

[View in a browser.](#)

Ewald Consulting



Follow us!



June 1, 2018

Bonding Bill Signed into Law

In the waning minutes of the 2018 legislative session, both the House and the Senate were able to pass a capital investment bill that would borrow \$825 million in general obligation bonds and draw on other funding sources to a total of \$1.5 billion invested in state-owned infrastructure across Minnesota. This week, Gov. Mark Dayton signed the bill into law, after expressing concerns about some of the funding sources for the bill.

Projects included in the measure are:

- \$544 million for transportation projects;
- \$208 million higher education asset preservation;
- \$133 million for water quality;
- \$32 million for veterans homes in Preston, Bemidji and Montevideo;
- \$28 million for mental health crisis centers;
- \$25 million for school safety grants.

Gov. Dayton did issue his first and only line-item veto of this year's session, eliminating a portion of the bonding bill that would use \$1 million in order to analyze the Minnesota Pollution Control Agency's water regulations, calling it an "unnecessary layer of bureaucracy."

Pension Bill Signed into Law

The last piece of legislation passed off the House and Senate floors this year was the omnibus pension bill, which passed in the final hour of the 2018 session. The law addresses what was going to become a \$17 billion fiscal liability for the state and its public employees by scaling back some benefits and increasing

contributions from the pension recipients. The new law includes reform policies to the state pension system as well as benefit changes to bring in the necessary funding to support the levels needed to pay the state's obligations. Under the bill, employer contributions are increased by 1.25 percent, which is paid for by state aid. Employee contributions are increased .25 percent over six years and the cost-of-living adjustment for retirees is reduced by 1 percent for five years and then increased incrementally until it reaches 1.5 percent.

This week it was signed into law by Gov. Dayton, at what will likely be the final bill signing of his tenure.

Sen. Fischbach Sworn in as Lieutenant Governor

In late 2017, following the resignation of U.S. Sen. Al Franken, Gov. Dayton appointed then-Lt. Gov. Tina Smith to succeed Franken in Washington, D.C. Smith's appointment triggered a state constitutionally-mandated order of succession that states the sitting president of the senate is to become the sitting lieutenant governor. The president of the senate was Sen. Michelle Fischbach (R-Paynesville). With a razor-thin Republican majority in the chamber, she declined to be sworn in, stating she wanted to carry out her term as state senator and remain in her role as president of the senate.

A lawsuit was filed against her by a constituent, saying that Sen. Fischbach was violating the constitution by serving dual roles. Ultimately Sen. Fischbach served in her role in the senate for the duration of the 2018 legislative session, with no further legal action taking place. This week, Sen. Fischbach decided to step down from her senate seat and be sworn in as Gov. Dayton's third lieutenant governor of his tenure. Sen. Fischbach now has the opportunity to become comfortable with the role before having the opportunity to serve in the position under another governor, as this week gubernatorial candidate Tim Pawlenty announced that she is his pick as lieutenant governor. Pawlenty has already said he will not participate in the Republican state convention, so the Pawlenty/Fischbach ticket will work to win the Republican nomination in August.

This Weekend: DFL/GOP State Conventions

Minnesota will be a national focal point for the 2018 midterm general election, with elections deciding the next governor, two U.S. senators, all eight members of Congress, and all 134 members of the state House of Representatives. Among the

last major hurdles before the Republican and Democratic parties square off against each other are the state conventions taking place from Friday, June 1 through Sunday, June 3.

The DFL convention will be in Rochester this year, and delegates will decide who their endorsed gubernatorial candidate will be in advance of the August primary. The current frontrunner is Rep. Tim Walz (CD-1), who is expected to make a strong showing for the DFL endorsement, but state Rep. Erin Murphy (St. Paul) has captured a number of significant labor endorsements in recent weeks, and State Auditor Rebecca Otto is also expected to make a strong showing. The Republican convention is in Duluth, and their gubernatorial race is murkier, with Hennepin County Commissioner Jeff Johnson expected to receive the endorsement, but Tim Pawlenty has already announced he will not attend the GOP convention. Pawlenty, who served two terms as governor in the 2000s, will attempt to secure the nomination spot on the general election ballot by winning the August primary, similar to the way Gov. Mark Dayton became the DFL candidate in 2010.

The 2018 electoral calendar is:

- **June 1-3:** DFL/GOP state conventions
- **June 5:** Candidate filing deadline
- **August 14:** Primary election for both Democrats and Republicans
- **September 3:** Labor Day (the unofficial start of the campaign season)
- **September 21:** Early voting begins
- **November 6:** General Election

Tours Open for Governor's Residence

The Minnesota Governor's Residence will be open for public tours this summer, with six separate dates for people to peruse the Summit Avenue home. The tours will take place from 10:30 a.m. to noon, and will begin every 10 minutes. Reservations can be made by emailing residence.gov@state.mn.us or find out more information at the [Department of Administration's website](#).

The tours will be held:

- Tuesday, June 12
- Tuesday, June 26
- Tuesday, July 10

- Tuesday, July 24
- Tuesday, August 7
- Tuesday, August 21

Road to 2018

A surprising announcement was made this week, as seven-term legislator and current House Majority Leader Joyce Peppin (R-Rogers) announced she will retire from her seat this year. Rep. Peppin was first elected in 2004 and has served as the House Majority Leader for the past four sessions.

Following the resignation of Sen. Fischbach in order to ascend to lieutenant governor, three-term Rep. Jeff Howe (R-Rockville) has announced he will run for her open seat. This will likely be the only senate seat up for election in 2018, as Republicans seek to keep their one-seat majority in the chamber.

They Said It

“I believe I have made a difference in the lives of the people I have been honored to represent, and it is time for me to step back from public service and return to employment in the private sector. For me, serving in the legislature was not meant to be a full-time career, but rather a temporary public service, and I know there are many smart leaders with new ideas, goals and skills that will step forward to serve.”

- Rep. Joyce Peppin, House Majority Leader (R-Rogers)

Ewald Government Relations Team

David Ewald
651-290-6276
davide@ewald.com

Valerie Dosland
651-265-7857
valeried@ewald.com

Jess Myers
651-290-7465

Troy Olsen
651-288-3425
troyo@ewald.com

Becca Pryse
651-265-7858
beccap@ewald.com

Owen Wirth
651-288-3438

jessm@ewald.com

owenw@ewald.com

Ewald Consulting Group

1000 Westgate Drive, Suite 252

St. Paul, MN 55114

[Email us](#) | (651) 290-6260 | [Visit our website](#)

[Unsubscribe](#) | Copyright © 2018. All rights reserved.