

Good Evening.

Remember the last time I spoke before this group?

I had just *shocked the world*, was pumped up, and ready to rule.

That was just over one year ago.

It's good to be back, and you have to admit, its been quite a year.

I bet most of you had no idea how many more times I would *shock the world* in the next year.

In some ways it's been a rough year.

Certain interviews didn't quite work out so well.

Occasionally a disgruntled legislator or misguided reporter would take a shot at me—and occasionally I would take a shot at them.

I don't think too many people were overly surprised.

After all I was a wrestler in one of my careers in the private sector.

And you know what I learned as a wrestler. I learned that I have a special ability to irritate people. It just comes natural I guess. I've been working on it lately though.

Maybe you've noticed the kinder and gentler Jesse.

Don't get too used to it though—the legislative session started today.

But seriously, in the last year we may have shocked a few people, and probably upset a few people too, but more than anything, I think we mostly worked hard and put this state in a better position for you to do your business.

- Since I was here last year we pumped 1.3 billion dollars into our economy with a sales tax rebate that was the largest rebate any state has given in the history of the United States of America.

Why did we have so much money to give back?

Two reasons:

- Great economy, and
- We tax too much.

That's why in addition to the rebate we passed the largest tax cut of any state in the nation.

We were able to do that and still put more additional money into education and affordable housing than any governor has in recent history.

We did this while continuing to build a cabinet of such renown that one of my opponents, Hubert H. Humphrey III, told me that he thought I had put together the strongest cabinet in all of the United States.

Working with my commissioners we put together a responsible budget that is structurally balanced out four years and will provide us an opportunity to continue to reign in spending and cut taxes.

But that was then.

Today we started a new session. And we're ready.

This summer and fall my administration worked very hard to put together a blueprint for the future based on my vision for the state, and with consideration for my guiding principles and values.

The result was the Big Plan.

A plan out of which would flow strategic initiatives to create

- Healthy and Vital Communities
- An Emphasis on Service—Not Systems
- A Self Sufficient Society
- And, a State prepared to compete in a global economy.

This year, we are moving forward toward these goals.

Of course some will be saying that with a projected \$1.6 billion surplus we can go on a spending spree.

But I say no.

This is a capital bonding year not a biennial budget year.

So I am proposing that we do what is necessary to preserve our assets, provide for the health and safety of the people with a responsible \$400 million capital bonding bill and leave the projected surplus alone until next year when we can settle up the books and work with a real live surplus.

Of course you should know that of the 1.6 billion \$500 million is real. It's left over from the 1998-1999 biennium—I say give it back and give it back this year.

Then of course there is the other surplus that I am sure you are all very interested in:

The Assigned Risk Workers Compensation Plan.

I want you to know, and be assured that you are the first to hear this, that I am proposing that this surplus be put to work to help out the people who created it.

You know that employers in this state pay 30 cents for every dollar of benefit in the work comp system. Fortunately the bull market has produced a surplus in our Workers Compensation Assigned Risk Plan.

My proposal is that most of this money STAY in the work comp system and be used for an immediate one-third reduction in employer costs.

With the remaining amount I am proposing that we address long term funding needs in the health care safety net. Some of the surplus should go to help fund a permanent solution for the Minnesota Comprehensive Health Care Association, also known as M-CHA.

We all know that this session is going to be short.

Therefore, I believe we should use the time to do a few things well.

First—Transportation.

I am asking the legislature to adopt a transportation plan that will finally get something done. More than roads—it's time for a multi-modal plan that makes room for transit options.

Three weeks ago I announced a transportation plan that will not only give you relief from paying ridiculously high amounts of money for your car license tabs, but will finally put the sales tax you pay when you buy a car into a transportation and transit fund that can then be spent on building a system that is good for all Minnesota.



We need to get your products to market and your employees to work.

To do nothing is a policy decision that will strangle Minnesota's economic future.

Next: Telecommunications.

I am asking the legislature to re-work our 80 year-old telecommunications laws to encourage competition and allow our rural cities and towns the same access to high-speed communications as we here in the Twin Cities enjoy.

These are investments in rural Minnesota that benefit everybody.

And, of course, let's not forget another age-old institution that needs to be updated—the Minnesota legislature.

I read in the paper the other day that the Minnesota Chamber of Commerce isn't too crazy about a unicameral legislature.

Well, let me see if I can help enlighten at least some of you.

First, let's do a little exercise.

How many of you support a unicameral legislature? Raise your hands.

How many of you support the current bicameral systems?
Raise your hands.

Now, how many of you support the people's right to decide the issue by putting it on the ballot this fall?

I'm not sure if that's 80 %, but most polls say that 80% of the people say that it should be on the ballot.

Now, let me give you a few things to think about.

In that same article a Chamber representative said that the major issues that you are concerned about are tax relief, tort reform, health care and transportation.

Think about it. The most important issues to your organization have historically been the most difficult issues to get anything done on in our current two-house system.

Why wouldn't you want to have a legislature that is simple, accessible, accountable, and most importantly, conference committee free?

Do you want a legislature where a single legislator can hold up a bill?

Do you want a legislature in which your representative can't vote on amendment put on a bill in conference committee?

Do you want a legislature where 10% of the members serve on 86% of the conference committees?

Doesn't sound like a level playing field to me.

Why would you want a legislature that bottles-up meaningful reform legislation year after year?

Do you agree that we have a complicated property tax system?

Want to know how it got that way? I tell you.

The House passes property tax reform—the Senate passes property tax reform—and then the two reform bills go to a conference committee and come out as confusion.

The public deserves better accountability.

You deserve it.

Think about why you can't get things passed.

Think about how many years it took to get meaningful workers comp reform passed. Do you really think it is good that it took fifteen years?

Gridlock isn't a good thing.

Do we really want to emulate our federal system? The fact is the bicameral system's gridlock is costing your businesses money every day.

A unicameral government will save you money.

Think about this.

In 1998 both the House and Senate's bonding bills came into the conference with less money proposed than they came out with.

It seems that in order to get a deal they had to sweeten the pot a little.

Ladies and gentleman this goes on all the time.

Think about it. Ask your legislator to vote to get this issue on the 2000 ballot and I guarantee you that we will have a spirited debate. And that's the way it should be.

When citizen participate in government they want a level playing field.

When you do business you want a level playing field.

You have my word that I will work as hard as I can to level that playing field.

Thank you.