

May 29, 2009

The Honorable Tim Pawlenty Governor Room 130 State Capitol St. Paul, MN 55155

Governor Pawlenty,

We are taking this opportunity to respond to your letter from last week requesting assistance with your unallotment decision. As you may recall during the recently concluded legislative Session, once you had brought the idea of unallotment to the table, we were hoping that you would engage the legislature in a further discussion to avoid unallotment altogether. However, you had made it very clear to us both in writing and with the brief perfunctory meetings in your office that your "decision" to move ahead with unallotment was final.

Now after five months of work on our budget that involved 201 elected officials from across the state, and after vetoing our balanced budget proposal, you are requesting help with an unallotment "decision" that is ultimately made by just you and your unelected political advisers.

However, let us offer the following advice:

- * Strongly consider the repercussions of your actions before unallotting payments to schools. We contend that without permanent revenue and statutory authority to pay back payment shifts, any shift unilaterally executed by your unallotment authority will result in a direct cut to schools. Increasing school class sizes and forcing more schools into debt will only put more pressure on students and teachers who are trying their best to do more with less.
- * Strongly consider the repercussions of your actions before unallotting nursing homes, hospitals and long-term care facilities. Many of the facilities are operating on razor thin margins with little cash flow to keep the doors open.
- * Strongly consider the repercussions of your actions before unallotting cities and counties. Cuts to fire and police protection as well as other local services will result from a steep unallotment of local aid, not to mention large spikes in local property taxes.
- *Strongly consider the repercussions of your actions before unallotting jobs in Minnesota. Essentially your actions will result in fewer jobs throughout Minnesota. Laying off teachers, police officers, county aid workers, nurses, hospital employees, etc... will only further damage our struggling economy. We cannot allow Minnesota to continue to exceed the national average in unemployment.

Governor, we did our part by crafting nine budget bills that overall made more reductions in general fund state spending than was proposed in your original budget. However, you made the decision to veto the legislature's final balanced budget proposal and now you are left with few choices. As you attempt to unallot essential services throughout our state, you will be held responsible for the repercussions of those actions which we believe will be detrimental to the long-term interests of Minnesota and will continue to keep our state budget in deficit.

As you move forward toward unallotment, we ask that along with your unallotment plan you also develop impact statements that will help us communicate to constituents the very real consequences of your unallotment decisions. We need to know the job losses, class size increases, service reductions, property tax increases, facility closings, etc...that will result from your actions.

We stand ready to begin the discussion surrounding your unallotments.

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Sincerely,

Margare Anderson Kelliher Speaker of the House

cc: Lieutenant Governor Carol Molnau Commissioner Tom Hanson Senate Majority Leader