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Union sends budget ideas to Pawlenty

By: Don Davis, Forum Communications
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ST. PAUL — Gov. Tim Pawlenty would not need to cut budgets so deeply if he would listen to a state union's ideas, the organization's executive director says.

Jim Monroe of the Minnesota Association of Professional Employees said that his staff is looking into ways the state can save money. Although the effort is not done, the MAPE leader said, it is producing good prospects. MAPE has given the Pawlenty administration its ideas, but has heard little back.

For instance, MAPE found that the state may employ about 400 too many supervisors.

The state requires some organizations that receive grants to have no more than 15 percent supervisors on their payrolls. Applying the same criteria to state government could save \$55 million, Monroe said.

A second area of potential savings could come from lowering the number of private contractors that work for the state, Monroe added. In the electrical inspection area alone, MAPE figures the state could save \$3.4 million by using state employees.

In his Tuesday announcement of budget cuts and delays in state payments, which total \$2.7 billion, Pawlenty said state workers would be laid off, but he had no idea how many. Those layoffs are expensive, Monroe said, costing the state health insurance due laid off workers and paying unemployment benefits.

“They are talking more money” laying off people rather than keeping them on the payroll, Monroe added, especially if they could take over duties now handled by private companies.

Budget cuts and payment delays, especially to school districts, in Pawlenty's plan were needed because the Republican governor and Democrats who control the Legislature did not agree on an overall budget before lawmakers adjourned for the year May 18. Pawlenty decided to take action on his own rather than call a special legislative session.

Failure to find a budget deal means Legislature-passed bills spent \$2.7 billion more than available revenue.

Ask Wisconsin

One part of Pawlenty's unallotment plan is up to Wisconsin's good will.

The governor's plan includes \$106 million to be gained by Wisconsin speeding up payments to Minnesota. Residents who live in one of the states and work in the other can pay taxes in their home state under a so-called reciprocity agreement, with the state where the person works being reimbursed by the person's home state.

Many more Wisconsin residents work in Minnesota, so Wisconsin must pay millions every year. The trouble is, Pawlenty said, Wisconsin's payments to Minnesota are delayed 17 months. His administration estimates that Minnesota would gain \$106 million in the next two years if Wisconsin paid on time.

However, Wisconsin faces an even bigger budget deficit than Minnesota, so Gov. Jim Doyle — a Pawlenty buddy — may not want to speed up payments. Doyle is just learning about Pawlenty's request, despite the fact that the two talked earlier this week.

Dental concern

Minnesota dentists worry that oral health-care program cuts will be felt by rural and low-income Minnesotans.

"Poor people don't have lobbyists," said Dr. John Flor, founder of Main Street Dental in Blooming Prairie. "We see 15,000 medical assistance patients per year, and some come from up to 200 miles away to get access to our care. But we can't accept new patients without adequate funding. While our clinic will survive these cuts, others may not."

The Minnesota Dental Association said the \$6.2 million reduction, which will not happen for nearly a year, could force dentists to decide not to serve people who cannot pay and could close some clinics.

The association warns that hospital emergency rooms may get busier as dental patients have no place else to turn.

Politicians hit

Oftentimes, politicians are accused of not feeling pain they cause.

That is not the cause with unallotment. Pawlenty wants to get rid of a political contribution refund to save the state \$10.4 million.

The refund would be eliminated for the next two years. About 90,000 refunds are made each year to taxpayers who donate to political campaigns, then file for a refund.

Cuts heavier in '11

Pawlenty said he tried to make more cuts in the second year of the two-year budget so people affected would have more time to react.

For cities and counties, that means two-thirds of the \$300 million cut comes in 2011.

The cuts include a provision that limits city cuts to 3.31 percent of all state aid plus property tax collections in the first year and 7.64 percent in the second year of the budget. County reductions would be less.

Meeting today

The Legislative Advisory Commission meets this afternoon to advise the Pawlenty administration on what it thinks of his budget plan.

Commissioner Tom Hanson of Minnesota Management and Budget should expect an earful. Democratic leaders gave Pawlenty and Hanson a letter Wednesday asking tough questions, such as how many government and private workers will lose jobs because of unallotment.

State law requires Hanson to convene the commission to seek advice on unallotment plans. But all the commission, or any legislator, can do is give advice. Pawlenty makes the final determination.

Hanson works for Pawlenty.

While Pawlenty announced his plans this week, the actual unallotment plan will not be official until after the new budget begins July 1. And things always could change after that, including when lawmakers come back into session next February or if the courts find Pawlenty exceeded his unallotment authority.

Another delay

One of several delayed state payments in Pawlenty's plan would save \$63 million

This is a delay in refunds businesses receive when they buy capital equipment. The administration said delays will be no more than three months.

Don Davis works for Forum Communications Co., which owns the News Tribune.

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