



WEEKLY SESSION UPDATE

January 11, 2019

2019 Session Begins

The 2019 legislative session kicked off on Tuesday this week, with the House and Senate both convening at 12:00 PM. Republicans still control power in the Senate, while the House flipped during the 2018 election, with Democrats now holding the majority. Legislators walked into their respective chambers to the cheers and jeers of those rallying—and other protesting—what they hope to be a fruitful session.

House

Secretary of State Steve Simon presided over the House, and former Minneapolis Representative, now Minnesota Supreme Court Justice Paul Thissen, administered the oath of office to newly-elected members. As the Democrats are now in control of the House, Rep. Melissa Hortman was formally elected as the new Speaker. After offering brief remarks, other officers of the House were elected and sworn in.

Majority Leader Rep. Ryan Winkler offered a resolution to adopt temporary House Rules, (the same as the 2017-2018 rules), with two changes: adjusting the committee structure with the intent to streamline the process, as well as to allow members to serve on subcommittees without having to be a member on the higher committee. Former Speaker, now Minority Leader Kurt Daudt offered an amendment that would have prevented those changes, stating that the changes would hinder transparency and make it difficult for the public to participate in the legislative process. After a lengthy debate, the amendment was not adopted, on a vote of 74-59, and the temporary rules were adopted by the same margin. Click [here](#) for further reading on the opening day of the House.

Senate

The Senate formally convened with a welcome to newly-elected Senator Jeff Howe and a goodbye to newly-appointed Commissioner of DHS Tony Lourey. Lt. Governor Peggy Flanagan presided over the start of the floor session, passing the torch to Senator Jeremy Miller with his election as the new Senate President. Majority Leader Gazelka worked through several resolutions that carried over temporary rules from Senate last session, noting that all rules will once again be evaluated in the rules committee. Unlike the debate that took place in the House, Minority Leader Bakk only made note of one issue up for perennial debate by the minority party. Committee division, Bakk noted, are required to be proportional by party to the makeup of the entire senate. His request to re-assign committees was shot down on a party-line vote. For more on what took place on the first day of session in the Senate, check out this article from [MPR](#).

Caucus Priorities

Both Democrat and Republican caucuses released their priorities for the session, with House Democrats releasing their first ten bills at a press conference as the "[Minnesota Values Agenda](#)," which includes legislation on education, MinnesotaCare buy-in, prescription drug price gouging, paid family leave, broadband, and preventing gun violence. [House Republicans' priorities](#) include lowering health care costs, reducing taxes, and growing paychecks and good-paying jobs. Senate Republicans [released their first five bills](#) at a press conference, stating that they are focused on "making life easier for families across the state." The legislation focuses on mental health, accessible and affordable child care, lowering health care costs, making government more effective and accountable, and making the tax code more simple and fair.

One week into the session and we have already seen the caucuses and the governor coming out with opposing stances on the issues of the gas tax and the provider tax. These will definitely remain two of the top issues for each party and we

will keep you up to date as those conversations progress. Below is an excerpt from the Democrats' press conference, followed by priority legislation from the majority caucus of each chamber:

DFL Press Conference Excerpt

Q: Regarding the MinnesotaCare Buy-in: the reimbursement rates may not be sufficient to fund the program if there is an influx of people using it, will there be a significant state contribution?

Liebling: The rates can be what we decide they will be. Right now under MNCare, we pay capitated rates and HMOs decide what to pay to providers. Under this plan we would have the ability to adjust the rates to make sure that we have hospitals available in areas of the state that we need them. We wouldn't do this and put at risk those necessary providers.

Q: What about the sunset of the provider tax?

Liebling: Either the repeal of the sunset or some other funding proposal is essential to the stability of the state. There is broad recognition of the fact that we need to replace the lost revenue.

Q: The provider tax may be the toughest thing to convince the Senate to compromise on.

Liebling: There is some real good will on both sides and whether we go with this proposal or something else, the Republicans dedicated over half a billion dollars to just keep the insurance market afloat over the last few years. That is not sustainable.

Winkler: This agenda is not designed to be what Republicans will accept this year. We are talking about the needs of Minnesotans- regardless of whether or not it can pass.

House Democrats' Minnesota Values Agenda legislation

- [HF 1](#) (Rep. Carlie Kotyza-Witthuhn) – The Great Start for All Minnesota Children Act
- [HF 2](#) (Rep. Heather Edelson) – K-12 Student Support Legislation
- [HF 3](#) (Rep. Tina Liebling) – More affordable health care through a MinnesotaCare Buy-In
- [HF 4](#) (Rep. John Lesch) – Preventing prescription drug price gouging and holding pharmaceutical companies accountable
- [HF 5](#) (Rep. Laurie Halverson) – Paid Family & Medical Leave and Earned Sick & Safe Time
- [HF 6](#) (Rep. Tim Mahoney) – Wage Theft prevention and enforcement
- [HF 7](#) (Rep. Rob Ecklund) – Rural broadband expansion
- [HF 8](#) (Rep. Dave Pinto) – Keeping guns out of the hands of dangerous people through criminal background checks
- [HF 9](#) (Rep. Ruth Richardson) – Preventing gun violence through Extreme Risk Protection Orders
- [HF 10](#) (Rep. Kelly Moller) – Protecting Minnesotans from sexual harassment

Senate Republicans' first five bills

- [SF 1](#) (Sen. Julie Rosen) - **Supporting mental health** – Senate Republicans promise a stronger legislative response to the growing problem families are facing regarding mental health, especially in our schools and on the farm.
- [SF 2](#) (Sen. Karin Housley) – **Making child care more accessible and affordable** – During statewide listening sessions over the summer, Senate Republicans heard from parents struggling to find and afford child care. New legislation will address the regulatory overreach that causes these problems and encourage new child care providers to start up.
- [SF 3](#) (Sen. Rich Draheim) – **Lowering health care costs** – Senate Republicans will build upon their recent success in lowering health insurance premiums by offering new proposals that allow patients more freedom to choose their doctor, shop around for the best value for their health care dollar, and make health care billing more transparent.
- [SF 4](#) (Sen. Jim Abeler) – **Making government more effective and accountable, and eliminating fraud**– Senate Republicans will introduce several proposals to hold government more accountable and stop wasting money in the areas of child care fraud, MNLARS and other statewide IT failures.
- [SF 5](#) (Sen. Roger Chamberlain) – **Making our tax code simpler and fairer** – In addition to making tax filing easier by conforming to the new federal tax law, the Senate Republicans' proposal will simplify the tax code and reduce taxes for Minnesota families.

Legislative References

For your reference, see below for helpful documents for the 2019-2020 session:

- [House committee assignments](#)
- [Senate Committee assignments](#) (pages 13-14)
- [2018 House & Senate election directory](#)
- [2019-2020 House and Senate roster](#)
- 2019-2020 New Member Profiles (attached)

Minnesota's New Executive

On Monday, all constitutional officers were sworn into their new posts. After taking the oath of office, Governor Walz expressed the need to bring the state together once again highlighting the administration's One Minnesota message. In the coming months, these officers and agency Commissioners will work together to create a \$48 billion state budget to bring to the legislature. Right now, however, they are working on moving into their new offices and hiring their staff. For a video of the swearing in, check out this [link](#).

Walz-Flanagan Administration Key Staff for 2019

- **Chief of Staff** – Chris Schmitter
- **Deputy COS for Policy & Leg Affairs** – Hue Nguyen
- **Policy Director** – Krista Broton
- **Deputy COS for Comms & Scheduling** – Kristin Beckmann
- **Communications Director** – Kayla Castañeda
- **Press Secretary** – Teddy Tschann
- **General Counsel & Deputy COS** – Karl C. Procaccini
- **Sr. Advisor to the Lt. Gov.** – Patrick Ness
- **Asst. COS for Appointments** – Andrew Olson
- **Chief Operations Officer** – Amanda Simpson
- **Digital Director** – Hannah Flom
- **Communications Advisor** – Jessica Oaxaca
- **Deputy General Counsel** – Emily Parks
- **Policy Advisor** – Emily Lefholz
- **Policy Advisor** – Cassandra Moore
- **Policy Advisor** – Suzanne Sobotka
- **Policy Advisor** – Aara Johnson
- **Policy Aide** – Emmet Hedin

Walz-Flanagan Cabinet Positions (starred have not been named):

Administration – Alice Roberts-Davis

Agriculture – Thom Peterson

Commerce – Steve Kelley

Corrections – Paul Schnell

Education – Mary Cathryn Ricker

Employment and Economic Development – Steve Grove

Health – Jan Malcolm

Higher Education – Dennis Olson Jr

Housing Finance Agency – Jennifer Ho

Human Rights – Rebecca Lucero

Human Services – Sen. Tony Lourey

Iron Range Resources and Rehabilitation Board (IRRRB)– Mark Phillips

IT Services**

Labor and Industry – Nancy Leppink

Management and Budget – Myron Frans

Bureau of Mediation Services – Janet Johnson

Metropolitan Council – Nora Slawik
Military Affairs**
Natural Resources – Sarah Strommen
Pollution Control – Laura Bishop
Public Safety – John Harrington
Revenue – Cynthia Bauerly
Transportation – Margaret Anderson-Kelliher
Veterans Affairs – Larry Herke

For profiles on each of the appointed commissioners, check out this [Star Tribune article](#).

Health and Human Services Committees

Below is information on each of the House and Senate Health and Human Services committees. The committee webpages, which include a complete list of committee members, can be found by following the link on each committee title.

House Health and Human Services Policy Committee

Meets: Tuesday and Wednesday at 2:30 PM in Room 200 SOB
Chair: Rep. Rena Moran (DFL)
Vice Chair: Rep. Kelly Morrison (DFL)
Republican Lead: Rep. Deb Kiel
Committee Administrator: Chris McCall

House Health and Human Services Finance Division

Meets: Tuesday, Wednesday and Thursday at 12:45 PM in Room 200 SOB
Chair: Rep. Tina Liebling (DFL)
Vice Chair: Rep. Alice Mann (DFL)
Republican Lead: Rep. Joe Schomacker
Committee Administrator: Pat McQuillan

Senate Human Services Reform Finance and Policy Committee

Meets: Monday and Wednesday from 3:00 PM-4:30 PM in Room 1200 MSB
Chair: Sen. Jim Abeler (R)
Vice Chair: Sen. Paul Utke (R)
Ranking Minority Member: Sen. Jeff Hayden (DFL)
Committee Administrator: LaRissa Fisher

Senate Health and Human Services Finance and Policy Committee

Meets: Tuesday and Thursday from 3:00 PM-4:00 PM in Room 1200 MSB
Chair: Sen. Michelle Benson (R)
Vice Chair: Sen. Scott Jensen (R)
Ranking Minority Member: TBD
Committee Administrator: LaRissa Fisher

Star Tribune “Urges Consideration” of MMA’s Provider Tax Replacement

In case you missed it, in a Jan. 8 editorial, the *Minneapolis Star Tribune* editorial board acknowledged the MMA’s claims expenditure assessment proposal, noting that the MMA “merits praise for putting forth a serious proposal and acknowledging the important reality that the provider tax revenue must be replaced.” Read the full editorial [here](#).

Bill introductions of interest

HF 3 (Liebling) – MinnesotaCare; human services and commerce commissioners required to seek federal waivers to permit individuals whose income is greater than the income limit to purchase coverage through a MinnesotaCare purchase option, and legislative proposal required.

[HF 4](#) (Lesch) – Manufacturer or wholesale drug distributor price gouging prohibited; Board of Pharmacy, commissioner of human services, and health plan companies allowed to notify attorney general of prescription drug price increases; attorney general authorized to obtain drug pricing information and take action against drug manufacturers and wholesalers; and civil penalties imposed.

[SF 3](#) (Draheim) – Patient Right to Shop Act; health plan companies shared savings incentive program establishment requirement

[SF 13](#) (Draheim) – Hospital billing transparency requirement