heating and Air Conditioning, Tunheim Partners, Inc., Winthrop & Weinstine **Recruiter:** Nate Garvis **Volunteers:** Andy Brown, Cal Clark, Nate Garvis, Amy Hertel, Nena Street, Dave Walter

April poll results

Which recommendation from the Citizens League 2003 report on electricity (see page 1 of the April MN Journal) do you think is most compelling?



- Companies that sell energy should operate under a carbon emission permit system.
- Minnesota's electrical energy system should be as efficient as possible.
- The transmission and distribution system serving Minnesota should be flexible enough to take advantage of renewable resources.
- Minnesota should create incentives for increased reliability and environmental protection, while working to maintain a reasonable cost structure.
- We can't separate them; we need to do all of these things together.

Respondents: 22 (C'mon, folks—let us know what you think!)

June member poll

Outside of voting, what area of your life has the most opportunity for civic engagement?

- At work.
- With my family.
- In my neighborhood or community.
- In my congregation or place of worship.
- With nonprofits or community groups.
- At school.
- Somewhere else—tell us!

Go to www.citizensleague.org to vote!



Finding common ground and creating the common good

What my family taught me about civic and political life

by Sean Kershaw

Part of my vision for overhauling “civics” education in schools involves wrestling it away from the notion that civics is mostly about government. I think we could benefit from expanding our sense of where we learn and practice civics (the civic role of families, for example) by recognizing that the common good, like a family, is *created*.

As Minnesota turns 150 next year, it is worth thinking about who we are as a state, where we want to go—and what this means for how we practice politics and achieve the common good together, in a state with a lot of new “family members.”

Home is where the civics begins

I’ve always thought of myself as a product of the prairie: the work ethic of the pioneers, and both the endless possibility and impending doom that transformed the land and its people. But my parents’ impending move this summer from the prairies of Nebraska to the portages of Duluth caused me to realize that my civic roots began with my family—not with my geography.

For example, my oldest sister and I should not be as close as we are. It’s not just that her fundamentalist religious beliefs and my sexual orientation are fundamentally at odds with each other. Given the anger and personal attacks that took place after I came out to her years ago, we had more than enough ammunition to justify a generation of animosity. How could we ever re-build a relationship when I was no more going to change her religious beliefs than she would change the gender of my spouse?

But this is far from the reality of our relationship. We each forgave our first reactions, and our father insisted on patience and tolerance as my sister and I moved forward together. What surprises most people is that we are probably closer than we’ve ever been, and what we’ve learned in the process is perhaps instructive for all of us as we think about what common ground and common good really mean.

My family experiences have taught me that the common good exists—but that it is created, not found.

Conflict and commonality

Despite our differences, we were able to discover common ground as a family that was more powerful than these differences—more powerful perhaps because of these differences.

To start with, we are both parents. It’s ironic and sort of funny how much we both appreciate each other’s parenting skills—no less for the fact that we’ve both adopted children than for the humility that accompanies all parenthood. We care enormously about our own parents as well. We’ve also discovered how much we have in common when it comes to public policy and politics. We’ve gained new respect for each other by working together on shared goals and aspirations (our parents, our children, issues like education), not by rehashing what we weren’t going to change.

Did her views about my sexual orientation change? No. Have we gained more than we’ve lost? Absolutely. I am incredibly proud of what we’ve accomplished together, and it has enhanced my love for the everyday practice of civic and political work. Because of her, I know that I can find common ground with people or groups that I may think I disagree with strongly.

Family members can disown each other, but they don’t stop being family. Our identity as family created a common ground to work together. I could complain about her to my brothers behind her back, but I still had to face her across the Thanksgiving table.

Creating common good

As greater mobility has increased our ability to physically separate ourselves as citizens

from each other (living in like-minded neighborhoods and moving into ideological-online ghettos), perhaps there is something in this Thanksgiving table lesson: exactly what is the “common good” anyway?

If you listen to Democrats long enough, you’ll think that the common good is a section of the DFL platform or a coffee house in a hip neighborhood. It *exists*. They know what it is. Go find it. If you listen to Republicans long enough, you’ll think that common good is a hallucination. A relic. A touchy-feely dream that is out of touch with reality. It *cannot* exist.

My family experiences have taught me that the common good exists—but that it is created, not found. It’s the unconscious byproduct of what my sister and I worked through together all too consciously. The common good is what a diverse public creates together with a common vision, shared civic values and goals—and a common identity as citizens.

Our Minnesota family

Is there a common identity—and a common destiny—for us as citizens of a new Minnesota family, an identity that transcends our ideological, ethnic/racial and single-issue differences? And can this identity bridge the difference created by our self-imposed geographic and philosophic isolation? I think so. We saw it in the MAP 150 interviews last summer. Minnesotans care about education, about healthcare, and about the future for our kids and our parents. We are hungry for the opportunity to find common ground and create a new common good.

Given the realities of modern mobility, we won’t create this collective identity because we’re forced to by geographic proximity and social mixing. We’ll do so ultimately because we want to, because we want to see its rewards, and because we’ll need to in order to confront the policy and political challenges facing this 150-year-old family. ●

Sean Kershaw is the Executive Director of the Citizens League and can be reached at skershaw@citizensleague.org. You can comment on this Viewpoint at: www.citizensleague.org/blogs/sean.

STUDENTS SPEAK OUT

The Minnesota Anniversary Project asks Minneapolis students what they think about their schools and what would make them better

Our first demonstration project for MAP 150, Students Speak Out, has created a bit of flap. This project is designed to gather student insight into why enrollment is declining in Minneapolis public schools. Although most people have been highly supportive, some people were suspicious of the Citizens League's motives—especially given our historical support of charter schools, which critics see as harmful to traditional district

schools. Others thought it inappropriate or exploitative to ask students their opinions.

The project is being conducted online at <http://studentspeakout.ning.com>. The website features a weekly education question posed by an adult community leader with responses from a panel of student commentators. Citizens League Executive Director Sean Kershaw asked the first question: "How can we involve students, and why is enrollment declining?" Below is a sample of student responses.

To read more of this ongoing discussion, visit the website and click on the link "join the discussion" in the "Students Take a Turn" section.

Claire Seavey, junior, Perpich



Center for Arts Education

The schools are supposed to be communities and they've become prisons. ... I feel as though every year I'm in the school system I become less of a person and more of a number and a statistic. ... Every year the institution, the rules, and numbers drive more and more of a wedge between the administration and the students. ... I fled the public high school for a small arts school. The atmosphere at South High was one of apathy and disgust. People dropped out because they were at the point of just hating

everything about school from teachers to the building to peers to themselves. I don't associate school with learning. I associate it with a holding pen. It didn't feel like I would get anything more out of graduating than dropping out; all that really mattered was the standardized testing anyway.

Arda Thao, junior, Roosevelt High School



A very common reason why students skip school [is] because they're afraid of getting punked. I mean look at it this way, you're a freshmen in high school and you're pretty bony and short, wouldn't you feel scared of getting dump into a dumpster?... Yeah, we do skip, but do [teachers] know how we feel and why we're skipping? No, it may be bullying, personal feelings, other obligations to uphold. See they don't know that but all they only say is that we're skipping.

Wes Granath, a recent graduate of Lake Harriet Community School



There are plenty of students in our public schools that have fantastic ideas about how to improve our school. I feel that since the whole point of schools is to help us, we should be able to give input and let it be seriously considered. ... The adults who lead our schools are very concerned about things like budget cuts, when in reality I bet not two out of three of my friends could tell you what budget cut even means. ... We, as students, are much more interested in things like the quality of equipment and technology our school has, how much our teachers respect us, what the material we're learning is, and the quality of things like textbooks.



Brett Campbell, 8th grade, Minneapolis resident and former MPS student, now at Avalon charter school



When people are sitting down to make decisions about our Minneapolis public schools there should almost always

Annie Wood, 8th grade, Anthony Middle School



I'm a middle schooler, and from my experiences, middle schoolers act uncooperative and uninterested. But the truth is, they have opinions, and are just waiting to be

Mai Eng Lee, junior, Patrick Henry High

We all deserve a fair chance to learn the best and be the best we can. As a result, this could be improved by letting my voice speak out with many other young students on the topic that education is important. This is my decision to make a difference in many lives. I want to see changes. We, as students, want to be successful in the future.

Gayle Smaller, senior, Patrick Henry High School



As a very involved student I can tell you that teachers rarely listen to what students have to say unless one is persistent in what they want to see done. I have had many discussions with my peers in what we want to see done at our schools. We feel that the teachers should be talking about alternatives to suspension for example rather than how many days a person should spend in Juvenile Detention Centers. Also, many adults now-a-days just give up on students who they think show no promise and I think that all students should be given the encouragement they need to pursue whatever they want ●

I'M A MIDDLE SCHOOLER, AND FROM MY EXPERIENCES, MIDDLE SCHOOLERS ACT UNCOOPERATIVE AND UNINTERESTED. BUT THE TRUTH IS, THEY HAVE OPINIONS, AND ARE JUST WAITING TO BE ASKED.

be a student representative or someone to directly represent the student voice. That person needs to be connected to the students on a daily basis, like a parent or teacher. I don't believe anyone should make decisions involving a group of people without having the thoughts of the people affected vocalized somehow directly. It needs to happen. ... We need the real voice of the people not the illusion that we have it. Anyone who has the ability to make the right decisions and right changes and give a bigger voice to those who are affected has the responsibility to do so.



Nathan Dingels, Lake Harriet Upper Campus

Enrollment may be going down because some kids may just not do well in school and then they get shunned by friends or parents and then they may feel that if they drop out or just not go into school will make it so that they will not be mistreated. Then they might pass that on to younger friends, and then it just gets bigger and bigger until now, in this case, where too many children drop out and we really need to change that!



Shanaye Mitchell, senior, North High School

Adults need to stop looking at the past to change the future

and start looking at the present to change the present and possibly save the future. ... Adults are always saying, "In my day..." Well why don't you adults try spending a week in the life of a present day student? Learn the things we have to learn, see the things we see, do the homework we have to do. I challenge you to literally become a peer pressured, overwhelmed, unheard student in a sea of change and uncertainty, and see how well you cope. When an adult can walk in our shoes each and every day and still feel like our school day is not enough work, or that the work is too easy, then let us students of today know how you did it because evidently we're doing something very wrong.

I CHALLENGE YOU TO LITERALLY BECOME A PEER PRESSURED, OVERWHELMED, UNHEARD STUDENT IN A SEA OF CHANGE AND UNCERTAINTY, AND SEE HOW WELL YOU COPE.

Visit <http://studentspeakout.ning.com> for more student views. Register on the site, and let the students know you are listening.

Kenney interview

continued from page 1

Instead of doing business with 11 heart centers, [purchasers could say] I want to know the three best. Give me your outcomes and I will use my advocacy/support system to get my employees there. It could all be done without getting publicly reported data. That's the business model of getting required information from suppliers (i.e. no information equals no business). This also rewards better performing suppliers with volume and dollars.

I'd argue that the next step is to get the government to be the vehicle that requires that information, publicly reported, risk-adjusted—so that both the purchasers, who have been unbelievably weak about requiring it, nevertheless get it as part of a public mandate, and the end consumer would also have access [to information] to make informed decisions.

BD: Isn't that more responsive to the times we are currently in? Where employers simply are not offering as much coverage as they have in the past because of the financial pressure? Where more decisions are going to the individual consumer?

SK: How can anyone with credibility argue that they are pushing for the so-called "consumer-directed health care system" when the purchasers, on behalf of the worker and the community, haven't gotten the information? Now they are going to tell Joe Consumer, "Here is your financial risk, go get it." It [the information/decision point] can't be there: either the purchaser has to supply it for them, or we have to invest in a public sector change that makes it universally available.

BD: So you would agree that information is at the core, initially, of any market or regulatory reform?

SK: Look at the basic principles of Economics 101: what makes a marketplace? If I got it right, it is perfect information, a multitude of suppliers so you have choice, and financial incentives to make your decisions. We have the financial incentives. We have the choice (we have excess capacity), but we don't have information to make a quality judgment.

In the absence of public information, our group, the Labor-Management Health-Care Coalition, has implemented a program to assist workers, their families, and their primary care doctor to access specialty care based upon demonstrated "best in class" clinical outcomes.

The approach we used developed out of a business supply-chain model at Honeywell in the 1980s. They certified "best in class" specialty providers based upon clinical performance and provided "patient advocacy" to the family member to make sure they got the best quality physician and team for their condition. The program deals with some of the most costly care, where there is excess supply capacity and tremendous variation in quality. Getting the best quality is a win for the worker/family, a win for the employer supported health fund and a win for the best-performing providers.

Without such a program, referrals are often based upon inadequate evidence of quality. Unfortunately, in some cases, economic affiliations between a referring clinic and a specialty provider system serve as the basis for the referral, not quality evidence.



Sean Kenney

Getting the best quality
worker/family, a win
supported health fund
best-performing

BD: Switching gears to capital facility decisions. What changes have you seen in the approach to those decisions in the last 20 to 30 years? Is that similar to care quality?

SK: Minnesota has been all over the map. We have been a leader in fostering change in the capital area and a leader in dropping such change. Minnesota was the first state in the country, I believe, to enact Certificate of Need (CON) because of the combination of our unique Metropolitan Council and spirit of public planning. We were the first state to drop CON. Why? Because in the early 1980s business leaders were saying that is the wrong way to try and get public scrutiny and regulation of the supply chain. Let the marketplace take care of that!

Now roll forward about 25 years to 2007, look at the capital expansion in recent years without many controls, including from the "marketplace". Let's take my favorite: heart care. We have 11 heart centers and the hospitals have in many cases been expanding their capacity in that area to the point where we have much excess and duplication throughout the state and the purchasers and the public pay for this excess. This dilutes volume, which translates to reduced quality of outcomes, and reduced productivity.

Business leaders are left to conclude that the marketplace is not working. In fact, business leaders serving on boards of hospitals may even be encouraging further perverse competition and marketplace conditions.

BD: The 2005–06 Citizens League study committee on medical facility expansion found that no one seemed interested in a return to a CON model ... but it sounds like there might be some important questions left unanswered. We have had some discussions that if government isn't going to be active in some way on this, nothing is going to change. Would you agree?

SK: I agree with that statement. There are two levels of government involvement, one is to make sure the information is there and transparent for both the purchaser and the public, so that they can consider taking whatever action may be in their interest. Such transparency exists in other business and safety institutions, such as the SEC and the FAA.

Another level would be to go back and actually regulate the behavior of capital decision-making and I don't think there is a lot of political will for that.

ity is a win for the
for the employer
and a win for the
ng providers.

—Sean Kenney

Bob DeBoer



I think you used the Walt McClure quote [in the Citizens League report] right on target—we know that [supplier] interests have a way of co-opting that level of regulatory behavior. It has happened before and it will happen again, so the middle ground would seem to be getting objective evaluation of capital expansion by a group that is arms length from the supplier interests and represents the broader purchaser-consumer-public interest.

I can go maybe one step further. We have, in our quasi-regulatory mode in the environment, the environmental impact statement (EIS) where a body would go and say, “If this happens, here are the first order, second order, third order possible consequences.”

A case in point: when I served the purchaser coalition in Detroit in 1993, purchasers were faced with a situation where eight new open-heart surgery centers would be developed by hospitals in addition to the 28 already in the state. Purchasers banded together and compiled information on what the excess would cost in dollars and diluted quality for the public. This included the auto companies, utilities, conservative Michigan Gov. John Engler, and UAW and AFL-CIO leaders. They agreed upon legislation to forestall all such expansion in the future and acted to get current applicants to honor the future provisions.

This coalition met with [the hospital] administrators, CEOs, their doctors and the trustees. In some cases, all of them backed off early on. In a lot of cases, the doctors and the administrators were adamant to go ahead. But it was the trustees who got motivated by purchaser demands to say this expansion is not in the community interest and it is not in our interest for survival. The line was drawn [by the coalition] to say, “If you build this unneeded center for heart care, not only will we not send you our patients for heart care, we will not send our patients for any care.” *Build it and we will not come!*

BD: That is part of the thinking behind the Minnesota Medical Consumer Council proposed by the Citizens League. It could send these high-profile signals representing a lot of purchasing power to say “build it and we won’t come.”

SK: Right. I would predict if a neutral body had reviewed all of the evidence for a proposed Maple Grove hospital, I wouldn’t be surprised if it were concluded that it was not needed in the community interest. However, this would need to include purchasers, public interests, and government all working together.

BD: Really? Even in the case where the Department of Health said there was a public interest in building the Maple Grove hospital? Was it based too much on geography and population?

SK: I would argue that it was almost totally based on that. If you look at any newspaper account, all the evidence [in support] and the quotes were based on the need to follow the population and make it more—I’ll use the word—convenient. That is such a weak criteria for that kind of an expansion. It is perverse in the marketplace and the fact is that it proceeds from a number of assumptions, and the big one is that people don’t want to travel far for their health care. While that is certainly true for primary care, when it comes to major hospitalization and specialty care, we would argue the evidence is very strong that when people know there is increased potential for an excellent outcome, they will very willingly travel to the selected institution.

BD: Leading from that, I wouldn’t want to avoid the question that is in front of us today: the need for a new U-Fairview Children’s Hospital.

SK: I think if it was looked at from the perspective of the new model that the Citizens League is proposing, I would guess that there would be strong evidence that it is not needed.

We now have Minneapolis, and Gillette is at St. Paul Children’s—they are combined. They were urged to sit down with the University. Who urged them to do that? They got together on their own, which was prudent. It didn’t go anywhere.

Now the public is going to watch this perverse supplier competition play out, with both capital costs and quality implications. A process such as the Citizens League approach could lead to one of two things. One would be a government regulatory approach that would say, “We aren’t going to accept the answer that you can’t work together. Any new expansion to a dedicated Children’s Hospital is going to happen through cooperative agreement between existing hospitals.” Some will certainly argue that this gives too much power to existing hospitals/franchises. The answer is that we are not talking about a “business good” but public good. We need to say “we aren’t going to tell you how to do it, we are going to tell you that you can’t do it unless. . .”

That force is not at the table right now. Whether that has to be promulgated by a regulatory force or whether a volunteer public interest group such as the Citizens League can say, “It should not be built,” I don’t know.

Maybe the latter approach would carry enough public sentiment. Unless it gets to the point where the purchasers and civic leaders see evidence that capital expansion is not needed and is not in the interest of the public nothing will change. It will take some combination of regulation and marketplace for this to happen.

Purchasers, both public and private, need the means and political will to say “build it and we won’t come.” ●

Read more of this conversation online at www.citizensleague.org

POLICY REDUX

Sometimes it seems as if policy recommendations are made in one year and gone the next, replaced by a new set of discussions and policy priorities. But many of the reports and recommendations by Citizens League study committees have built on the work of previous committees. In this month's Policy Redux feature, we take a look at the Citizens League work to establish and revisit the Metropolitan Council.

A Metropolitan Council for the Twin Cities (1967)

Important aspects of area-wide governmental problems need attention and solutions at the metropolitan level, including comprehensive planning, sewage disposal and water pollution, transit, and others. There are so many interrelationships among these problems that a decision on one usually cannot be made without affecting others. If past practice is followed, new single-purpose units of government will be established to solve new problems. If so, the Twin Cities area would end up with a vast array of these single-purpose districts, each operating independently of the other. Most importantly, if the Legislature continues to establish independent single-purpose districts, citizens of the Twin Cities area will continue to lose control of their government at the metropolitan level. Independent single-purpose districts as a rule are neither representative of nor answerable to the voters, yet they are making major decisions that are having a profound effect on the metropolitan area.

The Metro Council: Narrowing the Agenda and Raising the Stakes (1984)

The Metropolitan Council, bogged down in meetings and details, must refocus on its primary mission: formulating policy on fundamental regional issues.

Instead of limiting itself to a few fundamental issues affecting the future of the area, the Council has permitted its agenda to become cluttered with details of implementation. The Council has many ongoing activities supervised by its staff and by a large network of commissions, boards, and advisory committees. But with so much to do, the Council seems unable to perform adequately its original central purpose—to identify emerging issues in the Twin Cities metropolitan area and to propose action for dealing with them.

The Council has not been aggressive in making proposals to the Legislature. The result, not surprisingly, is that the Legislature has turned less to the Council and more to its own committee structure for proposals that could appropriately have originated with the Council. The governor, too, has turned to other devices,

The Metropolitan Council: Strengthening its Leadership Role (1989)

The Metropolitan Council is one of this region's most important institutions, but it is increasingly seen as irrelevant to those who are not insiders to its day-to-day work. The Council seems to have been too much on the sidelines in the light-rail transit controversy, just as it has been consistently bypassed on a series of regional siting decisions.

Much of the criticism of the Council seems aimed at what others have not permitted or encouraged it to do. We are convinced, however, that the Council's opportunity to play a stronger role lies mostly with its own members.

Recommendations:

- Elect the Metropolitan Council. Election is needed to:
 - > enhance the position and credibility of the Council with the added legitimacy provided by direct election by the people.

Regional Challenges and Regional Governance (1993)

The Citizens League believes that the debate on the Metropolitan Council should start by questioning what the region needs now and by identifying appropriate regional responses to these needs. We believe that a regional entity is needed to address current challenges by developing public policy, devising regional strategies, and catalyzing action both by other levels of government and by non-governmental actors.

Key observations and conclusions:

- Residents of the metropolitan area share many common interests and these should be articulated by a distinct regional entity.
- Priorities in the region have expanded and shifted over the last 20 years.
- A strong regional government is needed to bring a wide range of resources—physical, personnel, and financial—to deal with regional needs.
- Metropolitan government should avoid being a direct service provider but should largely be a vision, policy, and strategy entity.
- Redesigning metropolitan government will change the roles and functions of local governments in the metropolitan region.
- Regional government should be flexible while designing different structures to meet the challenges of different functions.

Recommendations:

- Create a Metropolitan Council, directly elected by popular vote of the people, to solve the pressing area-wide governmental problems of the Twin Cities area in a coordinated manner. The Council would be responsible only for those area-wide functions and services which cannot be handled adequately by municipalities and counties and which are specifically assigned to the Council by the Legislature.
- One member of the Metropolitan Council would be elected from each state senatorial district in the seven-county area. Council members would be elected to four-year staggered terms, serve part time, and be paid salaries consistent with attracting and retaining high caliber, less than full-time public officials.

- The Council chairman would be appointed by a majority vote of Council members. He would serve full time and be the Council's chief executive officer and spokesman. He would preside at Council meetings but not have the right to vote or veto Council actions.
- The Council would be empowered to impose fees, fares, and other charges, which would be its primary sources of revenue. Until a new source of general taxation is found, the Council would be allowed a small property tax levy to finance the balance of its operations.

such as ad hoc committees, instead of looking to the Council for leadership and decisions. Meanwhile, city and county governments are concerned about their relationships with the Council.

Recommendations:

- The Council's responsibility to make proposals to the Legislature must be reaffirmed. The Council must recognize that a major, not incidental, part of its work is the identification, debate, and decision on proposals to the Legislature.
- The Council must rearrange its agenda to permit substantial time for deliberation on identifying issues and formulating proposals for action. That means it must keep to a minimum its review of decisions made by metropolitan operating commissions, boards, and advisory committees.
- Members of the Council should be elected by popular vote of the people, not

- appointed, because its policies have a profound impact on the Twin Cities metropolitan area, and because elected bodies are not afraid to take new initiatives, while appointed bodies look first to their appointing authority.
- The Council's relations with the metropolitan commissions must be strengthened so that the Council can have confidence the commissions are committed to implementing Council policies faithfully. This will make it possible for the Council to concentrate on policy matters rather than the details of commission work. The Council, not the governor, should appoint the chairs and members of the Parks and Waste Control Commissions and the Regional Transit Board.
- The Council's relationship with local governments should be strengthened.
- The Minnesota House and Senate should re-establish permanent formal committees or subcommittees on metropolitan affairs.

- > stimulate Metropolitan Council members to move aggressively to solve problems.
- > motivate Council members to initiate contact with the public to educate the public about Council policies and to receive input about regional problems.
- > ensure that important policy decisions with profound implications for the region are made by elected, not appointed, officials.
- Until the Council is elected, the appointment process should be changed.
 - > To strengthen the position of the Metropolitan Council chair and enhance its independence, the appointment should be for a fixed, four-year term. Removing the chair should remain at the pleasure of the governor.
 - > To guide the nominating process, the nominating commission that currently recommends candidates to the governor should develop a statement of the selection criteria and a description of the responsibilities and duties of Council members.

- To clarify lines of accountability, the Legislature should grant authority for appointing the chairs of the Metropolitan Waste Control Commission and the Regional Transit Board to the Metropolitan Council chair, subject to approval of the full Council.
- Each biennium, the Metropolitan Council should prepare a legislative program and aggressively seek legislative support for its program.
- The Metropolitan Council members should confine themselves to policy making; they should resist involvement in the day-to-day operations of the Council's activities.
- For those emerging issues it will be dealing with in the future, the Council should rely more on staff brought on line for their special expertise.

• Both strong and effective leadership and strong functions and authority for regional government are needed to pull together and design a regional vision and build consensus around it.

Three main questions:

- Vision: How do we establish a regional vision of where we want to be that reflects key challenges, goals, and broad themes in the region?
 - > Establish a blue ribbon interim Commission on Metropolitan Affairs, made up of appointees of the governor, House, and Senate to report back to the 1994 Legislature with recommendations for priority areas for action. The majority of the appointees to the commission should be general citizens. The tasks would include: identifying a defined set of high priority issue areas for action by the regional government, setting a timeline for performance and a format for oversight in these areas and identifying a broad set of potential implementation strategies for accomplishing regional goals.
- Strategies: How do we establish and implement regional strategies to address pressing regional needs without creating excessive central bureaucracy and while assuring a reasonable likelihood that prudent measures that might be unpopular with some other governmental units can be achieved?

- > The interim Commission on Metropolitan Affairs should review the powers of the Metropolitan Council and the authority needed by regional government to achieve regional objectives.
- Accountability: How do we ensure reasonable accountability for the hundreds of millions of dollars that regional agencies spend and that these funds are expended in a fashion that is coherent with overall regional objectives?
 - > External accountability: The interim Commission on Metropolitan Affairs should be charged with recommending a specific set of steps, structures, and frameworks for election of the Metropolitan Council.
 - > Internal accountability: The interim Commission on Metropolitan Affairs should review and recommend on an agency-by-agency basis appropriate budget and control relationships between the regional government and the regional operating agencies, with the aim of improving accountability and coherence.



It's not broken; don't fix it

The Met Council is effective and accountable to the people

by Peter Bell

Every few years, it seems, legislation is introduced to transform the Metropolitan Council from an appointed body to an elected one. "Taxation without representation!" is the usual rallying cry used by proponents.

However, as often is the case, the prescribed legislative remedy is far worse than the malady it is intended to cure.

The Council is admittedly a large agency, with more than 3,500 employees and a 2007 operating budget of \$665 million. We have significant responsibilities, including planning to accommodate our

in the seven-county area. We work in partnership with:

- 189 cities and townships in planning for regional growth through the comprehensive planning process.
- 10 local parks agencies in planning the acquisition and development of regional parks and trails.
- Seven county rail authorities in the development of rail and bus transitways.
- The Minnesota Department of Transportation and local elected officials in programming federal transportation dollars.

Making the Council an elected body could undermine or destroy these delicate partnerships. Its members would have districts more than twice the size of state senators and more than four times the size of House members. They would be far more inclined to pursue their own priorities rather than paying heed to legislators and local elected officials.

It's hard to imagine an elected Council trying to reach an amicable compromise with tiny communities such as Lake Elmo or Minnetrista, as the current Council has done.

There are other dangers as well.

An elected Met Council would be *more parochial*. Elected members would have a vested interest in doing what's best for their respective districts rather than what's best for the region as a whole. They would be under pressure to deliver Livable Communities grants, transit investments, and parks and trails for their respective districts, even if the needs were greater in other parts of the region.

An elected Met Council would be *less balanced*. The governor can assure the Council includes members with experience in local government, business and law, and representatives of different racial and ethnic groups. Elections would leave balance and diversity to the voters of each district.

An elected Council might be *less sympathetic* to the needs of transit and the core cities. Just four of the Council's 16 members would represent the core cities. The Council might be less inclined to approve large investments in the urban core—such as the Central Corridor light-rail project, or the Livable Communities grants that were vital

to redevelopment projects such as the Midtown Exchange in Minneapolis or the Upper Landing in St. Paul.

In recent years, the Metropolitan Council has compiled a strong record of accomplishment. This record includes:

- Opening the region's first light-rail transit line in the Hiawatha corridor, moving forward with additional rail transit lines in the Northstar and Central corridors, and achieving the highest transit ridership on our Metro Transit system in 22 years.
- Pursuing environmental initiatives that include cutting phosphorus discharges from our wastewater treatment plants nearly in half, switching our Metro Transit bus fleet to ultra-low sulfur fuel with a 5 percent biodiesel blend, and moving to purchase 150 hybrid electric buses over the next five years.
- Adopting plans to expand our regional parks system from 53,000 acres today to nearly 70,000 acres by 2030, and to quadruple our network of regional trails from 177 miles today to 877 miles.
- Exercising prudent fiscal management, reducing full-time equivalent employees by 200, achieving significant administrative savings, holding the Council's property tax levy flat for four successive years and maintaining an AAA bond rating.

I am pleased to say that our efforts have not gone unnoticed. In our latest survey of metro area residents, the Council received its highest approval rating since this question first was asked in 1997. This year, as the Metropolitan Council observes its 40th anniversary, it seems clear that the original legislative architects were right when they opted for an appointed rather than an elected Council. ●

Peter Bell, a Citizens League member, is chair of the 17-member Metropolitan Council. He is also the father of Citizens League Project Coordinator Brian Bell.

Elected members would have a vested interest in doing what's best for their respective districts rather than what's best for the region as a whole.

region's growth and operating our regional transit and wastewater systems.

However, it is difficult to imagine an agency that is more accountable than the Council. The current Council is appointed by and serves at the pleasure of the governor. Our members are subject to state Senate confirmation. Our agency's budget, appropriations and bonding requests are reviewed annually by multiple committees in both the House and Senate. In addition, we are subject to oversight by the Legislative Commission on Metropolitan Governance.

Moreover, the Council's authority to levy property tax is strictly limited by the Legislature. Just 10 percent of the Council's budget comes from property taxes.

During my tenure as Council chair, I have placed a strong emphasis on working in partnership with local units of government

An elected Met Council would better fulfill its mission

Elected bodies are less afraid to propose and consider new initiatives

by Bob DeBoer



One of the wonders of working at the Citizens League is that you always feel like a new staff person. With a deep reservoir of more than a half-century of great policy work to explore, I know that after more than three years here, I am still at the tip of the iceberg.

So when I got a call from state Sen. Chuck Wiger's office this session saying that the senator was putting forward a bill to provide for an elected Metropolitan Council, I started reading the old reports...

The Met Council's mission

Does the Met Council need to be elected to fulfill its original mission? That question keeps popping up and the Citizens League has consistently answered "yes" from the report "A Metropolitan Council for the Twin Cities" issued in February 1967 to the policy statement "Regional Challenges and Regional Governance" issued in 1993 (See Policy Redux, page 8).

So what is that mission and why do we think an elected body would be more effective? Simply stated, the Met Council was formed to identify emerging regional problems in the Twin Cities Metropolitan Area and to propose solutions. It is this fundamental function where the Citizens League has historically advocated that an elected Met Council would do a better job. Elected bodies are less afraid to propose and consider new initiatives while appointed bodies generally look to their appointing authority (in this case the governor), according to the 1984 report, "The Metro Council: Narrowing the Agenda and Raising the Stakes."

Is this true? I think to some degree it is. I might further argue that an appointed body like the Met Council is not only less likely to consider new initiatives but may also be less likely to fully implement existing laws and more likely to get caught up in administrative detail. Should the Met Council be primarily an administrative or policy-making body? If we have a clear view of what we want the Met Council to do, the answer to this question should also be clear.

If we want the Met Council to identify emerging regional problems and propose solutions (per its original charge), that is

The Citizens League clearly calls for the Met Council to be primarily a policy-making body, and in our view, it should be elected.

clearly a policy-making function typically found in the job description of elected officials (who are also accountable to voters at the polls).

If we want the Met Council to implement policies developed by the Legislature, then an appointed body is more appropriate. The Citizens League clearly calls for the Met Council to be primarily a policy-making body, and in our view, it should be elected.

This discussion also makes me think about how public bodies relate to one another. How does an administrative body interact with an elected body? How does that compare to the interaction between two elected bodies? Would our counties, cities, and towns have a different attitude towards the Met Council if the council members were elected and accountable in the same way as a local elected official? Would that make Met Council more or less aggressive in fulfilling its mission?

Taxing authority

The Met Council has taxing authority and clearly there is an argument to be made that the authority to levy taxes should be connected to the accountability of elected office. Ever wonder why you see people on the ballot for offices like watershed district? It is because they often have taxing authority and we typically make that connection in our democracy.

Another level of government

Clearly, there are some drawbacks to elections and the money politics that elections bring. The Citizens League would not support a council made up of the existing 17 seats.

That would create large districts somewhere between the size of a state Senate district and a congressional district and would make these offices costly to pursue. The original Citizens League report called for districts that were the same as state Senate districts. That would have required a 30-person body in 1967 and probably a higher number today. Although that approach provides administrative simplicity, I think a case could be made that a larger body with smaller districts would be more representative.

Just a brainstorm here, but who says that regional government has to be another level of government? Each county could send its commissioners to sit on the Council initially; after we transition to elected seats we could transfer the duties of the seven county boards to the Met Council, eliminating the need for separate county boards and reducing a layer of government. We would then have a representative regional government with districts the current size of county commissioner districts.

Parochialism

But how would we get regional policy-making out of a larger body where everyone represents a small district? Unlike the state Legislature, it might be wise to have a significant number of at-large members elected to the Met Council, members who would be more likely to step back from parochial politics and push the larger mission.

Surely there are positives to the how the Met Council currently operates, and any transition to an elected body must be well thought out. If there is continued political interest in electing the Met Council, the Citizens League hopes that there would be a vigorous debate of the pros and cons, the methods and structures, and ultimately, how the mission of the Met Council would be better achieved. ●

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Do you want Bus Rapid Transit up and running on I-35W in 2008—or 2023? Are you willing to be part of a federal demonstration of free-flow pricing to do it? These are the choices that citizens face if we want to compete for **up to \$1 billion in federal funding to reduce congestion** as part of the Urban Partnership Agreement. To learn more and find out how you can help, check the Citizens League website at www.citizensleague.org for the schedule of community meetings beginning in the last week of June.



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