



STATE OF MINNESOTA

Office of Governor Mark Dayton

116 Veterans Service Building ♦ 20 West 12th Street ♦ Saint Paul, MN 55155

September 23, 2016

The Honorable Kurt Daudt
Speaker of the House
Room 463, State Office Bldg.
St. Paul, Minnesota 55155

Dear Speaker Daudt:

Thank you for your letter dated September 22, 2016 regarding the possibility of holding a Special Session this year. You are correct that I told you at our breakfast two weeks ago that I believe it would be best for Minnesota to pass a corrected tax bill and a bonding bill this year.

However, that was also my expressed view four months ago, and I have been doing my best since then to negotiate an agreement that all four Caucus Leaders and I could support. Despite sincere efforts by all of us, we have not yet been able to reach that agreement. And now we are only 46 days from a very heated election, in which all Legislators seeking reelection are heavily engaged.

I received your letter yesterday just minutes before my staff entered a meeting with staffs of the four Caucus Leaders. This meeting was finally occurring thirteen days after our breakfast, where I understood we had agreed that such a meeting would be the next step toward resolving our remaining differences. While I understand the pressures on everyone's schedules, the fact that it took almost two weeks just to get our staffs together for a meeting, underscores the difficulties in our reaching an agreement. Furthermore, that meeting was unable to produce a reconciliation of any of the remaining differences, which you cited in your letter.

Following that unsuccessful meeting, I held a conference call with Senate Majority Leader Tom Bakk and House Minority Leader Paul Thissen. Your proposal that we all agree to the Senate transportation language in its Bonding Bill remains unacceptable. That language is changed only to say that the appropriated funds "may be used by the commissioner (but) only for purposes specified in this section (emphasis added)." The bill then earmarks the particular projects for which the funds may be used.

This earmarking of specific projects prioritizes them ahead of other much-needed transportation improvements elsewhere in our state, many of which have been ranked higher in MNDOT's objective evaluations. The Department's long-established protocol, employed by previous Republican and Democratic administrations, is designed to insulate those critically important decisions from elected officials, especially governors and legislators.

Eleven present and former Chairs of the House and Senate transportation committees, eight DFLers and three Republicans, have stated publicly that the House bill's earmarking of legislators' favored project sets a very bad and dangerous precedent. They wrote in the attached letter:

"We have deep concerns with the transportation provisions proposed at the very end of the 2016 session, as contained in the bonding bill.

"Earmarking almost \$300 million in funds for specified roads and bridges would be unprecedented in legislative practice in recent memory and would be a historic mistake.

"It reverses decades of bipartisan consensus on the appropriate manner to fund transportation projects from both a policy and political perspective."

Given the facts that these negotiations have taken place over the past four months without reconciliation, and that only 46 days now remain until the upcoming election, I have reluctantly concluded that the time for agreement on a Special Session has expired.

Sincerely,

A handwritten signature in black ink that reads "Mark Dayton". The signature is written in a cursive, flowing style.

Mark Dayton
Governor

cc: Senator Tom Bakk, Senate Majority Leader
Representative Paul Thissen, House Minority Leader
Senator David Hann, Senate Minority Leader