

Good morning.

Thank you Commissioner Malcolm.

And thanks to all the commissioners and staff who worked very hard to help put together this capital budget proposal.

Recently it seems that every time I make a recommendation some politician will label it a "Jesse" something or other.

Well, I'm going to recommend a few projects today and so I suppose the "candidates" will have a jolly old time labeling them "Jesse" projects.

One candidate will no doubt say that I recommended too many "Jesse" projects and the other will probably say that I didn't recommend enough "Jesse" projects.

But seriously, today I am making my recommendation of projects to be included in my 2002 Capital Budget.

Just as I did two years ago, I prepared this budget with great care. I based my decisions on straightforward principles of self-sufficiency, doing what's necessary rather than what's nice, and always remembering that it's the people's money.

This year, like two years ago, the wish list was long. Clearly, if I wanted to be Santa Claus I could have signed off on all two billion dollars worth of requests.

But I didn't run for this job to get my name on a building or to be fiscally irresponsible.

I looked at the requests for bonding with an eye toward protecting the health and safety of Minnesota citizens and state employees.

I wanted to be sure that we were careful to preserve the investments the state has already made. Asset preservation was an important goal.

I made strategic choices that were consistent with the goals of my Big Plan and smart growth principles.

I looked for key opportunities to take advantage of federal matching funds.

And finally, I held fast to the principle that we should ensure that, for the most part, capital budget projects have a significant statewide impact.

This year I am recommending that the capital budget contain \$746 million dollars in projects financed with state general obligation bonds.



In addition, I am recommending \$66 million dollars in projects that will be paid by user financing, \$2 million dollars from the general fund and \$31 million from the trunk highway fund.

My recommendation of \$746 million in general obligation bonds is higher than I have recommended in the past and exceeds the state's ten year average of \$563 million.

I want to emphasize that my decision to recommend this amount is based on my belief that the specific projects I have chosen are absolutely necessary to preserve state assets, enhance and preserve public safety, diversify our transportation system, and renew and enrich our outdoor recreation and tourism opportunities.

I want to assure you that this capital budget is within our 3 % debt management guideline and will not upset the structural balance of the supplemental budget recommendations I announced last Thursday.

I believe that for the most part the projects I have recommended are ones that will benefit the entire state. The locations of these projects are almost equally spread between greater Minnesota and the seven county metropolitan area.

You have all received the book that lists my recommendations in detail and therefore I won't go through them all. But I do want to highlight a couple.

First, given the location of this press conference, I believe that it is appropriate to talk about my recommendation to build a new \$85 million dollar joint laboratory facility in St. Paul for the departments of Health and Agriculture.

This project would be built in St. Paul and include office facilities for the two departments.

Protecting public health and safety is a basic responsibility of government.

But at no time in recent history has this responsibility been more evident or more important.

The events of September 11 have certainly raised concerns about our country's and our state's preparedness to deal with a public health disaster.

Given these concerns, and the fact that we were already in dire need for upgraded laboratory facilities, I believe the time is right to ensure the safety of our citizens and begin this very important project.

Another important project that I am recommending is \$120 million in state bonding to match an additional \$139 million in federal funds and \$27 million in local commitments for land acquisition, design and construction of the North star commuter rail line between St. Cloud and Minneapolis.



This project would include a connection to the Hiawatha light rail transit line in downtown Minneapolis.

As I have said many times, we need to make smart investments to further the development of a multi-modal transportation system in Minnesota.

This project is a smart investment that will have a significant impact on relieving congestion for all Minnesotans as they travel to, and bring products in and out of the twin city metropolitan area.

And finally I want to talk briefly about our state parks.

Each year an estimated 8and a half million visitors come to Minnesota's 80 state parks and recreation areas. That's a lot of people and they spend a lot of money.

In fact, recent trends are showing that travel and tourism is right there with agri-business as a leading sector of Minnesota's economy.

This is a time that I believe we need to make sure that we maintain our recreation assets to preserve and improve our tourism economy.

Therefore, I am recommending an unprecedented \$40 million dollars in funding for a state park improvement initiative to restore pride in our state parks.

These are just three examples of what I believe to be a prudent, but wise list of capital projects, that will continue our efforts to make Minnesota the best place to live.

Thank you.