

# State Senator Julianne Ortman **Capitol Report**



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**“If we don't change direction soon, we'll end up where we're going.”**

Professor Irwin Corey (American Vaudeville Comic)

## **“First Things First” Budget-Balancing Constitutional Amendment**

This year, I introduced a constitutional amendment which calls for limiting state spending to 98 percent of available revenues, with the remaining funds going to budget reserves.

It also ensures steady and reliable budget reserves by directing excess dollars into the reserve, which cannot be spent except in emergencies involving health, safety or welfare of citizens of Minnesota.

I am looking forward to advancing this idea further during the 2012 Legislative Session.



**Dear Friends,**

After a 19-day shutdown, the longest in recent U.S. history, and a refusal to call a “lights-on” session to bring 22,000 state employees back to work, Gov. Mark Dayton gave up his calls for tax increases and returned to a June 30 GOP budget agreement, adding several conditions such as a \$500 million construction bonding bill. After discussions with the Governor, Republican leaders agreed, and a final package of bills will not raise taxes, but does make targeted reductions in eight budget areas and slows the exponential growth of state spending.

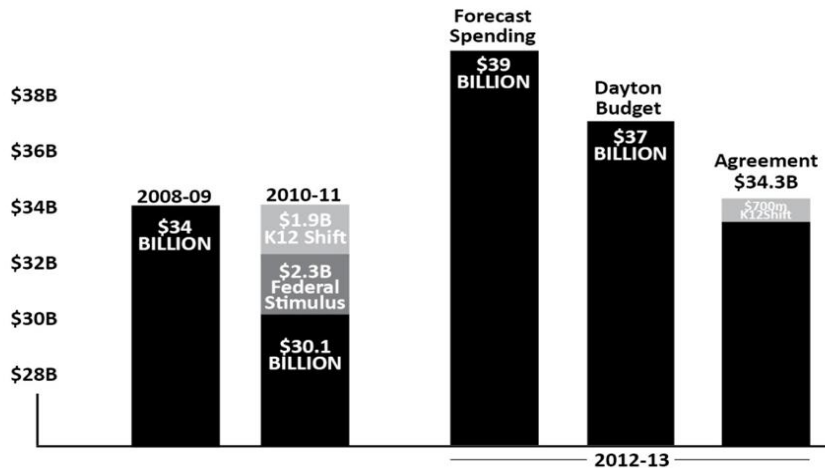
I am very proud to have passed my first Tax Omnibus Bill out of the Senate. After serving in the minority for the past 8 years, it was exciting to see several of my ideas pass with support through both Houses of the Legislature. The tax bill we agreed to offers Homeowner Property Tax Relief, Estate Tax Reform to protect small businesses and farmers, and it maintains LGA and County Program Aid at 2010 Levels. It also eliminates the broken Market Value Credit Program, which will save hundreds of millions of dollars for the next 4 years and corrects the Tax Incidence study to include federal taxation. Further, we are offering property tax relief for disabled veterans and spouses of veterans.

Thank you all for the privilege to continue to serve as your State Senator. Have a safe and enjoyable summer!

Warmest Regards,

## Stopping Runaway Government Spending

As you can see from the graph below, the state budget was projected to skyrocket to \$39 billion. Our efforts were focused on reforming the way in which we spend taxpayer dollars so that we can contain out-of-control state spending.



## Lawsuit Reform

I am proud to be the chief author of several bills are designed to reform our civil justice system to provide less expensive litigation, and to eliminate incentives for delay that add significant costs for all litigants, both plaintiffs and defendants.

These simple reforms will streamline our processes, save costs in our courts, and save Minnesotans the opportunity costs of participating in lengthy and expensive lawsuits.

These legislative initiatives would reform class action lawsuits, shorten Minnesota's general statute of limitations from six years to four years and increases the conciliation court jurisdictional limit from \$7500 to \$15,000.

The bills are supported by a wide cross section of the business community and by individual consumers and businesses around the state.

*Contact me at the Capitol; I'd like to hear from you!*  
**Senator Julianne Ortman**

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## Real Reforms Accomplished during the 2011 Legislative Session:

- Republicans made reforms that resulted in **long-term structural cost savings** a priority this session.
- Each finance area of the budget has reforms that will improve **service delivery and results**.
- Major fiscal reforms such as repealing the health care provider tax will results in **cost savings to health care providers (cost of health care) of \$10 billion over 10 years**.
- A Republican shaped bonding bill meets statewide and regional criteria, with a focus on **long-term needs**, not short-term wants, and **focuses on flood relief, roads and infrastructure**.
- **Republicans balanced a \$5 billion deficit without raising taxes**. By contrast, Governor's Dayton's initial \$4.1 billion tax increase and subsequent proposals sought to impose the 2nd highest income tax rate in the country.