



May 31, 2018

### **Dysfunction abounds, Vetoes all around**

Dear Member,

Yesterday Gov. Dayton signed the bonding bill.

With this action the 2018 Legislative session is over and I wanted to get out an email to let you know the results.

The good news is that legislators heard you and responded. MLR members sent over 5,000 emails, letters and phone calls to the Legislature and Governor Dayton on behalf of lakes and rivers. Many Legislators recognized the important contributions lake associations make in protecting the public waters, and understand the issues that lake home and cabin owners face. That was the good news.

The bad news is that not much happened.

#### **Bonding Bill**

Gov. Dayton's passage of the bill yesterday did include one line-item veto directly related to water, a one million dollar appropriation for an analysis of water quality regulations, which the Governor called an, "unnecessary redundancy."

But Governor Dayton could not remove language which uses proceeds from the Environment and Natural Resources Trust Fund, ENRTF (lottery revenue) to pay debt service on bonding. Dayton said that he could not line-item veto the provision without taking down projects he supported.

Governor Dayton also vetoed four other bills, including a bill that would have suspended current water quality standards for sulfates in wild rice areas. With this veto Governor Dayton announced a Commission to make recommendations on how to best rework sulfate standards in our lakes and rivers.

#### **Environment Bill**

Again, this is a good news/bad news story. The good news is that legislators responded to your communication and the Senate Environment Committee bill contained \$425k to restore Aquatic Invasive Species grants for lake associations cut by the DNR this past fall. In conference committee the House accepted the Senate provision.

The bad news is that the legislature chose to combine many of the Omnibus bills from the various committees into one massive, 1,000 page long Omnibus Bill. Governor Dayton vetoed this "Omni Omnibus" bill due to issues that had nothing to do with our provision.

MLR would have preferred the Environment Omnibus bill travel alone as has been the case in previous years and be sent to Governor Dayton as one topic, one bill. The Minnesota Constitution states, in Article IV, Section 17, that "No law shall embrace more than one subject, which shall be expressed in its title."

Thanks to Senators Ingebrigtsen and Rudd, and Representatives Layman and Fabian for their support in restoring the AIS grants, and to our other cosponsors of the legislation including Representatives. Heitzman, Poston, Hansen, and Masin and Senators Eichorn, Fischbach and Eaton.

Governor Dayton also vetoed a bill which would have forced the Public Utilities Commission, PUC to permit Enbridge Energy's Line 3 crude oil pipeline across northern Minnesota. The PUC has been involved in an extensive process for years and will meet on June 18th to hear oral arguments on need and route, the last step in its deliberative process. This bill would have short-circuited that process had Gov. Dayton not vetoed it.

### **Tax Bill**

The House and Senate Tax Committees began the session with the unenviable task of conforming Minnesota's tax code to the new federal tax law passed in 2017. Without such conformity, many Minnesotans, including lake home and cabin owners, may endure significant tax increases.

MLR monitored progress in the tax committee closely, and weighed in against proposals to shift a greater portion of school funding back onto cabins. These were not included in the final package.

### Sales tax

The House Tax Bill contained the sales tax exemption for purchases of herbicides for AIS treatment. The Senate did not accept the House position in conference committee and this language was not in the final Omnibus Tax Bill.

### Prevention Aid

The County AIS Prevention Aid to counties was untouched by the legislature. Even without a tax bill being enacted, these payments still go out as a standing appropriation.

In the end Governor Dayton vetoed the tax bill. Governor Dayton has emphasized repeatedly that he will not call a special session this summer, but there may be an opportunity for a special session following the elections in November or early in the 2019 session before taxes are due.

Thank you for all of your energy and commitment. While this legislative session was very, very frustrating, lake home and cabin owners did make progress. Because of your advocacy, and because of the media attention and news stories about the great work lake associations do to protect our lakes, we are getting a bigger voice.

But more importantly, there is much happening across Minnesota to protect our lakes and rivers that has nothing to do with action, or inaction, at the State Legislature. Local people are claiming the jurisdiction and engaging to protect local lakes. Over the summer, as I travel to lake association meetings and meet so many of you, I will share these stories. We will work to get them in the press.

I am grateful to all our you for your energy and commitment to our shared value, time spent with family and friends on Minnesota's lakes and rivers.

Best to you,

Jeff Forester