

January 6, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "No man's life, liberty or property are safe while the legislature is in session."

-Judge Gideon J. Tucker

IT BEGINS

Buckle your seat belts, Watchdogs. The 90th legislature of the State of Minnesota gaveled in this week. Here's what you need to know about this crew and what they may (or may not accomplish in 2017.

The House and Senate gaveled in January 3rd at 12 noon.

Pursuant to the [Constitution](#), they must complete their work by May 22nd (barring a special session).

You can track bills, watch live streaming video, find contact information and just about any other information you need by clicking [here](#).

The Minnesota House is comprised of 76 Republicans and 57 Democrats. 85 members are men, 48 are women.

Among the men, 56 are GOP and 29 DFL.

Among the women, 20 are GOP and 28 DFL.

There is currently one vacant seat which will be filled in a special election February 14th.

23 members are newly elected, 12 GOP and 11 DFL.

93% of incumbents were re-elected.

1 Republican incumbent lost while 4 incumbent DFLers lost.

Your Speaker of the House is Kurt Daudt.

Your House DFL leader is Melissa Hortman.

Over in the Senate, the GOP holds a narrow 34-33 majority.

The gender balance runs 51-16 in favor of men.

Among men, the GOP leads 27-24.

Among women, the DFL leads 9-7.

55% of senators are either serving their first or second term in the Senate.

4% are serving their 9th or 10th term.

The most widely reported educational level among senators was "bachelor's degree" at 27%.

The least reported educational level was "high school diploma" at 1%.

The most widely reported occupation was "business," at 25% (thank goodness! People who know what it means to make payroll or can read a balance sheet are desperately needed).

The least reported occupation was "firefighter," at 1%.

The Senate Majority Leader is Paul Gazelka.

The Senate Minority Leader is Tom Bakk.

THE ISSUES

As this is an odd-numbered year, the legislature's primary job is to set the state budget for the next two years.

The governor will go first, sending the legislature his budget this month.

Next month, the office of Management and Budget will unveil the latest budget forecast for the state, which will give legislative leaders the information they need to set budget targets for each body.

The state currently boasts a \$1.4 billion surplus of over-collected taxes.

That extra money should grease the skids to offer Republicans the tax cuts they desire and the DFL the money they want to temporarily placate their insatiable desire to spend money.

Most importantly, the GOP must work to restrain spending.

Since fiscal year 2012-2013, state general fund spending has increased over 20%.

Also look for the legislature to pass a bonding bill. And while bonding bills are debt-financed, there is a role for this kind of spending if done for the right reasons and done with a measure of restraint.

In short, funding capital improvements with debt makes sense when done correctly. Businesses and families do this all the time.

But the key is 1) the right reason. That reason is capital improvements that support core functions like roads and bridges, for example.

And 2) done with restraint. With a budget surplus, many of these projects can and should be financed with cash, eliminating the need to incur debt.

Already, the governor has submitted a ridiculous \$1.5 billion bonding proposal, which is beyond the pale.

Look for a bill more in the range of \$500 million from the legislature, perhaps ending up at \$700 or so.

A sustainable, long-term transportation funding bill is also on the table.

In the past, funding transit has been the sticking point, with Republicans resisting paying for ultra-expensive trains and the DFL fighting hard for them because the more inefficient a government program, the more they seem to like them.

It appears there may be a compromise on the horizon with Metro counties taking over the funding of transit via local sales taxes that state law allows for every county.

With the state out of the transit funding business, a framework for funding roads and bridges is in place.

Of course, the other major obstacle is new revenue for transportation.

The DFL has insisted on a gas tax increase of late (even though they didn't pass one when they had total control) and the GOP just as strongly resisting.

A compromise may exist with respect to adjusting license tab fees.

In addition, there appears to be an appetite to redirect transportation-related sales tax revenue from the general fund into dedicated transportation funds.

The sticking point there will be the big DFL constituencies of government employees, who think that those monies belong to them and the agencies for whom they work. Think the teachers' union and others government union workers like those in AFSCME.

Finally, there must be a fix for the failed Obamacare Leviathan known as MnSure.

As readers know, Dayton and the DFL have only offered an expensive \$300 million band aid to offer temporary subsidies to help buy down the painful premium increases many Minnesotans have faced.

Republicans must insist on systemic reforms or an outright repeal/replacement of MnSure.

In the end, it's important to understand the math and the dynamics of the situation.

In the House, Speaker Daudt has a robust majority that can prosecute his agenda.

In the Senate, Majority Leader Gazelka has a much tougher task that will require bi-partisan support to pass bills.

With the narrowest of majorities, there will surely need to be bi-partisan cooperation on most bills.

Most importantly, Governor Dayton still wields a veto pen.

In short, bi-partisan compromise will be needed to effectively govern.

In our conversations with legislators from both parties, there appears to be a genuine willingness to seek compromise and find solutions.

Legislators got the message in November that voters are sick of the "politics as usual" obstructionism and finger pointing.

The real wild card in Saint Paul is Mark Dayton.

Six years into his administration, he has displayed a shocking lack of leadership and management skills.

Regardless of who has controlled the legislature, he has been unable to accomplish his biggest goals.

He has demonstrated time and again a failure to appreciate that politics is a relationship business by systematically alienating legislators of both parties.

Our prediction is that this session will once again devolve into a food fight that requires last minute closed door deal making to get anything done.

The blame for this will fall squarely on Mark Dayton.

Think about it. The legislature has changed during Dayton's six years.

He's the common thread running through special session and government shut downs.

Minnesota citizens have witnessed six years of name calling, temper tantrums, walk outs, pessimism, and erratic governance from Mark Dayton.

He has proven he lacks even basic leadership and management skills.

If the state manages to get its work done in a timely and reasonable manner, it will be because of Speaker Daudt and Majority Leader Gazelka, and hopefully the reasonable cooperation of the DFL minority leaders.

Mark Dayton is one his way to a failed tenure.

It's probably too much to hope for to think he may at some point soon start thinking rationally about a legacy.

January 13, 2017

Public Policy Commentary

In This Issue:

"Garofalo agreed his bill would do nothing to block a privately funded high-speed rail line. But he is skeptical such a project can advance without public dollars. He added that a privately funded high-speed rail line 'hasn't happened anywhere on the planet, so I don't think Rochester to the (Minneapolis-St. Paul) airport is going to be the first place in the world where this happens."

- Rochester Post-Bulletin 1/11/2017

HEREOS AND GOATS

With week number 2 of the 2017 legislature in the books, it's time for the Watchdog to issue our first "hero" and "goat" award of the session.

Our hero is Rep. Pat Garofalo (R - Farmington), who this week introduced a bill to prohibit any public dollars for the so-called "Zip Line" passenger rail from the Twin Cities to Rochester.

The project is being sold as one that won't require any public dollars.

A rail project with absolutely no public dollars?

Fantasy.

Good for Rep. Garofalo for laying down a marker that public dollars won't be used if the project gets off the ground.

As he observed, there hasn't been such a rail line build anywhere on the planet thus far.

That it would happen in a low-density part of the world is highly unlikely.

Hell, it's highly unlikely that such a privately funded line would be built in Shanghai, Mexico City, or Tokyo.

Olmstead County Commissioner Ken Brown, obviously a rail fan, called the bill "another stupid piece of legislation."

Thanks for protecting the taxpayer, Rep. Garofalo! You must have hit a nerve!

The goat of the week is one of Garofalo's House colleagues, Gene Pelowski (DFL - Winona).

Pelowski, who is now the undisputed Grumpy Old Man of the House with Tom Hackbarth gone, has declared that it is high time for the legislature to consider limiting the number of bills that can be introduced in a session.

"When you are looking at a part-time Legislature that can only meet 120 days in session over two years, you just simply can't have an infinite number of items dumped into that," he declared.

Apparently, he doesn't want his colleagues' bills interfering with his own, especially if they're Republican ideas.

What a profoundly dumb yet quintessentially liberal idea.

Let's curtail the First Amendment political speech rights of elected legislators.

Let's muzzle the voice of their constituents.

On the surface, this idea has some appeal.

Government is too big, too intrusive, too overbearing, too dangerous our liberties.

But the way to limit those problems is to limit government's power to tax, spend, and control our lives.

Whether Pelowski likes it or not, many of those voluminous bills he doesn't like are necessary precisely to limit government.

Then again, maybe that's what he doesn't like.

REALLY, IT'S NOT OKAY

Welcome, yet again, to the Bizzaro world of Democrats.

The saga of the Stadium Suites continued this week as taxpayers learned that friends and cronies of the Democrats who control the suites helped

themselves to over \$32,000 in food and drink while enjoying concerts and football games.

Throw in free parking in premium spaces and you have yourself a full-blown scandal.

The response from Democrats has been nothing short of shocking, despite our jaded and cynical outlook regarding that party.

The Minnesota House of Representatives held hearings this week to listen to Sports Facilities Chair Michele Kelm-Helgen (a lifelong DFL operative) explain away the cavalcade of freebies and public trough piggery.

Perhaps the most egregious lack of judgement and common sense came in the form of handing out seats in the two taxpayer-financed suites to family and friends, who clearly had no business reason to be in the suites in the first place.

"I clearly heard and understand that people did not support having friends and family in suites," Kelm-Helgen said in response to criticism, adding: "We now have a new suite policy."

Say what?

Did it really take a firestorm of public criticism to show her it was a stupid move?

This is a person making six figures, presumably to exercise the good judgement required of any executive.

It flabbergasting to any reasonable person to read of real or feigned ignorance regarding the impropriety of inviting family, cronies, and bridge partners down to the luxury suites to catch a Vikings game and a premium feedbag of food and drink - all at taxpayer expense.

Poor judgement? It's criminal.

And we continue to hear of the value of the suites as a "marketing" tool.

Legislators would be smart to ask exactly which events are scheduled to held at the stadium that were cinched only because promoters were wined and dined in the suite.

It's just foolish to claim that one must party down in a taxpayer funded suite to see and experience the stadium.

Speaker Kurt Daudt said it best when he observed, "Give people a tour of the stadium. They don't need to be wined and dined."

We also learned through the legislative hearing that stadium officials, who are public officials, violated the state's Open Meeting Law.

The law requires that when a quorum of public officials is together, the public must be notified, unless there is an exception to that requirement spelled out in law.

There was no notice that these folks were all going to hang out with cronies in the suite, so the law was broken.

No worries, however, as Kelm-Helgen assured the committee that no official business was conducted at the illegal meeting in the luxury suite.

If our ethics laws stand for anything, they stand for the proposition that we don't allow politicians and their appointees to police themselves.

Thank goodness the Legislative Auditor is investigating this boondoggle.

There is no doubt in our mind that legislators and the media have just scratched the surface on this scandal.

The only mitigating factor is that they all got caught early in the process, just months after the suites opened.

Shameless.

GUESS THE 1%ER

A new feature of the Watchdog is "guess the 1%er," whereby we tell you about a wealthy elitist and you guess the identity of that socialite.

This week's cake eater has recently rented an 8,200-square foot, nine-bedroom mansion in Washington, DC where he is also building a high wall around the perimeter to keep out gawkers and riff raff.

The reason for this move, we are told, is so the family of four can remain in the area while one child finishes high school at the ultra-elite Sidwell Friends School, where tuition and fees exceed \$40,000 per year.

If you guessed Barack Hussein Obama and family, you would be correct.

The president who for eight years lead the parade of whiners regarding climate change, inequality, political correctness, and the excesses of capitalism will soon take up residence in a \$6 million mansion so his kid can finish her \$160,000 education and entertain her friends behind the high walls of the fortress, guarded by men carrying the same guns Barry doesn't want you to own.

This one news item explains Donald Trump. The American people have absolutely had enough of the lectures from liberals, who step out from behind their gated mansions and armored SUVs to tell how awful we are and how we need to do with less while they live like Soviet communist party bosses. Four legs good, two legs better!

January 20, 2017

Public Policy Commentary

In This Issue:

"That's the good thing about being president, I can do whatever I want."
- Barack Obama

"There's always an element of self-delusion among people who believe they ought to be President. There's an underestimation of your opponent and an overestimation of your own abilities. This is compatible with being rich and powerful, the idea that we were blessed by God because we deserve to be blessed."
- Jimmy Carter

"When I was a boy I was told that anybody could become President; I'm beginning to believe it."
- Clarence Darrow

ONE ENDS, ONE BEGINS

By the time you read this sentence, Barack Obama will no longer be the president of the United States.
Let THAT sink in, loyal readers.

Barack Obama is no longer president of the United States.

After eight years of battering our freedoms and liberties, we can all don those "I survived Obama" t-shirts and wear them with pride.

Now begins the Trump Administration. He comes into office with perhaps the lowest expectations and the least goodwill of any president in the modern era.

Some of that is his fault, as he has done little to facilitate any semblance of healing or unity after one of the most divisive elections in the modern era.

Of course, that lack of goodwill is also the fault of Democrats who can't bring themselves to cope with the fact that the election is over - and they lost.

Trump cheated! The Russians hacked some emails! Hillary won California!

So what. The election is over and Trump won.

Kennedy stole Illinois. Bush had Willy Horton.

Get over it.

Perhaps the most childish and petulant display of this sort of attitude was demonstrated by members of Congress who refused to attend Trump's swearing in, a sacred and important ritual in which the nation celebrates the peaceful transition of power.

The event stands as a powerful symbol self-governance, democracy, and the rule of law.

To not attend because your team didn't win is shameful.

Every American should wish well of the new president, whether you voted for him or not.

His burdens will be great, and he will bear a weight only a handful of men will ever know.

Instead of condemning perceived shortcomings and weaknesses, the American people should pray that the president overcomes his weaknesses and reinforces his strengths.

His words and actions will have consequences for the nation collectively and all of us individually.

Donald Trump has taken the oath and assumed his place as the chief executive.

This publication wishes him well.

Godspeed.

With Barack Obama assuming the role of Citizen Obama, the nation can review his record of the last eight years and assign him both grades regarding various job areas within the presidency (e.g. domestic policy, defense policy) as well as an overall grade.

Every president is known by the marquee issues that defined their time in office, both the issues they chose and the issues that chose them.

The signature issue of Obama's presidency is the domestic policy Leviathan that bears his name: Obamacare.

Passed without a single Republican vote, Obamacare's promise was nothing short of political alchemy.

Keep your doctor. Keep your healthcare. Lower costs and savings galore. More access. No pre-existing condition exclusions. Kids stay on mom and dad's plan until 26. Birth control for all, even the men.

In other words, Obama promised to grasp the holy grail of health care: more access, higher quality, and lower costs.

And it was an utter failure.

The real question is whether Obamacare was a sincere policy or merely a Trojan horse for a single-payer system.

What we got was higher costs, worse access, and more government. Heck, even the IRS got into the act, levying a penalty against people who failed to obtain a health insurance policy.

While some previously uninsurable people may have obtained coverage because of Obamacare, exponentially more people were hurt.

Obamacare was a failure.

Grade: F

The foundation of any president's domestic agenda is the economy.

When he assumed office in 2008, the economy was in free fall, heading for a dip not seen in generations. It would soon come to be known as the Great Recession.

Obama expanded on the lead of his predecessor, engaging in unprecedented intervention in the economy.

The government propped up private businesses seen as "too big to fail."

A torrent of money was poured into the economy in the form of government bond purchases, known as "quantitative easing."

The results have been mixed.

In many ways, the economy has healed and fears of the next Great Depression were thankfully unrealized.

The stock market roared back to life, now approaching 20,000 on the Dow Jones.

Some economists predicted runaway inflation akin to the 1980s, as the liquidity pumped into the economy would have to be wrung out, in much the same way Ronald Reagan did it.

That pain has also not been seen.

The unemployment rate is at low levels and there is work for people who want it (and are qualified for it).

On the other hand, wages are stagnant and millions of Americans have lost purchasing power over the recent years.

The workforce participation rate is at its lowest point in decades, as millions have dropped out of the workforce.

Economic growth is anemic, trailing the GDP growth typically seen after a recession.

In some respects, Obama's economic report card is intertwined with his education report card, as employers complain that the real job problem isn't the lack of good jobs. Instead, it's a lack of qualified workers.

Our nation's schools are churning out students wholly unprepared to compete in a hyper-competitive global economy.

While the reasons for this problem are many, one major issue is the lack of public education reforms, which are always opposed by the powerful teachers' union.

This union was a major Obama constituency and thus had great influence in the Obama White House.

Grade: C-

One final aspect of domestic policy is budgetary policy.

After famously proclaiming that it was "un-American" to run up the national debt, Obama proceeded to shamelessly run up the debt to shocking levels not seen in American history.

He poured money into domestic spending programs that were of dubious value, like the infamous "stimulus" program, "cash for clunkers", and billions for passenger rail projects.

Over the course of eight years, no effort was made to submit a balanced budget, even on paper.

Grade: F

Foreign policy is, of course, also extremely important to any American presidency, given the country's pre-eminent role in global affairs.

In the Middle East, Obama helped destabilize the region with the misguided "Arab Spring" policy, naively assuming democracy could take root in the desert of despotism and radicalism.

Libya and Syria are now fragmented, lawless lands and a haven for terrorists.

We still have boots on the ground in Afghanistan and Iraq.

We have been at war for eight long years and Obama now hands that war to Trump.

In the Far East, North Korea and China have steadily advanced policies and programs that endanger America.

North Korea has nuclear weapons and missiles to carry those weapons. Left unchecked, this outlaw state will perfect both, resulting in warheads that can reach the United States.

China meanwhile expands her navy and engages in a pattern of regular harassment of the U.S. and our allies.

Moreover, China makes evermore belligerent claims to disputed islands while we stand by idly.

There is no question that America's standing on the global stage has diminished under Obama.

The one saving grace is Operation Neptune's Spear. Obama deserves credit for his decision to order the raid on bin Laden's compound and kill the world's most wanted man.

Thanks to SEAL Team Six, Obama avoids an "F."

Grade: D-

Overall, President Barack Hussein Obama left America weakened both domestically and internationally.

It is arguable that it was a difficult situation he inherited and things could have been left in worse shape.

Historians will debate Obama's place in history for decades to come.

In the meantime, this publication will render our verdict: "D-"

January 27, 2017

Public Policy Commentary

In This Issue:

Editor's Note: Eleanor and I were saddened to learn of Governor Dayton's cancer diagnosis. Like so many Minnesotans, we are keeping him and his family in our thoughts and prayers, wishing him a full and speedy recovery.
- Harold Hamilton

BILL OF THE WEEK

Kudos to State Rep. Nick Zerwas (R - Elk River), who has authored a bill to clamp down on the hooligans who are closing down our public transitways to lodge their grievance du jour.

Readers are surely familiar with the many freeway shutdowns we have experienced lately, resulting in lost commerce, excruciating inconvenience, and the delay of necessary public safety functions like ambulance service.

Zerwas's bill, House File 390, enhances the penalty for obstructing access to highways and airports.

This bill is about as common sense as it gets, but that doesn't mean it hasn't been controversial.

At a committee hearing on the bill this week, the same ilk of protestors who shut down the freeways shut down the committee hearing by disrupting proceedings after the bill advanced 6-3.

Heck, even the Star Tribune and Governor Dayton have weighed against using freeways as a protest forum, lending a strong bi-partisan flavor to the bill.

Freeways aren't a public forum and citizens have no right to express their speech rights in that location.

There are ample public spaces from which to make a point, starting with state Capitol, where permits are readily available.

Having said that, it's important to make sure the bill is narrowly tailored to accomplish only the purpose of keeping transportation arteries clear and safe.

The right to protest governmental actions is central to our First Amendment rights and is central to a healthy society.

The subject matter of any protest is immaterial. The First Amendment is designed in large part to protect unpopular speech from the tyranny of majority control.

No right is absolute, but any curtailing of the First Amendment must be accomplished by the narrowest means possible.

This bill does that.

BUDGET OVERVIEW

As required by state law, Governor Dayton has submitted his proposed fiscal year 2018 - 2019 biennial budget to the legislature (the state's 2018 fiscal year will start July 1, 2017).

Overall, the governor proposes general fund spending of \$45.8 billion, which is an increase of \$1.25 billion over the previous forecast amount.

He also proposes to draw down the state's budget reserve by \$312 million.

Recall that the state has a projected budget surplus of \$1.4 billion.

Dayton proposes to spend all of it, except for a meager \$79 million.

The proposal is heavy on increased spending and very light on tax cuts.

This is the biggest concern with the proposed budget.

Tax cuts are absolutely in order this year. The economy has been bumping along under an anemic recovery and the state has a massive budget surplus, thanks to huge tax increases in recent years.

By the way, let us gently chide the DFL for bragging about the state's balanced budget and claims of awesome fiscal management.

Instead of innovative and sound fiscal management, the DFL simply raised taxes high enough to cover increased spending and then some.

It wasn't really all that impressive.

In essence, tax increases represent capital that is diverted from the private economy into the public economy.

Every dollar government takes in represents a dollar unavailable to the private sector for investment, capital spending, increased employee pay/benefits, and other productive uses.

Hopefully, the GOP budget will reflect a different philosophical tact by cutting taxes (especially business taxes) and offering more spending restraint.

The governor's budget simply represents too much government spending and too little in the way of tax cuts.

Second, the proposed budget features a budget reserve of over \$2 billion.

Long-time readers know this publication holds a minority viewpoint that government budget reserves are poor public policy.

Yes, the optics of a strong budget look great. How can a robust "rainy day" fund be bad?

It's bad when it's government doing the hoarding of capital.

Every dollar in that reserve fund is essentially impounded by government, sitting unproductive.

If \$2 billion was returned to the private economy, it could be put to productive uses.

In addition, budget reserves only protect government from making necessary but painful decisions when inevitable economic downturns hit.

In short, big budget reserves insulate government from dealing with the reality of less money when the economy dips.

Dayton's budget is also heavy on behavior distorting tax breaks that incentivize certain behavior and punish other behaviors.

To be fair, the practice of using the tax code as a behavior modification tool isn't a partisan practice. Both parties engage in the practice.

Today, the tax code is chock full of credits and deductions for all manner of constituencies ranging from large corporations down to the least among us.

These breaks often have wonderful optics attached to them that are intuitively appealing.

Who wouldn't want to help keep high tech jobs in Minnesota via a "research and development" credit?

Who doesn't want to incentivize charitable giving with a tax break?

Some have just become ingrained in our DNA. How about that home mortgage interest deduction?

Ah, the dream of home ownership. Brought to you by the National Association of Realtors®.

The problem is that these breaks greatly complicate the tax code, are often based on who has political clout instead of public policy, and violate a fundamental principle of tax policy - fairness.

Suppose two couples are equal in every respect except that one couple chooses to rent a home and the other chooses to buy.

Why should the renter couple pay a higher tax because of their choice?

How about a childless couple versus a couple with multiple children?

The childless couple will be far behind with respect to tax treatment simply because they chose not to bear children. Heck, they may be childless because of health and not even by choice.

These tax breaks are worth many billions of dollars, and that's under Minnesota's tax code.

We get into numbers exponentially higher at the federal level.

All of this leads to one final observation.

Where are the Big Ideas?

Dayton's budget, especially his tax ideas, lack any innovation and imagination.

It's a cookie cutter budget that simply boosts spending on more of the same.

Sure, there are some new ideas, but none challenge the status quo.

Let's hope that the GOP releases a budget in each house that represents some bold thinking, especially in the area of taxation.

There are so many program areas that are ready for some innovative reform ideas.

As usual, there will be entrenched interests who stand ready to defend their sacred and obsolete cows.

Will the GOP have the courage to challenge the status quo?

We think so.

February 3, 2017

Public Policy Commentary

In This Issue:

Factoid of the Week: state and local governments in Minnesota boast a total of 285,000 employees, about equal to the population of Saint Paul, the Capitol City.

Factoid of the Week: Union membership in Wisconsin is down nearly 40 percent since Republicans passed legislation known as Act 10 that all but eliminated collective bargaining for public workers, new federal data show.

In 2016, the percentage of public and private workers who were members of unions was 8.1 percent, or 219,000 union members. That's down by 136,000 members, or 38.3 percent, since 2010 levels, the year before passage of Act 10, according to a report released Thursday by the U.S. Department of Labor's Bureau of Labor Statistics.

GRANDPA'S YELLING AGAIN

It's time once again for another edition of "Grandpa's Yelling Again."

"Grandpa," of course, being one United State Senator Al Franken.

As Minnesotans know (painfully), Franken is wont to yell and rant like an old man who's seen one too many kids walk on his lawn.

Decidedly not Minnesota Nice.

This edition concerns Franken's yelling at Senate colleagues John Cornyn (R - TX) and Chuck Grassley (R - IA), chairman of the Senate Judiciary.

Al got all riled up over Sen. Ted Cruz calling Franken out for Franken's attacks on Jeff Sessions, President Trump's Attorney General nominee.

Like a petulant child, Franken just couldn't stop from yelling about Cruz, even after the chairman asked him to stop.

Those tolerant liberals.

Watch the video [here](#).

SUPREME COURT CAPERS

While examples of liberal hypocrisy aren't hard to find, like finding crime in Minneapolis or a pot hole in Saint Paul, their conduct over the vacant Supreme Court nominee is something to behold.

Let's start with Democrats criticizing the fact that Trump has a Supreme Court nominee at all.

Democrats urged the GOP - controlled Senate to confirm President Obama's nominee before the 2016 election was held.

The Senate declined to do so, invoking the "Biden Rule."

Yes, that Biden. Joe Biden.

It was Biden in 1992 who called for delaying consideration of Supreme Court justices in an election year, so the "voice of the voters" could be heard.

No matter. The Democrats called for Merrick Garland, the Obama pick, to be heard before a possible Trump presidency.

Now the Senate Democrats are expressing "grave reservations" about Trump's Supreme Court nominee, Neil Gorsuch.

By their rhetoric, before Gorsuch has even had an opportunity to testify, you would think he some sort of judicial monster.

By their rhetoric, you would have never guessed that Gorsuch was UNANIMOUSLY confirmed by the Senate on a 95-0 vote for appointment to the 10th Circuit Court of Appeals.

All the way back in 2006.

Who were some of the Democrats in the Senate back then?

Oh, names like Hillary Clinton, Chuck Schumer, Joe Biden, and one Barack Obama.

Now watch as Democrats proceed to tear down Gorsuch as some sort of wholly unqualified ogre.

Of course, Democrats will try to filibuster the Gorsuch nomination.

If that happens, Senate Republicans should simply use the "nuclear option" and strip the 60-vote requirement to move the nomination to a final vote on a simple majority of 51 votes.

Democrats have already changed the rules and invoked the "nuclear option" for lower court nominees and cabinet confirmations.

The damn has already been broken and it was Democrats who broke it.

Republicans should get it done with altogether, especially since Democrats will do it at some point down the road if they don't.

We all know that.

BAD MONEY

All too often, people decry the influence of money in politics.

But does money really matter all that much in politics?

The short answer is that money indeed matters, but probably not as much as critics claim.

This last election was a dramatic case in point.

If money had indeed mattered a whole lot, the outcome in many elections would have been different.

For example, the liberal Alliance for a Better Minnesota spent a whopping \$6.6 million to back DFL candidates.

The GOP nonetheless gained seats in the House to increase its majority and won a majority in the Senate as well.

Spending by that group dwarfed spending by GOP-aligned counterparts like Freedom Club State PAC, which spent a paltry \$1.6 million by comparison.

The same held true with respect to spending by each of the legislative caucuses.

In the House, the GOP was outspent by the DFL caucus \$2.9 million to \$4.5 million.

In the Senate, the GOP was outspent by an even greater margin, \$1.36 million to \$5.2 million.

In other words, the GOP was outspent by better than 2 to 1 and still won big victories.

The same held true in the most expensive legislative races, three of which topped \$1 million in total spending, when outside interest group spending is factored in.

Of the ten most expensive races, the GOP won seven of them.

Indeed, millions of dollars can't paper over bad candidates with a bad message.

February 10, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "We call this-and other reviews-'special' when they were not part of our regular schedule of audits and evaluations. We typically conduct a special review in response to an allegation that a person or organization has not used public resources in compliance with state law."

- State Auditor Jim Nobles

Quote of the Week: "We concluded that the Authority's use of the tickets violated a core ethical principle. For the twelve events we examined, we found that Authority officials and staff provided 158 tickets to family members and friends. We also found the use of another 35 tickets questionable."

- State Auditor Jim Nobles

IT'S WORSE THAN YOU THOUGHT

You've been in a coma or in a soon-to-be-reformed solitary confinement cell if you haven't heard about the Office of Legislative Auditor (OLA) bombshell report on the way in which Mark Dayton's cronies used publicly-controlled suites at U.S. Bank Stadium as their personal playground.

Most of you have heard details of the scandal from newspaper articles or news reports.

But did you read the entire report?

If you didn't, you're missing the detailed picture necessary to get really ticked off.

As we always do, the Watchdog took care of business for you.

While this publication prides itself on commentary, this week we will devote more space to excerpts from the OLA report, as that report very well captures the incompetency, fecklessness, and outright arrogance of the public "servants" charged with running, or at least appearing to oversee, those who actually run the place.

Read on, brave taxpayer.

Finding 1. The Authority claims it needs two stadium suites to help it market the stadium to potential customers. However, the Authority gave a significant number of free suite tickets to people who had no connection to marketing the stadium; many were family and friends of the Authority's commissioners and staff.

Unfortunately, the information the Authority gave us was poorly compiled, confusing, and incomplete. We also have significant concerns about its reliability.

The parking pass list raised more questions because the information did not always match the names in the Authority's guest list (Appendix C). For example, there were names of individuals who received parking passes, but they do not appear on any of the guest lists. We also noticed that some commissioners received parking passes for events that their own lists said they never attended.

Finally, we also question why some individuals received parking passes but others did not. For example, there were instances when friends of commissioners received parking passes but individuals who were attending events for a marketing purpose did not.

We found nearly half the tickets (158) had no business connection (i.e., public purpose). These included 40 family members and 118 other guests, whom we assumed were "friends."

The Authority gave free suite tickets to several people who appear to have a political connection to Authority commissioners or the Authority's executive director.

Finding 2. The Authority's commissioners and executive director did not violate a law when they gave free tickets to family members and friends, but they did violate a core ethical principle.

Since technically the state's Code of Conduct for Employees in the Executive Branch does not apply to the Authority, its commissioners and staff did not violate a law. However, we believe the commissioner and executive director violated a core ethical principle, which the Code contains. The Code prohibits public officials and employees from using their public position to obtain personal benefits.

We think the public reaction was so negative and strong because Authority officials were obtaining something free that is expensive and even unavailable to many Minnesotans and their families.

Finding 3. The Authority's claim that it needs two suites rather than one is not supported by facts or logic.

The Authority's use of suite tickets in 2016 clearly showed the Authority did not need two suites.

Based on our assumptions (which frequently gave the Authority "the benefit of the doubt" for a significant number of tickets), about 45 percent of the tickets were used for marketing. In short, we think one suite-with 18 tickets and 16 seats available for each event-would have sufficiently served the Authority's marketing needs.

Finding 4. The Authority failed to comply with state law by not maintaining a record of who received tickets to its stadium suites.

They in effect claim that the suites are essential to their ability to generate private revenue and avoid seeking additional public money to operate the stadium. Yet, for this important responsibility, the Authority failed to keep a record of who was being given free tickets.

In addition to its noncompliance with state law, the Authority's lack of record keeping was a bad business practice. Moreover, when information requests forced the Authority to cobble a list together, the result, as we said earlier, was poorly organized, confusing, and incomplete.

Now, here's the really fun part that the newspaper didn't cover, which is the response from the Minnesota Sports Facilities Authority (MSFA), especially those of Ted Mondale and Michele Kelm-Helgen, the two Dayton cronies who run the show.

Judge for yourself is you think their formal, written responses to the OLA report are reflective of public servants who truly "get it" and appreciate just how badly they betrayed the taxpayers.

Or, you may conclude that the responses are more reflective of immature teenagers who got caught red handed and are dismissing the charges as an

"everyone does it" issue or "no one told us it was wrong, so we can't be held responsible."

Professional or petulant? You decide.

Responses below:

The Authority acknowledges that these concerns are valid and has acted to immediately address them. At the time, the Authority believed that its suite use was appropriate because it was consistent with past practice and with use of suites in other local facilities. However, the Authority now recognizes that this was not the expected comparison. The question is not whether the suite use is consistent with what is common practice; the question is whether the suite use is consistent with what ought to be done.

The Authority - like other public building owners around the state and throughout the country - has negotiated the right to use certain suites during facility events free of charge.

Suite access affords potential users of the facility the unique opportunity to witness the capabilities of the facility during an event, which is very different - and much more compelling - than taking a tour of an empty building or reviewing specifications of the facility on paper. Use of suites also affords a business-like setting for marketing where potential event users can converse and ask questions, and where Authority personnel can provide information about the facility's remarkable capabilities and the assets and attractions in the surrounding region of the Twin Cities.

The Authority believes it is important to keep in mind that the Auditor has not found that the Authority violated any law. Quite the opposite: the Auditor opined that the Authority's actions do not violate any applicable law, but noted that the Authority's actions violated an unstated "ethical standard" that is derived from a set of laws that do not apply to governmental bodies such as the Authority. While recognizing the importance of ethical standards, of course, the Authority objects to being judged by a nebulous standard that is not laid out in any governing law.

The Authority believes that having two suites provides a meaningful opportunity: four of the five Commissioners can attend a specific event to further the goals of marketing the Stadium. If only one suite were available, only two of the five Commissioners could attend.

The Authority is disappointed to learn that the Auditor believes the prior information about suite use was "poorly compiled, confusing and incomplete." The Authority believed that it was important for each Commissioner to independently provide his or her own information about suite use, and for that reason did not compile the data into one master chart.

"...I believed that this [the Authority's stadium suite ticket policy] was appropriate because it had been done - family and friends were allowed to come to our suite at the Metrodome for 32 years.... So from my perspective I didn't think that there was anything unusual about what we were doing."

- Michele Kelm-Helgen

"...there was a clear allocation of tickets at the Metrodome. So if a commissioner couldn't come, he or she would be able to have say five tickets and have family members...or friends...come to the suite, which had actually no connection to what we were doing [as a commission]."

- Ted Mondale

"...they work long hours on game days and spent long nights negotiating on behalf of taxpayers during construction of the building so having friends and family there is reasonable."

- Michele Kelm-Helgen

"...our purpose at...games or events is to have an atmosphere where the marketing targets feel comfortable. They have a good time. They get to observe what a great facility it is and in a sort of casual un-meeting like atmosphere, talk to them about you know booking the stadium and having events. So I felt that the atmosphere we had was good and I think it helped further it."

- Ted Mondale

February 17, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "For such is the nature of man, that howsoever they may acknowledge many others to be more witty, or more eloquent, or more learned; Yet they will hardly believe there be many so wise as themselves: For they see their own wit at hand, and other men's at a distance."

Thomas Hobbes, Leviathan

BIG NUMBERS

As the legislature plows ahead into the 2017 legislative session with GOP majorities in both the House and Senate, it's interesting to analyze the number of bill introductions so far this session with previous years.

Thus far in 2017, the number of bills introduced is staggering.

As of February 16th, 1,290 bills have been introduced in the House and 1,118 in the Senate.

For a baseline comparison to previous years, we've accessed data provided by Gary Carlson, who works for the League of Minnesota Cities and closely watches the legislature.

Carlson's data compares odd-number years (this is the "budget" year of each bi-ennium), going back to 2007, using bill introductions as of February 9th.

2017: House (1,066), Senate (845)

2015: House (741), Senate (699)

2013: House (433), Senate (366)

2011: House (437), Senate (282)

2009: House (680), Senate (568)

2007: House (801), Senate (697)

Average: House (693), Senate (573)

Now, before you go off on the GOP majority for going all "Big Government," keep a couple of things in mind.

First, this is only a quantitative, not qualitative, analysis. There are plenty of bills out there to cut back the power of the Met Council. There are lots of bills to cut taxes.

Second, there was a much unfinished business from last session. In a new bi-ennium, those bills had to be reconstituted. Transportation, tax, and bonding are all major carry-over subjects from 2016.

Third, given all these high-profile topics, there are many bills that address the same subject, albeit in different ways.

For example, there are multiple bills addressing the make-up of the Met Council. There are multiple bills providing a tax break for Social Security income. There are many bills dealing with property tax reductions.

Thus, it's hard to look at the headline numbers and conclude that there's some sort of problem.

Nonetheless, numbers like this have caused some to opine that there should be some sort of cap on bill introductions.

We disagree.

The right to introduce legislation is a form of core political speech, protected by the First Amendment.

While no right is absolute, there is no conceivable argument in favor of limiting this kind of speech that outweighs the right protecting it.

Unless, of course, Democrats want to self-impose a limit on what they propose!

THE "NEUEST" MEMBER

Congratulations to Anne Neu, who this week won a special election House District 32B to replace GOP Rep. Bob Barrett, who was kicked off the ballot because he didn't live in the district and made little to no effort to make an appearance of living there. Heck, even the DFL knows all you need is trash service, a roll of toilet paper, and a toothbrush.

But no worries. Neu ran a great race and kept the seat in GOP hands, now boasting a 77-57 majority, which is coming close to the 81-53 advantage the GOP had after the 2002 elections.

Overall, Neu won 53-47%.

By raw numbers, Neu won 3,789 votes while DFLer Laurie Warner took 3,327.

There were 3 write-in votes.

Here's the breakdown by precinct, with Neu's totals listed first:

Amador: 56-44%

Center City: 68-32%

Chisago City: 49-51%

Chisago Lakes (N): 53-47%

Chisago Lakes (S): 48-52%

Lent: 65-35%

Lindstrom: 47-53%

North Branch (P-B): 50-50%

North Branch (P-C): 51-49%

Shafer (P-A): 59-41%

Stacy: 54-46%

Sunrise: 63-37%

Taylor Falls: 48-52%

Wyoming: 59-41%

Congratulations, Rep.- elect Neu!

EARTH WORST

Rather shocking, yet not surprising news, emerged this week when news reports showed the ecological disaster left behind by the "water protectors" protest encampment near the Dakota Access Pipeline site.

Government officials in charge of cleaning up after these slobs, estimate they left behind nearly 200 vehicles, many inoperable and burned out, along with 4.5 million pounds of waste.

Officials estimate there's enough garbage left behind to fill 2,500 pick-ups.

With warm weather approaching, there's a danger the encampment will flood, washing the debris into the Cannonball River and other waterways.

That would be the very same waterways the protestors claimed they were protecting, as they marauded around the area vandalizing and attacking project workers.

Amazingly, Governor Doug Burgum says he doesn't know who will pay for the clean-up.

This publication has a guess.

It's stunning that these protestors would be allowed to simply walk away, leaving taxpayers holding the bag.

Governor Burgum says he's hoping for a federal disaster declaration to open resources to clean up the colossal mess.

Read that again. A federal disaster declaration to clean up after these people.

The takeaway here is that our entire nation would look like this encampment if these liberals ruled society.

THE DOMINOS FALL

Both Michele Kelm Helgen and Teddy Mondale resigned from their six-figure taxpayer-funded jobs yesterday, bringing what was inevitable to fruition.

Given the political favoritism, incompetence, and graft uncovered at the stadium, there was no way the two political appointees at the center were going to survive.

As usual, Governor Dayton displayed his tone deafness and simply stood by while the controversy boiled over, dismissing the concerns as mere politics.

Millions of Minnesotans and a strong bi-partisan coalition of legislators disagreed.

The resignation came just after a strong 17-1 committee vote to advance legislation reforming the board that ran the show.

Odds are Dayton will continue to resist this legislation and once again leave all of us scratching our heads.

February 24, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "I feel like another white man from Saint Cloud should probably be quiet."

- Justin from Saint Cloud, Freeway Protest Supporter

"This is nothing but white supremacy in our face."

- John Thompson, Black Lives Matter

FREEWAY FOLLIES

The GOP, led by State Rep. [Nick Zerwas](#), has hit yet another political masterstroke with their [bill](#) to enhance penalties for those who block access to freeways, airports and other public rights of way.

This is so for two reasons.

First, this is an 80-20 issue for the public, with 80% in favor of the bill.

The vast majority of Minnesotans intuitively understand that shutting down freeways and airports is dangerous, inconvenient and selfish.

They agree that there are good reasons for making freeways off limits to pedestrians, regardless of the reason for being there.

Courts have time and again declared public spaces like roads and bridges "non-public" forums, meaning you just don't have a damn right to protest or otherwise assemble there.

Second, the 20% who think freeway shutdowns a good idea have conducted themselves in a manner that is repugnant and abhorrent to most Minnesotans.

That boorish behavior was again on full display this week during a House hearing when opponents of the bill hooted, hollered, and otherwise frequently disrupted the proceedings, putting on a juvenile display worthy of any Kindergarten gym class.

Even more offensive was the testimony of many of the witnesses, who personally attacked Representative Zerwas, hurled insults at the committee, and otherwise displayed an utter lack of civility. All on television, no less.

Among the parade of bad actors, two individuals stand out was their particular brand of invective.

The first was [Clint Connor](#), a lawyer for the downtown Minneapolis firm of Dorsey and Whitney.

Mr. Connor, brimming with the self-assured arrogance and condescending tone one would expect from a downtown lawyer, proceeded to express his opposition to the bill by personally attacking Rep. Zerwas.

Connor chose to attack him by bringing up a legal incident from 2014 in which Zerwas was arrested for DUI and speeding.

Of course, the incident had nothing to do with the merits of the bill was only designed to attack the author and score some brownie points with the assembled mob.

Apparently, Connor's law school didn't teach him the logical fallacy of the ad hominem attack.

You can view Mr. Connor's antics at approximately 1:23:30 of the [video](#).

The other improvident guy to appear before the committee was John Thompson of Black Lives Matter.

Thompson, who has put on this embarrassing monologue before, excoriated supporters of the bills as racists, practitioners of white supremacy, and owners of white hoods.

To label his rhetoric as irresponsible would be just a wee bit of an understatement.

He accentuated his diatribe with wild gestures while shouting at the top of his lungs into the microphone.

You can view those antics at 1:37:30 of the video.

In the end, the committee voted along strict party lines to pass the bill.

Throughout the process, committee votes have divided along party lines, putting the GOP with the 80% and the DFL with the 20%.

Hey Democrats, you have lost the White House, the Congress, and thousands of legislative seats across the country.

Standing with people who feel entitled to disrupt commerce, endanger others, and block roads needed for emergency services like police and fire doesn't help the cause.

Then again, these are the same folks poised to elect Keith Ellison to lead their party.

PIPELINE EVICTION - FINALLY

The rule of law was finally restored this week on private land that was occupied by Dakota Access Pipeline protesters who were forcefully evicted by law enforcement off land they weren't entitled to occupy in the first place.

Many of the protesters resisted removal by committing acts of arson, hurling Molotov cocktails at police, and even firing guns, as two were arrested for firearms offenses.

Like many of the testifiers on the freeway protest bill, many of the inhabitants of the illegal protest encampment conducted themselves as self-centered, childish, entitled brats.

They attempted to justify the deplorable behavior by simply declaring their cause so righteous that it justified any behavior supporting the cause.

Even the last chapter of this sordid affair left a bitter taste in the mouth of mainstream, rationale citizens.

Protesters leaving the site were bussed to an "assistance center" in Bismarck, where they were showered with a suite of benefits including:

- Snacks
- Food vouchers
- A health and wellness assessment
- Hotel lodging

Taxi service
A bus ticket home

The governor's office declared that this "free" service was meant to provide protesters with "support as they prepare to return home."

Free, governor? Free to whom, sir? Free to the law-breaking protesters, but not likely free to North Dakota and federal taxpayers.

These protesters aren't worthy of one penny of support.

In fact, they should be held accountable for the cost of cleaning up their mess, the cost of law enforcement services to babysit them, the cost of replacing the equipment they destroyed, and the cost of delays to the pipeline project caused by the protests.

Rewarding this behavior is exactly what's wrong with this country.

North Dakota Governor Doug Burgum, you're a buffoon.

SUNDAY SALES

You can put the Watchdog firmly in support of Sunday liquor sales.

Threatening a business owner with jail time for simply opening his doors on a Sunday is ridiculous.

Forcing consumers to drive to Wisconsin on a Sunday doesn't make sense.

Even worse, it's bad public policy to keep this law in place simply because some liquor store owners are rent seeking by openly declaring that a ban of Sunday sales helps their bottom line.

Sorry to say, but it's not the job of government to threaten your competitors with jail in order to boost your margins.

While the legislature is at it, it's time to get rid of some other laws, including a ban on Sunday car sales and the requirement that local units of government must post legal notices in print.

It's all called rent seeking, folks.

And it stinks.

March 3, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "We are at a 'where were you?' moment in American history: Where were you in 2017 when we had the worst President in US history?"

- DNC Chairman Tom Perez

ROOTING AGAINST AMERICA

The hatred and vitriol directed against the President of the United States is nothing short of vile and breathtaking.

Donald Trump has been in office all of six weeks and Democrats and the Legacy Media can't do enough to declare him a failure.

There are regular news articles featuring some picayune factual inaccuracy, an alleged argument among staffers, a forlorn voter from rural America who is still "waiting" for Trump to magically make jobs, prosperity, and manna rain from heaven - in six weeks.

This publication recalls when anyone who dared criticized President Obama's failed policies was decried as one who was "rooting against America."

Seven years into Obama's failed administration, the media constantly counseled Americans to exercise patience as Obama tried to do what was then called the "impossible" job of president.

Now, Trump had best snap to it weeks into his presidency.

Thank goodness President Obama always had his facts right.

Like when he noted the port of Charleston, SC being on the Gulf of Mexico.

Or when he declared that the United States was 250 years old. In 2016. Do the math on that one.

Or when he stated that mass murderer Adam Lanza obtained his guns legally. He did not and he actively evaded background checks.

But hey, go ahead and rip on Trump.

Of course, President Obama also delivered on all his major campaign promises as well.

Like cutting the deficit.

Improving race relations.

And that whole keeping your doctor thing.

Eight years for that and not eight months.

And remember when Leon Panetta went after Obama himself for not doing more to keep troops in Iraq? Yeah, it was one big happy family in that administration.

It's clear the media is simply doubling down on attacking Trump since he's the only guy in modern times to push back forcefully against the inherent media bias.

The media portrays the situation as one in which Trump is attempting to destroy a free and independent media.

He isn't. That free and independent media was destroyed long ago in the boardrooms of the very media outlets now complaining.

The New York Times, CNN, and other legacy outlets dispensed with objectivity years ago.

Indeed, a free and independent press is vital to a free republic.

We have lost that, but Trump isn't to blame. He's only calling that spade a spade.

MORE PERNICIOUS POLITICAL PALS PLAGUE PLANET DAYTON
Scandal. Dayton political appointee embroiled in controversy. Caught red-handed abusing the public trust.

The Vikings stadium?

Nope.

The Department of Commerce. The state agency charged with safeguarding Minnesota consumers.

And it isn't the first time.

Way back in 2014, it came to light that Community Action of Minneapolis (CAM), a non-profit, had misspent over \$1 million in heating aid funds meant to assist those in need.

CAM was chosen to manage and distribute the taxpayer dollars meant to help people pay their heating bills.

Department of Commerce staff had been raising concerns over CAM's financial practices since 2011.

Commissioner Mike Rothman, a DFL political appointee, had ignored the warnings because, he noted at the time, "the political ramifications are greater than staff would understand."

Just last June, the CEO of Community Action of Minneapolis, Bill Davis, plead guilty to 16 counts of fraud and theft in connection to his actions as leader of CAM.

Davis used CAM funds to take a trip to the Bahamas, pay for home improvements, and other assorted personal gains that totaled over \$800,000.

Worse, some of the funds were used to pay his son for a "no show" job.

Now a new scandal has arisen.

This week, a federal judge issued a scathing decision that essentially ruled that the Department of Commerce (DOC) engaged in a baseless, frivolous investigation of Safelite Auto Glass.

The judge found that DOC sought to "kick out" Safelite from Minnesota, based on the meritless complaints of competitors of Safelite.

The judge was quite merciless in her analysis of DOC's investigation:

"Here, the DOC produced no empirical evidence (e.g., expert testimony, studies, or even anecdotal evidence) of consumer deception or confusion related to Safelite's "may be balance billed" statements. In fact, it received no consumer complaints at all about Safelite's claims administration services. This lack of evidence-combined with the Minnesota Shops' aggressive lobbying (which was plainly motivated by their desire to eliminate Safelite as economic competition) and the DOC's "concerns" about Safelite's refusal to comply with its subpoena-calls into question the DOC's purported interest in preventing consumer deception."

The court ruled that the DOC violated the First Amendment rights of Safelite:

"The DOC's prohibition on Safelite's use of 'may be balance billed' statements violates the First Amendment and thus the Consent Order is unenforceable."

The judge further noted that DOC engaged in an "unjustified" investigation based on "financially motivated complaints from competitors."

Even worse, the judge found that an employee of DOC engaged in a "deal" to provide information on Safelite to "kick them out of Minnesota."

When confronted by KSTP, Commissioner Rothman steadfastly refused to answer questions.

Check out this hilarious [video](#). He looks just like all those DFL cronies who got caught using suites for Vikings games.

Of course, we can't expect Governor Dayton to fire Rothman, despite him presiding over not one but two huge scandals.

But that's okay. State Reps. Kelly Fenton (R - Woodbury) and Tony Albright (R - Prior Lake) are on the case.

They have called on Rothman to be canned and they will hold him and the DOC accountable.

In fact, they should call on the Office of the Legislative Auditor to investigate the DOC just as they did the Vikings scandal.

It seems the OLA has a full time job these days keeping after Mark Dayton and his band of merry scammers.

March 10, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "A democracy is always temporary in nature; it simply cannot exist as a permanent form of government. A democracy will continue to exist up until the time that voters discover that they can vote themselves generous gifts from the public treasury. From that moment on, the majority always votes for the candidates who promise the most benefits from the public treasury, with the result that every democracy will finally collapse due to loose fiscal policy, which is always followed by a dictatorship.

The average age of the world's greatest civilizations from the beginning of history has been about 200 years. During those 200 years, these nations always progressed through the following sequence: From bondage to spiritual faith; From spiritual faith to great courage; From courage to liberty; From liberty to abundance; From abundance to selfishness; From selfishness to complacency; From complacency to apathy; From apathy to dependence; From dependence back into bondage."

- Primarily attributed to Alexander Fraser Tytler

FEES, SUBSIDIES, FTEs

Greetings, Watchdogs. Here we are, the middle of the 2017 legislative session.

Thus far, things have been relatively quiet overall, especially regarding the major spending bills, which will be unveiled in the coming days and weeks, starting with the release of "budget targets," which are instructions from House and Senate leadership to their finance chairs regarding how much money they have to spend in the program area.

These targets will set the stage for the defining issue this session: how much government will spend, and therefore, how much government will grow.

With a record number of bills introduced, it has been hard to get a read regarding where the Republican-led House and Senate will take Minnesota government.

On the one hand, this publication is encouraged by the many bills introduced to reduce government spending and recognize that tax relief is more than needed, especially after Governor Dayton's tax and spend orgy of recent times.

Taxpayers especially need to pay attention to the budget target given to the Tax committees in each body, which will tell citizens how much of the bulging \$1.6 billion budget surplus will be allocated to tax cuts.

We also be watching the other budget targets to see how much additional money is given to programmatic spending areas, thereby growing government.

That is especially true in the areas of Health and Human Services and Education, two of the whales in terms of government spending.

The Republican brand ultimately rests on limited government and enhanced individual liberty.

The primary way this commitment is displayed is by lawmaking that honors those core values.

Bills contrary to these bedrock principles sully the brand, position the GOP as merely "DFL-Lite," and will ultimately doom the party to minority status.

Just as importantly, Watchdog need to pay careful attention to bills that impose or raise fees, offer market-distorting subsidies, or grow government by adding to the state employee count.

It's rather troubling to read through bill introductions and see numerous bills that do precisely these things.

For example, there are over 500 bills that have been introduced this session that contain a reference to "fees."

To be sure, many of these bills cut fees or were introduced by Democrats, who have no issue raising fees on taxpayers.

For example, there is a bill to raise the "fee" on electric vehicles by \$125, with no corresponding cut to make the bill revenue neutral.

There's another bill to raise fees when a car is purchased.

Is the cost imposed by government to purchase a car or truck not enough?

Perhaps the most egregious example of fees run amok is a bill to impose a whopping \$21 MILLION "fee" on drug manufacturers for certain medicines they sell in Minnesota.

Republicans rightly ran, front and center, on a message that healthcare is too expensive.

Raising the cost of healthcare by \$21 million shreds that core message.

And guess who will pay that \$21 million? If you guessed sick people who use those medicines, you would be correct.

In addition to the 2016 electoral message, Republicans have railed for many years against the healthcare provider tax, rightly dubbed the "sick tax."

What we have here in this bill is a "sick fee."

This bill is especially offensive in this budgetary environment.

The Health and Human Services budget already eats over 28% of the general fund.

Moreover, the state is sitting on a massive budget surplus.

A sick fee is simply out of line.

The Watchdog and our friends at the Taxpayer's League of Minnesota will be watching for fees in general and this bill in particular.

Stay tuned.

The second area to watch is market-distorting subsidies, which often equate to little more than corporate welfare.

Here, two examples are instructive.

The first is "workforce housing." Not to be confused with "affordable housing," workforce housing is a government subsidy to build housing for workers in

particular regions of the state under the rationale that somehow capitalism is broken in these corners of Minnesota and the classic supply-demand curves can't reach equilibrium without taxpayer dollars.

The plea goes something like this: Business XYZ is going great guns, expanding like mad.

The only trouble is that they can't find workers because housing is so expensive the workers can't afford to pay for the basic human necessity of shelter.

Instead of a failure of capitalism, this issue appears to be one of low wages.

The inability of workers to locate close to these employers is a market signal that wages should rise.

Thus, the workforce housing monies become little more than a subsidy to companies that don't want to pay more for labor inputs, even though the market is signaling for them to do so.

Thus, it's a form of corporate welfare.

Moreover, there's the philosophical issue of using taxpayer dollars to artificially depress wages.

The economic data over the last 25 years clearly shows that in real terms, blue collar wages haven't even kept up with inflation.

These workers don't need a housing hand out. They need a good job at a fair, market-driven wage.

A second issue is rural broadband, the public policy of providing heavy government subsidies to bring Internet to rural homes and businesses.

Good public policy or boondoggle?

The jury is still out on that big question, but many smaller and important issues apply here.

First, government is rarely more efficient than the marketplace. Some technology experts have questioned the decision to bring land-line cable to

these homes. In many areas around the world, including the Third World, wireless Internet services have eliminated the need for the heavy infrastructure of land lines.

Second, some Republican legislators are reporting to the Watchdog that while cable is being brought to homes and businesses, many are electing not to hook up. It's one thing to bring the horse to water, but is the horse drinking? Based on our sources, it isn't happening as much as predicted.

Third, those same sources are reporting that many broadband grants are being used to hire companies on "no bid" contracts.

A review of state statutes shows that there is no requirement that grantees go out for competitive bids in doing the work to bring broadband to homes and businesses.

To be clear, there aren't allegations that this practice is resulting in illegal or unethical behavior.

The point is that competitive bidding forces those contractors to sharpen their pencils and ensure that taxpayers are getting the best value for the dollar.

For good reason, most government contracts require a "request for proposal" process whereby projects bids are solicited to create competition in the process.

Why that isn't required for broadband is puzzling to say the least.

Finally, there are a number bills out there that increase the head count in state government.

In Minnesota, two of three largest employers are government.

Over the next 10 weeks, the Watchdog will be closely monitoring all legislation to determine how that legislation comports with the twin values of limited government and enhanced liberty.

March 17, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "There are gobs of money pouring into the state coffers. It is time to give the money, and some relief, back to the workers in this state, the farmers, the small businesses."

Sen. Roger Chamberlain (R - Lino Lakes), Chairman of the Senate Tax Committee

Quote of the Week: "We're asking ... if the patient has commercial insurance, or they're Medicaid or Medicare patients and they're equal, that we prioritize the commercial insured patients enough so ... we can be financially strong at the end of the year to continue to advance, advance our mission."

Dr. John Noseworthy, Mayo Clinic CEO

Editor's Note: The entire Watchdog readership is sending well wishes to state Senator Warren Limmer (R - Maple Grove). Limmer suffered a minor heart attack recently but is now back at work in Saint Paul, working for limited government and enhanced liberty. Get well, Warren!

Editor's Note: Happy Saint Patrick's Day to our readers of Irish heritage!
In This Issue:

THE TRUMP BUDGET

President Trump released his first proposed budget this week, to the typical howls of protest from Big Government Republicans and Democrats alike, meaning most of them in Washington.

In fact, much of the criticism of the budget plan comes from Republicans, who are concerned that their pork is at risk.

Don't tax you, don't tax me. Tax that man behind the tree.

"I am disappointed that many of the reductions and eliminations proposed in the president's skinny budget are draconian, careless and counterproductive," whined Rep. Hal Rogers of Kentucky.

Rogers has been in office since 1981, serving as an accomplice to the exponential explosion of the national debt and endless budget deficits.

Drain the swamp.

Fundamentally, Trump's budget is simultaneously a big deal and a really small deal.

It's a small deal because his budget leaves entitlement spending (e.g. Social Security, Medicaid, Medicare) un-touched.

These programs constitute nearly 75% of federal spending and are all on unsustainable fiscal pathways to bankruptcy.

It's hard to describe any budget that fails to tackle the most important fiscal problem in such sweeping terms as we've seen. "Draconian." "Game changing." "Hard power." "Careless." "Devastating."

Hardly.

It's too bad that a president who was elected precisely because he vowed to reject "politics as usual" is now engaging in that time-honored Washington tradition - kicking the can down the road.

Of course, Republicans will be assured behind closed doors that the president will tackle these issues at some later point.

We will all be counseled that we need to be patient.

Did we mention politics as usual?

Any budget that fails to address runaway entitlement spending is weak, by definition.

On the other hand, Trump's budget is in some ways quite bold in that he proposed deep cuts or the elimination of many discretionary programs, something that Washington hasn't even attempted in decades.

What's unfortunate is that proposing cuts in discretionary spending or eliminating obviously un-needed programs is considered "bold" or "Draconian," depending upon one's view.

That's a bit of a tallest Pigmy contest.

The \$1.1 trillion budget proposal (this excludes the \$3 trillion in entitlement spending) increases defense spending by \$54 billion and makes a host of cuts:

Environmental Protection Agency: 31%
State Department: 28%
Housing and Urban Development: 13%
Department of Transportation: 13%
Department of Health and Human Services: 18%
Department of Education: 13%
Department of Labor: 20%
Department of Agriculture: 20%
Department of Commerce: 15%

These cuts are fully justified and this publication hopes President Trump will hold firm in these cuts.

Expect to hear over the next few weeks and months a chorus of wailing from aggrieved constituencies who will use their lobbyists and PR firms to tell you just how awful the cuts are and how the world will end and puppies will die if one penny is cut from their program.

This is the essence of the problem with Big Government. Every program develops a constituency that benefits from the pork served up. That constituency often gets politically sophisticated and finds ways to keep programs alive long after they have outlived their stated public policy purpose.

Take the Essential Air Service Program. This program, slated for elimination, was conceived 40 years ago as a "temporary" to provide taxpayer subsidized air travel back when flying was expensive and the province of the wealthy, both for business and pleasure.

Of course, air travel today is nothing like it was back 40 years ago when it was a heavily regulated industry.

One can now fly budget to international destinations.

Or take the Corporation for Public Broadcasting. This program was designed to offer diversity in television programming decades ago when nearly every American had access to only a small handful of networks.

Then came cable and satellite, offering literally hundreds and hundreds of channels of all kinds of programming.

Today, we've moved beyond television and programming is now streamed across electronic platforms that offer every conceivable offering.

Simply put, there is no justifiable need for taxpayer-financed television programming.

That's just two examples of the hundreds and hundreds of programs designed to do little more than filter pork to prized constituencies. And you wonder how we ended up \$18 trillion in debt.

And remember, this doesn't even look at entitlement programs.

Ever heard of these programs?

Appalachian Regional Commission
The 21st Century Community Learning Centers program
Corporation for National and Community Service
Delta Regional Authority
Denali Commission
McGovern-Dole International Food for Education program
United States Institute of Peace
Woodrow Wilson International Center for Scholars

Do yourself a favor and look at this list of [pork!](#)

The bottom line is that this is the most taxpayer-friendly budget in decades.

That's a fact.

BILL OF THE WEEK

Congratulations are in order to State Rep. [Jen Loon](#) (R - Eden Prairie), who this week passed off the House floor her teacher tenure reform bill.

The bill allows school districts to consider factors other than seniority in making layoffs.

Minnesota is only one of six states that make seniority the sole factor in making layoffs.

The system, known a "last in, first out," obviously has nothing to do with teacher quality and only honors who has had their butt in the chair the longest.

The bill passed 71-59 and moves to the Senate.

Talk about common sense. Talk about good public policy.

Again, congrats to Rep. Loon on her great bill.

March 24, 2017

Public Policy Commentary

In This Issue:

"I was a Bernie Sanders delegate, but I'm starting to understand what middle America was saying when they said Government keeps messing with their lives."

- Minneapolis resident

"Housing is a civil right and entitlement and it is our job as regulators of businesses operating in our city to see that everyone has a fair shot at it."

- Minneapolis City Councilmember Lisa Goodman

SLOUCHING TOWARDS SOCIALISM

While there is a lot of attention focused on Saint Paul these days, Watchdogs should keep an eye on Minneapolis.

Yeah, we know that most of our readers don't care about Minneapolis. You would never live there, you moved out years ago, etc.

That all may be true, but it's the largest city in the state and an economic engine whose collapse would bode ill for the entire state.

It's not an island unto itself.

While the city has been a bastion of whacko liberalism for many years, things are getting downright unsustainable.

Mandated paid time off, the \$15 minimum wage, plastic bag bans.

Heck, even uber liberal councilmember Alondra Cano is being challenged from the Left!

Now, the city council is poised to pass an ordinance that would force landlords to rent to Section 8 welfare recipients.

So much for property rights.

There are many reasons landlords don't want to rent the property they privately own to Section 8 recipients.

One is that many have experience with Section 8 renters being poor tenants in terms of vandalism and not following rules, which decidedly has nothing to do with race, religion, or sexual orientation.

Another is that these landlords don't want to deal with the red tape and bureaucracy of the Public Housing Authority, which again, has nothing to do with racism, sexism, ageism, and any other "ism" one can name.

Such government overreach has become the norm in our major cities.

The justification for this overreach is the new found "right" of housing.

Yes, apparently the constitution is now read to guarantee that government owes everyone a home.

This, in addition to the "right" of healthcare, transportation, a college education, preschool, organic food within two blocks, midnight basketball, and being free from words that hurt.

As Minneapolis councilmember Lisa Goodman said, "Housing is a civil right and an entitlement."

And many wonder how Donald Trump was elected.

Be thankful you don't live in Minneapolis.

CAPITOL UPDATE

This week is "omnibus" bill week at the Capitol, meaning that finance committees are now rolling out budget bills that lay out each body's spending proposals for the upcoming two-year budget cycle.

While some committees like Health and Human Services have yet to unveil their budgets, most committees have introduced their bills, setting the stage for conference committee negotiations between the House and Senate to match their bills and then the main event - negotiations with the governor.

Space limitations prevent detailed dives into each budget bill, many of which run into the hundreds of pages, but broad themes can be discerned from the budget "targets" given to the various committees.

Taxes constitute one of those important areas. With a \$1.6 billion surplus, the GOP majorities in both the House and the Senate have focused a large portion of the budget surplus on tax relief.

The Senate has proposed \$900 million in tax relief while the House has proposed \$1.35 billion in tax relief.

The governor has proposed a puny \$300 million in tax relief.

Another major issue area this session is transportation. The Senate GOP has proposed a \$3.6 billion package focused on roads and bridges while not offering a gas tax.

The House GOP put forward a \$6 billion plan, also focused on roads and bridges, with no gas tax as well.

Both bills also seek to put limits on the white elephants known as light rail.

Of course, the Dayton transportation plan looks nothing like any of that, especially with his obsession with the gas tax.

As readers know, this publication has frequently pointed out that the gas tax is one of the most regressive taxes out there, one that hits the poor very hard.

Moreover, it's not needed with a \$1.6 billion surplus available to legislators to use as they prioritize.

Another interesting feature of the legislative transportation bills is the use of auto-related taxes for transportation instead of simply going into the general fund.

This policy decision makes sense for a couple of reasons.

First, the taxes at issue are indeed auto-related, such as the tax on auto parts or tires. There is a reasonable and logical nexus between the tax and the intended purpose.

Moreover, these dollars are general fund dollars and available to legislators to spend, again, as they prioritize.

There are some groups, namely the teachers' union, running about claiming that this re-dedication of tax dollars is "stealing" from education and health care.

Hardly. A lie, in fact.

That money isn't "owned" by the education or healthcare budget.

It's available for any lawful/constitutional issue the legislature deems fit.

Watch for a liberal smear campaign upcoming on this subject.

The radio ad will urge concerned citizens to "call their legislator and tell him not to steal from the children!!!"

The GOP in both bodies has quality spending bills all the way around.

We wish them well as they prepare for fiscal battle with Governor Dayton.

OBAMACARE DRAMA

There is high drama in Washington as this edition goes to press regarding the repeal and replacement of Obamacare.

For some conservatives in the House, the porridge is too cold while for some RINOs it's too hot.

President Trump has handled this issue well in a test of his new presidency.

He has called for a vote and has dared recalcitrant Republicans to vote against a central campaign promise.

It's time for the holdouts to get over personal grievances and deliver on the promise.

The American people were promised a replacement for the vile Obamacare program and they deserve it.

President Trump has rightly called the question and noted that the result of failure will be the perpetuation of Obamacare.

Republicans just can't help snatching defeat from the jaws of victory.

Just get it done.

The legislation can be amended and improved over time.

Don't let the perfect be the enemy of the good.

Get rid of Obamacare and deliver on what was promised.

March 31, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "They have the potential to be the worst team in baseball."

- Anonymous baseball scout, on the 2017 Minnesota Twins

Quote of the Week: "The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no Warrants shall issue, but upon probable cause, supported by Oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized."

- Fourth Amendment to the Constitution

Quote of the Week: "No person shall be held to answer for a capital, or otherwise infamous crime, unless on a presentment or indictment of a Grand Jury, except in cases arising in the land or naval forces, or in the Militia, when in actual service in time of War or public danger; nor shall any person be subject for the same offence to be twice put in jeopardy of life or limb; nor shall be compelled in any criminal case to be a witness against himself, nor be deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use, without just compensation."

- Fifth Amendment to the Constitution

CRONY CAPITALISM, GANGSTER GOVERNMENT

It's that time of year. With spring in the air and calendar turning to April, it's time to waive the Minnesota Twins hello and goodbye.

"Hello" in the sense that the season will start next week and Minnesotans can look forward to the Boys of Summer.

"Goodbye" in the sense that any hopes of winning baseball are already out the window.

Heck, any hopes of competitive baseball are out the window.

The hometown 9 are just one year removed from a franchise record for losses (103) and the worst record in baseball that year.

Recall that the taxpayers were told that the Twins needed a new stadium to be competitive.

In 2006, the taxpayers ponied up \$400 million.

So what did they get?

Since that time, the team is 501-633, well below the .500 winning percentage standard.

Attendance has plummeted from 3.2 million in 2010, the stadium's first year, to 1.9 million last year.

But guess what has gone up during that time?

How about the value of the team?

In 2009, the team was valued at \$356 million.

Today, the franchise is worth an estimated \$910 million.

That a whopping appreciation of 255%!

That's a better return than what the Pohlads got from their Wall Street investments, to be sure.

Moreover, the team has flat-out lied to the public regarding claims that they needed a new stadium to "field a competitive team."

Last October, a Twins spokesman said the following about the claim, "We said the ballpark would be an important piece to our overall product. No doubt the on-field play has been disappointing and we are taking appropriate measures to address the problems. We never stated a new ballpark would guarantee a competitive team, we did say the new ballpark would provide revenues aimed at helping the Twins compete."

Is that so?

During the 2006 campaign to win a taxpayer-funded ballpark, here's what the team's website said about the need for a new stadium:

"In 2002, 2003 and 2004, the Twins finished in first place in the American League's Central Division; nevertheless, the revenues they were able to

generate in the Metrodome ranked only 25th out of 30 major league franchises. This is due to the configuration of the Metrodome as a football facility, as well as the lease limitations on major revenue streams such as advertising, suites and parking. This will result in the team's inability to field a competitive team and offer fans an exciting Major League Baseball experience over the long-term."

So, yeah, the Twins lied to get a new stadium funded out of the public fisc.

They wrangled a new stadium in order to increase revenue, which was clearly designed to do nothing more than enrich the Pohlads by enhancing the team's value.

In 2010, team revenues were \$158 million.

They are now \$240 million a year.

And here's one more factoid: the Twins have the third highest average ticket price in the American League.

Crony Capitalism.

The cousin of "crony capitalism" is "gangster government."

Gangster government is government that trammels constitutional rights and steals things, tangible and intangible, from the citizenry.

Besides the IRS, there is probably no more offensive weapon in gangster government than "civil asset forfeiture" (CAF).

Civil asset forfeiture is a device that allows law enforcement to seize the assets of the citizens suspected of being involved in crimes, and it's big business.

According to the United States Justice Department, law enforcement has seized over \$4 billion in cash alone since 2007.

Amazingly, over \$3.2 billion of the seized cash was taken via administrative procedures, meaning that no civil or criminal charges were filed against the owners and no judicial review of the seizure took place.

Keep in mind that this report didn't report the value of other items seized, like cars, homes, electronics, etc.

The concept of private property lies at the heart of our constitutional government.

It underpins the rule of law and forms the cornerstone of our economic system.

In large part, our laws and courts are designed to protect private property rights and recognize those rights as inherently intertwined with our other inalienable rights and liberties.

Thus, when government seizes property in the absence of criminal or even civil charges and there is no judicial review, we have nothing more than a constitutional crisis.

It matters not that some of the citizens who have experienced this injustice are less than sympathetic people.

There is no doubt that some of these people are involved in criminal activity.

Some obtained their cash dealing drugs or stealing.

It doesn't matter because another sacred legal concept is equality under law and due process for all.

If we sit back and allow government to pick winners and losers with respect to constitutional rights, we have slouched towards totalitarianism and a banana republic.

There is a very simple but powerful principle at issue here: government may not deprive any citizen of life, liberty or property without due process of law.

Government may not arbitrarily steal stuff, whether it be cash, freedom, or even Twins tickets.

In addition to crony capitalism and gangster government, there is the odious practice of plain old government waste.

This week, the Office of the Legislative Auditor (OLA), released an audit of the state's welfare eligibility practices.

As one might expect, counties are failing to engage in proper procedures to vet applicants with respect to welfare eligibility.

For example, sample testing revealed that nearly half of recipients were granted benefits despite there being a lack of proper documentation regarding items like assets, income, and family relationships.

The audit also found that counties also in many cases failed to reduce benefits when recipients failed to meet child support obligations.

Moreover, the audit also found that approximately 10% of sampled cases showed that ineligible recipients were receiving medical benefits.

Your tax dollars at work.

Hold your legislators accountable, and ensure that they are working to limit the growth of government.

April 7, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "The DFL's control of Minneapolis for decades has yielded some of the worst racial and economic disparities in the country."
- Nekima Levy-Pounds and Raeisha Williams, candidates for Minneapolis mayor and Ward 5 city council, respectively

Quote of the Week: "Women of color, especially, are often discouraged and sometimes even blocked from pursuing political office by DFL leaders and insiders. The DFL endorsement process ... severely limits the possibility of viable candidates of color from competing for office during November elections."
- Nekima Levy-Pounds

Quote of the Week: "Through my experience with the DFL, I have witnessed the means that they will take to silence the voices of black women running for political office."
- Raeisha Williams

CAPITOL UPDATE

Greetings, loyal readers. It's been a week of strong activity at the Capitol, with much to report.

As this edition is disseminated to your inbox, the House and Senate have passed all "omnibus" appropriations bills off the floor of each body, with the exception of the House's Health and Human Services (HHS) spending bill. That bill will be debated and passed today.

Starting this evening, the legislature will move into break until April 17th.

Watchdogs, this break period is an excellent time to contact your legislator and let them know that you expect them to fight for limited government and individual liberty.

Over the break, many legislators will hold town hall meetings or attend other public events.

This is your opportunity to check in with your state Representative and senator.

If you don't know who represents you, shame on you. You're failing your civic duties. But you can find out right [here](#).

Next, go to your legislator's [web page](#) and click on "town hall meetings."

With omnibus bills passing each body, the legislature will come back after the break to establish conference committees to work out differences between the House and Senate bills and reach agreement with conference reports.

After those conference reports are passed in each body, they will be sent to Governor Dayton, where they will become law or be vetoed.

They conventional wisdom is that they will be vetoed, setting the stage for a second round of negotiations, this time between legislative leaders and the governor, with the hope that these negotiations will conclude with budget bills that pass before the session ends in late May.

Otherwise, Minnesota will be looking at another special session and possible shutdown situation.

What's interesting, however, is that many of the omnibus bills passed the House and Senate with bi-partisan support, some with strong bi-partisan support.

For example, the House Agriculture Finance bill passed unanimously.

In fact, every Senate omnibus bill passed with DFL votes.

It will be hard for the governor to craft a credible alibi for vetoing "extreme" bills based on "alternative math" when DFL legislators voted on the record for those bills.

Moreover, this publication finds it just a bit ironic that the governor labels any legislative spending bill with "fuzzy math." After all, he was the guy who built a \$1 billion football stadium with those "e-pull tab" revenues that fell short by 95%.

Stay tuned.

BONUS BUFFOONERY

If it's a new month, there must be a new Dayton administration scandal, once again revealing his administration's contempt for the taxpayer.

In this month's [scandal](#), the Office of the Legislative Auditor (OLA) is investigating the administration's possible abuse of an employee bonus program, known as "Gainsharing."

Essentially, the program is designed to provide a financial incentive to these employees to find savings in state government. The theory goes that once those savings happen, the employee will share in the efficiency "gain" by getting a financial cut of that gain.

Thanks to the work of state Rep. Jim Nash (R - Waconia), it appears that the program has become little more than an employee bonus program.

One state employee, for example, received a bonus for "above and beyond performance. all with a smile."

Many of the gainsharing bonuses failed to quantify any savings.

Amazingly, Dayton's appointee in charge of overseeing the program, declared that "it's not possible" to document actual savings.

OLA chief James Nobles, who will oversee the investigation, rightly observed that, "You're supposed to be able to demonstrate, document that there were actual savings."

Another month, another scandal.

FAUX OUTRAGE

A legislator who has been on our Watch List for many years, state Rep. Melissa Hortman, has made the national news this week.

Hortman, in a move of admittedly political genius, [manufactured outrage](#) when she took to the well of the Minnesota House to "call out" her Republican white male colleagues for allegedly ignoring DFL women of color when those women were speaking.

During debate on the House floor, Hortman was recognized and rose to declare, "I hate to break up the 100% white male card game in the Retiring Room." She went on to bemoan the "wonderful" and "passionate" speeches that were "ignored."

Give us all a break. Please.

On any given day, the floor of the Minnesota House is abuzz with all sorts of activity, especially on long days with many and complex bills on the agenda.

Not every legislator is going to be sitting for hour upon hour in rapt attention, waiting for another liberal legislator, not matter race or gender, drone on and on at the microphone.

In what may be the best retort of the year, Rep. Greg Davids (R - Preston) wryly observed in the aftermath of the faked outrage, "First of all, the speeches weren't that good. They were amazingly repetitive and boring."

Bravo, Rep, Davids.

Legislators may leave the floor to meet with colleagues, visit the Senate floor, visit with governor's staff, or meet with constituents, some of whom drove many hours to see their legislator.

And yes, these legislators also need to take a break on occasion to eat, rest, or even visit the biffy.

While Hortman's stunt is pennywise, it may also turn out to be pound foolish.

For the same reasons just listed, many DFLers will likely want to be absent from some portion of floor debates moving forward.

That's too bad.

Rest assured, the GOP will be there, cameras on, ready to film the empty seats when GOP females themselves are speaking.

When Republicans are speaking, there better be 57 DFL butts in 57 DFL chairs, respectfully listening.

Otherwise, Hortman's stratagem will be revealed for what it really is.

Give Hortman credit. This is her "she persisted" moment, and one that has no doubt ginned up her partisans.

The down side is that she has now put her caucus in a bind that will make any 8-hour delay on the airport tarmac look fun.

If you're DFL, hope you don't have to pee anytime soon.

TRUTH TO POWER

Nekima Levy-Pounds is running for mayor in Minneapolis. While her worldview in many cases is contrary to that of this publication, she is a quite refreshing, authentic, and prescient voice regarding the coming crack-up of the DFL.

She has rightly seen that generations of DFL rule in Minneapolis has produced the same woeful results that DFL rule has produced across the country.

She has rightly proclaimed that the "inclusive" and "culturally appropriate" DFL is really an exclusive club reserved for leaders who patronize instead of empower.

More and more people of color are waking up to the reality that wealthy, urban elites who live in upscale, segregated neighborhoods and send their kids to elite, exclusive private schools are running the DFL as an exclusive club.

These are DFL power brokers who would never deign to live in the neighborhoods, attend the public schools, or ride the busses that serve many communities of color in the urban core.

Levy-Pounds has much to say on these subjects. We promise to never hold a card game while she's speaking!

April 14, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "You propose to establish a social order based on the following tenets: that you're incompetent to run your own life, but competent to run the lives of others-that you're unfit to exist in freedom, but fit to become an omnipotent ruler-that you're unable to earn your living by the use of your own intelligence, but able to judge politicians and to vote them into jobs of total power over arts you have never seen, over sciences you have never studied, over achievements of which you have no knowledge, over the gigantic industries where you, by your own definition of your capacity, would be unable successfully to fill the job of assistant greaser."

- Ayn Rand

ECONOMIC IMBECILITY

"'Job killing' Obamacare actually created 240,000 well-paying health care jobs."

-Rep. Keith Ellison via Twitter

Willful ignorance of basic economics is a prerequisite to liberal credentials, to be sure.

The High Priest, Ayatollah, Grand Shaman, and Professor Emeritus of Economic Ignorance is Congressman Keith Ellison.

Ellison burnished his credentials again this week by parroting a news story that claimed that Obamacare "created" 240,000 jobs in the health care sector.

This alleged "boost" to the economy happened because government essentially gave people money to purchase health care, which they did, which created the demand.

While more people purchasing health care may be a public good, it is rather facile to crow about the ancillary "job creation" aspect of things.

In the same vein, government could give citizens gobs of cash to buy life insurance. Think of the boost to the insurance industry.

Or government could give gobs of cash to citizens to buy food, cars, baseball cards, or dental floss.

The point is that this type of activity creates "work" and not "jobs."

What's the difference?

The difference is that jobs are created as a result of wealth creation and therefore market demand.

For example, engineers discovered a way to economically extract oil from shale rock.

Hence, thousands of jobs were created in the shale fields.

That's job creation.

When government diverts money from the private economy and simply recirculates it, that's not wealth creation and isn't true job creation.

Think about it. In the same way that government creates jobs in health care, government could do the same in accounting. Just add a few thousand more pages to the tax code.

Or create more jobs for lawyers by making it easier to sue people.

Heck, you could create jobs everywhere in this fashion.

Government could pay one group of men to go around breaking windows and pay another group to fix the windows.

One group could dig holes and the other could fill them.

One group could be paid to tell jokes and the other to laugh.

When government is "creating" the jobs, there are really no limits to the absurdity.

There are two cousins to this type of thinking.

One is the destruction of productive assets in the name of "stimulating" the economy, recently exemplified by the "Cash for Clunkers" program.

Get a government check for turning in your still-productive car to be destroyed.

Again, this program could be applied to any productive asset to "stimulate" demand.

Drag your couch out front and set it alight.

Blow up your grill.

Set your whole house on fire. Think of the ol' shot in the arm to the economy!

If the government hired people to engage in this destruction, you could really juice things.

These types of programs do little more than accelerate demand. At some point, that car or couch would be replaced, so the replacement just happens earlier. There is no wealth created, no prosperity created. It's economic alchemy.

The other variation of this thinking is the argument that government enhances the economy by hiring employees.

The theory goes that these employees will spend money in the economy and help government by paying taxes.

Uh, yeah.

The only problem with the theory is that these employees will be paid with dollars that were already in the economy, just in someone else's pocket.

Government seized that dollar via taxation and the threat of imprisonment, and then handed it over to a bureaucrat.

That bureaucrat is thus recirculating a dollar that was already in the economy and giving back in taxation what was already in the public fisc.

There are more Americans who understand Mandarin Chinese than understand basic economics.

THE DEDICATED FUNDING SCAM

When the legislature returns from recess next week, among the more important bills they will consider is the transportation omnibus funding bill.

Among the more important policy debates regarding this bill is the proposal from both the House and Senate to use general fund dollars to supplement transportation funding.

Basically, transportation in Minnesota is funded outside the general fund (e.g. the gas tax going directly into the transportation funding pool).

Republicans have proposed using transportation-related taxes (e.g. sales taxes on auto parts) to supplement the regular funding streams.

This proposal has caused many DFLers in Saint Paul to lose their minds.

The reason for this is quite simple.

If there is less money in the general fund, that means a smaller public trough for other special interests, namely Education Minnesota.

As we all know, there is never enough money in the till for this crowd. "Education" in their minds means nothing more than "how MUCH can we spend on education?" If there is one dollar less, that's a problem for this powerful, influential union. Therefore, it's a problem for many Democrats, who in turn get gobs of money from the union, that they got by forcing their members to pay dues, those members having got that money from government in the first place. Sounds a bit like money laundering, doesn't it?

Thus, let prepared to hear a loud hue and cry very soon about "stealing" from education, "draining" education funding, or "diverting" education funding.

As we also know, there isn't a lick of truth to this argument.

All resources are limited, including government dollars. There will always be more requests to spend government dollars than dollars the taxpayers can supply.

Thus, it is the responsibility of legislators to prioritize those scarce taxpayer resources.

That responsibility includes deciding how much money to appropriate for transportation and education, balanced not only against each other, but against other needs like public safety and human services.

When government makes these choices, it isn't "stealing" in any sense of the word. It's merely prioritizing.

Government, like any family, has a budget. Needs and wants are weighed and considered on a regular basis.

One year, the budget might spend large amounts on roofing because the shingles are worn out.

The next year, it might be a new furnace.

When the furnace needs to be replaced, it isn't stealing to go a bit lighter on the vacation fund. Priorities.

This year, the government "car" is broken and needs more money.

To act accordingly and put more money into transportation is smart and rational.

Yes, that means education may need to do with a smaller INCREASE, but an increase nonetheless.

The entire argument smacks strongly of arrogance, with the teachers' union declaring that general fund dollars belong to them and no one else.

Of course, their alternative is for government to reach again into your budget, taking more out to put into the government budget. Make no mistake, when it comes to the family budget vs. the government budget, the public unions are against you.

Every correct thinking taxpayer should support the idea of transportation-related taxes being used to fund transportation. It's fair, logical, and needed.

Don't let the propaganda fool you.

April 21, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "Before you rush off to a Tea Party protest, stop and relax. Take a minute to release some of the negative emotions taxes stir up. Instead, think about the benefits you enjoy that are paid for by your taxes."

- Eliot Seide, executive director, AFSCME Council 5

TAXES, TAXES, TAXES

As you know, this week featured tax day, the deadline day to turn in your forms and settle up with Mark Dayton and Uncle Sam.

Well, maybe you didn't know. Perhaps you were one of the growing millions who enjoy government largesse for free because you owe no taxes. Perhaps you were even lucky enough to pick up a bunch of "refundable" credits, meaning that you could even pull a check OUT of government instead of putting one in.

As time marches on, the tax burden grows for shrinking number of productive Americans while more and more incentives to abandon the ranks of the productive are offered, all in the name of vote buying.

So, is Mr. Seide, quoted above, correct? Should even those pulling the wagon be pleased to enjoy the succor Mother Government provides athwart a harsh and unfair world?

Let's drive the liberals nuts and simply let the factual, empirical data tell the tale.

Here are the past 10 years of federal revenues compared to the past 10 years of federal spending (in trillions) (Source: CBO):

FY 2017 (Est): \$3.644 trillion vs. \$4.147 = \$(.503,482)

FY 2016: \$3.336 vs. \$3.951 = \$(.615,805)

FY 2015: \$3.250 vs. \$3.688 = \$(.438,406)

FY 2014: \$3.021 vs. \$3.506 = \$(.484,627)

FY 2013: \$2.775 vs. \$3.456 = \$(.679,544)

FY 2012: \$2.450 vs. \$3.537 = \$(1.087)

FY 2011: \$2.303 vs. \$3.603 = \$(1.3)
FY 2010: \$2.163 vs. \$3.457 = \$(1.294)
FY 2009: \$2.105 vs. \$3.518 = \$(1.413)
FY 2008: \$2.524 vs. \$2.983 = \$(.458,533)

For all the rhetoric about "draconian" budget cuts, "cutting to the bone," and the need for the "rich" to pay their ill-defined "fair share," we can see that federal tax collections have been quite healthy over time.

In fact, If the OMB's estimate is correct, the \$3.9 trillion collected in FY 2018 (estimated) will be the highest ever received by the U.S. government. It's more than was collected in the first 180 years of our country's history.

Despite collecting record revenues, the government has spent far more than it has taken in, especially under Obama (and Republican enablers in the Congress).

During Obama's two terms, the federal debt rose 86%!

Despite excuses like recessions and war, these numbers clearly show a pattern of reckless fiscal policy.

We'll see if Republican rhetoric on the subject will be matched by similar action to tame runaway spending.

This is especially true regarding entitlement spending, which appears to be a sacred cow, beyond the reach of any reasonable reform.

Over 50% of the federal budget goes to entitlements like Social Security, Medicare, and Medicaid.

President Trump's budget doesn't even attempt to reign in entitlement spending, only going after some discretionary spending - and listen to the whining and wailing over that proposed modest attempt at accountability!

So what kind of army is needed to operate this Leviathan?

As of 2015, the federal government employed over 2.7 million Americans, almost double the largest private employer, Wal-Mart, with 1.5 million employees in the U.S. workforce.
And who's paying this bill?

It's the minority. According to Congressional research, more than half of Americans owed no income tax in recent years, leaving the rest to pay the taxes.

And among that group, it's hardly evenly distributed.

The top 20% of income earners in the country pay over 67% of the income taxes collected.

How's that for "fair share?"

So what's happening at the state level?

The good news is the state must have a balanced budget, so matching revenues to expenditures is less important than reviewing overall general fund spending.

Over the past ten years, this is what state spending looks like:

FY2017: \$21,091,678

FY2016: \$20,653,098

FY2015: \$19,909,628

FY2014: \$19,677,757

FY2013: \$18,739,473

FY2012: \$16,579,856

FY2011: \$15,334,735

FY2010: \$14,626,956

FY 2009: \$16,861,397

FY2008: \$17,005,008

Again, we see some very healthy numbers. State government, like the federal mothership, doesn't seem to be starving.

In fact, the state is the second largest employer in Minnesota, behind the Mayo Clinic.

And who is number 3, right behind the state? That would be federal employees working in Minnesota.

Thus, two of the three largest employers in the state are government.

Of course, there is more government employment beyond those two, including aggregate local government and our colleges and universities.

According to the non-partisan Tax Foundation, Minnesota ranks as the 8th highest state-local tax burden in the country, outdone by only liberal bastions like California, New York, Illinois, and New Jersey.

So, are the DFLers at the state level making sure to punish the successful? You bet!

Says Dayton's own Department of Revenue: "Taxpayers in the top decile (incomes of \$174,625 and over in 2019) are expected to bear 40.2 percent of the total tax burden while having 42.2 percent of total income. By tax type, taxpayers in the top decile would pay 57 percent of the individual income tax, 27 percent of the consumer sales tax, 29 percent of the gross homeowner property tax, and 32 percent of business taxes."

"In contrast, taxpayers in the bottom decile (incomes of \$13,418 and below) are projected to bear 1.9 percent of the total tax burden while receiving only 0.9 percent of total income. The bottom-decile taxpayers will have a negative individual income tax burden due to the refundable tax credits. They will pay 3.8 percent of the consumer sales tax, 2.0 percent of gross homeowner property tax, and 4.1 percent of business taxes."

The bottom line here is that a liberal taxation philosophy has firmly taken root in Minnesota and at the federal level, where punitive taxes that punish productivity and achievement support, in part, runaway spending on inefficient programs riven by waste, fraud, and abuse. So, no, Mr. Seide, we don't share you view that confiscatory taxes are some sort of blessing for which we should prostrate ourselves at the altar of collectivism.

Moreover, Seide should drop his "man of the people" schtick. He's a 1%er, with a salary and benefit package valued at nearly \$150,000 annually, according to federal disclosure documents.

The difference is that he doesn't add any value to the economy for his salary.

He doesn't create wealth.

Instead, he's little more than a carnival barker in a political three-ring circus, making sure his union members get their cut from of the public trough via

liberal work rules, gold-plated benefits, and more paid time off than you would care to know.

All of this guaranteed by a system that forces bodies into the union, takes mandatory dues, and uses a portion of all dues paid to support politicians who keep the spigot of public spending open to perpetuate the vicious cycle.

Happy to pay these taxes for these results?

Hell no.

April 28, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "The problem is that the way Bush has done it in the last eight years is to take out a credit card from the Bank of China in the name of our children, driving up our national debt from \$5 trillion from the first 42 presidents. No. 43 added \$4 trillion by his lonesome. So we now have over \$9 trillion of debt that we are going to have to pay back. \$30,000 for every man woman and child. That's irresponsible, that's unpatriotic."

- Sen. Barack Obama 7/2008

TURBO TAX CUTS

Despite the best efforts of the legacy media to destroy President Trump personally (see the article from UC-Berkley professors diagnosing him as "paranoid and delusional") and his presidency in general, some very good things have been happening at 1600 Pennsylvania Ave. of late.

First, the president hit a moonshot homerun in nominating Judge Neil Gorsuch to the Supreme Court, with a major assist from Senate Majority Leader McConnell, who checkmated the Democrat's obstructionist attempt to filibuster the nominee by changing Senate rules.

Gorsuch will serve this nation well, protecting individual liberty and the rule of law.

Thus far, the Gorsuch nomination is the clearest example of the governing distinction between Trump and Clinton.

The second clearest example of that difference was put on display this week when the White House released the outline of a massive tax cut plan, designed to reduce the burden of taxation on productive Americans as well as spark economic growth and job creation.

The Trump tax plan is vintage Ronald Reagan and this publication is foursquare behind it.

The cornerstone of the plan is a tax cut to corporate entities that would put them in a 15% bracket, regardless of how organized. Put another way,

traditional "C Corps" as well as "pass throughs" like LLCs would benefit from the cut.

The plan would also create three brackets for personal income and double the standard deduction, while eliminating some deductions.

Finally, the plan does not implement a border adjustment tax but does contemplate a "territorial tax" that only taxes income earned in that country, as opposed to a worldwide tax system.

Robust tax cuts are important not only because they spur growth, they also represent a commitment to freedom by allowing citizens to keep more of their property.

There is already a template to compare the Trump plan to the Obama tax plan, as the Trump plan is similar in style and philosophy to Reagan's 1986 reform plan.

As taxpayers well know, Obama increased taxes, increased regulations, poured money into government "stimulus" and increased the federal debt more than any president in the history of the nation.

The result?

Even though the recession officially ended six months into the Obama presidency, economic growth stumbled along at an average of 1.47% each year, compared to a 3.4% average each year prior to 2009.

Real wage growth stagnated as well, leaving many Americans behind.

Reagan, on the other hand, cut regulatory burdens, cut taxes, and cut spending. The result was economic growth that averaged 4.6% each year of his presidency. Government revenues also grew at double digit rates.

And what did Obama do to the governmental revenues he so cherished in order to fund his programs?

After the tax increases of 2013, the Congressional Budget Office (CBO) projected revenue increases of \$650 billion. They are now projected to fall by five times that amount.

Conversely, the CBO scored the 1986 tax cuts as "neutral," meaning that they were projected to do nothing to enhance government revenues, which are a proxy for increased economic growth. Obviously, when the economy grows, the same tax rates bring in more revenue.

Which brings us to the important point of addressing the sniveling and whining of the Left, which has predictably decried the plan, as they did Reagan's. How hypocritical that the Left is now suddenly worried about the projected deficits inherent the Trump plan.

First, these people didn't care for 8 years as Obama exploded the national debt to finance the growth of government.

How hilarious to hear the feigned concern of liberal like Sen. Wyden (D-OR) and Sen. Chuck Schumer (D-NY).

When Wyden first went to Washington as a freshman member of the House in 1981, the federal debt stood at just over \$1 trillion. Today, it's 20 times that amount. Thanks, Senator. Our children and grandchildren are handcuffed to a mountain of debt that can't hope to repay.

Schumer, like Wyden, is a career politician, having been first elected to the Congress in 1980.

Obviously, concern for budget deficits and the federal debt isn't really an interest of theirs.

Second, as pointed out above, the CBO has been notoriously poor at predicting how tax cuts or increases will impact government revenues.

They were wrong about Reagan's cuts (which brought in more revenue) and Obama's (which brought in less than predicted).

This is because the CBO, like most governmental organizations, engages in "static" budget scoring, as opposed to "dynamic" budget scoring.

Essentially, static scoring fails to take into account behavioral changes brought about by the proposal being scored.

Think of an increase in the tobacco tax. Human nature informs us that when tobacco taxes are raised, fewer people will buy tobacco, reducing revenues.

Dynamic scoring would take into account that behavior, while static scoring would not.

Hence, static scoring is often wrong, but since it's wrong to the benefit of the liberal world view, government likes it.

Moreover, there's also an answer for those on the Left who fear Trump's proposed cuts will increase deficits.

Simply make spending cuts to match the projected shortfall. After all, why is it presumed that government spending can't be reduced?

Finally, there is the other age-old liberal bromide that many of these cuts are for "the rich" and "wealthy corporations" that must pay their fair share, meaning confiscatory taxes.

As a businessman, Trump knows a hard truth. It's successful people and businesses who create jobs and drive the economy.

Job creators tend to be successful people in the upper tax brackets. If society wants jobs, these folks need the capital to deploy to do it.

Trump knows that if a dollar can either be deployed by a smart entrepreneur or government, odds are very high the entrepreneur will deploy it better.

A reformed tax code and robust tax cuts are exactly the tonic America needs to break out of the doldrums created by Obama's Old European brand of fiscal policy.

CAPITOL UPDATE

With less than a month until the end of the 2017 regular session, things are starting to move at the Capitol.

According to sources, the House and Senate have agreed to "joint" budget targets, which tell the conference committees what their budget parameters are.

Note that these targets are not "global" targets, reached with the governor.

The governor sent a letter to Speaker Daudt and Majority Leader Gazelka earlier this year stating that the parties should agree to targets by April 28.

This past week, the governor said he was misunderstood. Apparently, "we" doesn't mean him.

He instead demanded that the House and Senate reach agreement before the governor will deign to engage.

Anytime, governor.

A special session isn't what you're aiming for, is it?

May 5, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "Connecticut's state budget woes are compounding with collections from the state income tax collapsing, despite two high-end tax hikes in the past six years. It's happening because the state of Connecticut depends too much on its wealthy residents, and wealthy residents are leaving."

- News report, 4/28/17

Quote of the Week: "Last year, I promised the people of the 2nd District that I would promote real health care reform that works for their families. I'm keeping that promise...Obamacare is continuing to collapse. The American Health Care Act's much-needed relief includes lower premiums, universal access, and greater patient choice. We also continue the important missions of protecting the vulnerable and ensuring that no-one can be denied coverage for a pre-existing condition...I'll keep working to make quality, accessible health care a reality for families in Minnesota."

- Congressman Jason Lewis

CAPITOL UPDATE

What a week. We are coming down to the bitter end of the 2017 legislative session, at least the regular session.

The taxpayers of Minnesota are just over two weeks away from the end of the 2017 session.

This week, negotiations have moved to high level as the governor has been meeting regularly with Senate Majority Leader Paul Gazelka and House Speaker Kurt Daudt to negotiate the state's next two-year budget, which begins on July 1st of this year.

While there are numerous policy issues entangled in these spending bills, this is really about money.

To that end, the leaders are negotiating "global" budget targets, which means an agreement between the House, Senate, and Governor regarding how much money will be spent in each programmatic area, like Education, Public Safety, Transportation, and Taxes.

Once those targets fall into place, negotiations on the bill more or less fall into place, although there will be further negotiations to refine the bills into their final form.

The big picture is that the GOP-led House and Senate want to spend \$44.8 billion, with \$1.15 billion in tax relief. The governor wants to spend \$46.1 billion, with \$295 million in tax relief.

Sources tell the Watchdog that the parties are engaged in "moderate" progress and that negotiations are moving along.

While it is dangerous to make predictions, especially where Mark Dayton is involved, there appears to be groundwork here for a negotiated deal that avoids a special session and a potential government shut down.

While Speaker Daudt and Sen. Gazelka will no doubt represent the taxpayers well in negotiations, the nature of divided government will dictate that some compromises will have to be made, whether they happen now or in July.

Those of you who may be harboring government shut down fantasies should abandon them.

No, it doesn't provide some sort of benefit to the GOP or the DFL.

It just ticks off voters and it doesn't save any money.

In fact, it costs money. Take the example of a state hospital. There are costs to train replacements for state workers. Then, as part of the negotiations to re-open government, Dayton will demand (and get) back pay for laid off workers.

While Daudt and Gazelka cannot and will not be chumps, they will need to negotiate a deal.

Did we also remind you that Gazelka is managing a one vote majority?

Did we also mention that not every GOP senator is a fire-breathing conservative?

This publication is confident we will end the 2017 session with many GOP priorities intact.

Will we get everything we want?

No. Not until we win back the governor's office in 2018.

DELIVERING THE GOODS

In a stunning reversal of fortune, President Trump and Republicans in the House repealed and replaced Obamacare this week.

Sure, the Senate has to follow suit and will likely pass a different version, leaving the two houses to fashion some sort of compromise, but the job got done.

For Republicans in Washington, this is a major step forward, and not just for policy.

It was also a victory for beleaguered supporters of the GOP, who have watched them renege on campaign promises year after year, usually seeing electoral defeat thereafter.

Watching President Trump and Speaker Ryan close the deal was a relief and signals that this team understands that they must deliver on what they promised.

Combined with the appointment of Justice Gorsuch and a string of smaller, yet significant policy victories shows that good things are happening in Washington and the GOP is starting act like a governing party.

The fact that liberals are losing their minds over all this winning is just icing on the cake.

Next up is a significant reforming of the tax code to encourage a pro-growth, pro-prosperity economy that offers ample opportunity while never guaranteeing a particular outcome.

The only guarantee inherent in a command and control economy is the equal sharing of the misery, except for the governing class.

THE NEW GOP CHAIR

The Watchdog congratulates new GOP party Jennifer Carnahan on her victory.

She takes over a Minnesota GOP that has been mired in financial issues and growing irrelevance since former Chair Tony Sutton ran the party into the ground by running up debts and hoping they would disappear by putting the IOUs in a special drawer in his desk that would make the debt magically disappear.

Surprisingly, the magic drawer didn't work as advertised and grouchy creditors sued, blowing up the plan.

Carnahan's background is certainly not typical of a party chair, in that she comes to the job with almost no political experience.

Was she the best candidate or the beneficiary of the bad blood between the Hann and Fields factions?

She will certainly have much to prove as a fundraiser, leader, and political strategist.

On the other hand, it's easy to understand why delegates may have been interested in a new face and new blood. Under Keith Downey's leadership, the party continued to languish, with the Republicans caucuses and outside groups like the Minnesota Jobs Coalition and the Minnesota Action Network stepping in to fulfill the role traditionally played by the party.

In fact, perhaps the biggest question facing Carnahan right now is simply, what is the role of the Minnesota GOP moving forward?

From our vantage point, it looks like Republican candidates have learned to live pretty well with the lack of resources from the party.

SOAKING THE RICH GETS YOU WET

The enlightened and progressive bastion of Connecticut is acting as the canary in the coalmine, showing America that no matter the location, socialism and forcing the productive to "pay their fair share" doesn't work.

The state is in fiscal meltdown, putting the state over \$400 million in the red for THIS fiscal year and a projected \$2 billion in deficit for the next fiscal year.

For many years, the state's tax structure has become more and more "progressive," shifting the tax burden to the Successful.

The problem is that Atlas Shrugged and many residents left the state, while other saw their income fall because of the recession.

In fact, the state closely tracks the income of the 100 wealthiest residents, who saw collective taxable income decline by 40% in 2016 compared to the year before.

So the progressive chickens have come home to roost in Connecticut.

And what do you think the Democrats have proposed to close the budget gap?

If you said more of the same poison, you would be correct.

May 12, 2017

Public Policy Commentary

In This Issue:

Editor's Note: Harold Hamilton and the Watchdog staff are thinking of state Senator Carla Nelson and her family as her father struggles with health issues.

Quote of the Week: "Governor Mark Dayton has said he won't re-engage in budget talks until Monday. That will give legislators and Dayton exactly 1 week to finish the budget, bonding and other legislation."

- News Reports, 5/10/17

Quote of the Week: "If the election had been held on October 27, I'd be your president."

- Hillary Clinton

GOVERNOR NERO

So here we are 10 days away from the constitutionally-mandated end to the 2017 legislative session, facing the prospect of a special session to fashion a state budget.

That the Republican-led legislature is having difficulty with Governor Dayton isn't a surprise. The governor has a well-earned reputation for disengagement, dissembling, and disaster.

Such is the case again this year.

What is different, however, is the governor's brazen disengagement this year.

A prime example is his quote this week that he won't even bother to engage in negotiations with the legislature until Monday.

One of the reasons for this delay, of course, is his participation in the fishing opener, which is nothing more than a photo opportunity - especially for a guy who doesn't really fish.

While it is tradition for legislative leaders to participate in this event, Speaker Daudt and Majority Leader Gazelka should stay at the Capitol.

They should remain in Saint Paul with an open invitation to the governor to negotiate the budget.

The optics of hanging out on the lake fishing don't resonate with average voters, who aren't understanding of something like that, mostly because they would be fired from their own jobs if they walked off to hit the lake when the work wasn't done.

Republicans have been very smart in understanding the power of symbolism in crafting their messaging.

They effectively held up a \$90 million legislative office building as a symbol of DFL greed and arrogance.

They have effectively shown that continued arrogance and elitism by putting a stop to the DFL party down at the U.S. Bank stadium suites.

They ought to show it again by telling the governor that it's time to put down the fishing pole and pick up the budget pen.

The optics of fishing while the budget remains undone are today's equivalent of fiddling while Rome burns.

A BIG IDEA

Our roads and bridges, a key component of our economy, continue to crumble while money is diverted to trains and proper funding remains elusive as transportation-related dollars are siphoned into the general fund, where it is often squandered on pet projects, inefficient projects, and other rent seeking activities.

This week, the GOP made a fair and generous offer to the governor on transportation. He rejected that bill on the grounds that it didn't do enough for the Met Council and didn't do enough for mass transit.

It's time to go over the governor's head and directly to the taxpayers of Minnesota.

It's time that the legislature pass a bill to put a constitutional question to the people.

That ballot question would seek to constitutionally dedicate all sales taxes related to autos into the special account for roads and bridges.

Other states do this and their experience shows that voters of all political stripes favor the dedication of auto-related taxes to the infrastructure that carries those autos.

Of course, the menagerie of liberal interests will oppose. Public employee unions, to name one group. We're also quite sure that liberal media interests like the Star Tribune editorial board will decry dedicated funding, after they've endorsed it for parks, trails, and the arts.

We live with unsafe roads and bridges as funding is held hostage for more train lines.

Our rural infrastructure, critical for moving agricultural goods to market, crumbles while the Minneapolis DFL elites hold out for more bike trails.

Enough is enough.

Republican leadership needs to introduce that bill today.

It's time for the GOP to show the stark difference between their serious interest in our roads as contrasted to the DFL's clownish rhetoric regarding "balanced" and "multi-modal" transportation "options."

DFL dalliance on roads needs to be exposed in the same way their indifference to pipelines and mining was exposed.

Voters should go to the polls in 2018 knowing who is serious about roads and who isn't.

That's a winning issue for the GOP.

Seize it.

HATING RURAL MINNESOTA

As the DFL party has become dominated by urban elites, they have become more brazen in turning their backs on rural Minnesota.

Whether its economic interests like mining pipeline or social issues like guns or gay marriage, the DFL has alienated rural Minnesota.

Worse, those urban elites have become downright hostile to the rural way of life.

The latest example comes in the form of a bill vetoed by Governor Dayton that would have included, among other things, uniformity between federal and state standards regarding the application of pesticides by farmers.

Here's what the Minnesota Agri-Growth Council had to say about the veto: "The statement from the Dayton Administration that pesticide application provisions in the Agriculture Finance bill would '...give a free license on pesticide overuse,' and '...attempt to overrule federal law,' is simply false and misleading. Language included in the bill simply reaffirms long-standing requirements that farmers must adhere to federal labeling laws when applying approved pesticides...This type of rhetoric implying that farmers purposely or deliberately want to over apply pesticides is ridiculous and insulting to the care farmers take in the stewardship of their land. Farmers must go through a certification or licensure process to apply pesticides, a process they take very seriously and responsibly. Furthermore, it flies in the face of common sense that during the tough economic times farmers are going through right now they would want to apply any more pesticides than are absolutely necessary...It's time for the Dayton Administration to stop these unproductive insinuations and begin to look for ways to help our Minnesota farmers and agribusinesses. We stand ready to work with Governor Dayton and Legislative leaders to ensure the Ag Finance bill is signed into law."

So, urban and suburban DFL legislators can drive around the state all they want in a fake show of support and understanding, but it's just that - fake news.

It's rural Minnesotans being used as cheap political props in a sad attempt to further mislead them into thinking they really care about them.

The jig is up on that one. Rural Minnesota has turned red and won't be turning back. In fact, the tide is still rising. This publication makes the call that both the First and Eighth Congressional Districts will flip to the GOP in 2018.

HILLARY - THE LAST CHAPTER

We have finally heard the last of Hillary Clinton, as a candidate at least.

After pouting over her "can't miss" candidacy imploding, she dabbed her eyes, put on the pants suit, and emerged to take blame in a very Clintonian way.

After a mea culpa in which she acknowledged the "shortcomings" of her campaign, she then launched into a bevy of excuses as to why she wasn't really to blame.

The FBI was to blame. Wikileaks was to blame. Men were to blame.

Like a true urban-dwelling limousine liberal, she blamed the ignorant masses for not being smart enough to smell her qualifications.

Face the facts, Mrs. Clinton.

Voters thought the following:

You are an extremely unlikable human being.

You lack integrity. You lie, cheat, and steal.

You are the ultimate insider who ran in an outsider's election.

You turned up your nose for years to the very people you counted on to support you and they were wise to the scam.

So wise, in fact, they elected Donald Trump of all people.

May 19, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "My God, Mr. Bragg, you have quarreled with every officer in the army, and now you are quarreling with yourself!"

- Memoirs of General Ulysses S. Grant

GOVERNOR BRAXTON BRAGG

With just days until the 2017 legislative session expires Monday morning, Minnesotans are witnessing the all-too-familiar scenario of work remaining undone, with the prospect of a special session becoming more likely by the hour.

As this edition goes to press, none of the major appropriations bills has been agreed to by the governor and legislative leaders.

Thus, a special session is quite likely, given the logistics of passing bills prior to the legislature's mandated adjournment date.

Here are the nuts and bolts regarding what needs to be done and how it has to be done, per Minnesota statutes and the state's constitution.

Minnesota's has a two-year (bi-ennial) budget cycle, which expires June 30th of odd numbered years.

If the state doesn't have a budget by then, a government shut-down of every budget area undone happens until there is agreement on that budget area (e.g. education, public safety, transportation).

There is an exception in that Minnesota courts have deemed some governmental services "essential," so that they must be funded and provided even if there is no agreement.

For the record, the Watchdog believes this court doctrine is unconstitutional as a violation of the Separation of Powers. The legislature alone has the power to appropriate monies from the treasury. The legislature may not be compelled by any court to appropriate money. Nowhere in the Minnesota

Constitution is there language that authorizes the judicial branch appropriate money. Check Article III. Check Article XI, Section 1.

The state constitution, Article III, Section 12 dictates that the legislature not meet in session after the third Monday following the third Saturday in any year.

That means that the legislature can meet and pass bills this year until Monday, May 22nd at midnight. Chapter 3 of Minnesota Statutes defines a "legislative day" as running from 7AM through 7AM of the following calendar day.

It's important to remember that this session is the first year of the bi-ennium and not the second.

Many Capitol folks believe that the constitution's prohibition on passing bills the last day of session applies this year. It doesn't.

Moreover, the governor does not have the ability to "pocket veto" bills this year, as this isn't a "sine die" end of the legislative bi-ennium. Instead, it is only an interim adjournment until a date certain in 2018 that will be agreed to by each house soon.

Thus, there are logistical challenges to getting bills passed by this coming Monday.

First, the governor and legislative leaders still need to agree to "global" spending targets.

Next, the committee chairs of each appropriation area must meet and agree between them and with the governor's staff on the details of not only how the money will be spent but what policy items may or may not be in them.

The bills must then be assembled and enrolled by non-partisan legislative staff, which can be a Herculean task, given the sheer size and money involved. Staff must make sure every line of the bill matches the intent of policy makers. The numbers must add up and the language must give effect to legislative intent.

Then the bills must pass each house, be enrolled, and presented to the governor.

All of this gets very hard, given the calendar.

All of this gets, very, very hard because Speaker Daudt and Majority Leader Gazelka must deal with an erratic governor.

The Watchdog has spoken to multiple Capitol sources and checked the public record, both of which show a governor who backtracks, moves the goal posts, and contradicts himself regularly, making negotiations difficult at best.

Which brings us to Braxton Bragg, a Civil War era general known both for his lack of success on the battlefield and his strange demeanor.

There is a famous anecdote, perhaps apocryphal, about Bragg's early years as a military officer. The story goes that Bragg was both a company commander and the quartermaster of a frontier post early in his career.

Bragg as commander submitted a requisition for supplies for his company, then as quartermaster declined to fill it. As company commander, he resubmitted the requisition, giving additional reasons for his requirements, but as the quartermaster he denied the request again. Realizing that he was at a personal impasse, he referred the matter to the post commandant, who exclaimed, "My God, Mr. Bragg, you have quarreled with every officer in the army, and now you are quarreling with yourself!"

Governor Dayton has indeed quarreled with himself both this session and every session since he assumed office in 2011.

For example, Dayton has argued with himself regarding spending targets, which has resulted in a moving target for the most fundamental issue of the session, how much to spend.

Dayton has argued with himself over transportation. He has publicly stated he would sign the transportation bill sent to him and then turned around and vetoed the bills sent to him, describing it as "deplorable."

He has further argued with himself over policy provisions in spending bills. He has called for the elimination of them from the spending bills, yet his administration has argued all session for their inclusion.

For interested parties, check the omnibus Taxes bill. Most of the policy provisions in the bill are Dayton administration initiatives.

Dayton has argued with himself regarding timelines, first demanding that global budget targets be agreed to by late April and then arguing that he wouldn't engage in those negotiations until the legislature had agreed amongst themselves, which was a May deadline.

Mark Dayton demanded that the legislature, House and Senate, first agree amongst themselves before he would enter negotiations with them.

Perhaps it is time for Daudt and Gazelka to tell Dayton they're done negotiating with him until he is done negotiating with himself.

THE LATEST

Because of what's happening as described above, negotiations have broken down. While the governor is meeting with legislative leadership as this edition hits your inbox, there is little hope that global targets will be agreed to, with exception of the Agriculture bill.

Look for the House and Senate to assemble a second round of appropriations bills that make a last-ditch attempt to get the job done.

If past performance is any guide, Dayton will likely sign some of those bills and veto others, leading to a special session.

You heard it here first: Watch for Republicans to tee up and pass a constitutional amendment question dedicating sales taxes on auto-related items to roads and bridges if the governor doesn't get serious about the subject.

The ballot question only needs a simple majority in each body and doesn't need a gubernatorial signature.

This circumstance would hit the sweet spot of good public policy and good politics.

Transportation is important to a public growing tired of driving on congested and dangerous roads.

They're receptive of a message that the governor has held up transportation funding because he wants to fund trains.

They're receptive to a message that roads and bridges can be funded without raising taxes.

They're receptive to constitutionally dedicating these auto-related taxes and protecting them from raids to fund pet projects like teaching homemakers to fish and providing taxpayer-funded abortions.

These ballot measures have passed rather easily in other states.

It's time for Republicans to take the question of road funding to a higher authority - the taxpayer.

May 26, 2017

Public Policy Commentary

In This Issue:

Special Session Special Edition.

Quote of the Week: "The \$650 million tax relief package is the largest in nearly two decades, and the \$300 million ongoing transportation investment is the largest in state history without a tax increase. An additional \$300 million of long-term bonding funds are also dedicated to roads and bridges, bringing the total transportation investment to \$600 million. The 2017 legislative session was one of the most productive in recent history."

- Senate Majority Leader Paul Gazelka

Quote of the Week: "This legislative session will go down as one of the most productive in recent memory. Working under divided government, we balanced our state budget and successfully passed key priorities including tax relief, road and bridge funding and health care reforms. The budget bills were agreed upon by the House, Senate and the governor's office."

- House Speaker Kurt Daudt

SPECIAL SESSION WRAP

It's finally over. The 2017 legislative session needed four days of overtime, but the legislature has adjourned sine die, and will not return until February 20th, 2018, barring an unforeseen special session before then.

The last bill was passed just before 3AM this morning, as bleary-eyed legislators and staff beat a hasty retreat for the exits, back to their families and lives outside the Capitol.

It was a tedious path, negotiating with a DFL governor and the razor-thin GOP majority in the Senate, made worse by the absence in the session's final hours this morning.

Because a bill needs at least 34 votes to pass the Senate, the GOP needed at least two DFL votes to pass every bill.

This situation made for mandatory compromise to get the job done and send the legislature home.

These budget bills, and one other, will be sent to Governor Dayton, where he will have two weeks to consider them. Because this was a special session, the governor will also have a "pocket veto," whereby any bill not signed by him will not become law.

With the exception of one bill, the governor is expected to sign all budget bills, as he signed off on them.

Having said that, Dayton has been known to be erratic and he will face tremendous pressure from the moochers and looters on the Left to veto some or all of them, which would very likely mean another special session and a possible government shutdown.

Our Take.

Overall, the GOP had an excellent legislative session. The party successfully secured many important agenda items working with a liberal DFL governor and a one-vote majority in the Senate.

Conventional wisdom at the Capitol posits that "governor's get 80% of what they want."

Considering the political situation, Speaker Daudt and Majority Leader Gazelka deserve a great amount of credit for their leadership.

While compromise was inevitable (yes, inevitable), many key priorities were preserved.

Of course, there will complaints from some on the right who will argue, as they always do, that what was done just wasn't enough.

Of course, these same people never run for office themselves and are usually nowhere to be found when it comes time to elect Republicans.

But if you want to get an idea of how successful Republicans were this session, just check out the extraordinary sniveling and whining coming from the liberals.

Social media is overwhelmed with aggrieved special interests, shrieking about the budget deal and demanding that Dayton veto every bill.

How ironic that these groups are advocating for a government shut-down!

Here's our list of our favorite outcomes of this legislative session.

One: Tax Cuts. Republicans delivered \$650 million in tax cuts, one of the largest bills in recent times. Given the DFL penchant for tax increases, this was a great outcome.

Of these cuts, perhaps the best is the reduction of property taxes for businesses. Minnesota has some of the highest commercial/industrial tax rates in the country. Nearly \$100 million is dedicated to these cuts.

This tax cut bill will be compared to other historic cuts.

Two: Transportation. Republicans delivered in a big way here, just as they did for taxes.

This bill is a real win for Republicans. Let's start with what wasn't in the bill. No gas tax increase and no license tab fee increase, two key priorities for Mark Dayton and the DFL.

While rejecting tax increases, Republicans simultaneously increased spending on transportation, especially roads and bridges.

The spends over \$6 billion over the next two years, again, without raising taxes.

Especially noteworthy is the dedication of auto-related sales taxes to transportation.

Right now, those taxes disappear into the general fund to be spent on God know what.

\$300 million of the \$600 million is comprised of this re-prioritization of general funds.

This re-prioritization represents a major policy victory for conservatives.

For years, the DFL has resisted this change because their masters in the public employee unions want that money to pay for their large salary increases and Cadillac benefit plans out of the general fund.

Thus, the change represents two major victories.

One, powerful unions that have fenced off the general fund from the road fund lost and they lost with a DFL governor at the helm.

Second, the idea that transportation should be funded by prioritizing existing funds instead of raising taxes has prevailed.

That's a huge win.

Next year, look for road and bridge interests to push for a constitutional ballot question that would permanently dedicate these funds to roads and bridges and protect the funds from raids by the DFL.

It should also not be overlooked that the GOP has taken state taxpayers off the hook regarding the Southwest Light Rail boondoggle.

Hennepin County will now be responsible, along with the federal government, for the building and operating costs of the line.

Daudt and Gazelka came through by taking state taxpayers off the hook.

The next step is to get the feds to drop it, which would kill the white elephant.

This is the first time in decades that legislative leaders have reduced the state taxpayer commitment to light rail. Bravo!

Three: Education. Republicans were successful in beginning a reform process for teachers. The current system protects bad teachers and prevents good ones from entering the profession.

The best feature of the education bill is language and funding to overhaul the licensing system, which will allow people with expertise in another field who want to teach an opportunity to do so.

Think a retired chemical engineer who wants to teach chemistry.

Between this reform and the dedication of general fund revenue to transportation, we are starting to see cracks forming in the Education-Lobbying-Industrial Complex.

Four: Pre-emption. Republicans, over the strenuous objections of the DFL, passed a bill to prohibit local units of government from passing local wage ordinances that would create a hodge-podge patchwork of unworkable wage and hours laws across the state.

Unfortunately, the governor has announced he will veto the bill.

Five: No authority to issue driver licenses to undocumented people. A provision of the Public Safety omnibus bill would prohibit the state from rulemaking that would allow undocumented people to obtain a driver license.

Republicans successfully stopped the state from unilaterally issues rules that allow for a license.

In the main, the GOP had an excellent legislative session. For those who think that it wasn't enough, you know the answer. Get a Republican governor in 2018 and maintain the GOP advantage in the House.

That's the path to more conservative policy making.

June 2, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "It was actually my idea. My staff had varying reactions."
- Governor Mark Dayton describing his line-item veto of legislative operating budgets

Quote of the Week: "Yesterday the governor took an unconstitutional step to defund the Legislature, attempting to silence both the House and Senate for the next four years. As I stated earlier, I am disappointed in the governor's behavior and his decision to veto our operating budget over differences he previously agreed to. The governor has left the Legislature no choice but to seek outside counsel in an effort to defend the people's voice at the Capitol."
- House Speaker Kurt Daudt

Quote of the Week: The powers of government shall be divided into three distinct departments: legislative, executive and judicial. No person or persons belonging to or constituting one of these departments shall exercise any of the powers properly belonging to either of the others except in the instances expressly provided in this constitution.
- Minnesota Constitution, Article III

CHAOS, CONFLICT, UNCERTAINTY

Just when you thought the Dayton administration couldn't get any more confused and chaotic, we got Tuesday's press availability regarding the fate of major spending bills that were presented to him the week prior, comprising the state budget and other spending items like the bonding bill.

Speculation ran rampant over the Memorial Day weekend about the fate of those bills, either signed or vetoed.

Of course, it just couldn't be that easy, as Dayton once again argued with himself and sowed the seeds of a constitutional crisis in the process.

The governor signed all the major spending bills except for the tax omnibus bill, all the while complaining during the press conference about how bad those spending bills were.

When asked by the media why he signed "bad" bills into law instead of vetoing them, Dayton had no good answer.

In any case, it was good that he signed those bills, as they had some excellent provisions in them, including getting rid of "LIFO" (last-in-first-out) teacher layoff provisions and a restriction on issuing illegal immigrant driver licenses.

Dayton arguing with himself over signing bills he doesn't like isn't new, but what happened with the tax bill took things to a new level.

He announced at the presser that he was allowing the tax bill to become law "without his signature" for reasons explained in a moment.

The problem here is that it wasn't at all clear that the constitution would allow him to do so.

To make the long story short, the constitution says that bills that linger without a gubernatorial signature or veto either pass into law or become a "pocket veto" after the passage of a certain amount of time.

At 5:30PM CST on May 30th, Dayton argued with himself that the lack of his signature mean that the bill would become law.

By 10:30PM CST that same day, Dayton announced he was signing the bill because it would be a "pocket veto" without it.

Thus, Minnesotans witnessed the spectacle of the chief executive arguing with himself over the meaning of his lack of a signature on the tax bill.

Again, it was a good thing that he signed it and removed all doubt, as the tax bill contained \$650 million in tax relief, something not seen much these days.

The problem for the governor was that had he vetoed the tax bill, it would have triggered a defunding of the Department of Revenue, an "insurance policy" the GOP inserted into another bill after Dayton vetoed the 2016 tax bill.

Dayton was irate, calling the provision a "poison pill" and a "sneak attack."

It has been nothing short of amazing to watch Governor Dayton act as a bystander to his own actions and his own duties as chief executive.

"Sneak attack?"

Did he not negotiate these bills? Of course he did.

Did he not see these bills posted many hours and days prior to their enrollment and presentation to him? Of course he did.

Does he not have a staff of many people who have the job of reviewing bill? Yes, he does.

"We missed it," was all he could say about being legislatively outmaneuvered.

Now this is where things get really funky.

The governor got an idea in his head that he would use his line-item veto power to defund the House and Senate, hoping to get them back to the bargaining table to exchange their funding for getting rid of three tax cuts, teacher layoff reform, and the immigrant driver license issue. Speaker Daudt and Majority Leader Gazelka have said "no thanks" and are smartly litigating the issue.

While legislative tit-for-tat is nothing new in divided government (both sides do it), there are some lines that cannot be crossed.

One of them is essentially dissolving one branch of government in order to get something another branch wants.

The legislature funded the executive branch in their bills, as they should have.

The state constitution calls for three branches of government, all separate, coordinate, and co-equal.

The governor can no more dissolve the legislature by withholding funding any more than the state Supreme Court can dissolve the executive branch via judicial fiat.

This isn't Venezuela, Cuba, or Somalia. Dayton isn't "El Jefe", "Guiding Sun Ray" or even "Generalissimo."

You don't get to play the strongman in olive drab in Minnesota.

The foundation of our republic is three branches of government and the rules clearly say that one branch can't put another out of business.

I guess they didn't teach that at Blake School or Yale.

The legislature will very likely win their case in court.

The courts will surely understand that allowing a game of shutting down other branches when one doesn't get its way is a dangerous game.

More importantly, the judicial branch understands that it may be the one under attack someday if this is allowed.

Even if they lose, Dayton will lose the resulting stare down as the GOP refuses to knuckle under.

It's important to remember that there are hundreds of staffers, partisan and non-partisan, who work at the legislature and depend on the job for their ability to provide for themselves and their families.

That Mark Dayton would hold these public servants hostage is poor politics and hypocritical.

So the guy who professes to love our public employees is going to put them in the bread line to score a couple of political points?

Dayton can't win the PR battle here.

While DFL partisans may cheer Dayton's "bold" move, it will go down as one of the dumbest political stunts in Minnesota political history.

SCHOOL TAX TRIBULATIONS

The Star Tribune had a story earlier this week about the record number of school property tax levy increases failing.

As one might expect, the Star Tribune and those quoted in the story seemed to be at a loss as to why citizens would be so unwilling to increase their taxes in the name of "the children."

It's the same puzzlement from the same people who still can't figure out why Donald Trump won.

The Left doesn't appreciate that taxpayers are sick and tired of ever increasing taxes that pay for the same level of mediocrity and poor results that put American kids behind nearly every other industrialized nation with respect to educational outcomes.

They're sick of a focus on issues like who can pee in what bathroom instead of math and science.

They're fed up with work rules that protect bad teachers and lay off good ones simply because of a lack of seniority.

They're fed up with the bureaucracy of assistants to the assistant, diversity coordinators, and central office staff who have nothing to do with classroom teaching.

The myopia of the Left is both amazing and wonderful, as it ensures that small government outsiders continue to win.

A WARNING FOR THE GOP

Speaking of the status quo, it's more than a bit concerning to read of the hand wringing among many Republicans in Washington regarding efforts to change the status quo.

News reports are replete with stories about how GOP reform efforts are in doubt because of worries from Republicans themselves.

Obamacare repeal and replace is stuck in the Senate.

Tax code reforms have yet to move.

Some are calling Trump's proposed budget reductions "dead on arrival."

The voters have made themselves quite clear. They have had enough of entrenched politicians protecting the status quo and failing to deliver on core campaign promises.

If the GOP dallies on these subjects, they will be in deep trouble in 2018.

Count on it.

June 9, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "To me, it's shocking how little regard there is for business. There's an unreality in some of the comments about the cost of doing business and significance and fundamental importance of having large and small employers here."

- University of MN Professor Larry Jacobs, commenting on the Minneapolis mayor's race

Quote of the Week: "I discussed with the FBI's leadership team whether I should be prepared to assure President-Elect Trump that we were not investigating him personally. That was true; we did not have an open counter-intelligence case on him."

- Former FBI Director James Comey

Quote of the Week: "What's mine is mine. What's yours is negotiable."

- An old saw from the world of labor relations

WHAT'S MINE IS MINE

The political world, including this publication, has weighed in regarding the lawsuit over the governor's de-funding of the legislature's FY 2018-2019 operating budget via his line-item veto authority.

For the record, we have joined many other conservative groups in viewing his move as blatantly unconstitutional as a violation of the separation of powers clause.

But recall that the governor's rationale for the line-item veto was to coax legislative leaders back the bargaining table to eliminate some of the items that passed as a part of the special session compromise to pass the state's budget.

There is no way in hell either Speaker Daudt or Majority Leader Gazelka should agree to this false bargain, no matter how the lawsuit turns out.

Governor Dayton is attempting to frame negotiations as a trade-off between the legislature's budget and legislative accomplishments valued by Republicans.

In other words, Dayton wants Republicans to bargain with him only those things important to the GOP.

How naïve does he think Daudt and Gazelka are?

Thank goodness, both leaders have already publicly declared their opposition to this framework.

There should only be one question on the table: When does Dayton do the right thing and restore legislative funding?

It will happen when a court tells him to do, when he decides to do the right thing, or when a new governor comes in.

As we have noted, Dayton isn't likely to win the PR battle, should the courts side with him.

He has decided to hold public employees of the legislature hostage to his partisan political demands.

While it may be painful in many respects, the GOP leadership should hold out. A deal is a deal.

Which raises one other point regarding this whole affair.

The things that Dayton objects to are things he agreed to. He signed those items into law. Moreover, he publicly remarked that he has agreed to them.

They all reached a compromise, which, by definition, includes all sides agreeing to things they didn't necessarily like.

In the world of labor relations, this is called a "take back." Dayton is trying to take away something he has already given.

Daudt and Gazelka are spot on with a strategy that keeps the door open to restoring funding while taking the negotiation of their legislative victories off the table.

Mark Dayton has once again stuck his head deeply into the honey pot, concocting a scheme that sounded good at the time.

He now realizes that he's too cute by half.

He's in checkmate.

DOJ ENDS SLUSH FUND

While the legacy media continues to assassinate the admittedly flawed character of the chief executive, they simultaneously ignore an impressive stream of reforms reversing the Gangster Government of Obama.

One of those Gangster policies was one that allowed the Department of Justice to force corporations into legal settlements that involved paying money to third parties that were neither parties to the legal action or victims of the alleged transgression.

The process of making corporations a deal they couldn't refuse was a slimy carrot and stick approach.

The carrot was that for every dollar kicked back to a non-profit third party, the corporate wrongdoer would be credited with two dollars towards the settlement amount.

The stick was that corporations would be forced to sign this agreement prior to signing a plea agreement, as this scheme wasn't allowed a part of plea agreements.

The kicker was that a failure to sign it prior voided the plea agreement.

The purpose of the entire scheme was to transfer money from deep corporate pockets to left-leaning, ideological non-profits that had nothing to do with the underlying suit.

For example, Bank of America (BoA) recently plead guilty to charges stemming from the Great Recession.

As a result, BoA kicked out \$112 million to these non-profits, including the National Council of La Raza and the National Urban League.

Attorney General Sessions has righted this wrong, noting, "When the federal government settles a case against a corporate wrongdoer, any settlement funds should go first to the victims and then to the American people - not to bankroll third-party special interest groups or the political friends of whoever is in power. Unfortunately, in recent years the Department of Justice has sometimes required or encouraged defendants to make these payments to third parties as a condition of settlement. With this directive, we are ending this practice and ensuring that settlement funds are only used to compensate victims, redress harm, and punish and deter unlawful conduct."

KANSAS ISN'T BURNING

Much has been made in the liberal media lately about the Kansas legislature overriding Governor Sam Brownback's veto of a bill that rescinded certain tax cuts in that state, thereby raising taxes.

The liberal media was gaga over the GOP legislature "repudiating" Brownback's "failed trickle-down" policies.

Of course, the Left loves to spin a narrative that tax cuts are bad for the economy.

The problem is that it simply isn't true.

Indeed, Kansas was facing a budget deficit, but tax cuts weren't the culprit.

First, Kansas is dependent upon agriculture and manufacturing, two sectors that are still struggling to recover.

Second, and perhaps more importantly, the Kansas legislature continued to spend money like it was going out of style.

For example, the legislature just committed nearly \$300 million additional aid to schools and has run budgets that run beyond inflation and population growth.

No, tax cuts aren't to blame.

On the other hand, the lesson of Kansas is important. While tax cuts are good public policy, it is equally good public policy to cap government spending to sustainable levels.

One thing we know is true. It won't be enough. The Big Government crowd will be back soon enough to ask for more.

June 16, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "Governor Dayton violated the Separation of Powers Clause of the Minnesota Constitution when he line-item vetoed funding for Plaintiffs for the next biennium. These vetoes impermissibly control, coerce, and restrain the action of the Legislature in the exercise of its official and constitutional powers and duties. The Governor's veto message made clear he did not disagree with the amounts or character of the appropriations for the Senate and House. In fact, the vetoed appropriations matched amounts recommended in the Governor's budget for the Senate and House of Representatives. The message demonstrated the Governor's intent was to coerce the Senate and House to revisit bills that had become law."

- Pleading on behalf of House and Senate, filed in court

Factoid of the Week: 19 Minnesota counties that Barack Obama carried in 2016 flipped to Donald Trump in 2016.

Factoid of the Week: Income tax collections by the state are down \$235 million under projections so far in 2017.

DAYTON'S MANAGEMENT

With Governor Dayton in the twilight of his administration, the tired, vapid retrospectives have already begun.

The Legacy media, when not busy savaging the character of President Trump, has busied itself propagating the narrative that Mark Dayton was some sort of financial genius regarding his stewardship of the state's finances.

This narrative may be more laughable than the Dayton-is-a-detail-oriented-executive narrative.

Guess what? Any grade schooler can balance revenues with kid-in-the-candy-store spending desires when it's possible to forcefully expropriate money from the private economy.

So Mark Dayton, with the willingness of big spending DFLers in the legislature, jacked up taxes high enough to cover big spending.

That's not a difficult task.

Moreover, there are just a couple of extra holes in that narrative.

First, the governor has missed the mark many times and in significant way.

Recall the failed "electronic pull tab" scheme that was supposed to fund the public financing of Ziggy Wilf's football squad and the downtrodden non-profit known as the National Football League.

Revenues were only a fraction of the projections, leading to a huge tax on tobacco, a favorite whipping boy of the DFL, even though those taxes are exceptionally regressive.

And while we're at it, let's take in another episode of "Mark's Arguing with Himself - Again" the Tobacco Tax edition.

Dayton 2010: "You raise the price of a pack of cigarettes \$1.50 as Mr. Horner proposed, that's money out of the pockets of working people and poorer people, and that means kids don't have as much to eat or don't have the same quality of food. Those are addictions, and I think you treat addictions as addictions and you don't penalize the people who are dealing with them economically."

Dayton 2017: "This new study makes clear that making cigarettes less easily accessible to children and adults means fewer Minnesotans start smoking, and are more likely to quit. "It is reprehensible that Minnesota Republicans have prioritized more than \$300 million in tax breaks to big tobacco in the next decade, over the fiscal integrity of the state and the best interests of Minnesotans."

The latest evidence of a lack of fiscal acumen comes in the form of the governor's too-cute-by-half stunt of defunding the legislature through a line-item veto.

Recall that DFLers in the Senate built a new office building for themselves just before they were removed from the majority in the 2016 elections.

That building was financed with \$90 million in bonds, which are sold in the private debt markets and are an instrument that comes with rights and obligations.

The legislative budget that the governor vetoed contains the regular payments that the state makes on the bonds.

Thus, unless and until funding is restored, there is no money to make scheduled bond payments.

If those payments aren't made, the state defaults on the bonds.

A default would invite lawsuits from bond holders and also likely result in a downgrade of the state credit rating, something the Democrats love to crow about.

In addition to putting over 400 staff members at risk of a layoff, Dayton's stunt now also threatens more lawsuits and a credit downgrade.

How many lawsuits can one Mark Dayton veto create? The world may never know.

Here's one more question regarding this whole defunding affair: Where is Senate Minority Leader Tom Bakk and House Minority Leader Melissa Hortman on all this?

Why hasn't the media asked them if they support putting their own staffers at financial risk to score political points?

Why aren't they asked if they support Mark Dayton releasing these folks from hostage taking?

Mark Dayton is no fiscal manager. This episode makes it crystal clear, if it wasn't already.

RAMSEY COUNTY AT THE BUFFET

Ramsey County commissioners this week voted themselves a pay raise that takes their salary, excluding benefits, to a whopping \$92,423 per year.

Showing nothing but contempt for the taxpayers of the county, Commissioner Jim McDonough complained of "folks who think we should do the job for free."

Uh, \$92,423 isn't free. It isn't even close.

Commissioner Janice Rettman was sole dissenting vote.

Commissioner Blake Huffman, who is seeking the GOP endorsement for governor, wasn't present for the vote and to this publication's knowledge, has not said how he would have voted or whether he will take the pay increase.

By way of comparison, the median household income in Ramsey county is just over \$56,000, according to the Census Bureau.

Commissioners making 165% of the median household income in the county?

That's nothing short of appalling.

This is especially true when commissioners just raised the county sales tax to pay for transit projects.

What a show of disrespect for the taxpayers.

Ramsey County is a charter county, meaning that citizens can amend the county's "constitution" as they feel necessary.

It's time for a charter amendment to limit commissioner pay.

A good place to start is a salary capped at the median household income.

When government lives better than those who fund government, we have a problem.

BIG LAKE, BIG GOVERNMENT?

What's in the water up in that part of town? In this reliably conservative part of Minnesota, Big Lake becomes the second jurisdiction to consider having government take over trash hauling.

Orrock Township, which hasn't gone DFL since 1866, recently experienced civil unrest when the town board attempted to take over trash hauling.

Fortunately, a town hall meeting shortly thereafter put it to rest when citizens made a floor motion to keep the free market at work and prohibited the township board from pursuing a takeover.

Now Big Lake.

For the uninitiated, "organized collection" is a law that allows cities or townships to snuff out the free market in trash hauling and institute a government take over. This is done by forcing the favored hauler or haulers to contract with the government instead of each household for trash service.

Instead citizens negotiating price and service from among competing haulers, government takes over and negotiates a master contract for you.

You get whatever hauler, price, and service level government negotiates.

Think Obamacare for trash hauling.

In the free market, if you don't like your hauler, you can fire your hauler. Under Organized Collection, if you don't like your hauler, too bad. You get to complain to city hall and hope government will listen.

So now we learn that Big Lake is considering this scheme.

Fortunately, citizens can do something about it.

There will be a public meeting on June 26 from 5-7PM at city hall to allow citizens to weigh in with the city council.

This is really a simple choice: who best decides trash hauling for you? You or government?

June 23, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "Our brand is worse than Trump."
- Congressman Tim Ryan (D - OH)

Factoid of the Week: Last year, Americans spent nearly 9 billion hours filling out tax forms. That's equivalent to 4.3 million full-time jobs.

DFL CRACK UP

Man, has it been fun to watch the Democrats implode since last November.

After Donald Trump and the American electorate delivered a rude awakening to the arrogant, condescending coastal elites, Hillary Clinton among them, the Democrat party has been on full tilt ever since.

When they aren't busying themselves obsessing over some meaningless presidential Tweet, the liberals are busy convincing themselves that they are going to win the next congressional special election.

They are still waiting, going 0-4, including a recent loss in Georgia that was the most expensive House election in the nation's history.

To say that the Democrats don't get it would be a massive understatement.

First, regular America doesn't hate Trump nearly as much as the coastal liberals who lead the Democrats want to believe.

In fact, regular America in many corners likes the guy and is willing to give him a chance.

Moreover, regular America has no love lost for the modern Democrat party and its leaders, particularly the House leader from San Francisco.

Or the Senate leader from New York.

If you're a Democrat, some very disturbing facts have been revealed in the past 7 months or so.

One, the party is totally bereft of new ideas. The game plan, such as it is, has been merely to spend millions in these special elections screaming about Donald Trump. It hasn't worked.

Moreover, the "ideas" expressed are policies that middle America either doesn't care about or is outright opposed.

Middle America doesn't care about transgender people using the bathroom of their whim.

Middle America doesn't support the attacks on law enforcement.

Middle America doesn't support policies that reward indolence and sloth.

Instead of understanding the concerns of regular America, these coastal elites simply grouse aloud as to why "fly over country" can't smell their genius.

After Democrats blew through tens of millions in the Georgia for nothing, the backbiting and recrimination began, much to the amusement of the rest of us.

"It's not enough to say, 'I want jobs.' You need more than that, particularly when you're competing with a guy who is telling fantasies," declared Congressman Jim Himes of Connecticut, which isn't in middle America, the last time we checked.

Telling fantasies? You mean like the guy who told fantasies like "If you like your doctor, you can keep your doctor" and "We can all have more health care and it will cost less."?

"We will crystalize our message on jobs, on health care," intoned Rep. Eric Swalwell of California, another not in middle America, the last time we checked.

Forget the message, dude. Your policy on jobs is to kill them, like with mines and pipelines.

Your policy on healthcare was to introduce a massive government-run Rube Goldberg scheme and lie about it all the way.

Please.

The only dose of reality coming out of Democrats was to acknowledge that their limousine liberal leader, Nancy Pelosi, is toxic.

But none of this really matters. Whether it's a hardcore Bernie Sanders "insurgent" message or a "GOP lite" message, both have failed.

The bottom line is that the modern Democrat party has become a party with influence only on the coasts and in urban cores.

There is a political realignment taking shape in America and the rural areas are joining the suburbs in becoming the core of a new GOP center-right governing coalition.

The Dems must be praying there are no more special elections.

They're like the hockey team with the rotten power play, hoping the other team doesn't take any more penalties.

STILL NOT GETTING IT

Related to the story above, Democrats here in Minnesota have continued to demonstrate an ignorance of what main street Minnesota is thinking.

For example, public hearings on the Line 3 pipeline project saw at least 5 DFL office holders (that we saw) attend the hearing to oppose the project.

This project would create thousands of work hours for blue collar construction trade members, a traditional DFL constituency.

In addition, the shooting of Philando Castile by law enforcement is another example of the disconnect between Democrats and average Minnesotans.

Start with Governor Dayton.

In the immediate aftermath of the shooting, he rushed to judgement, castigating the officer involved and inflaming passions instead of calming them.

Recall these quotes from Dayton:

"Would this have happened if ... the driver and passenger would have been white? I don't think it would."

"This kind of racism exists - it's coming up on all of us."

"Justice will be served, justice must be served if we're going to have a chance at repairing the terrible, terrible damage that's been done."

This all happened before a fair, impartial trial or even an investigation had taken place.

As readers well know, a jury heard the evidence and acquitted the officer who used deadly force on the incident.

There has been no claim that the trial was tainted or that the prosecution didn't get a fair chance to prove their case.

All agree that the criminal justice system worked as intended in this case.

Yet that hasn't stopped Democrats from continuing to adjudge officer Yanez not only guilty but a racist.

Dayton himself this week said that the incident was a "horrific reminder that everyone ... is not treated equally in the state of Minnesota."

Also this week, a group of DFL legislators who call themselves the People of Color and Indigenous Caucus issued a statement that also failed to respect the criminal justice process and adjudged Officer Yanez guilty and racist:

"As the family of Philando Castile continues to grieve, and the community looks for ways to keep a tragedy like his death from ever happening again, we are all confronted with the horrific dashcam footage that was shown to the jury. It is shocking footage, and we continue to believe the killing of Philando was senseless, without cause, and veiled in unfounded racial fear and prejudice."

Hey, this isn't the OJ trial. It was a tragic situation. Yet it was a situation that was adjudged legal by a jury.

While the DFLers involved may believe their views to be right and just, it is clear that it is yet another example of losing main street.

June 30, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "Could be bulls**t. I mean, it's mostly bulls**t right now. And so I think the president is probably right to say, like, look you are witch hunting me. You have no smoking gun. You have no real proof."
- CNN producer John Bonifield, commenting on the Trump-Russia campaign connection

Quote of the Week: "The Russia thing is just a big nothing burger."
- CNN commentator Van Jones, speaking to an undercover reporter

Editor's Note: Happy Independence Day! This is the last issue before the July 4th Holiday. Enjoy the holiday with family, friends, and plenty of fireworks. The Watchdog will not publish next week, July 7th.

INDEPENDENCE DAY STORY

In June 1776, a committee was formed to compose a formal declaration of independence. Headed by Thomas Jefferson, the committee included John Adams, Benjamin Franklin, Robert R. Livingston and Roger Sherman. Thomas Jefferson was chosen to write the first draft which was presented to the congress on June 28. After various changes a vote was taken late in the afternoon of July 4th. Of the 13 colonies, 9 voted in favor of the Declaration, 2 - Pennsylvania and South Carolina voted No, Delaware undecided and New York abstained.

To make it official John Hancock, President of the Continental Congress, signed the Declaration of Independence. It is said that John Hancock signed his name "with a great flourish" so "King George can read that without spectacles!"

The following day copies of the Declaration were distributed. The first newspaper to print the Declaration was the Pennsylvania Evening Post on July 6, 1776. On July 8th the Declaration had its first public reading in Philadelphia's Independence Square. Twice that day the Declaration was read to cheering crowds and peeling church bells. Even the bell in Independence Hall was rung. The "Province Bell" would later be renamed "Liberty Bell" after its inscription -

Proclaim Liberty Throughout All the Land Unto All the Inhabitants Thereof

And although the signing of the Declaration was not completed until August, the 4th of July has been accepted as the official anniversary of United States independence. For the first 15 or 20 years after the Declaration was written, people didn't celebrate it much on any date. It was too new and too much else was happening in the young nation. By the 1790s, a time of bitter partisan conflicts, the Declaration had become controversial. One party, the Democratic-Republicans, admired Jefferson and the Declaration. But the other party, the Federalists, thought the Declaration was too French and too anti-British, which went against their current policies.

By 1817, John Adams complained in a letter that America seemed uninterested in its past. But that would soon change.

After the War of 1812, the Federalist party began to come apart and the new parties of the 1820s and 1830s all considered themselves inheritors of Jefferson and the Democratic-Republicans. Printed copies of the Declaration began to circulate again, all with the date July 4, 1776, listed at the top. The deaths of Thomas Jefferson and John Adams on July 4, 1826, may even have helped to promote the idea of July 4 as an important date to be celebrated. Celebrations of the Fourth of July became more common as the years went on and in 1870, almost a hundred years after the Declaration was written, Congress first declared July 4 to be a national holiday as part of a bill to officially recognize several holidays, including Christmas. Further legislation about national holidays, including July 4, was passed in 1939 and 1941.

MOVE ON FROM OBAMACARE

As this publication expected, fixing Obamacare (instead of repealing it) has become a political morass that won't be solved.

From a policy perspective, fixing Obamacare is tantamount to rearranging the deck chairs on the Titanic. Government-run healthcare is government-run healthcare.

From a political perspective, tackling Obamacare and tackling it now has become a nightmare that threatens to jeopardize other major policy objectives and become a stain the party's brand moving into the 2018 election cycle.

Republicans in Washington are hopelessly divided on the subject and that is unlikely to change. As Texas Senator John Cornyn wryly noted, "As soon as one bullfrog jumps in the wheelbarrow, another jumps out."

Time is wasting, and valuable political momentum is draining away, leaving precious little time and political capital to pass more important agenda items.

A reform of the ridiculous tax code and a meaningful plan to repair the nation's aging infrastructure may fall victim to the quicksand of Obamacare.

It's time for Republicans to move on and score victories on these other two important fronts.

So far, Obamacare has overshadowed already-scored victories on the regulatory front, where important rollbacks and repeals have been ignored.

Move on.

With so many Americans eager to keep the current system, let them have it.

It's a system that is broken and dying. Why should the GOP own this problem? They didn't make it.

The only real policy reform on the health care front is get government out of the business of health care. Because government can't effectively manage health care, the logical conclusion is for a constant drumbeat to "fix" things with more and more government.

A single-payer system is the logical conclusion of any government-directed program.

A simple program of tax aids and credits to offset the cost of privately-obtained insurance is the only reasonable measure of governmental intrusion.

Once Americans perceive health care as a government-provided entitlement, there will be no stop until the land of Single Payer is reached.

In the short term, Obamacare will suck the political oxygen out of the room, leaving no air for the other important issues.

It's time to move on.

JOBLESS IN SEATTLE

For years, conservatives have argued that increases in the minimum wage produces a downside.

Labor, after all, is a commodity, and therefore a cost carried on the books at any business.

Government interference in the normal supply-demand curve that sets wages in any industry is bound to create unintended consequences, said conservatives.

That downside, the thinking went, would manifest itself primarily in job and hour losses.

When the price of something goes up, and producers lacking pricing power to recover those increased (and artificial) costs, there will be less of that thing.

In other words, make labor too expensive, and you will get less of it.

Liberals, not surprisingly, dismissed the warnings out of hand.

As with most of their policies, there is a myopic belief that only the utopian promises will be realized. Kind of like a toddler at Disneyland.

Seattle provides an excellent case study to test the competing theories, as that city jacked minimum wages through the roof, setting a course to raise the wage to \$15 per hour.

At least one academic study just published has given serious credence to the fears of conservative thinkers.

A team of economists at the University of Washington just released a study that empirically demonstrates that a super-charged minimum wage led to steep declines in jobs for low-wage workers and a reduction in hours for those still employed.

The kicker is that the high minimum wage also led to an overall decline in earnings for low-wage workers.

In other words, Seattle's minimum wage led to significant economic harm to the very people the law was intended to help.

Huh.

Just like the way welfare traps people in poverty instead of lifting them up.

Just like the way VA healthcare harms veterans instead of making them well.

Just like the way gun control makes streets more dangerous instead of less dangerous.

Another liberal Utopian dream dashed on the shoals of reality.

July 14, 2017

Public Policy Commentary

In This Issue:

"I find it objectionable to bail out insurance companies. It's not who we are as Republicans."

Sen. Rand Paul (R - KY)

"Admitting that both parties routinely ignore the Constitution, reject the rule of law, and erode liberty is the first step to recovery."

Rep. Justin Amash (R - MI)

ANTI-JOB, ANTI-RURAL

One of the more noteworthy trends in Minnesota politics is the shift of large swaths of rural Minnesota from blue to red. In some cases, districts that had been in DFL hands for generations are now represented by GOP legislators.

What is happening in rural Minnesota (and other rural areas of the country) likely represents a true political realignment as voters in these areas realize they now have very little in common with the DFL ruling elites and the liberal DFL rank and file from the urban core.

The first glimmers of realignment began in the 1980s as the DFL became an abortion-on-demand party, causing many lifelong Democrats to migrate to the GOP because of deep seated beliefs regarding the sanctity of life.

Next came gun control, as Democrats in the urban core became avowed enemies of law-abiding gun owners.

The latest split on social issues has occurred in recent times over the gay marriage issue.

After Minnesota Democrats (and a handful of Republicans) legalized gay marriage in 2013, many rural Democrats lost their legislative seats in the 2014 election. The GOP held these seats in 2016, despite claims by the DFL that the seats were merely "rented." If those seats are rentals, they are surely long-term leases.

After the schism caused by social issues, the DFL suffered a catastrophic breakdown of their coalition over economic the economic issues that have become preeminent in recent elections.

Strident DFL objections to mining, pipelines and oil extraction have proven to be the final straw for legions of erstwhile rural DFL voters.

Ultimately, all voters vote their pocketbook in some fashion.

This is especially true when good paying jobs are scarce in your area. In many places in rural Minnesota, jobs in mines or in the kind of construction that builds pipelines are the best jobs around, offering good pay, health insurance, and a pension.

Another chapter in the saga of the DFL turning their backs on rural Minnesotans is being written right now.

The state is considering permits to replace the Line 3 oil pipeline that runs through the northern tier of the state.

The pipe line was installed in the late 1960s and needs replacement to install a pipeline consisting of safer material and capable of more efficiently moving oil.

As you might expect, many DFLers, including elected officials, are fighting the replacement project tooth and nail.

In opposing the pipeline replacement, here's what these Democrats are opposing:

- Over \$2.1 billion in private investments by Enbridge, the company that owns the pipeline;
- Thousands of high paying construction jobs that sustain families;
- A major boost to the local economies along the pipeline from ancillary spending
- Over \$50 million in local property taxes paid by Enbridge;
- The safety of a pipeline that moves an amount of oil every day equal to over 10,000 rail cars or 24,000 tanker trucks.

Considering all that, it's rather astonishing that so many Democrats would oppose this project.

Just this week, 36 legislative Democrats affixed their names to a public statement of opposition to the project.

This is the list of shame:

Rep. Frank Hornstein (Minneapolis)
Rep. Jean Wagenius (Minneapolis)
Rep. Mary Kunesh-Podein (New Brighton)
Rep. Jamie Becker-Finn (Roseville)
Rep. Susan Allen (Minneapolis)
Rep. Peggy Flanagan (Saint Louis Park)
Rep. Karen Clark (Minneapolis)
Rep. Rick Hansen (South Saint Paul)
Rep. Alice Hausman (Saint Paul)
Rep. Lyndon Carlson (Crystal)
Rep. Carlos Mariani (Saint Paul)
Rep. Diane Loeffler (Minneapolis)
Rep. Rena Moran (Saint Paul)
Rep. Paul Rosenthal (Bloomington)
Rep. Erin Maye Quade (Apple Valley)
Rep. Jim Davnie (Minneapolis)
Rep. Ilhan Omar (Minneapolis)
Rep. David Bly (Northfield)
Rep. Tina Liebling (Rochester)
Rep. Raymond Dehn (Minneapolis)
Rep. Erin Murphy (Saint Paul)
Rep. Paul Thissen (Minneapolis)
Rep. Dave Pinto (Saint Paul)
Rep. Mike Frieberg (Golden Valley)
Rep. Connie Bernardy (Fridley)
Rep. Fue Lee (Minneapolis)
Rep. Andrew Carlson (Bloomington)
Sen. Scott Dibble (Minneapolis)
Sen. Carolyn Laine (Columbia Heights)
Sen. Patricia Torres Ray (Minneapolis)
Sen. John Marty (Roseville)
Sen. Sandy Pappas (Saint Paul)
Sen. Greg Clausen (Apple Valley)
Sen. Bobby Joe Champion (Minneapolis)
Sen. Kari Dziedzic (Minneapolis)

Put another way, 40% of Democrats in the legislature formally oppose safer pipelines, good construction jobs, and higher tax revenues for rural Minnesota.

Stunning. And that's why the DFL has lost rural Minnesota.

THE ELEPHANT IN THE ELEPHANT'S ROOM

Don't think for a moment that former Governor Tim Pawlenty isn't contemplating running for governor in 2018.

The opportunity to govern with a GOP majority in both houses might be inducement enough to take a third non-consecutive run at the mansion he occupied from 2002-2010.

If he got in, Pawlenty would be the most formidable candidate on both sides of the partisan divide.

Big name recognition, ready access to a nationwide donor network, and deep experience in the state and national political arena are assets no current candidate can match.

Pop quiz: Who was the last Republican to win state-wide office in Minnesota? If you said TPaw, that would be correct.

If you guessed that last win was over a decade ago, you would be correct again.

With those credentials in place, Pawlenty can afford to stay on the sidelines for a bit and assess the situation.

His campaign could be quickly spun up, easily counting on an experienced cadre of former campaign and gubernatorial staffers to reassemble in quick order.

The Watchdog has heard from multiple GOP opinion leaders and high net worth donors that they want to know what his plans are before committing to other announced candidates or candidates contemplating a run for governor.

Stay tuned. The race for governor has only just begun.

July 21, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "The governor's vetoes...violate the Separation of Powers Clause of the Minnesota Constitution by impermissibly preventing the legislature from exercising its constitutional powers and duties. As a result of violating the Separation of Powers clause of the Minnesota Constitution, the governor's line-item vetoes are unconstitutional, null, and void."

- Chief Judge John Guthmann, Second Judicial District

Quote of the Week: "At the top of the list of giant hypocrites, you'll find Senators Shelly Moore Capito of West Virginia and Lisa Murkowski of Alaska - who have both declared their intention to vote against the ObamaCare repeal bill that they both voted for in 2015."

- Red State

Quote of the Week: "I don't want the government to take care of me. You shouldn't expect President Trump to take care of you. You should take care of yourself!"

- Robert Kiyosaki, Author and Investment Guru

EMBARRASSING

Embarrassing. There is no other word to describe the Republican-led circus in Washington surrounding Obamacare.

If Majority Leader McConnell had read this publication some weeks ago, we counseled him to simply move on from Obamacare before the embarrassment of looking completely impotent and incompetent.

But it didn't have to be this way.

For seven years, Republican office holders in Washington and around the country voted time and again to dismantle the program. They wasted no small amount of breath proclaiming their steadfast support of repeal. They filled the legacy media and social media with their opinion pieces asking constituents, "Did you see my sweet vote to repeal Obamacare?"

Frustrated voters rewarded the message and the promise (note the word "promise") to get rid of Obamacare by giving the GOP control of the power levers at both ends of Pennsylvania Avenue.

And the result is a big, fat turd in the legislative punch bowl.

But don't blame President Trump. He has been flexible in his approach and unapologetic about wanting to repeal and replace, however the Congress wants to work out the timing.

And don't blame Speaker Ryan. He's looking like Cicero, Lyndon Johnson, and Winston Churchill all in one, as he assembled a strategy to get a bill off the House floor.

The blame here lies with the Senate.

In particular, two Republican Senators are to blame: Lisa Murkowski of Alaska and Shelley Moore Capito of West Virginia.

These two quislings voted for a bill to repeal in 2015 that they now oppose in 2017.

The exact, same, identical bill.

As one might expect from a politician, the mealy-mouthed excuses are seeping from their communications staff but it doesn't change one fact: these two lied. They lied to their constituents, to donors, to volunteers, and to the American people.

They were for the bill before they were against it.

Now there may be other Republican senators out there who are hiding behind the skirts of these two.

Yes, they're betrayal is real and sincere but these two may have volunteered to be the face of the betrayal as they aren't up for re-election for four and six years, respectively.

The simple fact is that these two senators should face a primary challenge.

The Watchdog has been very judicious in calling for Republican officeholders to be ousted by their own party.

In this case, it's well deserved.

Lying about any issue, much less an important issue like this one is grounds for such an action.

Can we at least be represented by honest people?

Every concerned American should also contact these senators and let them know how you feel about their betrayal.

Senator Lisa Murkowski

<https://www.murkowski.senate.gov/contact/email>

(202)-224-6665

Senator Shelley Moore Capito

<https://www.capito.senate.gov/contact/contact-shelley>

202-224-6472

Embarrassing.

TYRANT - IN CHECK

Well, Mark Dayton stepped in it again.

Our eccentric, erratic, and enigmatic chief executive has been told by one of the adults over in the judicial branch that his prank to defund a coordinate branch of government wasn't funny.

In fact, the stunt was ruled clearly unconstitutional.

Maybe he should have just tried to give Speaker Daudt a wedgie or put a bag of flaming dog pooh on Leader Gazelka's doorstep.

Dayton's ill-fated attempt to blackmail the legislature into reopening bills that we already law didn't work. The Republican majorities in both bodies have said they won't capitulate to coercion, a district judge has said its illegal, and the only glimmer of hope Dayton has left is a Hail Mary throw down the street to the Supreme Court.

Which, of course, is exactly what Dayton plans to do.

Not content to be embarrassed once on the issue, Dayton has announced that he will expend more taxpayer money keeping the issue alive for another few weeks to put an exclamation point on a failed governorship that has been consistently marred by embarrassing instances of confessed ignorance, convenient amnesia, and juvenile outbursts of anger and angst.

In announcing plans to appeal, Dayton noted his forlorn hope that the appeal would force Republicans to "come back and finish the job" of the 2017 legislative session.

The only problem is that the work IS done.

All the major appropriation bills passed the House, the Senate, and were signed into law by the guy who's now saying the work isn't done.

Bizarre. Dude, you negotiated those bills. You signed them into law. What in the world are you talking about?

By the way, Daudt snuck some Personal Seat Licenses into the bills. Did you find them, governor? Just kidding.

The decision from the district court was decisive, holding that the governor's line-item veto of legislative funding clearly violated the separation of powers clause by, in effect, shuttering the legislative branch by starving it of funding.

The decision also made a couple of other important points regarding the line-item veto authority that the state constitution gives the governor.

The court noted that the line-item veto power isn't a "creative" or "expansive" power inherent to the chief executive's office.

Instead, the court held that the legislative history behind the power (to prevent runaway pork-barreling or log-rolling) meant that the power was in the nature of a narrow exception to the legislature's broad power to appropriate money.

Therefore, the line-item veto power is to be narrowly construed by courts, not only because it's a "negative" check on the legislative branch, but because this limited authority is subject to massive abuse, such as defunding the courts to extort a favorable decision. Or, hypothetically (only!), to coerce the legislature into revisiting a tax bill that's already signed into law.

Thus, the court further held that line-item vetoes must be limited to striking an appropriation and never to vetoing a policy matter.

Here, Dayton conceded that he didn't veto legislative funding because he objected to the amount of funding or how the appropriation was fashioned.

Instead, he intended that the veto coerce the legislature into repealing unrelated policy provisions that the governor had already signed into law.

In the end, it's all bluster. Both legislative leaders have said they won't be coerced, no matter the outcome in the courts.

HOT RUMOR

Sources tell the Watchdog that state Senator Carla Nelson of Rochester has made the decision to run for Congress in the First District.

Sources tell the Watchdog that there is no truth to the rumor that state Senator Justin Eichorn is resigning his seat to take a job with a state agency.

July 28, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "Make no mistake: Today's vote is a major disappointment to people who were promised full repeal. We still have a long, long way to go - both in health policy and in honesty."

-Sen. Ben Sasse (R-NE)

OBAMACARE WON

Folks, Obamacare won. It's here to stay. While that statement may sound melodramatic, it's the truth.

When the Senate voted 55-45 against a repeal of the program, most Americans missed the meaning, that Obamacare is here to stay.

By the way, let us heap scorn upon the six Republican Senators who voted against the repeal bill who were for the same repeal way, way back in 2015:

Murkowski - AK

McCain - AZ

Portman - OH

Heller - NV

Alexander - TN

Moore Capito - WV

These six were for it before they were against it and have forfeited the privilege of being re-elected. In other words, they should face a primary challenge from Republicans who believe in governing on principle.

There was a seventh Republican, Susan Collins of Maine, who also voted against the repeal. In 2015, she voted the same way and thus earns faint applause from this publication but she cleared the low bar of actually voting her conscience.

At essence, this week's Senate debate is about one central proposition: Is the federal government responsible for guaranteeing health care?

All other aspects of the debate are subordinate to this philosophical question. All other aspects of Obamacare policy flow from this question.

When the Senate rejected a repeal, it became the official public policy of the United States government that it is now responsible for health care.

55 Senators affirmed that somewhere in the constitution, probably under the same "penumbra" as the right to an abortion, there is a guarantee of health care.

While the federal government has certainly been involved in health care for some time (e.g. Medicare and Medicaid), Obamacare is different.

Obamacare, with health insurance exchanges, mandatory coverage for existing conditions, and heavy subsidies for millions of others, moved health care policy beyond the very sick and elderly and made subsidized health care available to nearly all.

Put another way, "repeal and replace" was never really a viable alternative.

The stark choice for the GOP was to either repeal Obamacare or admit that the federal government has now become a guarantor of universal health care.

There is no middle ground given this reality.

The fundamental proposition of Obamacare (federal responsibility for your healthcare) leads to the logical conclusion of a single-payer, universal care system.

This is why talk of a "skinny repeal" and other strategies is nothing more than window dressing designed to make the Republican base feel good and keep the GOP in power (Mitch McConnell and Paul Ryan hope).

In other words, these other votes are shiny objects designed to distract from the harsh reality that Republicans have capitulated on the subject and don't want to answer for it to the millions who believed they were serious about the issue.

An entitlement once issued is impossible to take away.

The passage of any other bill this week is meaningless.

Any "gains" such as a repeal of the individual mandate is ephemeral.

Now that Obamacare is here to stay, the debate will only be about how to "fix" it, with the all-too-familiar march towards more and bigger government.

The debate will be all about how much Obamacare we're going to swallow, not whether the federal government should be in this business at all.

History will record Obamacare as perhaps the most successful liberal entitlement scheme ever perpetrated on the American people, with Social Security the only peer.

And like those other entitlement programs, it will forever be on a pathway to bankruptcy, it will forever produce horror stories of waste, fraud, abuse, inefficiency, and downright cruelty.

Raise your hand if you want healthcare like what our veterans get from the VA.

And like those other entitlement programs, it won't matter. Obamacare will become a Leviathan, impervious to legislative oversight and fiscal sanity.

There is only one glimmer of hope.

The House of Representatives will have an opportunity to reject the thin gruel of "reform" that the Senate will likely send them and move the debate to a conference committee.

The House should insist on a repeal or else let the bill die.

Speaker Ryan should be prepared to tell the country that the Senate, GOP and DFL alike, isn't interested in true reform at this time, so the status quo will prevail.

UPDATE: Since this issue went to press, the Senate failed to pass even a "skinny" repeal bill, rejecting it 51-49, with Republicans John McCain, Lisa Murkowski, and Susan Collins joining the Democrats to preserve Obamacare in its present form.

It's time for Republicans, as this publication counseled weeks ago, to walk away from Obamacare and move on to other issues. Let the

Democrats, Al Franken and Amy Klobuchar included, to own it, as they always have.

Let Democrats now explain themselves.

Good luck with that. How did it work for them in 2016?

That status quo will produce the same horrific results we've seen of the past several years.

The same results that produced a legislative majority and a president who promised to repeal the law producing said results.

If the GOP tinkers with Obamacare, they will own it and will thus own and be blamed for problems not of their making.

Once the GOP owns this, the Dems will campaign on a platform that the GOP "sabotaged" Obamacare and is to blame.

The GOP will spend time explaining why their window dressing isn't to blame, standing on defense in 2018.

If the GOP runs from this live grenade, the Dems will continue to own it and allow rationale political leaders to argue for a mandate to repeal.

This is a moment of high danger for politicians. This is an issue that calls for taking a stand on a divisive issue, something politicians hate.

Anything less means that yet another step - a giant leap - towards decline.

As Sen. Sasse remarked, honesty is in short supply in Washington.

TRASH'S DIRTY SECRETS

You don't get something for nothing.

Government does a horrible job managing anything.

These two axioms are on full display in Saint Paul, the latest city to attempt the takeover of trash hauling. Obamacare for trash.

Before we start, let's take a moment to heap derision on those citizens who want government to take over garbage hauling because they're too lazy to purchase this service themselves.

Really? You would probably also want government to negotiate your cable package. Or what pizza to order. Or what cell phone plan to purchase.

In any case, Saint Paul's high-profile push to euphemistically "coordinate" trash hauling shows the dirty secrets inherent in government's takeover of this segment of our economy.

The first secret is the "senior slam." This scam involves forcing every residential address in the city to have trash service. It's not that these residents aren't properly disposing of trash. It's that they don't need to pay for their own can.

These folks share a can, and the cost, with neighbors. They're kids come by and take the trash to put in their own can. They have an arrangement to dump their bags at work.

By forcing everyone to pay for trash service, the city can brag about negotiating a lower rate. This is true, but it's only true because those who don't need the service are forced to pay for it, which is nothing more than a citizen-to-citizen subsidy for those who do need it.

The second dirty secret is the general fund subsidy. Inevitably, a city's general fund ends up subsidizing the garbage operation for the same reason as the senior slam. Any general fund subsidy lowers the headline cost and allows the city to proclaim that government intervention has saved taxpayers money.

The proposed \$52 "administrative fee" in Saint Paul is a prime example. In this case, the city was acting in transparent fashion by admitting that the takeover comes with expenses for the city.

In other cities, these fees are generally covered by the general fund. In Maplewood, for example, the city masked significant costs, like the purchase of garbage cans, with general fund money.

This is why Maplewood's costs look lower than Saint Paul's.

Citizens in Saint Paul should be vigilant in watching for new, "lower" costs being masked by general fund subsidies.

Another trick in this vein is trash-related city employees being funded out of the general fund.

A third trick used to make the headline trash fees look lower is to significantly increase the amount and types of add-on fees.

Think airlines in this case. It may only cost \$75 to fly to Chicago, but there are baggage fees, convenience fees, snack fees, etc.

Government-run trash hauling is the same.

These contracts always come with hidden fees. If your can won't close fully, that's an upcharge. Have extra bags next to the can? That's an upcharge. Forget to put your can out on time? That's an upcharge.

Again, citizens in Saint Paul should take care to read over any proposed contract and watch the hidden fees!

Even in a liberal la-la land like Saint Paul, citizens are catching on to the scam called "organized collection."

August 4, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "Rep. Lesch's immediate need for resources in his personal accounts at or close to the time of the unexplained transfers further supports the Board's conclusion that the transfers were for personal use."
- MN Campaign Finance Board Report

BUSTED

DFL State Representative John Lesch of Saint Paul is in some hot water - real hot water.

The long-time legislator and candidate for attorney general - the state's top legal officer - was fined \$15,000 personally and his campaign committee another \$5,000 for multiple violations of campaign finance law.

It is indeed rare that the Board would personally fine a candidate, much less in the amount of \$15,000.

Then again, most fines levied by the Board are for paperwork errors or inattention to small matters.

This is no small matter.

To start, the Board found that on five occasions, Rep. Lesch transferred campaign funds into personal accounts, totaling \$8727.62.

Lesch claimed that these transfers were reimbursements for campaign-related expenses.

But, uh, Lesch could provide no documentation of the expenditures to support his claim they were merely reimbursements.

Yes, in this day and age, Lesch attempted to convince investigators that there were no documents he could produce to back up his claim. No receipt copies from vendors, no copies from his bank, no copies or reproductions from anyone.

Moreover, investigators found that the transfers into his personal accounts happened very close to the time payments were due that he otherwise didn't have money to pay.

In other words, the timing was suspicious. Lesch has bills due and owing. He doesn't have the money. When the money is close to being due, he transfers money from his campaign into his personal account.

In absence of any exculpatory evidence, the Board rightly concluded that he "converted" the funds.

"Conversion" is a legal term meaning that money or other property is used by a party that has no right to use it.

In this case, the Board ruled that Lesch personally used funds owned by the Lesch campaign committee.

Lesch the person had no rights to funds owned by the Lesch committee.

In short, the committee concluded that he stole money from his campaign account to pay for personal expenses.

Lesch responded to the conversion charge by essentially saying "There's no evidence because there's no receipts."

Fortunately, the Board didn't buy it. To do so would lay out a blueprint for unscrupulous candidates to convert campaign funds. Destroy the receipts, find a way not to reproduce them, and repeat the crime.

Next, the Board fined the Lesch campaign \$5,000 for filing false and incomplete campaign finance reports in 2010, 2011, 2012, 2013 and 2014.

During that time, one of Lesch's campaign treasures was - get ready for it - his wife.

His wife also happens to be a full-time lobbyist, employed by Mayor Hodges over at the City of Minneapolis.

Melissa Lesch admitted to investigators that she signed campaign finance reports as "accurate and true" even though she knew the reports were not accurate and true.

In other words, she lied about the campaign finance reports for which she was responsible.

The voters will pass their judgement on Lesch, meaning that he will likely be overwhelming re-elected to his Saint Paul district because DFLers believe that ethics laws are a cudgel to be swung only at Republicans.

DFL legislator has lobbyist wife who is also his treasurer. What could go wrong?

Good for the Board for laying the hammer down on this one.

An ethics complaint from the House GOP against Lesch would be a good second act to this tragic comedy.

GOLF CLAP, PLEASE

The "golf clap" is faint praise for any ho-hum issue overhyped by its advocates, the legacy media, and spin doctors.

Such is the praise this week for Obamacare premiums in Minnesota that are expected to rise only modestly or even fall.

While the headline news may seem cause to do cartwheels, it deserves little more than a golf clap.

This is because premiums were held in check only because of massive buydowns out of the state treasury.

In short, premiums didn't fall. They were merely subsidized on a one-time basis.

Now, the buy down was a good thing in one regard because they protected innocent Minnesotans from being crushed yet again by Obama's Rube Goldberg health care scheme.

The like-your-doctor-keep-your-doctor-costs-will-go-down farce that Senate Republicans in Washington can't seem to fix because of the entitlement mob, that grows like the Blob, as Washington promises more and more benefits to an increasingly indolent populace.

Moreover, Republicans in Saint Paul did what they could on this issue, given that Mark Dayton is governor and the fact that this is a federal issue and ultimately the responsibility of Republicans in Washington to fix - no, repeal.

Nonetheless, this news gets a polite golf clap. Obamacare is still a major problem and there is a moral hazard in insulating citizens against its noxious effects, even when those citizens are blameless.

HUMAN CAPITAL PARALYZED

The Wall Street Journal reported this week that Americans are as immobile as they've been in many years, which is a threat to our economic well-being.

Dynamic and prosperous economies rely on the efficient allocation of resources, including human capital.

Yes, people and their labor are an economic input that must be efficiently allocated, meaning that it must be deployed where it will be put to its highest and best use.

When human capital is immobilized, economic output suffers.

Such is the case today. Many sectors of the economy are reporting that jobs are going unfilled.

While the reasons for Americans not moving are many, there is no doubt that government policy is to blame for some of it.

First, severe land use restrictions are making it difficult for prospective job transferees to find affordable housing in some hot job locations.

Second, government welfare programs are providing a perverse incentive for many Americans to stay put and unemployed in one location instead of moving to where jobs are open.

Subsidized housing and health care make it easier to stay in the familiar confines of the home town instead of uprooting the family and taking a risk to move to an unfamiliar place.

Third, government keeps Americans in place by promising all manner of market-distorting "economic development" that will bring jobs to them instead of the other way around.

Whether the chopsticks factory of 30 years ago, the Giants Ridge ski lodge of 10 years ago, or the shrimp production pools of this year, corporate welfare dressed up as economic development has become a disturbing feature of our modern government.

In a larger sense, government has offered yet another detrimental promise to the American people: Don't worry about the stress and inconvenience of moving to a job. Instead, we will bring jobs to you. In the meantime, please enjoy a subsidized lifestyle that relieves you of any personal responsibility.

It's vote buying, plain and simple. And it's further evidence that our government is too big and too powerful.

Economic dislocation is a hard fact of life in a capitalist economy. Layoffs happen.

Industries are created and destroyed. Jobs are created and destroyed. People are required to leave one life behind to enter another.

The harder truth is the alternative to this type of economy.

Capitalism: The worst economic system ever devised, except for all the others.

August 11, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "As many of you embark on long-awaited summer vacations, remember to do so sustainably! It's easy to forget the huge carbon cost of travel-one yearly vacation can cancel out a year's worth of sustainable lifestyle choices."

- MN Pollution Control Agency

LIBERALS DON'T GET IT - CHAPTER 1

The Left has once again peed into the wind and declared it a refreshing rain shower.

This week, protesters from the infamous [Take Action Minnesota](#) showed up on the doorstep of Congressman Jason Lewis' private home to protest, taking full credit for their despicable actions by [livestreaming](#) the event and later taking victory laps on social media, much less [refusing](#) to apologize for trespassing on his private property (yes, a concept foreign to these people) and disturbing his and his neighbors right to the peaceful enjoyment of their property.

The paid professional leading the protest exhorted the assembled trespassers to disturb the congressman's family and neighbors.

"We are here to make sure the Congressman Lewis' neighbors know exactly why we are here. So let me hear you cheer, let me hear you cheer so loud that the entire community here will hear us and know exactly why we are here," she yelled.

The trespassers left the neighborhood chanting "We'll be back."

If they do, perhaps law enforcement will be waiting. Or perhaps Rep. Lewis will invest in some "enhanced" security measures for his family.

This sordid affair once again demonstrates why the DFL is a minority party and will likely stay that way for some time, regardless of what Republicans do to set themselves on fire (see healthcare, for example).

The far-left Lefties who lead the DFL these days all jumped in the echo chamber after the trespass protest and congratulated themselves on a job well done.

The professional agitators, complainers and Bernie Bros all dutifully clapped their flippers and barked approval across social media, believing that this stratagem would surely spark the revolution.

But alas, it won't work out that way.

This is because average voters and even many who used to vote DFL don't see it that way.

What they saw on that Facebook Live video were a bunch of wing nuts trespassing on a guy's private property to disrupt his neighborhood and intimidate his family, all to protest "cuts" to their welfare entitlements.

Color the average voter unimpressed.

This is the very same mentality that thinks it wise to shut down freeways, damage property, and injure public safety personnel trying to clear the roadways.

These folks think it's cool when restaurants refuse to serve cops.

They think it's funny when their ilk mock social institutions the majority values, like church and military service.

Keep it up. Hillary Clinton won 9 of Minnesota's 87 counties last year, in barely winning the state.

Both the First and Seventh congressional districts hang by a DFL thread.

Republicans hold legislative seats that were in DFL hands for decades.

Ask Sen. Rod Skoe, Sen. Tom Saxhaug, Rep. Tom Anzelc and Rep. John Persell how well that far-left ideology is working in their legislative districts.

You can ask them, but those Democrats no longer represent their districts. They lost to Republicans.

LIBERALS DON'T GET IT - CHAPTER 2

The Watchdog was intrigued by an item in Blois Olson's widely-read "Morning Take" that referenced a recent news [article](#) regarding whether or not the DFL can "reconnect" with rural Minnesotans.

The piece reported that state law actually prohibits the Commissioner of the Department of Natural Resources from referring to Asian Carp as, well, Asian Carp.

This publication couldn't believe it.

So we looked it up.

And sure enough, it's true.

[Chapter 289](#), Section 67, of 2014 Session Laws states:

The commissioner of natural resources shall not propose laws to the legislature that contain the term "Asian carp." The commissioner shall use the term "invasive carp" or refer to the specific species in any proposed laws, rules, or official documents when referring to carp species that are not naturalized to the waters of this state.

The news article claimed that in 2014, when the DFL controlled the legislature and governor's office, the law was passed because Democrats believed that the term was an attack on Asian-Americans.

The House bill from 2014, HF3232, was chief authored by Rep. Peter Fischer of Maplewood. It was co-authored by Rep. Sheldon Johnson of Saint Paul and Rep. Leon Lillie, also of Maplewood.

The Senate companion, SF 2806, was chief authored by Sen. John Hoffman of Champlin and co-authored by three other Senate Democrats.

The language was passed and signed into law by Governor Dayton.

Again, this type of policy change was likely pushed and then applauded by certain liberal constituencies engaged in group identity politics.

But, also again, this is exactly the kind of activity that main street voters find absurd.

Yes, the legislature in 2014 spent time and money prohibiting the DNR commissioner from referring to a fish by its common name and geographic region of origin.

Further Watchdog research indicates it is still legal in Minnesota to order "Asian" take out, play "Chinese" checkers, look for Japanese Beetles, and listen to prog-rock legends "Asia."
Only time will tell if this foolishness was just the heat of the moment.

Just make sure to speak in hushed tones of "Invasive Carp."

Call it "Asian Carp" and you'll be immediately labeled racist and promptly sent to a re-education camp.

LIBERALS DON'T GET IT - CHAPTER 3

As if you didn't have your fill of liberal tomfoolery this week, check out what the Dayton administration is up to over at the Pollution Control Agency.

This summer, they are spending time and taxpayer resources shaming you, the taxpayer, into dumb and impractical ideas to reduce your carbon footprint this summer, such as these [ideas](#) for hosting:

BYOP (bring your own plate)

Provide reusable or compostable plates, cups, silverware and linens, or ask your guests to help contribute dishware! Using reusable and washable items is always the best choice whenever feasible.

Drink up

If you provide separate recycling containers for empty cans and bottles, you can go one step further by buying bulk-size containers and asking guests to bring reusable cups or mugs.

You've got mail

Elect to email invitations when possible to reduce paper waste. It's also a great idea to tell your guests in the invitation to bring their own food for the potluck or dishware, or at least to share how sustainability is a goal of your event!

Pass the ketchup

Buy condiments in bulk to avoid those pesky individual wrappers. Buying food in bulk is an easy way to create less packaging as well!

Bring a doggy bag

Remind guests to bring reusable containers so they can take leftovers home. Otherwise, you can gather the leftover food and take it to a compost drop-off site.

And how about feeling guilty about that family vacation?

"As many of you embark on long-awaited summer vacations, remember to do so sustainably! It's easy to forget the huge carbon cost of travel-one yearly vacation can cancel out a year's worth of sustainable lifestyle choices," says the Nanny State over at MPCA.

Here are some fun and practical ideas for summer [vacation](#):

Opt out of the stress of travel planning and plan a vacation in your own neighborhood. There are many ways to make a staycation fun. Some suggestions include camping in your backyard, going to the farmers market, or tackling a family project like building a tree house or planting a garden.

Yeah, that sounds like a vacation. Maybe the family can really jack up the staycation by doing laundry, cutting the lawn, picking up dog crap, and painting the garage together. Sounds relaxing.

Don't leave your sustainable habits at home. Everyday habits like buying locally, recycling, and even using reusable water bottles can fall to the wayside when your daily context changes. However, these habits can have a huge positive impact in the region you visit. If you are staying in a hotel that doesn't appear to have a recycling program, suggest that the management implement one. Expressing that this issue is important to you may have a larger impact than you realize. You may also consider taking recyclables home, in addition to any hotel soaps and shampoos that have been opened.

Yes, you too can act like cartoon character Lisa Simpson by browbeating hotel management over their perceived lack of concern for Mother Earth.

Even before you leave town, there are many ways to start greening your trip. Research the place you're traveling to and environmental issues in the region. Is there a drought? If so, water conservation will be all the more important. Perhaps there has been a conflict over regional resources. If so, plan to support local businesses that have advocated for the environment.

Geez, suppose your family just isn't planning on Southern Soudan or Afghanistan for a trip this summer? Heck, what if the family was planning on a vacation to actually FORGET about problems for a bit? How Trumpian.

Take five minutes to calculate your carbon footprint and you may discover the ugly truth: air travel is often the biggest contributor to personal carbon emissions.

This summer, why not return to more time-honored forms of transportation?

Like what, horseback? Maybe honor the Pioneers with a trip to Donner Pass via covered wagon?

Perhaps honor the good old days by eschewing vaccines, electricity, sanitary sewers, and treated water all summer?

Seriously, these are ideas that would get a person punched in the face in any normal household.

No wonder these people keep losing elections.

August 18, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "Kim Jong Un, the world always thought he was not a responsible leader, well he's acting more responsible than this guy is."

- Rep. Keith Ellison (MN-5) on President Trump

Quote of the Week: "This is terrifying. When Donald Trump said he wanted to 'Make America Great Again' many of us knew what he was referring to - he and others want to take us back to a time when scenes like this were commonplace, back to a time when white people terrorized communities of color and people were being killed because of their race, ethnicity and sexual orientation."

- MN DFL Chairman Ken Martin

UNITED OR DIVIDED?

The recent events in Charlottesville have further unmasked very troubling and ongoing issues in our country.

It would be a mistake to view recent events as isolated or in a vacuum.

Moreover, much of the rhetoric and commentary regarding these events is simplistic and misses the larger point.

These events are not the "cause" but rather the "effect" of the toxic erosion of our social, educational, and political institutions.

The erosion of these institutions has made it harder to for them to cushion the country against the shocks that come from the inevitable clashes that arise from time to time when the nation confronts change and upheaval.

This is precisely what's happening today and it's quite concerning.

To begin, political leaders from both parties have abdicated their moral responsibility to unite the country, to subordinate political gain to the common good, to seek compromise instead of confrontation.

In short, most of our political leaders aren't letting any crisis "go to waste."

President Trump thus far has failed miserably in his duty to unite a fractured nation. In fact, he has made no bones about having no real interest in fulfilling that obligation.

But so did President Obama.

A man uniquely suited to advance the cause of racial harmony put in little effort.

Instead of serious national conversation about race and justice, we got a "beer summit" and meaningless gestures.

Worse, President Obama did little to bring hope to very people most susceptible to white supremacist messaging and recruitment.

Rural men, the "Forgotten Man" of our era, face issues of economic dislocation and a lack of opportunity and the accompanying despair that has manifested itself in addiction, suicide, indolence, anger, and alienation.

The response from Obama was to dismiss the Forgotten Man as "bitterly clinging to guns and religion."

In Congress, both parties have failed to responsibly govern the country, failing to pass any meaningful compromise legislation (or even doing basic work like passing a budget) and engaging in a disturbing pattern of obstruction followed by the abrogation of rules meant to foster bi-partisanship in order to ram through one-sided solutions (e.g. Obamacare and the confirmation of any judge).

The rhetoric from our leaders has been even worse, and is once again a bi-partisan affair, contrary to what our DFL friends are proclaiming.

Take DFL chairman Ken Martin's recent comments as Exhibit "A."

Read again his comments: "This is terrifying. When Donald Trump said he wanted to 'Make America Great Again' many of us knew what he was referring to - he and others want to take us back to a time when scenes like this were commonplace, back to a time when white people terrorized communities of color and people were being killed because of their race, ethnicity and sexual orientation."

That kind of rhetoric is irresponsible, inflammatory, counter-productive, divisive, and just plain false.

Martin is accusing the President of the United States and the nearly 63 million Americans - including the 1.3 million Minnesotans - who voted for him of supporting racist policies that would reinstitute Jim Crow laws, voter suppression, and even lynching.

Chairman Martin continues to show an urban, liberal, elitist disdain for those who think differently than the liberal elites for whom he does his dirty work.

Recall his statement that the DFL "no longer needs the Iron Range to win."

Another root cause of the division in our country is the death of the First Amendment and the free exchange of ideas.

Segments of our society, especially on the Left, have become very comfortable ignoring free speech and instead shutting down speech they deem offensive or merely inconvenient.

Our college campuses, the cradle of that exchange of ideas, are now choked with speech codes, "trigger" words, safe spaces, and petitions to exclude certain people from speaking.

Relieving ourselves of the civic obligation to respectfully consider the ideas of others paves the way to dismiss those who don't think like we think and dismiss their societal goals and aspirations.

In short, the suppression of speech, especially core political speech, paves the way to a hardcore "winner take all" parochialism instead of a spirit of cooperation for a common good.

American society is quickly forgetting that it is possible, indeed necessary, to both vigorously oppose certain viewpoints while simultaneously supporting the right of others to say it.

Indeed, conservatives should lead the way in this regard.

For example, the racist views expressed at Charlottesville should be vehemently rejected.

Conservative thought is underpinned by the twin values of logic and merit.

Racism is inherently illogical, emotional, and denies the intrinsic value of each human being.

In short, racist thought is antithetical to the core values conservatives believe.

On the other hand, conservatives believe strongly in the value of free speech, especially core political speech.

The First Amendment was designed especially to protect unpopular speech.

The Framers clearly understood that when certain speakers are allowed to be heard and others are not, it puts us on the road to tyranny.

If some political speech is to be suppressed, it presupposes an arbiter of political thought who makes that call.

The Framers rightly believed that such a task could never be undertaken free from bias and the risk that the right to speak would be based upon the partisan viewpoint of those charged to pick the winners and losers.

We are right now lacking courageous leaders who are willing to stand up for the First Amendment.

Despite these challenging times, there is still hope.

Our institutions, while wounded, remain strong. Our nation has weathered political and social conflict before and will again.

This isn't the 1860s. But it certainly feels like the 1960s.

We can stand untied or fall divided.

As Ben Franklin noted, we can hang together or surely we will hang separately.

August 25, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "We collectively made the decision with Robert to switch games as the tragic events in Charlottesville were unfolding, simply because of the coincidence of his name. In that moment it felt right to all parties. It's a shame that this is even a topic of conversation and we regret that who calls play-by-play for a football game has become an issue."

- ESPN Internal Memo

WHAT'S IN A NAME?

Everything, apparently. In what can only be described as one of the most bizarre chapters in the Big Book of Politically Correct Stupidity, the ESPN network pulled a commentator off a college football game because he shares the name of a Civil War general.

Yes, you heard that right.

Robert Lee was pulled off the call for the Virginia vs. William and Mary football game scheduled for September 2nd.

The game will be played in Charlottesville, the site of recent unrest regarding the dismantling of Confederate statues.

Somehow, ESPN figured that a commentator named Robert Lee calling that game would instigate a new round of civil upheaval and perhaps the Apocalypse.

How profoundly stupid and asinine.

Robert Lee is an Asian-American sports broadcaster living in the 21st Century.

Robert E. Lee was a Confederate general of the Civil War, who lived in the 19th Century.

There hasn't been this much danger inherent in name confusion since Sarah Connor.

How any person could confuse the two is beyond the realm of rational human thought.

That any ESPN executive would even conceive that this circumstance might cause a problem in any way is beyond the realm of rational human thought.

Put another way, this foolishness is one of the most egregious examples of political correctness to which the American public has been subjected. Ever.

Political correctness has become of the one major divides between Liberal America and Mainstream America.

The backlash against it is one of the primary reasons election maps in America show a sea of red, with islands of blue concentrated on the coasts and around urban cores.

It's the reason that Democrats have lost many hundreds of legislative and congressional seats over the past ten years.

It's the reason that Hillary Clinton only won 9 of Minnesota's 87 counties in 2016.

The average American is sick and tired of the foolishness of tip-toeing around differences of gender, race, and ethnicity.

They are also more than sick and tired of running the risk of being labeled a racist or misogynist lout for simply acknowledging those biological differences. Meanwhile, the Left engages in a fantasy game of pretending that there are no differences, as if people are identical, like potato chips.

In a larger sense, the Left has sparked a culture war that so far has backfired on them in spectacular fashion.

Hyper-aggressive support for gay marriage, gun control, political correctness, and attacks on law enforcement and the military have caused mainstream America to recoil in horror, all to the advantage of the GOP.

Look at Minnesota. After the DFL passed gay marriage into law, the next election saw DFLers lose wide swaths of rural Minnesota, even in DFL

strongholds on the Iron Range and in the western and central parts of the state.

There is no doubt that we are embroiled in a culture war, with the "Robert Lee" incident standing as only the latest example.

FOXCONNED

A recent edition of this publication ran a series of essays entitled "Democrats Don't Get It."

This piece could be entitled "Republicans Don't Get It."

Or at least some Republicans don't get it.

Wisconsin governor Scott Walker is pushing a massive \$3 billion subsidy package to attract a Foxconn assembly plant. Foxconn is a Taiwanese company that manufactures electronic components used in other products, such as Apple iPhones.

As readers know, we at the Watchdog have long been skeptical of both Governor Walker's conservative credentials as well as his management skills.

This outrageous example of crony capitalism is no different.

The "Foxconned" deal is poor public policy both philosophically and practically.

Philosophically, it is wrong for government to offer market-distorting subsidies and other favors that pick winners and losers.

For example, the project would exempt Foxconn from a variety of environmental protection laws that other Wisconsin businesses must follow.

If these environmental protection laws are so burdensome, then every business should be exempt, not just those that hire good lobbyists.

In other words, either those laws are good public policy or they are not. Giving one business a pass on them and not others is crony capitalism plain and simple.

The same holds true with the direct subsidies.

Presumably, the subsidies are offered to lessen tax burdens that would otherwise provide too much of a disincentive to invest in Wisconsin.

If this is true, then Governor Walker and the legislature should pass tax cuts that objectively benefit job creators across the board, not just the select few like Foxconn.

Again, the laws are either good public policy or bad. The tax laws either need to be changed or they don't.

The rule of law presupposes that all are treated equally under the law without fear or favor.

Lady Justice wears a blindfold for a reason.

When government starts picking winners and losers, it breeds disrespect and contempt for our laws and our governing institutions.

We expect liberals to engage in such behavior. In fact, it's the foundation of their governing philosophy.

That Republicans, including House Speaker Paul Ryan, would engage in such blatant job buying is astounding.

In addition to violating core conservative governing principles, the deal is also a clunker from a practical perspective.

According to a non-partisan analysis, the state wouldn't recover its "investment" until 2042.

And that's presuming that Foxconn comes through on both its promise to hire a certain number of workers and pay them the high wages they've promised.

If history is any guide, Foxconn isn't good for it.

In 2011, Foxconn promised \$12 billion in investment for production of cell phones, tablets, and TV screens in Brazil. It still hasn't happened.

In 2013, Foxconn promised to build a \$30 million high-tech factory in Harrisburg, Pa. It still hasn't happened.

In 2014, Foxconn signed a deal with Indonesia that it would invest at least \$1 billion over 3-5 years. It still hasn't happened.

In 2015, Foxconn signed a memorandum of understanding with India that it would invest \$5 billion and employ at least 50,000 new workers. The project still has not yet identified a construction spot.

The Watchdog has heard from many fellow conservatives who support the Foxconn deal.

Folks, just because Walker is behind it doesn't mean it's a good thing.

Admit it. If Mark Dayton had proposed this corporate welfare, you would be all over him.

It's not about the proposer. It's about the substance of the proposal.

This one stinks. Be thankful Minnesota taxpayers aren't under the gun on this one.

There is perhaps no bigger harbinger of American decline than the rise in crony capitalism.

Today, corporate America has its hand out at the government till more than just about any other group.

September 1, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "I'm more leaning towards running but don't take it to the bank".

- House Speaker Kurt Daudt

Quote of the Week: "Rep Lewis has not made any endorsement for MN Attorney General."

- Statement from Jason Lewis campaign in response to Doug Wardlow implying Lewis has endorsed him for MN Attorney General

STOKING THE CULTURE WAR

As this publication has observed on many occasions over the past months, the DFL has lost ground here in Minnesota and across the nation because the party caters to, and is ruled by, people who subscribe to a radical worldview that is opposed by a majority of Americans, including a growing number who used to self-identify as Democrats.

One front in the emerging culture war is mining and pipelines.

The fiasco at Standing Rock in North Dakota is emblematic of the Left's extremism.

Protestors opposed to the Dakota Access Pipeline (DAPA) attacked pipeline workers, vandalized equipment, trespassed on private land, and created squatter camps that left behind millions in clean-up costs.

We guess this "the end justifies the means" mentality includes polluting the very planet they profess to protect at all costs.

That culture war is perhaps soon to come to Minnesota.

The state has a number of pipeline projects that are in the cross hairs of these radicals, including the Line 3 project, which has been subjected to Left-wing violence in Wisconsin recently.

Indian tribal members have been at the forefront of stoking the violence and intimidation tactics.

Well-known tribal leader Winona LaDuke recently issued a menacing threat regarding Line 3, declaring, "If that permit is issued, you can be sure you will have Standing Rock in Minnesota. I will tell you that. We've been very clear with the state representatives, and the governor of Minnesota, that if they approve this line, there will be tens of thousands of people in Minnesota."

Tens of thousands of people doing what? If Standing Rock is their inspiration, they will be engaging in all manner of lawbreaking and the violation of the rights of others.

This is where the radical Left is losing the culture war.

Most Americans have deep reverence for the First Amendment and the right to peaceable assembly to express their opinion.

Note that the assemble is PEACEABLE assembly.

Many Americans also recognize the historical injustices visited upon native peoples and the moral imperative to right those grievous wrongs.

Violent protest and lawbreaking obliterates that good will and offers only the chance of a temporary and ephemeral win versus a long-term victory or chance to craft a compromise both sides can accept.

Native tribes have a right to protest these projects and have their collective voice heard in the decision-making process, something that has been historically lacking.

But these tribes collectively and their enrolled members personally don't have any sort of right to break the law in pursuit of their desired outcome.

The lesson of Standing Rock for the Left is that their abhorrent means to pursue a legitimate end (an end with which we respectfully disagree) backfired in spectacular fashion.

The violence and lawlessness spurred many average voters to elect Donald Trump, a president who made good on his promise to get DAPA done.

Violence on Line 3 will do much to elect a governor in 2018 who promises to get the project done.

The majority of people already favor pipelines as a safe and effective mode for the transportation of vital petroleum fuels.

Violence and intimidation from opponents only makes that number larger.

THE TELL-TALE QUESTION

Oral arguments were heard this week before the Minnesota Supreme Court in the case between the legislature and Governor Dayton regarding his veto of the legislature's operating funding.

A district court earlier ruled that Dayton had violated the state constitution with his veto, essentially violating the separation of powers clause by constructively eliminating the legislature.

As one would expect, the lawyers did what they did best, engaging in pedantic, opaque arguments. In other words, a bunch of mumbo jumbo.

The case comes down to the intersection and potential conflict of two constitutional powers conferred by the state constitution.

One is the line-item veto. This is a power conferred on the chief executive to veto an item of appropriation. It allows the governor to veto specific funding items he doesn't like.

In this case, the governor vetoed the legislature's funding, which runs smack dab into another constitutional power: the power of each branch to function as a separate, co-equal branch.

The lower court ruled that Dayton's veto essentially abolished another branch of government, flagrantly violating the separation of powers clause.

During oral arguments, Chief Justice Gildea cut right to the heart of matter by asking this question of Dayton's lawyer: If the line-item veto power has no limits or qualification, is the governor not empowered to veto or threaten to veto funding for the judicial branch if he doesn't like the way a court rules a case?

Dayton's lawyers engaged in some verbal gymnastics before simply stating that such a question "isn't before the court today."

This is the tell-tale question.

For Dayton's view to prevail, it must be admitted that the line-item veto has no limits.

It means that the governor can threaten to veto funding to operate the legislature or the courts to leverage political outcomes.

In short, it means that the governor can threaten the integrity of the courts and the legislature.

The separation of powers concept is fundamental to our republican form of government.

It is a core principle that underpins our belief in the rule of law, equality before the law, and the belief that the rights of government are only those ceded by the individual citizen.

To allow the governor to shutter the doors of the legislative and judicial branch with the stroke of a pen is a tyrannical power the framers of our constitution never intended.

The Supreme Court must rule in favor of the fundamental separation of powers clause and strike down Dayton's veto.

PUBLIC PENSIONS SINKING FAST

It wasn't widely reported by the mainstream media, but Minnesota's public pension funds took a major hit last week, greatly increasing their un-funded liability numbers.

A change in accounting rules, designed to put an end to overly-optimistic investment assumptions, has forced governments to more accurately book their funding ratios.

The move from fantasy land accounting to real world accounting has been sobering to say the least.

As a result, the state's retirement system went from 80% funded to 53% funded.

Put another way, the unfunded debt rose to \$33.4 billion, or \$6,000 for every man, woman, and child in the state.

Because the state was using such rosy investment return numbers, the accounting change caused Minnesota to experience the worst change in pension funding, moving from the 7th best funded public pension system in the nation to 30th.

This change exposes the all-too-cozy relationship between Democrats and the public unions.

For generations, these two groups have made deals to exchange political support for irresponsible and unrealistic pension promises.

It's no surprise that the states with the biggest problems are deep blue states like Minnesota, New Jersey, and Illinois.

More liberal chickens that have come home to roost.

September 8, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "Justice Stras's professional background and record strongly suggest that, if confirmed, he would embrace the legacy of his role models and reliably rule in favor of powerful corporate interests over working people, and that he would place a high bar before plaintiffs seeking justice at work, at school, and at the ballot box. The president should be seeking out judges who bridge the issues that divide us, but I fear that Justice Stras's views and philosophy would lead him to reinforce those divisions and steer the already conservative Eighth Circuit even further to the right."

- Al Franken (D - MN)

Quote of the Week: "David Stras has "all the attributes and qualifications necessary to make an excellent circuit court judge."

- Former Minnesota Supreme Court Justice Alan Page

BLUE SLIP BUFFOON

Our junior U.S. Senator continues to embarrass Minnesotans and make us all a laughingstock.

The comedian-cum-politician and erstwhile cokehead made national headlines this week when he announced that he would oppose the confirmation of Minnesota Supreme Court Justice David Stras to seat on the federal 8th Circuit Court of Appeals.

This process is known as "returning a blue slip" because Senate tradition calls for both senators from the judge's home state to return a blue slip to the Senate clerk to signify that both support the nomination.

A failure to return the blue slip doesn't necessarily signify the death of that person's confirmation, but it presents a very difficult path.

Franken's actions demonstrate beyond a shadow of a doubt that he both doesn't understand his role as a U.S. Senator and fails to understand his role in the "advice and consent" process.

Franken's "advice and consent" role is limited to passing upon the fitness of the nominee to serve as a federal judge.

The power conferred doesn't give Franken the right to substitute his judgement for the judgement of the President of the United States.

The president is empowered to select judicial nominees who conform to the chief executive's views with respect to judicial philosophy and the role of the judiciary in our system of government.

That Trump would nominate someone with views inconsistent with Franken's is no surprise.

That Franken would insist upon a nominee who shares his world view is ridiculous and outlandish.

Is Stras qualified to serve?

The American Bar Association (ABA) gave Stras a unanimous ranking of "well-qualified," the highest possible rating.

Eight former Minnesota Supreme Court justices, including Page, have signed letters in support of Stras's nomination.

In fact, Stras earned public support from every corner of his professional life, including 108 lawyers who appeared before him, former law clerks, 34 former private practice colleagues, numerous former law professor colleagues, and former and current members of Congress.

Read these quotes and ask yourself if Stras is judge Franken portrays him to be:

Former Members of Congress from Minnesota: "Justice Stras's approach to each case is rooted in respect for existing precedent, and he applies that precedent thoughtfully and analytically. As a result, any litigant whose case comes before Justice Stras can be assured he will decide their case objectively and fairly."

108 Minnesota lawyers, including 6 former Minnesota Supreme Court Justices: "In his seven years as a Justice of the Minnesota Supreme Court, Justice Stras has distinguished himself not only as a top-notch jurist, but as a judge who decides cases without regard to political affiliation or party lines. He has sided with both "liberal" and "conservative" Justices during his tenure on the court, always in pursuit of applying the law as it comes to him, without ideology or favoritism."

Former Clerks: "We can attest to his integrity, fairness, and intellectual rigor when dealing with the cases before him. He thoroughly examines all sides of every case. He strives to be fair to each litigant and to decide each case based on its legal merits, rather than the identities of the parties or the popularity of the outcome. Justice Stras's decisions reflect a consistent approach to interpreting statutes and constitutions. In every case, large or small, he puts forth great effort to reach the result that best reflects the law and adheres to precedent."

Former Supreme Court clerk colleagues: "Although David's stellar qualifications speak for themselves, we can attest to his legal acumen, work ethic, and judgment. Perhaps more important, we can attest to David's collegiality and temperament. Our Supreme Court term involved many difficult and contentious cases. Yet even when we disagreed, David treated us with the utmost respect and made lasting friendships across the aisle."

Former colleagues from University of Minnesota Law School: "In his time at the University of Minnesota, David exhibited qualities that are important ones for any judge. He engaged in debate respectfully, listening to opposing ideas while backing up his own views with facts and arguments. He wanted our students to be exposed to a wide range of beliefs - for example, he was involved in bringing both Justice Clarence Thomas and consumer advocate Ralph Nader to the law school as distinguished speakers."

There is absolutely no doubt whatsoever that Stras is eminently well-qualified to serve as a federal judge.

Moreover, there is nothing in the public domain showing he is unfit, much less unqualified.

While he is no doubt under the microscope of the liberal attack machine, there are no legal issues, tales of poor personal conduct, or parking tickets.

David Stras should be a federal judge, Al Franken's ridiculous, hyper-partisan objections notwithstanding.

Let us also not fail to hold Sen. Klobuchar responsible as well.

As usual, she is more than content to hide out, letting others do the dirty work she fully supports.

Klobuchar has stated that Stras should have a confirmation hearing but has noted that the president should "Submit other names."

Sen. Klobuchar is a master of uttering bi-partisan words while practicing rank partisanship.

So what should be done?

Senate Judiciary Chairman Chuck Grassley of Iowa should simply ignore the blue slip issue and move forward with a hearing.

There is bi-partisan precedent in treating the blue slip as "persuasive" but not "binding" on the Judiciary Committee in considering a nominee to the federal bench.

It would represent a massive failure of our political institutions to fail David Stras because of the insane partisanship of our comedian/clown senator.

The alternative here is that President Trump will simply nominate another person from a different state in the 8th Circuit who won't face "blue slip" objections.

That person won't be from Minnesota and likely won't be as qualified as Stras.

For the un-initiated, these are the other states in the circuit and their senators:

Arkansas: Cotton (R), Boozman (R)

Iowa: Grassley (R), Ernst (R)

Missouri: McCaskill (D), Blunt (R)

Nebraska: Sasse (R), Fischer (R)

North Dakota: Heitkamp (D), Hoeven (R)

South Dakota: Thune (R), Rounds (R)

What do suppose the odds are that the next nominee would come from AK, IA, NE, or SD?

Let's hope common sense prevails and Franken's childish actions are overruled.

POLITICS AS USUAL

Shame on President Trump and the deal he cut with feckless Democrats to raise the debt ceiling with no spending reforms.

Even worse, the deal was tied to hurricane relief funding, which provided a ready-made excuse to members of Congress who could bad mouth the deal while still voting for it.

Kudos to the 90 members of the House of Representatives who had the courage to vote against this stunt.

Spending reform? Entitlement reform? Repeal and replace? Tax reform?
Still waiting...

September 15, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "That was some weird s**t."

- Allegedly stated by George W. Bush after the 2016 election concluded.

SHE'S PATHETIC, SHE IS

There is likely no more insecure, unlikable, bitter, dour, petulant politician than Hillary Clinton.

Far from being content to simply complain in the media about her massive repudiation by the voters in 2016, she decided to write a "book" which is little more than a written compendium of all those complaints, dressed up as a retrospective look at a presidential campaign.

If anything, the Clintons are masters at turning public service into a business opportunity. (Her publisher better keep account of the china at the book party.)

Hillary Clinton very well may go down as the biggest sore loser in the history of modern politics, perhaps more so than Al Gore, who at least receded into the background after his lawsuit was extinguished by the Supreme Court.

Losing with dignity is unheard of with Democrats, apparently.

For a good laugh, we've compiled our ten favorite "why I lost and accept responsibility but it's really not my fault anyway" excuses from the erstwhile leader of the Sisterhood of Pantsuit." We've also sprinkled in ridiculous quotes as well.

#1 "[A]s I explain in my book, you know, the Comey letter, which was, now we know, partly based on a false memo from the Russians. It was a classic piece of Russian disinformation - comprimat, they call it. So, for whatever reason, and I speculate, but I can't look inside the guy's mind, you know, he dumps that on me on October 28th, and I immediately start falling."

#2 "What makes me such a lightning rod for fury? I'm really asking. I'm at a loss. I think it's partly because I'm a woman."

#3 "We're getting more information about all of the contacts between Trump campaign officials and Trump associates with Russians before, during and after the election."

#4 "I didn't get that same, you know, respect and reciprocity from Senator Sanders or from his supporters. They're still, you know, incredibly divisive."

#5 "But even though [the Comey letter] was the primary blow to my campaign at the very end, it has to be looked at in context -- with the Russians weaponizing information, negative stories about me; this whole Wikileaks beginning to leak in early October of John Podesta's emails -- which if you read them all were, they're pretty anodyne, but they were taken out of context; stories were made up about them."

#6 "I would also add that the voter suppression that we now know had been in the works and really put into effect in a lot of states like Wisconsin and North Carolina, etc., played a role."

#7 "We now know that Facebook was taking money from Russian companies to run negative stories about me. If you look at all of this, yes, it affected me and my campaign. But I am more concerned now going forward that we haven't come to grips with what it means for future elections."

#8 "Men got paid for the speeches they made, and I got paid for the speeches I made. It was used, I thought it was unfairly used, and all of that, but it was part of the background music. I never said I was a perfect candidate, and I certainly have never said I ran perfect campaigns, but I don't know who is or did. And at some point it sort of bleeds into misogyny."

#9 "You had Citizens United come to its full fruition. So unaccountable money flowing in against me, against other Democrats, in a way that we hadn't seen and then attached to this weaponized information war."

#10 "Let me just do a comparison for you. I set up my campaign and we have our own data operation. I get the nomination. So I'm now the nominee of the Democratic Party. I inherit nothing from the Democratic Party. I mean it was bankrupt, it was on the verge of insolvency, its data was mediocre to poor, nonexistent, wrong. I had to inject money into it."

FIRST AND PUNT

Well, that was pathetic. The Minnesota Supreme Court late last week (after this edition had gone to press) utterly failed to exercise their constitutional mandate to interpret and apply the law.

All of this in light of one of the biggest cases to reach the state's highest court since oh, 1858.

As any informed reader knows, the court was called upon to resolve a tension between two constitutional powers, one granted exclusively to the chief executive and another reserved to all three co-equal branches.

In what may be a case of Minnesota Nice run amok, the Judicial Branch has created a heck of a mess by politely refusing to do their job, which would certainly entail disappointing one side while influencing the balance of power between the other two branches.

Tough bounce. That's what the Judicial Branch was constituted for; to apply the laws to all, including the governor and the legislature.

The whole affair has been mismanaged by the court at both the district level and the supreme level, including not only a failure to carry out their duties as assigned by the constitution but also orders that violate the very constitution they are charged to protect.

Article 6 of the Minnesota Constitution clearly lays out the Judicial powers, as articulated in Section 1 of that article:

The judicial power of the state is vested in a supreme court, a court of appeals, if established by the legislature, a district court and such other courts, judicial officers and commissioners with jurisdiction inferior to the district court as the legislature may establish.

At the district court level, the judge got it right when he ruled in favor of the legislature and against Dayton, calling the line-item veto of the legislature's funding unconstitutional.

He got it wrong, however, when he granted a stipulation that allowed the executive branch to fund the legislature through the pendency of an appeal, even though the constitution explicitly prohibits the executive branch from spending money unless it is appropriated by the legislative branch.

Article XI says: No money shall be paid out of the treasury of this state except in pursuance of an appropriation by law.

The appropriation to fund the legislature was vetoed by Dayton. There is no appropriation authorizing the spending the parties agreed to.

Despite the clear lack of authority to spend the money, the judge simply got creative and ruled it was legal anyway.

The ruling acknowledged that a "literal" reading of the constitution (is there any other kind of reading?) prohibited the spending, but it was acceptable to authorize it anyway to vindicate the "constitutional rights of Minnesotans" to having a functioning legislative branch.

The Supreme Court got it right when they struck down this flimsy legal construct.

But they in turn got all passive-aggressive by failing to rule on the constitutional issue at hand and instead ordered the legislative and executive branches into mediation.

Say what?

Nowhere in the constitution is the Judicial Branch authorized to order separate, equal branches of state government into mediation.

What a mess.

Taxpayers will wait breathlessly to see what marriage counseling between the two parties will produce, with the Supreme Court praying they solve the problem so they don't have to rule.

This shouldn't be that hard. Dayton has the power to defund the legislature or he doesn't.

The legal case isn't complex. It's the politics the Supreme Court fears.

GOOD DAYTON, BAD DAYTON

Giving credit where it is due, let this publication congratulate Governor Dayton for calibrating expectations regarding the pursuit of the next Amazon headquarters.

Noting in a public statement that the state's offer to Amazon would be "restrained," Dayton laid down an important marker that Minnesota won't buy the jobs at any cost.

Of course, these subsidies are poor public policy and shouldn't be used at all.

That's great theory. The reality is that these projects always entail a suite of government goodies.

With Amazon, it's quite likely the winning city will have forked over a king's ransom, a ransom that perhaps can't be recovered.

With the semi-talented Scott Walker ponying up \$3 billion to land a speculative factory that probably won't happen, taxpayers can see where the subsidy arms race is heading.

Now for the more typical bad Dayton.

Just a year after stating his public support for the Line 3 oil pipeline replacement project, Dayton stood by idly this week as his Department of Commerce called the line itself "un-needed."

In a move worthy of any typical politician, Dayton completely avoided any hint of responsibility.

He bravely said in a press release, "I will await that complete record before expressing my personal views. I note that, under Statute, the PUC is completely independent of my administration. I am confident that it will make its decisions based upon all the evidence and its judgement about the best interests of all of Minnesota."

A profile in courage, that man.

We haven't seen run from an issue so fast since he hot-footed it out of his DC office over a vague threat of terrorism.

He opposes the pipeline and we all know it.

Why not just admit it?

September 22, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "He needs nurturing. That's not going to happen at Minneapolis Public Schools."

- Parent Jessica Rogers

Fact of the Week: Only 18% of black students attending Minneapolis public schools are proficient in math.

FLEEING A BURNING BUILDING

The Star Tribune has run a fascinating [series](#) recently highlighting the significant flight of students from the Minneapolis and Saint Paul public schools, many of them students of color.

The series is fascinating both because the flight is so remarkable - and so very not remarkable.

The development is remarkable because the school choice movement is finally taking root in the urban core, decades after the school choice movement was came of age in Minnesota with charter schools, robust open enrollment options, and non-profits offering financial assistance to both impoverished parents and private schools supporting those impoverished families.

The floodgates in the urban core have finally opened and opened in a big way.

According to the series, 132,000 students enrolled in a district other than their home district last year, a four-fold increase from 2000.

In the past decade, the number of students fleeing Minneapolis and Saint Paul public schools has doubled, and now nearly one-third of their student population attends a different school district.

So why have the flood gates opened?

The article doesn't explain, but various theories clearly present themselves.

First, Minneapolis and Saint Paul public schools have become less safe over time.

Violent episodes have been widely publicized, including assaults of staff, sexual assaults on campus, and gang activity.

Second, these districts have proven themselves a failure in addressing the achievement gap between whites and non-white students.

Standardized test scores for students of color are abysmal in these districts and have been for a long time. Perhaps many parents believe the situation is unlikely to change.

Third, information is power. Now that these programs have been in place for some time, more parents are hearing about them, either through normal media channels or from people who have directly experienced open enrollment for themselves or their children. Simple word of mouth.

At the same time, this isn't at all remarkable.

The basic human desire to care for and nurture one's children is universal and timeless.

It shouldn't surprise anyone that these parents want good things for their kids.

Poor parents of color are just as interested in providing a positive future for their kids as any wealthy white parent out in Orono or Edina.

Now that these parents have been given the information and resources to make meaningful educational choices, they are engaging in the most rational of human behavior to do what they think best for their children.

Good for them! Parents are in the best position to choose. Not government. Not the bureaucracy. Not the liberal whites who sentence them to failing schools while sending their own kids to elite private schools, including current DFL officeholders.

When given the choice, what parent wouldn't pull his child from a burning building?

Abysmal test scores, violence, chaos.

To be fair, not every urban public school is horrible. By the same token, not every charter school is squared away.

But the beauty in all of this is that parents have the choice to decide.

And for those students of color attending other schools, the results, on the whole, are impressive.

Many charter schools with high student of color populations are doubling, even tripling, the test scores of their public counterparts.

Clearly, something is working here and it's working well.

Of course, this means that the liberal and the teachers' union will mount a furious campaign to cripple the choice movement.

After all, it isn't really about students of color. It's really about a headcount of per-pupil funding, securing fat benefits for union membership, and retaining political power through massive infusions of campaign cash into the friendly campaign coffers.

Remember that at core, all liberal programs rely on coercion and the denial of choice.

There isn't a social program government runs that doesn't rely on coercion in some respect.

Public schools are no different. It's hard to maintain the failed status quo when citizens are given a choice to get off the island, so to speak.

This model requires students to be forced into failing schools just surely as healthy people are forced into failed government healthcare and no one has a choice regarding paying into government retirement programs (that are also on a failed pathway).

Republicans and like-minded Democrats (if any remain) must prepare to doggedly defend school choice and show the urban poor that it's Republicans who are offering true freedom and true control over one's destiny.

A SIDE SHOW

The Star Tribune also this week engaged in a bit of dramatic hyperbole when it penned a headline proclaiming, "Court fight between Gov. Mark Dayton, lawmakers shines light on hefty legislative expenses."

As a part of the recent Minnesota Supreme Court order, the legislature was required to detail its spending, to help the court determine when it would run out of funding.

Of course, the cash flow situation of the legislature has absolutely nothing to do with the vindication of the citizens' right to three functioning branches of government.

But that's a fight for another day.

The "hefty" expenses include \$3,750 for State Fair tickets (legislators work at the legislature's booth) and \$482 for flowers (even legislators experience life events like births and deaths).

There's even an expense of \$135,000 for housing expenses in July and August.

All this in a state budget that spends well over \$70 billion each bi-ennium.

And while this publication is fully committed to holding elected officials accountable for spending, it's hard to get excited about Fair tickets and flowers.

Heck, the housing expenses complained of are less than the salary of most Dayton political appointees, who got massive pay raises on his watch.

The expenses are less than the bonuses handed out to MnSure executives, who presided over a failed roll out of the program.

And how about the \$23 million taxpayers have shelled out against their will since 1995, paying for their neighbor's abortions under the Doe v. Gomez decision?

Please.

NOT TIM WALZ

Hey, folks. Time for a public service announcement, especially for our DFL readers.

Tim Walz will not be the endorsed candidate for the DFL's gubernatorial team in 2018.

He won't get the endorsement.

He won't win the primary.

Why? He's way too rational, that's why.

While this publication doesn't agree with all his views, he is certainly the most conservative of the announced candidates and therefore unacceptable to the mob that controls the process.

He's also not from Minneapolis.

He's also not a rich, silver-spoon guy who can self-fund a primary.

He has no path to the DFL ticket in November 2018.

Period.

September 29, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "Private-sector employees are generally employed at the will of the employer, and their employers can fire them as they see fit. That includes disagreement with what they say in public."

- Mark Tushnet, Harvard Law Professor

Quote of the Week: "American families and businesses suffer under some of the highest tax rates in the world, and consequently families have less income and businesses create fewer jobs. Our economy has been stuck in low gear for years, growing far slower than the post-WWII average of 3.3%. As a result, median family incomes have failed to keep pace since the 2007 recession."

- Rep. Jason Lewis (MN-2)

Fact of the Week: Alejandro Villanueva of the Pittsburgh Steelers, who stood alone during the National Anthem last week, has seen his jersey become the top selling jersey at NFLshop.com.

FREE SPEECH FOR SOME!

Our liberal friends have always displayed a shocking amount of constitutional illiteracy, but their support for those NFL players disrespecting our national heritage by failing to stand during the National Anthem moves them to a new level stupidity - and hypocrisy.

Putting aside the wisdom and propriety of kneeling, fist raising, or just sitting on your butt during the Anthem, a lot of folks need just a bit of a primer on the intersection of the First Amendment and employment law.

NFL players, like many private sector employees, are "at will" employees, meaning that they can essentially be fired for any reason or no reason at all.

Now there are exceptions. For example, employers may not terminate employees for reasons related to ethnicity, religious affiliation, and the like.

Moreover, there may be collective bargaining agreements that modify the "at will" status of employees.

On the other hand, the "at will" status of NFL players is reinforced by the presence of "character" or "morality" clauses in player contracts that explicitly allow for termination when a player embarrasses the team through bad behavior, such as beating your girlfriend in an elevator or getting popped for DUI on multiple occasions.

The bottom line here is that NFL players don't have a First Amendment right to do what they're doing, so please stop with all the high-minded and dramatic rhetoric that dresses up this garbage in constitutional vestments. It's just not true.

Think about it, chowder heads. The NFL greatly restricts the First Amendment rights of its employees. Coaches are fined for criticizing officiating. Players are fined for excessive end zone celebrations. They are fined for wearing too much face paint.

Also recall that the NFL fined players for wearing 9/11 tributes on their cleats.

Where was the First Amendment outrage over that, liberals?

Clearly, there are no free speech rights in the No Fun League, except to protest the National Anthem.

Owners could stop this garbage in its tracks if they wished.

And speaking of the First Amendment, it's been an interesting - and hypocritical - ride watching liberals suddenly embrace the right to free speech and freedom of association in the workplace.

It was just a few short weeks ago that liberals were cheering the news of Charlottesville protest participants being fired from their jobs, even though their participation had nothing to do with their jobs.

Liberals have also cheered court decisions against freedom of association claims, such as bakers and photographers refusing to participate in gay weddings.

Building owners have been similarly booed by liberals for claiming First Amendment rights against being forced to rent to gay couples.

Where was the reverence for the First Amendment back then?

Oh, yeah. Constitutional rights in the eyes of liberals aren't really rights. They're another tool of situational ethics, mere props to couch raw political aggression and intimidation in the high-minded rhetoric of the rule of law.

WEINER ROAST

Former Democrat Congressman Anthony Weiner, AKA Carlos Danger, was sentenced to a heaping, helping dose of justice this week when he was sentenced to 21 months in prison for sexually exploiting a 15 year-old girl by "sexting" her as well as 19 other women in 2016.

Of course, this wasn't the only chapter in Weiner's infamous personal life, but it may have been the most sordid and disgusting.

Weiner was aware of the girl's age when he sent her lewd photos and asked her to engage in sexual activity via Skype and other social media apps.

All of which make him a child molester and a sexual predator.

What was even more shocking, which the mainstream media buried in news stories, was the slimy narrative his defense team employed in a failed effort to get him off the hook.

Weiner's team labeled the child an "instigator" of the affair, and accused her of orchestrating the affair to "grandstand" and potentially influence the 2016 elections.

Talk about blaming the victim.

Weiner's defense was little more than today's version of the long-discredited "she shouldn't have worn that dress" defense of yesteryear.

One can only imagine the outrage had Anthony Weiner been a rank-and-file GOP legislator instead of a Democrat married to a powerful Democrat in the Clinton inner circle.

Thankfully, the judge didn't buy this shameless, vile "blame the victim" stratagem.

Judge Denise Cote correctly opined, "She was a minor, she was a victim, and she is entitled to the law's full protection."

So where is the outrage from the media pundits?

Where are the sexual assault victim advocates?

Where are the feminists?

Anthony Weiner's attempt to blame his child victim was undoubtedly the sickest chapter in the book of a pervert, pedophile, predator, and all around bad guy.

So long, Anthony. You won't be missed.

OBSERVATIONS ON TAX REFORM

Republicans in Washington this week unveiled the broad outlines of the first significant effort to reform that nation's arcane and unworkable tax code.

Republicans are right to make the effort, as reforming the code and lowering rates are good public policy.

The real question is whether they can deliver comprehensive reform, which will likely have to happen without Democrat support, meaning the Republican team, especially in the Senate, will have to be united.

The stakes are high. A failure to pass tax reform will surely demoralize the GOP base, as a repeal of Obamacare isn't happening after 7 years of promising it would.

And unlike the tax reform of the 1980s, you can bet Democrats won't be on board.

Why? Because they have over the intervening years built a masterful trap preventing income tax cuts.

For years, Democrats have successfully worked to skew the income tax so that only successful people pay the vast majority of it.

Nearly half of Americans don't pay any income tax at all. Families in the middle deciles, the "middle class" only pay about 2.5% of their income in federal income taxes.

In other words, the clear majority of Americans have no direct stake in these proposed cuts and thus don't care.

A recent national poll showed that 53% of Americans favor higher taxes on "the wealthy" (read: someone else). A similar number of 52% opposed their own income taxes being raised.

So much for "we're all in this together."

Moreover, after rightly hammering Barack Obama for running up the national debt for 8 years, Republicans are now forced to explain why they now favor a public policy change that will enhance that same deficit, at least under traditional, static scoring models.

Thus, for the plan to be supported by the public, Republicans will have to explain two subjects that are hard for many to understand.

The first is that tax cuts are important because the current system acts as a huge drag on job creation, both for corporations and pass-through firms and an obstacle to job creation. In short, they have to argue that a direct benefit to some will be an indirect benefit to all (or nearly all).

Second, the GOP will also have to explain the concept of "dynamic scoring," the idea that tax cuts will bring in more revenue to the treasury and thus mitigate the "cost" or even become a revenue-positive proposition.

Finally, the GOP will have to overcome itself, at least in the Senate. Goodness knows where RINOs like Susan Collins will be on this subject.

We wish the GOP well in this critical endeavor.

October 6, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "I'm actually not even sympathetic bc country music fans often are Republican gun toters."

- CBS Television senior legal counsel Haley Geftman-Gold

Quote of the Week: "Minnesotans put their trust in Republicans to lower health care costs, and today's news confirms that we're making good progress."
House Speaker Kurt Daudt

HERE THEY GO AGAIN

Listening to liberal talk about firearms is like listening to Eskimos talk about palm trees. No, it's like listening to arrogant, distraught Eskimos rant about palm trees.

As we've come to expect, in the face of a mass shooting tragedy, many liberals bypass that whole respect for the dead, care for the wounded, thorough investigation of the facts thingy in favor of yelling about the need to "do something." Specifically, for government to do something.

We are exposed to all manner of ignorant talk about "assault-style" weapons, and deer rifles that can fire thousands of rounds per minute.

All from folks who don't know bolt action from break action from break dancing.

The Republican response thus far, especially from the White House, has been excellent.

Respect the dead.

Care for the survivors.

Allow law enforcement to conduct a comprehensive and thorough investigation to determine the facts.

After that, then discuss what changes to law, if any, would be appropriate.

While this publication doesn't rush to judgment, past incidents have shown that these evil shooters generally have broken numerous state and federal laws in carrying out their depraved acts, demonstrating that putting yet more laws on the books may not effect change, but does serve the purpose of making some politicians feel better about themselves.

But the fact remains that our elected leaders across the board would serve us well by not rushing to judgement and gathering all the facts before not only acting, but also before talking.

Yes, in this age of social media and the 24-hour news cycle it can be hard to avoid speaking in knee-jerk fashion.

The incident in Las Vegas was a stomach-turning tragedy that demands not only compassion for the victims, but also a thoughtful public policy discussion once the facts are made available to us all.

THE WALZ CLOSE IN

Speaking of never letting a tragedy to go waste, Congressman Tim Walz's DFL opponents for governor wasted no time attacking the moderate Democrat for his support of the Second Amendment.

State Rep. Erin Murphy of Saint Paul called for candidates to return contributions from the National Rifle Association PAC.

Saint Paul Mayor Chris Coleman went all-out berserk on Walz, posting a video that stated in part, "For a decade, while I was fighting against the gun lobby, Congressman Tim Walz proudly held an A rating from the NRA and took more than \$18,000 in gun lobby campaign contributions...In 2008, Congressman Walz voted against banning semi-automatic weapons. In 2011, Congressmen Walz voted to impose Texas-style conceal-and-carry laws on Minnesota. And just months ago, Congressman Walz was one of only six Democrats in Congress who voted to roll back President Obama's policy banning those with mental health issues from owning guns...Minnesotans needs common-sense gun legislation that will keep our families, our communities safe. And Americans need to unite against the NRA and the gun lobby in Washington D.C. Lives are at stake."

Unfortunately, Walz knuckled under and donated his NRA contributions to a non-profit, remarking, "Today, some of the same politicians who have been unable to produce results on gun violence prevention in Minnesota chose to

use this tragedy to gain a political edge in the campaign for governor. I get it - that's politics. It's also a distraction from the task at hand, which should be acting to stop tragedies like the attack that just took place in Las Vegas from happening again...So, I'm doing what I can to get past the political attacks and back to addressing this problem. I'm donating the money I received from the NRA to The Intrepid Fallen Heroes fund, which cares for the families of those who give their lives for our country."

His actions in face of criticism on this and a number of issues so far raises an interesting question about what kind of candidate Walz tries to be in running for governor.

Of course, Walz has been an attractive candidate to some, including party leaders, because his tenure in Congress has been one of moderation, reflecting the nature of the First Congressional District her represents.

For example, Walz has been a supporter of the Second Amendment and mining and pipelines.

But as this publication has pointed out, the delegates who decide the DFL gubernatorial endorsement are far more liberal than the folks down in the First.

Thus, it would be nary impossible for Walz to earn the endorsement without careening to the left.

Which is exactly what he appears to be doing.

In addition to him running away from the NRA for the first time in his career, many DFL insiders are pointing to Walz equivocating on mining and pipelines.

In fact, sources tell the Watchdog that the congressman is mulling naming State Rep. Peggy Flanagan, an outspoken opponent of pipelines and far Lefty, as his running mate.

If so, the move would confirm that he has abandoned a narrative of being an electable moderate.

In the alternative, it could also represent a dangerous strategy of trying to have it both ways as a moderate and liberal ticket, all rolled into one.

This latter strategy would likely wouldn't work.

Going back to the days of Nixon, there has been a campaign template of tacking hard partisan in the primary election and tacking back to the center for a general election.

That won't work anymore in the age of social media.

These days, candidates are tracked assiduously and their every word is recorded and disseminated across the Internet in real time or near real time.

No longer are voters force fed snippets of information as written by the legacy media.

The candidate's words are delivered by the candidate to voters' phones, tablets, and computers.

The days of telling an audience of farmers in Blue Earth County one thing and a Rotary meeting in Bloomington another are long gone.

It's one reason, among many, that Hillary Clinton lost.

For decades, the Clintons were well rehearsed double-talkers, mealy-mouthed hucksters skilled at telling any audience exactly what it wanted to hear.

In 2016, technology caught up with her and exposed her.

Time and again, her hypocrisy and double talk was exposed, which she tried to dismiss as misogyny and not simply voter disgust across both genders.

As a man lacking personal wealth, Walz is beholden to the party process and thus faces a tough choice.

Remain the person he has been while serving in congress, or abandon everything and sell out and prostrate himself before the urban elites and their minions, who will confer the endorsement at a fragrance-free, carbon neutral, vegan-catered convention where volunteers will "person" the check-in tables and delegates will use whatever bathroom they please.

Our money is on Walz selling out, while attempting to dance on the head of a pin by protesting otherwise.

This farcical dance will be accompanied by all sorts of happy talk of "consensus building," "leadership," and "common ground."

Trying to be something you're not rarely works in politics - and life.

October 13, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "We're tired of being pawns in a political game where Republicans think they can score points by beating up on hardworking people. They reject our contracts while they approve massive tax breaks for corporations and their wealthy cronies. Shame on them."

- AFSCME Council 5 president Elliot Seide

THE DOWNTRODDEN STATE EMPLOYEE?

There was a shriek and a howl emanating from the Capitol this week as some unionized state employees learned that the legislature's Subcommittee in Employee Relations (SER) had refused to rubber stamp their collective bargaining agreement.

The SER, on a party line 6-4 vote, rejected interim approval of the latest two-year agreement between the state and two bargaining units representing 29,000 state employees.

The SER is comprised of select members of the House and Senate who are empowered to give interim legislative approval to these contracts.

If the SER approves, the contracts, they become effective until the full legislature can meet and ratify or reject the SER's vote.

If the SER rejects, then the old CBA stays in effect until, again, the full legislature can meet to pass their own judgement on the new proposed CBA.

It is indeed rare for the SER to reject a contract, but it certainly in their power to do so.

Of course, the public employee unions cried foul over the rejection, but what about the six Republicans who sit on the SER? Was their decision a partisan attack on hard-working state employees, or was it a well-reasoned defense of taxpayers and legislative prerogative?

Consider the statement of state Rep. Jeff Howe, one of the SER members

who voted to reject:

"A top responsibility for legislators is to be good stewards of tax dollars. That is why I cannot ignore question marks regarding what state employee contracts ultimately will cost taxpayers.

I am a member of the Subcommittee on Employee Relations, which has declined to approve new contracts for the state's two largest employee unions.

Most of the provisions that have been negotiated are palatable. Despite what is being reported, there are step salary increases on top of the across-the-board increases of 2 and 2.25 percent that can lead to some employees receiving 10-percent salary increases over the contract.

The deal-breaker for me is this: The last time these state employee contracts were negotiated, the final cost exceeded projections by \$100 million. This time, Minnesota Management and Budget is unable or unwilling to confirm the new proposal fits within the confines of the funding that has been appropriated for these contracts. MMB has failed to adequately demonstrate that each agency can absorb these additional costs without disrupting all services and programs.

MMB says it thinks the contracts will fit the budget, but we told them they need to show us that. They haven't proven it with evidence yet. Our hope is that MMB will submit an agreement with the numbers that show it fits within the confines of the budget and earns the support of the subcommittee's members.

Some people may try to make this a political issue and that is too bad. The bottom line is I cannot, in good conscience with the taxpayers, support a contract when the state officials who negotiated it will not confirm the numbers work."

The highly compensated union bosses who are decrying "attacks" on state employees and cherry picking reasonable contract provisions and failing to admit that not only is the contract likely to exceed what the legislature allocated, it's a contract that far, far exceeds what true working people in the private sector make in wages and benefits.

In addition to possible 10% wage increases, let's take a look at some other provisions in the contract for employees represented by the Minnesota Association of Professional Employees.

Take a state employee represented by MAPE who is at the top of the seniority scale.

That employee will make over \$120,000 annually, more than double the median household income.

He will accrue 29.25 days of paid vacation each year.

He gets 11 paid holidays, including President's Day and a "floating holiday", which is simply just another day off work.

He also gets 13 days of sick leave each year.

That's a total of 53 days of paid time off each year. That's the equivalent of a day off work, paid, every week all year long.

In other words, a four-day work week all year round.

The SER was right to reject the contract not only for the lack of guarantees regarding the cost, but also to send the executive branch back to the bargaining table to get the contract under control.

Making six figures, getting 53 days of paid vacation, sweet health care and a defined benefit retirement plan is hardly an attack on the bureaucrats who work for the state.

When government lives better than those who fund government, we have a serious problem.

Moreover, the GOP, unlike Dayton and the DFL, owes these unions nothing.

They spend millions each election cycle to elect Democrats, who then roll over at the bargaining table, paying back the union that got them elected.

It's time for the GOP to assert some control over the process.

October 20, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "Fun fact: Republicans in #mnleg repealed MN estate tax for wealthiest 1100 MN's. Literally a \$75M tax break for the top .02%."

- State Rep. Erin Maye Quade (DFL - Apple Valley)

Quote of the Week: "I love that you posted this today. The reason I love it is because you voted for the bill! You can't make this stuff up."

- House Speaker Kurt Daudt, responding to Rep. Quade

THE RE-ALIGNMENT MARCHES ON

For some time, the Watchdog has been observing and commenting upon the ongoing political re-alignment of rural working class people from Democrat to Republican.

The Trump candidacy accelerated that re-alignment, and is a major reason why he won Pennsylvania, Wisconsin, Michigan, and nearly Minnesota, where he won the Iron Range by 15 points.

The re-alignment has also been accelerated by the liberal elites who have been working hard to expel the working class from the DFL party.

Not only do these wealthy elites take a condescending attitude toward blue collar folks, they despise their jobs and their lifestyle.

The schism has also been laid bare by the full-on civil war within the DFL between pro-mining/pipeline and anti-mining/pipeline forces.

Need a few examples of that condescending, contemptuous attitude?

Here you go:

"Resentment is the primary driver of the pro-mining crowd here - they are resentful that other people have come here and been successful while they were sitting around waiting for a big mining company. They want somebody to just give them a job so they can all drink beer with their buddies and go four-wheeling and snowmobiling with their buddies, not have to think about

anything except punching a clock." - Reid Carron, Campaign to Save the Boundary Waters

"Danny Forsman drives to the mine in his truck, comes home and watches TV, and he doesn't know this world exists." - Becky Rom, Campaign to Save the Boundary Waters, speaking of pro-mining Ely city councilman Dan Forsman

"I'm not saying we are writing off the Iron Range. But you don't need the Iron Range to win statewide." - DFL Chairman Ken Martin

"We're going to put a lot of coal miners and coal companies out of business." - Hillary Clinton

"And it's not surprising then they get bitter, they cling to guns or religion or antipathy toward people who aren't like them or anti-immigrant sentiment or anti-trade sentiment as a way to explain their frustrations." - Barack Obama

"We had meatpacking plants in my district, and they voted DFL their whole life. But they passed away and there are new voters who weren't there when the stockyards were there. I represent them, not the memory of someone else. "Nostalgia, is a powerful drug." - State Rep. Rick Hansen (DFL - South Saint Paul)

Leave it to the Star Tribune to make a lame, not-so-subtle attempt to patronize construction trade workers by publishing a curiously timed article entitled, "For Clean Energy Jobs, Sky's the Limit."

That's great. Yes, some members of the trades work in the field of heavily-subsidized wind and solar power, but that's not a substitute for other non-subsidized jobs in important sectors like ferrous mining, non-ferrous mining, silica sand mining, and all manner of pipelines that carry liquids critical to a prosperous economy.

Moreover, it's just typical of the liberal set to distort markets by using subsidies to "create" jobs (e.g. solar) in one area while using restrictive laws to distort those same markets by killing jobs that the marketplace otherwise would support (e.g. pipelines).

The arrogance of the urban liberal is a sight to behold.

It's also been somewhat amusing to watch DFL leaders dance on the head of a pin trying to explain away the civil war as a mere squabble between two key constituencies of the DFL.

More importantly, it's more than presumptuous to call the construction trades a "DFL constituency."

Such a claim may have been valid thirty years ago, but not today.

Over the past several years, both the GOP and the construction trades have quietly and steadily built a strong relationship by reaching out to each other in an incremental fashion.

The trades have both endorsed GOP candidates and financially supported the GOP legislative caucuses.

Put another way, the mutual support between the trades and the GOP on pipelines and mining isn't a coincidence.

Republicans of today understand that the construction trades are a union of a completely different breed than the public trough unions like Education Minnesota, AFSCME and SEIU.

Construction trade union contracts, for example, don't have seniority or strict layoff rules.

The employer decides who gets hired in what order and who gets laid off in what order.

Why? In construction, the ability to scale up and scale down quickly, with a minimum of red tape, is essential to staying competitive.

In the trades, there is no such thing as paid time off. No sick leave. No vacation. No holidays.

You don't work, you don't get paid.

Why? In the construction industry, contractors need to accurately and finely estimate the cost of a bid.

Paying employees not to work and having vacation and sick time banked makes the job of estimating more difficult - and more expensive.

Every day, when a member of the trades goes to work, that employee is going to work on a job his employer had to win in a competitive bid process. A process that entails fierce competition between that employer and other union and non-union contractors.

Red tape, bureaucratic contracts designed to slow down the employer in this field would be fatal, leading to little more than the unemployment line.

When you work for the government, where the profit motive and competition are foreign concepts, the union can throw sand in the gears all day long.

The simple fact is that construction trade unions feature hard working men and women who go to work every day and build this country with skill, pride, and dedication.

In short, their ethos is very much compatible with Republican principles regarding accountability, profit-seeking, efficiency, and free enterprise.

It's also a fact that many construction trades members vote Republican.

By some internal union estimates, 40-50% of rank and file members vote Republican.

This is why many exurban and rural districts are GOP. Trade union density in those areas is sky high.

The old stereotype of blue collar folks living in the urban core simply isn't true. Counties like Chisago, Isanti, Mille Lacs, Sherburne, Saint Louis, Becker, Beltrami, and Itasca are chock full of men and women looking for acreage, a pole barn, and a place to hunt and fish far away from the liberalism that denigrates them and their chosen lifestyle.

DFL happy talk of "uniting" around common issues in 2018 is fantasy.

And just what are those "unifying" issues, pray tell?

Mining? Pipelines? Transgender bathrooms? Gun grabbing? Abortion on demand?

Banning menthol cigarettes? Banning plastic bags? Trigger words? Safe spaces? Sanctuary cities? Re-naming Asian Carp so as not to offend?

About the only thing the DFL can hope for is the GOP getting dumb and driving the trades back to the DFL, which legislative leadership won't allow to happen.

The re-alignment is running full steam ahead.

In four to six years, the Iron Range will be Republican.

You heard it here first.

November 3, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "But some in our region have a view of our environment that is unrealistic, and it's gone on far too long. Those folks like to pick and choose what's right, forgetting things when it's convenient. For example, that dock on their lake has boards that came from northern Minnesota trees. The boat tied up to their dock is made from materials that came from the ground. And where did the gas and oil powering their boat's trusty Evinrude come from?"

"You see, it's OK with pick-and-choose environmentalists to use natural resources from above and below the ground when it's for things they enjoy. Kitchen appliances, cell phones and nearly everything we use every day comes from the environment. Even protest signs are made from trees."
- Pete Stauber, GOP candidate for Congress (MN8)

UNGRACEFUL EXIT

Greetings, loyal readers. We're back in the saddle after a week away and ready to examine the issues that arose the past two weeks.

Much of that news has centered on northern Minnesota and the Eighth Congressional District.

Mining and pipelines have dominated the news in recent months.

Moreover, given the close and rapidly shifting politics of the region, election news has also continued to garner headlines.

In short, the 8th is a petry dish for an emerging political realignment.

A traditional blue collar DFL stronghold goes for Trump, elects some Republicans and keeps most Democrats.

A fracture of the DFL coalition, with snobby elitist enviros and war with blue collar working class voters who want jobs and economic development.

Republicans smartly reaching out to those voters, emphasizing jobs while dropping issues like "right to work" that repel those voters, many of whom belong to private sector trade unions.

Headlines were made this week when Stewart Mills, who ran for the 8th District seat in 2016 and 2014, announced that he would not run for the seat in 2018.

Mills explained his decision in a lengthy Facebook post on November 1st.

Unfortunately, the post read rather harshly and smacked of sour grapes, blasting various parties who, in Mills' opinion, didn't do enough to support his campaign.

The NRCC was held in special contempt. Wrote Mills, "When the National Republican Congressional Committee (NRCC) pulled their ad buy from our race two weeks before election day, it was a blow that we were not able to recover from. Even if I wanted to reach deeper into my own pocket to replace that broadcast media exposure, there wasn't enough time to do so. The NRCC succeeded in doing something the Democrats were unable to do, leave us flat footed and unable to mount a commensurate campaign."

He further wrote, "It is inexcusable that the NRCC hung me out to dry and left me vulnerable to the Democrat Congressional Campaign Committee's media attacks by shifting their planned ad buy to an incumbent, an incumbent who won by very solid double digits."

And finally, "The Republicans, in my direct and personal experience, are recruiting folks without a strategy, polling, or an explainable path to victory. In my opinion, these candidates will be the sacrificial lambs the NRCC will build their incumbent protection strategy upon."

The facts here are somewhat immaterial. Even if Mills is correct on the facts, the tone of the statement puts him in a poor light and portrays him as a sore loser, pointing fingers instead of looking in the mirror.

That's too bad. This publication and its staff knows Stewart Mills and considers him to be a good man and one who would make an excellent legislator.

We admire him and wish him the best, whether in politics or some other arena.

Those feelings, however, don't change the fact that publishing this statement was an extremely poor decision.

ELECTION DAY

It may be an "off year" folks, but there are odd-year elections in Minnesota, and this year is no exception.

Because state and federal races aren't on the ballot, there may be a temptation to see odd-year elections as inconsequential and thus not worth the effort to understand issues and candidates.

That's wrong, readers.

There are a number of very important races on the ballot, including city council and school board.

Perhaps more important are the large number of school levy ballots.

These ballots entail hundreds of millions in extra spending, both for "operating" levies and "bond" levies, to fund both operations and capital spending.

The first place to start in preparing for next week's election is to know where to vote and what issues and candidates are on your ballot.

You can find both right here: <http://pollfinder.sos.state.mn.us/>

Of course, vetting candidates for office is as easy as accessing social media and other platforms, where information is readily available.

Having said that, it can be difficult to find this information, especially for school board races, which tend to be underground affairs, where information is hard to find and the spending is done by special interest groups who minimize the candidate's agenda and work hard on turning out members of the special interest.

In other words, this means the teacher unions and other public-sector unions that represent school district employees.

Thus, if you know who the unions are backing, it gives you a good idea of who is on the side of the taxpayer and who is on the side of the unions.

For example, look at the Service Employees International Union (SEIU).

Amazingly, the Education Minnesota endorsements (the teacher union) are deep underground and not easily found.

After hours of research, our staff couldn't uncover them. If any readers have the endorsement list (it surely exists) for 2017, please send to harold@anokacountywatchdog.com.

But the SEIU endorsement list is available, including the following major Metropolitan districts:

Bloomington: Michael Poke (SEIU Local 284 Member), Dawn Steigauf (SEIU Healthcare Minnesota member), Jane Stoa, John Moravec.

Anoka Hennepin: Bill Harvey, Anna Dirkswager, Jeff Simon

Mounds View: Jennifer Daniels, Diane Glasheen

Regarding the levies, it's important understand the finances of your local district, but every taxpayer should be asking hard questions both about why the extra property taxes are needed, what they will fund, and what the promised outcome (ROI) will be on the taxes received.

For example, the legislature increased education funding by over \$1 billion this year.

Why isn't that enough? Of course, our schools are chronically "underfunded" in the minds of liberals and the Education-Industrial Complex.

Moreover, citizens should check standardized test scores in their district and ask detailed questions about how the money will improve learning.

As readers know, we spend more and more money on education while test scores get worse and worse.

In 2017, the number of districts seeking either an operating levy or capital levy is huge.

According to the Minnesota School Boards Association (MSBA), 52 districts are asking for an operating levy and 65 asking for a bond/capital spending levy.

All the operating levies will be up on November 7th, while some of the bond levies have already been voted upon, with the remainder on November 7th.

Thus far, 35 bond "questions" have been voted upon ("questions" are used because some district offered up more than one bond issue, each one voted upon separately) this year.

23 of the 35 failed, a success rate of only about 33%.

Does the relative lack of success for the bond levies portend a similar failure rate for the operating and bond levies next week?

It's hard to say. It appears as a general trend, however, that levies in the Metro have tended to fare better than those in rural Minnesota.

Perhaps voters in rural Minnesota don't feel as positive about their schools. Maybe they feel they can't afford the tax increase. Or, maybe they take a less tolerant view towards the inefficiency, waste, and lack of results so many districts produce.

Election day is around the corner.

Be an informed voter!

November 10, 2017

Public Policy Commentary

In This Issue:

Editor's Note: Today Veterans Day is observed. The Watchdog salutes all our readers who have served in the Armed Forces, including Navy vet Harold Hamilton!

Quote of the Week: "I can tell when a candidate is doing a good job knocking on doors by checking out their a\$\$\$. Yep, looks like you're doing a good job."
- State Sen. Dan Schoen (DFL - Cottage Grove)

#METOO ROCKS THE LEGISLATURE

The Capitol was rocked this week by serious and multiple allegation of sexual harassment by State Senator Dan Schoen (DFL - Cottage Grove).

As readers know, multiple women came forward with disturbing allegations of sexual harassment, as reported first by Minn Post and subsequently reported by major outlets.

The allegations resulted in swift and un-equivalent call for him to resign from nearly every political quarter of the state.

It remains to be seen what the fallout is for the legislature and other legislators in particular.

The Watchdog consulted some of our most trusted Capitol contacts, who have indicated that this may not be the end of the story.

Other accusers in the Schoen case may come forward. More troubling, other victims may come forward with stories of harassment at the hands of other legislators.

Statements on social media from journalists covering this story have indicated the same.

While the entire story surrounding Senator Schoen is concerning, perhaps most concerning is that Schoen apparently had a reputation as a harasser but wasn't held to account until now.

Towards the bottom of the Minn Post story, current State Rep. Jamie Becker-Finn relates a story about two female lobbyists warning her about Schoen shortly after she was elected in 2016.

"You know about Dan Schoen, right? Just be really careful," she recalls being told.

We have likely not heard the last of this story.

As this issue goes to publication, Dan Schoen has not heeded calls to resign, although it's probably only a matter of time before he leaves of his own accord or is expelled.

Being a political publication, we have confirmed that both parties are already in the early stages of planning for a special election to replace Schoen.

This is especially important as the Senate stands at a razor-thin 34-33 one seat majority in favor of the GOP.

A victory for the GOP would provide a crucial two-seat majority, which is critical in light of Sen. Carla Nelson's (R - Rochester) decision to run for a seat in Congress.

GOP insiders we've queried have mentioned two former House members from the district who may make a run for the Senate seat.

One is Denny McNamara of Hastings and the other John Kriesel of Cottage Grove.

On the DFL side, operatives mention the DFL candidates who unsuccessfully ran for the two House seats in the district in 2016.

This publication fully expects a special election for the seat, which will automatically become one of the most expensive in state history.

Not only is the margin in the state Senate tight, it's a swing district that has trended DFL in the past but has run into the GOP column of late, with two GOP House members and Trump winning the area in 2016.

Stay tuned on all this!

Editor's Note: After this edition went to publication, allegations surfaced against Rep. Tony Cornish (R - Vernon Center) regarding sexual harassment on his part.

These allegations are also disturbing, and if true, put Cornish in the same place as Schoen.

As mentioned, this story likely hasn't come close to running its course.

ELECTION NIGHT ANALYSIS

Drama and spin-free, that is.

Democrats used this past Tuesday as a much-needed escape from their nomination-rigging, left-versus-far-left civil war to trumpet electoral victories that were really a yawner that doesn't spell doom for Republicans in 2018.

Let's start with New Jersey.

The Garden State elected a Democrat governor, who happens to be another Wall Street billionaire. So much for populism.

The victory was scored over Chris Christie's lieutenant governor, who ran a ham-handed race in which her boss was saddled with a 15% approval rating.

You read that correctly. A 15% approval rating.

Hillary won New Jersey over Trump by 14 points.

New Jersey hasn't voted GOP in a presidential election since 1988.

Thus, a Democrat victory means little here.

Expected, in fact.

In Virginia, the story is much the same.

Clinton won the state by 5 points.

Democrat Ralph Northam rolled up an 8-point win.

The mainstream media would have us believe that the cause was the unpopularity of Trump, causing the 3-point "bump" in favor of Northam.

That conclusion simply isn't supported by the numbers.

Gillespie both over-performed and under-performed Trump.

Same for Northam vis-à-vis Clinton.

For example, in Albemarle County, Clinton carried it by 27 points and Northam by 29.

Was that difference a reflection of Northam being more popular than Clinton or Democrat voters more motivated to vote against Trump than 2016?

Exit polling, to the extent it exists, seems to indicate Northam is more popular among Democrats than Clinton.

Which makes sense, since Hillary Clinton was a supremely unlikable person carrying more baggage than a Sherpa scaling Mount Everest.

Moreover, there was no small amount of crowing over Democrat pick-ups at the state legislative level.

Big deal.

Democrats lost more than 1,000 legislative seats during the Obama years.

Only 975 more seats to go until break-even. Congratulations.

Here in Minnesota, it was a fiasco for Democrats as the far-Left savaged the Left in a proxy battle between the Bernie Bros and what's left of the Establishment Dems.

The far-Left celebrated victories over liberals like city council president Barb Johnson and councilmember John Quincy while cheering victories for both socialism and group identity politics. Jacob Frey has yet to measure the drapes in the mayor's office in Minneapolis and he's already under assault from the far Left, presumably because he hasn't pledged to chase jobs from the city or disband the police department. But where is he on menthol cigarettes and other important issues?

The lesson to take from Tuesday night is that Democrats aren't a threat to GOP majorities in 2018.

They will be too busy determining which candidates are pure and progressive enough through various trials by ordeal, including trial by fire, water (hot and cold), burning ploughshares, poison, and even indigestion. No word on whether Tom Steyer or George Soros will fund the Grand Progressive Inquisition.

On a serious note, the real threat to GOP majorities in 2018 is the GOP itself.

If Republicans continue to fail to deliver on core campaign promises, it will depress the base, turn off independents, and energize liberals who will sense weakness on the part of their opponents.

And Donald Trump needs to get disciplined. He needs to lay off Twitter and refrain from high profile, distracting shouting matches wholly unrelated to his strategic agenda.

The GOP has won some major victories in Washington thus far, most notably in the area of repealing Obama-era regulations.

Trump's social media distractions only assist the media in ignoring victories and propagating a false narrative of mismanagement and dysfunction.

At least a partially false narrative.

Like the Democrats, Republicans are their own worst enemy these days.

We've seen the enemy, and it is us.

That needs to change.

November 17, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "The rule of law is the basis for any democracy. And without the rule of law in democracy, you have chaos."

- Meles Zenawi

Quote of the Week: "We can't leave anybody behind, which is why they came up with the 25 rate for pass throughs. The problem is, neither the House or the Senate version really honored that commitment to pass-through businesses, which I argue are a huge engine of economic growth."

- Sen. Ron Johnson (R - WI)

Quote of the Week: "Governor Dayton has made everything we do in Minnesota so entirely partisan that it has become nearly impossible to work with him."

- House Speaker Kurt Daudt

TAX CODE CRAZIES

What's happening to tax reform in Washington is emblematic of the deep malaise affecting our federal government.

Tax reform has become an incredibly difficult, perhaps impossible, lift because the tax code long ago was transformed from a device to raise revenue into a 74,608 page monstrosity that is little more than a bag of goodies for favored political interests.

It's a toxic stew of market-distorting credits, deductions, and carve outs that create all sorts of make work for lobbyists, lawyers, and accountants.

While this publication applauds Republicans for taking a meaningful run at reform, what they are contemplating isn't all that could be done.

We have cringed daily as a bevy of Republican lawmakers take to social media to loudly declare that we should all breathe easy, as they have successfully fought to keep some goodie in the current bill.

It's all good, my fellow citizens! We have kept the tax credit for investing in craft breweries!

Take comfort! You can still take that deduction for adopting abandoned poodles!

Every credit and deduction should be eliminated and the new revenue used to reduce rates in an objective fashion, across the board, in a revenue-neutral fashion.

Having said that, the perfect shouldn't be the enemy of the good.

There are many good public policy outcomes in the current bill.

For example, lowering the corporate tax rate to a competitive level will encourage some (more on that in a moment) corporations to do more business in America and keep and move more revenues on shore.

But one of the most attractive features of the bill is also one of the most troubling.

The bill in its current form treats different businesses differently with respect to proposed rates.

In short, "pass through" businesses will remain on a higher tax rate structure (top rate of more than 39%) while "C" corporations will enjoy a top rate of 20%.

There is no good public policy reason for not granting all business entities the top rate of 20%.

In fact, the likely result is simply a rush to the lawyer's office to reform into a "C" corporation from a pass through, like an LLC.

Kudos to Senator Ron Johnson of Wisconsin for standing up for pass throughs, which are generally small business found on main street.

This isn't about protecting some spiff or carve out. It's about basic fairness and pointing out the inanity of treating an LLC different from a "C" corp, which is nothing more than a legal and accounting fiction.

Any business in America can make the basic election regarding their corporate form.

On behalf of the many small business owners who read this publication, we thank Senator Johnson for his advocacy - and his common sense.

Editor's Note: As this edition goes to publication, the House has passed the bill on a nearly party-line vote of 227-205.

That's good.

On one other note, beware a Democrat scare tactic regarding the bill.

They claim the bill "raises taxes" on lower income earners and cite non-partisan reviews of the bill.

What they don't tell you is that the bill reduces subsidies, particularly Obamacare subsidies, for individuals. Would you believe that reduced subsidies are scored as "tax increases" on those individuals? Only in Washington would losing a government hand-out equal a tax increase.

SUPREME COURT CRAZIES

The Minnesota Supreme Court further embarrassed itself this week by issuing a ruling that absolutely punted the ball and excused the court from answering the central constitutional question before it regarding the governor's veto of legislative funding.

The Court ruled 5-1 that yes, the governor has the authority to issue line item vetoes of legislative appropriations.

The Court next held that it didn't have to decide if the veto effectively abolished the legislative branch because the legislative branch has money it can steal from other accounts to continue operations, so therefore there is no abolition, and therefore no need to answer the central question.

You see, the central question is not whether the governor has this authority. He does.

The central question is what happens to this power when it conflicts with the constitutional mandate that there be three separate, co-equal branches of government.

In other words, what happens when the line item veto power prevents the legislative branch from operating?

The Supreme Court said that since there is money the legislature can raid from other funds to keep running, there is no need answer the question because it isn't in front of the court.

In other words, the governor didn't prevent the legislature from operating because there is other money they can use.

The Court argues that it's skillful deflection of the issue is evidence of high-minded judicial restraint.

We argue that they ducked the question and got it wrong.

So, what happens next?

This publication hopes legislative leadership continues to resist Mark Dayton's call to re-negotiate budget items to which he has not only already agreed, but already signed into law.

The legislature will limp along until coming back into session in early 2018.

At that time, the legislature should pass a bill to restore their funding and dare the governor to veto it.

If so, conventional wisdom holds his veto will be overridden by legislators of both parties who will come together to protect legislative prerogative.

Moreover, there is no love lost between Sen. Tom Bakk, who leads DFL senators.

On top of that, Dayton is a lame duck and thus has limited influence.

While some pundits are declaring Dayton a winner, it's hard to see how he comes out on top of this one.

He's a lame duck and was never that good at legislative poker.

Daudt and Gazelka will likely wait him out, send him the bill and force him to sign or suffer the humility of a veto override.

THE RULE LAW?

As readers know, the issue of sexual harassment in the workplace has exploded to fore recently, including our political institutions and those who run them.

In many respects, that's a good thing.

This publication joins thousands of other individuals and organizations in condemning sexual harassment.

There is no place for it in our society and those who engage in that behavior should be held accountable for their unacceptable behavior - period.

Having said that, there is a very troubling aspect of this development that many people don't want to discuss.

Namely, there has been a rush to judgement regarding some of these allegations, with calls for punishment before any type of fair and impartial proceeding has been allowed to find facts and issue a determination.

On the one hand, it is refreshing and long overdue to see society finally demanding that the rights of accusers in these situations have their rights fully vindicated.

They deserve to have their allegations taken seriously and not summarily dismissed.

Accusers deserve to be heard.

Similarly, the accused have rights as well. The accused have the same to be heard in a neutral forum before an impartial and competent finder of fact.

We know such a claim isn't popular as the accused are alleged to have engaged in vile behavior.

But inherent individual rights shouldn't depend upon popularity or the emotions of the majority.

We are either a society of laws or we aren't.

And if we are a society of laws, we should all jealously defend a process that seeks facts and the full vindication of the rights of the parties.

The alternative is the substitution of popular emotion for the rights of individuals.

Calls for resignation and other negative sanctions may very well be in order.

But those calls aren't in order before the facts are established in an orderly process in which all parties have a fair opportunity to present their side of the story.

It's deeply troubling that organizations like the Star Tribune have dismissed due process concerns because the current posture of sexual harassment allegations against elected officials isn't a "criminal case."

That's a bizarre statement.

Our society rightly affords parties due process rights in both civil, criminal, judicial, and quasi-judicial proceedings.

For example, a student facing expulsion for plagiarism is almost always afforded an opportunity to be heard in an impartial forum.

Employees who violate workplace rules and face discipline are offered the same.

Athletes facing expulsion from a team are often afforded the same as well.

The rush to judgement in these cases is deeply troubling and speaks to a disturbing trend in our society of moving away from legal precepts that fundamentally recognize and protect individual rights and instead substitute popular emotional judgement in the name of "security" or "safety" or "doing the right thing."

Similarly, voices that call for a respect for an impartial process are often drowned out.

Calling for due process and the rule of law here doesn't equate to condoning sexual harassment nor is it evidence of a lack of interest in tackling the problem.

This is a dangerous false choice.

Our society can have both due process and good public policy.

We can work to stamp out sexual harassment without abandoning legal protections that have served society well for hundreds of years.

November 24, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "In this spirit, Thanksgiving has become a day when Americans extend a helping hand to the less fortunate. Long before there was a government welfare program, this spirit of voluntary giving was ingrained in the American character. Americans have always understood that, truly, one must give in order to receive. This should be a day of giving as well as a day of thanks."

- President Ronald Reagan

Quote of the Week: "He comes up and he grabs me, puts his hand behind my head, and he aggressively comes in and mashes his mouth against mine and he sticks his tongue in my mouth. His mouth was wet and slimy. To this day I call him Fish Lips."

- Leeann Tweeden, victim of Sen. Al Franken

Quote of the Week: "I think American women should be lining up with their presidential kneepads on to show their gratitude for keeping the theocracy off our backs."

- Feminist Nina Burleigh on Bill Clinton

THE VICIOUS AND VACUOUS LEFT

Al Franken's busy hands and slimy mouth have utterly exploded the Left's plan to turn 2018 into a "Year of the Woman" election and smear campaign against Republicans.

Unemployment is low, the stock market is up, home values are strong, and Republicans are in control.

The solution? Politicize an important and real issue like sexual harassment to redefine the election.

Never let a crisis go to waste, the Democrats tell us.

Then Al Franken showed up. So did Congressman John Conyers.

If nothing else, the AI Franken episode has so far reminded us that the Left practices a vicious and calculated moral relativism that values collective power far more than individual rights.

Apparently, "believe her" and "#metoo" applies only so long as the harasser isn't ingrained in the Progressive Power Structure.

What's happening to women victimized by Franken, and even one who hasn't, is following a vile yet predictable pattern.

This pattern follows two separate but mutually supporting narratives that pursue the strategic objective of keeping the harasser in power.

The first is to attack and minimize the victim.

Supporters of the victim obliquely and skillfully cast doubt on the victim's claims.

This week, multiple women who have worked with Franken came forward to proudly proclaim that Pervy AI didn't harass them.

How quaint. So there is some sort of acceptable harassment ratio? Refrain from harassing 10 women and you get a freebie with colleague number 11?

The purpose is to cast doubt on the veracity of the victim's story.

If scores of women are vouching for AI's gentlemanly habits, then perhaps this one woman isn't being honest.

Liberals have also leveled ad hominem attacks on Ms. Tweeden by noting her appearance years ago in Playboy, implying that she lacks the moral virtue to be believed.

It wasn't that long ago that feminists celebrated the right of liberated women to proudly present their bodies. Moreover, that presentation also represented her sovereignty over herself as a type of self-determination akin to the right to choose abortion.

But when that liberated position suddenly becomes a scarlet letter when she accuses a progressive power broker of sexual harassment.

Then there's plain old intimidation. The game plan is to simply savage anyone who expresses sympathy for the victim or has the temerity to suggest that the harasser be held accountable.

Such is the case with Abby Honold. Ms. Honold is a rape victim who has been pursuing federal legislation dealing with the subject.

She prevailed upon Al Franken to sponsor her bill.

When he became embroiled in scandal, Honold rightly looked for another sponsor, which brought down upon her a maelstrom of invective from Franken supporters, including one who declared that she should "really be raped."

That is one of the most sickening and disgusting statements we've ever read here at the Watchdog.

The statement not only called for her to be sexually assaulted, it minimized her experience as a survivor of assault. There's a special place in hell for the person who wrote that statement.

Franken and DFL Party Chairman Ken Martin should be called upon to condemn the statement right away. And so should Amy Klobuchar.

The second narrative is to minimize the offense and call for meaningless punishments that fall well short of calling on Franken to resign and give up an important liberal vote in the Senate.

Social media has been filled with liberal apologists arguing that the offenses were "only" unwanted groping and forced kissing. "It's not like he molested children" read one liberal Tweet.

So the message is that groping is acceptable? Besides being patently ridiculous, this publication would like to see these posters give that advice and counsel to the women in their lives. "Dear, if that colleague at work merely gropes you and forces a kiss, just take it, especially if he is valuable to the company."

The strategy of feigned outrage and de minimis accountability is best exemplified by Governor Dayton, who was forced to tap dance around the resignation issue yesterday when he was asked why he called for state Sen. Schoen and Rep. Cornish to resign but not Sen. Franken.

Dayton solemnly announced that the difference is that the U.S. Senate has an ethics committee to investigate while the state legislature doesn't.

What a crock. The Senate Ethics Committee has the mission of investigating misconduct while in the Senate. The Tweeden incident happened well before that time.

Moreover, does anyone really believe the committee will do the right thing? Please.

In sum, none of this should surprise us.

Bill Clinton exposed this entire cynical charade over 20 years ago.

When it comes to the collective political pursuits of the Left, individual rights must yield, no matter how hypocritical it shows the Left to be.

Bill Clinton's accusers were hammered as "bimbos", "liars" and "uneducated white trash."

Slick Willie's flagrant abuse of these women paled in comparison to Clinton's power to appoint judges, protect late term abortion, and otherwise pander to the feminist crowd.

Recall the infamous words of Nina Burleigh, who declared, "I think American women should be lining up with their presidential kneepads on to show their gratitude for keeping the theocracy off our backs."

Watch the same thing happen with Al Franken. In the eyes of the Left, what's a little butt grabbing, groping and humiliation compared to Al's Senate vote?

PILGRIMS

No matter the state of affairs in our country, we must always pause and give thanks for many blessings we enjoy. Always.

To our loyal readers, Happy Thanksgiving!

Enjoy excerpts from this essay by Dr. Ralph F. Wilson regarding the Pilgrims and how they got their name:

It wasn't until 1840 that the term "Pilgrim" came to refer to the early Mayflower settlers.

The Pilgrims (though they weren't called that at the time) originated with the members of a Separatist congregation from Scrooby, Nottinghamshire,

England, whose pastors were Richard Clifton and John Robinson. This congregation suffered difficult persecution in England because they dissented from the state Church of England.

The congregation moved to Holland in 1607 where religious freedom was greater. Some who were in prison, didn't get there for another year.

They were losing their young people and struggling at the bottom of the economic scale. If they returned to England they faced severe persecution and imprisonment. So in 1620 many from the congregation decided to emigrate to America, to the New World.

Though the Plymouth Colony was the first Separatist colony in New England, the Puritan Massachusetts Bay Colony was established by royal charter in 1629. But apparently the Massachusetts Puritans had something in common with the Plymouth Separatists even before they sailed for America - the autonomy of the local congregation and a restriction of membership to "those predestined to be God's elect." As time went on the churches in Plymouth and the Massachusetts Bay Colony came to resemble each other.

But the Plymouth colonists still weren't called Pilgrims, not for many years, not until 1840. At that point someone resurrected William Bradford's original phrase describing the Saints that had left Leiden to travel aboard the Mayflower to the New World. They left Leiden, he said, "that goodly & pleasante citie which had been their resting place for near 12 years; but they knew they were pilgrimes, & looked not much on those things, but lift up their eyes to ye heavens, their dearest cuntrie, and quieted their spirits."

December 1, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "While I don't remember the rehearsal for the skit as Leeann does, I understand why we need to listen to and believe women's experiences."

- Al Franken

Quote of the Week: "I've met tens of thousands of people and taken thousands of photographs, often in crowded and chaotic situations. I'm a warm person; I hug people."

- Al Franken

KEEP TALKING, KEEP DIGGING

It's been utterly amazing to watch erstwhile cokehead and unfunny guy Senator Al Franken continue to dig a deeper and deeper hole on his sexual harassment bust.

While all his Hollywood and urban elite pals take their well-earned comeuppance for years of piggy behavior, Franken continues to set himself ablaze with a case study in how not to handle such a situation.

Now what's so interesting about this whole sordid affair is that Franken IS handling it has the media pros suggest he handle such things.

The problem is that "crisis communicators", like generals, always fight the last war.

This isn't 1993 and Al Franken isn't Minnesota. And Leeann Tweeden isn't Monica Lewinski.

Vague and evasive political double-speak spewing from the pie holes of privileged 1%ers of the Political Class won't be tolerated.

Blinded by their hatred for Trump, liberals refuse to see the lesson of his victory. Namely, that the Political Class is on the run and authenticity is the coin of the realm in American politics.

The electorate would rather have a boorish, buffoonish president who shoots straight than a smooth talking, well-practiced sophist who specializes in being all things to all people.

Franken of late has been doing his best to channel the ghosts of Clinton, with little success.

He doesn't remember. He's "misremembered." He remembered it differently.

He's a warm guy. He hugs lots of people.

The women are to be believed but are not to be believed.

He's feels bad that some women feel bad.

The women are to be believed but it's not how he remembers it, at least those parts he confesses to remember.

He hugs lots of women, apparently hugging them by the breasts or the buttocks, which is a form of public greeting found in no First World cultures.

On top of it all, the Feminist Army has piled on, suddenly accepting of such behavior, so long as the pervy perp supports partial birth abortion.

"It's only an unwanted kiss", one wag spouted on Twitter.

"It's old news."

"He was a comedian."

Wow.

Moreover, Ms. Tweeden has been subject to no small amount of slut shaming, insinuating that Tweeden is not to be believed or supported because she posed in Playboy.

Unwanted kiss? Bob Packwood, anyone?

The bottom line is that this tawdry circus led by ringmaster Al S. Franken is just fine with this publication.

Let Franken continue to make a fool of himself as more and more women come forward sharing quite identical stories of Old Uncle Al's unique "hugging" methods and his best impression of a large mouth bass.

Let the Feminist crowd continue to reveal themselves as the venal, vapid and vacuous hypocrites they really are.

It's really mind blowing to read the thousands of feminists on social media equivocate and excuse in the name of keeping a U.S. Senate vote.

Geez, just how many women need to come forward before this crowd realizes their credibility is zero?

Too late!

Keep digging. Can we offer a shovel?

TRIGGERED

A funny thing happened on the way to tax reform.

Some senators, cowed by the rhetoric of the Left, are contemplating a "trigger" that would automatically raise taxes if projected revenues from a juiced economy failed to materialize.

In other words, some senators want to put tax cut to the proof and force a type of corrective, partial repeal if the promises don't materialize.

What a good idea. Seriously.

A good idea so long as all other major tax and entitlement programs are subject to the same objective benchmarks.

Take Obamacare. What if people can't keep their doctor? What if they can't keep their plan or save thousands in premiums?

The bottom line is that every federal entitlement program is broke or on a pathway to bankruptcy.

Conservatives in the Senate should check-raise the Democrats and the moderates in their own caucus and make the offer.

Editor's Note: Just after going to publication, the "trigger" provision was dumped from the Senate bill.

SENATE DISTRICT 54 FOLLIES

Here they go again. In the upcoming special election in this district to replace disgraced state Sen. Dan Schoen, the wing nut crowd is doing what they do best, savage fellow Republicans.

Some organization named "Action 4 Liberty" took to social media this week to attack former GOP state Rep. Denny McNamara, who has announced his campaign to seek the soon to be vacant senate seat.

Said a spokesman for the group, "At some point, we have to put a name on the "swamp".

Denny McNamara is the swamp. Word on the street is that he is running for the special election in the Senate District 54 seat vacated by Dan Schoen. You can bet we'll be involved in this race."

The group further endorsed a person named Leilani Holmstadt, who ran for the seat, and lost, in 2016.

The same spokesman declared, "Leilani is exactly the kind of citizen legislator our system was originally designed for. She is conspicuously not a career politician, and she has little patience for the disingenuous word games of our political class. I have never seen her cowed into backing down like so many Republicans nationally and around the state."

The attack on McNamara and the endorsement of Holmstadt follow of consistent pattern for groups like this of doing the illogical and bizarre.

While this publication will leave it to the delegates to select their candidate, it's a bit bizarre to call McNamara "the swamp." The simple fact is that he doesn't take PAC or lobbyist money.

A guy who refuses lobbyist and PAC money isn't exactly "the swamp."

Moreover, McNamara is a proven winner in a tough district for the GOP, winning seven straight elections over his tenure in the House.

He's a winner in the district and the numbers don't lie.

On the other hand, Holmstadt lost her race in 2016, making her the outlier in the area.

Donald Trump won it.

Jason Lewis won the area.

Keith Franke won his House legislative seat in the area.

So did Tony Jurgens.

Holmstadt was the GOP loser on the ballot.

Principles matter. And so does winning.

A candidate with whom you agree 100% will be 0% effective if they can't win and earn an election certificate.

This special election is a great opportunity and we wish the delegates luck and much wisdom in conferring their endorsement.

December 8, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: "With a humbled and gracious heart, I would like to thank everyone for their confidence encouragement and support in the decision to seek the Senate seat! I feel at this time it is the best thing for the district that I stay where I am at and continue to the represent the people of our area in the way that I have for every one of us."

- State Rep. Keith Franke

Quote of the Week: Sec. 5. Succession to offices of governor and lieutenant governor.

In case a vacancy occurs from any cause whatever in the office of governor, the lieutenant governor shall be governor during such vacancy. The compensation of the lieutenant governor shall be prescribed by law. The last elected presiding officer of the senate shall become lieutenant governor in case a vacancy occurs in that office. In case the governor is unable to discharge the powers and duties of his office, the same devolves on the lieutenant governor. The legislature may provide by law for the case of the removal, death, resignation, or inability both of the governor and lieutenant governor to discharge the duties of governor and may provide by law for continuity of government in periods of emergency resulting from disasters caused by enemy attack in this state, including but not limited to, succession to the powers and duties of public office and change of the seat of government.

- MN Constitution Article V, Section 5

FRANKE - GOOD

Before Pervy Al Franken grabs (no pun intended) Minnesota's attention once again, let's give props to a good man you probably don't know.

GOP State Rep. Keith Franke represents Saint Paul Park and the surrounding area, an area that has sent DFLers to the Capitol for many years.

He won this year in a surprise upset and has won well-earned praise at the Capitol for his hard work and quick grasp of the issues.

He has also been recognized as a savvy legislator who well represents his district by crossing party lines when necessary to help his district.

He also fits his district well, offering a blue collar, "main street" perspective on the issues of the day.

A small business owner, he's Republican because he knows the challenges of operating in a heavy regulatory environment and he believes in personal accountability and need for government to offer a hand up instead of a hand out.

Franke's house district sits within the senate district that will soon hold a special election in that closely divided (34-33) body.

While just a freshman, Franke rightly took a close look at running for the senate seat, ultimately deciding that he could best serve the area by remaining in the house.

If don't know him, check out Rep. [Keith Franke](#) and get to know him.

He's a rising star in the GOP and we will all hear more from him in the future.

FRANKEN - BAD

Ugh. Here we go again with Al Franken, the bad news that won't go away - just yet.

So after about 17 women came forward to discuss their gross encounters with Pervy Al, liberal women decided these women could finally be believed and they publicly called for Angry Al to step down.

The latest allegation came from a woman who related a story about Pervy Al forcing a kiss on her (sound familiar?), which he justified by saying the behavior was "his right as an entertainer."

Franken indeed resigned from the Senate today, in a pathetic, self-serving floor speech in which he will leave the Senate in the "coming months."

Franken self-righteously declared that the Senate Ethics would have cleared him, that he again "remembered things differently" and that some allegations were merely lies.

He also held himself up as some sort of paragon of virtue because he was begrudgingly resigning while President Trump and Roy Moore were still on the scene.

Franken then went on to congratulate himself for all the good work he's done in the Senate, especially on issues important to liberal women.

The speech lacked humility, responsibility, substance, and grace.

In short, it was the perfect coda for a man lacking in humility, substance, and grace.

Of course, you can't take the politics out of politics, and there is certainly a political angle at play here.

With Conyers and Franken pushed aside, it leaves Trump and Moore still on the field.

Democrats are clearly setting up a political narrative for 2018 that its Republicans who don't take this issue seriously.

And if Roy Moore is elected and seated, the charge will be true.

Trump is in the White House and isn't going anywhere.

With Moore, national Republicans are walking right into the punch by supporting this guy.

Those calling for him to step aside are correct.

Moore is a huge liability and will be the 2018 poster child if elected and seated.

On a different note, speculation runs rampant regarding Governor Dayton's choice to replace Franken for the remainder of the Senate term.

The odds-on favorite is Lieutenant Governor Tina Smith.

While she is the favorite, some Capitol observers speculate that she won't be the choice because Dayton will need her to navigate the last year of his term, having already lost key staffers.

Moreover, Smith declined to run for governor, indicating she may be done with politics and looking to move on.

In any case, the potential appointment has sparked controversy because the state constitution declares that the state senate president shall become the LTG.

That person is a Republican, which would create yet another vacancy in the senate.

All sorts of legal hypotheticals are floating around the Internet.

Here's our thought: there is no legal or judicial precedent in America that forces a person to assume a political office.

After all, a person really can't be forced to occupy a political office.

There are all sorts of laws removing people from office or preventing them from running in the first place, but there is rightly no law compelling assumption of office.

There may be legal wrangling, but at the end of the day, a person can't be compelled to be LTG.

Dayton would be smart to stay away from the controversy and appoint another liberal to the seat.

There's no shortage of them to go around.

The important story is that another liberal elitist was found out to be a hypocrite and a violator of the rights of others. Most importantly, this creep was held accountable and we are better off for it.

History will rightly remember Al Franken for the loser he really is.

So long, Al. Don't let the door hit you on the way out.

December 15, 2017

Public Policy Commentary

In This Issue:

Quote of the Week: “Short term pain, long term gain. Roy Moore and Steve Bannon losing tonight is big win for the GOP. We will survive 2 years of D. Jones. Moore would have buried GOP in 2018.”

- Norm Coleman

Quote of the Week: “Is it your opinion that if the President of the Senate becomes the Lieutenant Governor, she automatically and immediately forfeits her Senate seat by operation of the Constitution?”

- Governor Dayton’s lawyer to DFL Attorney General Lori Swanson

HERE THEY GO AGAIN

Another day, another crisis. On the heels of Governor Dayton’s stunt to unilaterally defund the legislature (to which he has now said “never mind”), we are on the cusp of a new Dayton-inspired constitutional crisis.

If Dayton spent as much time governing as he apparently does cooking up political machinations, the state would be in prime shape.

As readers know, he this week announced his intention to have his lieutenant governor, Tina Smith, fill the remaining term of unfunny pervert Al Franken, who will be resigning at some point, he just won’t tell the people of Minnesota when.

The intention to fill the position with his lieutenant governor is another too-cute-by-half stunt.

You see, the state constitution declares that when there is a vacancy, the last duly elected presiding officer of the Senate shall become the lieutenant governor.

With the Senate controlled by the GOP, that presiding officer is Republican Michelle Fischbach of Paynesville.

The thinking in devious DFL minds is that the state constitution also forbids a person from serving in two offices, ergo, Fischbach forfeits her seat and creates another open seat.

Recall that there is already one vacant seat in the Senate due to the resignation of Sen. Dan Schoen, who resigned after proving he's a graduate of the AI Franken School of Dating.

With two seats open, the balance of power in the Senate would be up for grabs.

Lest you think that this nefarious and Machiavellian thinking isn't afoot, consider two recent statements from DFL leadership in this state.

The first comes from Dayton's general counsel, who this week wrote a letter to the attorney general, asking her to offer an opinion regarding whether a senator who assumes the lieutenant governor role automatically forfeits her senate seat.

How timely and how curious.

Never mind the fact that the attorney general also happens to be a Democrat.

We wonder how that opinion will turn out.

Yesterday, Senate Minority Leader Tom Bakk (DFL-Cook) was quoted as follows by the Senate DFL, "This appointment, and the subsequent ascension of the Senate President to Lt Gov, means the MN Senate will likely face two special elections this winter. The balance of power in the Minnesota Senate will be up for grabs."

But not so fast. Senate Republicans have correctly pointed to a Minnesota Supreme Court case directly on point that held that a senator could fulfill both roles, thereby denying Dayton and company their bid to overturn the 2016 elections.

Clearly, the DFL aims to take this to court and litigate what they couldn't win at the ballot box.

The DFL is playing a dangerous game, here.

Governor Dayton, unfortunately, has experienced health issues during his tenure.

A Governor Fischbach, for either days or months, would govern in a far different fashion.

What a mess.

On one final note, observe that Dayton has once again chosen a liberal Minneapolis DFLer.

By watching him, one would think that the DFL has been reduced to about five zip codes.

In many respects, they have.

BIG MAC

That didn't take long. Over in Senate District 54, where there will be a special election in February.

Republicans met this week to confer their endorsement, a process that some predicted would be a drawn-out affair between former state Rep. Denny McNamara and Leilani Holmstadt.

In typical fashion, the Conservative Complaint crowd got belligerent right off the bat, issuing a press release attacking McNamara as "the swamp."

McNamara responded with a decisive first ballot victory and will face DFLer Karla Bigham in February.

Holmstadt, for her part, was gracious in defeat and will no doubt do what she can to turn the seat Republican, which would be a huge boost for the Senate GOP.

We also suspect the Conservative Complaint caucus, lead by Action 4 Liberty, will do little for McNamara, preferring to complain from their recliners this winter.

Inaction 4 Liberty is more like it.

Congratulations to Denny McNamara. He's a proven winner in the area and is a formidable candidate.

NO MOORE, NO MOORE

Ladies hold the aces while my lovers call it passion

*The men call it pleasure but to me it's old fashioned
No More, No More*

- Joe Perry, Steven Tyler

Democrats need to stop with the victory lap in Alabama. They didn't win anything. The outcome was nothing more than the harsh reality of Republicans rightly rejecting a very bad candidate.

Just about any other Republican would have mopped the floor with Doug Jones, which will be amply demonstrated in two years.

Putting a stake through the political heart of the Steve Bannon freak show was short term pain necessary for long-term gain.

Candidate quality always matters – always.

HARDLY A WINDFALL

The liberal freak-out over federal tax reform has reached a fever pitch.

Among the many grievances causing hyper-ventilation, a reduction in the top marginal rate for individual rate payers from 39.6% to 37% is at the top, leading to complaints of a “windfall” for successful and productive Americans.

Oh, no! Some people get to keep 63 cents of every dollar they earn, until state and local taxes get their tribute. The humanity!

The reality is that a 37% top marginal rate is still immoral and confiscatory.

Moreover, let's consult the history of top marginal rates to see where this mighty 2.6% reduction and resulting 37% rate compares to some recent rates:

2003-2011: 35%

1991-1992: 31%

1988-1990: 28%

Comparatively speaking, the GOP crew hasn't done nearly what past Republicans were able to accomplish.

So, chill on the freak out, liberal friends.

The government is still punishing achievement.

December 22, 2017

Public Policy Commentary

In This Issue:

Editor's Note: This is the last edition of the Watchdog before Christmas. Harold Hamilton and the entire Watchdog staff wish you and you're a very Merry Christmas! May peace and joy embrace every American, especially those serving our country away from family and loved ones. Their service to a grateful nation is deeply appreciated.

TOO MUCH WINNING

It's nothing more than astounding to watch the Punditry and Legacy Media happily slam President Trump while noting in each and every article on politics that there is "risk" to Republicans for delivering on campaign promises while noting that the outcome of nearly every election is a possible Democrat win because of "voter anger" and "voter unhappiness" and "voter angst" with the president.

Of course, each and every article is delivered with smug satisfaction.

So, what's driving this dissatisfaction?

Too many jobs?

Too little unemployment?

Too little government?

Too many tax cuts?

Too much appreciation in the stock market (23%!)?

Too much prosperity?

Too much freedom?

Too much winning?

Of course, a great deal of negativity is directly attributable to the Legacy

Media and their relentless badmouthing of both the president and his policies.

Having said that, the president himself is also to blame. He frequently steps on his own messaging in the inane pursuit of small issues that are irrelevant to the presidency and American life.

It seems no issue is too small to command the wrath of Donald Trump.

His list of daily grievances is long and petty.

The president would be well served to introduce a modicum of discipline to his messaging.

He doesn't need to trash his narrative. There are people who are paid to do that. They're called the New York Times, CNN, Washington Post, etc.

TOO MUCH LOSING

Recent election results and polling are showing that voters are becoming interested in returning Democrats to office.

Really?

It appears voters have a real short memory.

How did that Obamacare thing work out?

How did that whole Obama thing work out in general?

Here in Minnesota, the results have been disastrous.

We all remember the failed MnSure roll out (and the employee bonuses).

We remember the massive pay increases for political appointees.

The stadium suites for DFL cronies.

The electronic pull-tab stadium funding scheme.

The big tax on the repair of farm equipment.

More recently, the administration has been rocked by disgusting allegations

that state investigators destroyed investigation files dealing with the abuse and neglect of nursing home residents, among the most vulnerable of our citizens.

If true, this is a scandal on par with the VA health care scandal.

This is in addition to yet another failed program, the “MNLARS” software system for driver and vehicle services.

Legislative hearings have uncovered tales of weeks and months of waiting for auto titles, license tabs, and other services.

Providing those services is a skill level one task for government. It shouldn't be difficult.

For another prime example of the promise of liberal government, take a look out east at Connecticut.

That state represents the logical conclusion of the American strain of collectivist governance.

After months of budget wrangling, the state finally settled a budget, only to find itself right back in the soup.

Already, the next biennium is projected to feature a \$4.5 billion deficit.

This deficit is a combination of increased spending, and more ominously, decreased revenues.

Caught in a fiscal death spiral, Connecticut solved the current deficit, in part, by jacking up already sky-high levels of taxation which, of course, soaked the successful.

Guess how the successful reacted? Yep, they voted with their feet.

Higher taxes patch the hole in the short-term while creating a bigger hole in the long term.

Really, Connecticut is just one point on a continuum that runs out to Norway and then to Venezuela.

It features misery, poverty, and a profound disrespect for individual rights.

And people are mad at Republicans?

It will be interesting to see how the American Experiment turns out.

TOO MUCH SLIME

Speaking of Democrats, this week was chock full o' just what they have to offer with respect to integrity and fair play.

First, in shocking news of the week, the office of DFL attorney general Lori Swanson issued a legal "opinion" that GOP state Sen. Michelle Fischback (R – Paynesville) must forfeit her seat involuntarily to involuntarily become Dayton's lieutenant governor.

It's a bit disturbing that this blatant attempt to game the election system to overturn the results of the 2016 election haven't garnered more outrage.

The DFL predictably using the opinion as the basis for a lawsuit to force out Fischback and win at the courthouse what they couldn't win at the ballot box – potentially.

The stench of this ploy permeates the Capitol and comes, ironically, just when Dayton learned that his Department of Health was turning a blind eye to their duty to vulnerable Minnesotans in nursing homes.

Obviously, politics comes before governing.

Then there's Amy and Pervy Al.

Soon to be erstwhile senator Al Franken took to the well of the Senate this week to congratulate himself on a job well done in Washington.

No word on whether Franken hurt himself with the self-congratulatory pat the butt, er, back.

Franken also lamented partisanship and the failure of consensus.

How strange, given his propensity to attack opponents viciously.

How very strange, considering, for example, his opposition to Judge David Stras, who was deemed “well qualified” to serve on the federal bench by the American Bar Association.

Even worse, Amy Klobuchar emerged from her courage-proof bunker to celebrate Franken, who joins folks like John Conyers, Bill Clinton, and Anthony “Carlos Danger” Weiner in the pantheon of Democrats who talked about honoring women while harming them.

"When Al leaves here, he will not be quieted in any way. His work will live on, his voice will be stronger than ever," she said.

How nice. Maybe he can pen another thoughtful tome to the public discourse, with words in the title like “fat idiot” and “lying liars.”

Al Franken is a self-entitled, self-important jack ass, senator or not.

We’re all better off without his big mouth representing us.

Hopefully, full-time residency in Hollywood is in his future.

They deserve each other.

December 29, 2017

Public Policy Commentary

In This Issue:

Editor's Note: And another year comes to a close, with this being the Watchdog's 12th year of news and commentary. Like nearly every year, 2017 was a remarkable year for politics, most notably the success of the Trump Administration being denied at every turn by the Legacy Media while Governor Dayton continued his impersonation of Emperor Nero, fiddling while his administration burned. It has been an honor and privilege to serve our readers in 2017 and we wish all of you the best in 2018!

THAT DIDN'T AGE WELL

While this isn't 2017 news, we came across these news quotes from the 2016 presidential election, found in the fascinating book, "Let Trump be Trump." This is news that obviously didn't age well. Enjoy the laugh.

"Donald Trump's chances of winning are approaching zero."

- Washington Post, 10/24/16

"Donald Trump Stands a Real Chance of Being the Biggest Loser in Modern Elections."

- Huffington Post, 10/27/16

"Our final map has Clinton winning with 352 electoral votes."

- Los Angeles Times, 11/6/16

That's why they call it fake news.

YEAR IN REVIEW

There was no shortage of political news in 2107. Trump's first year. Minnesota a 2018 battleground state with numerous seats in play. Al Franken resigning. Dayton vetoing legislative funding. Dayton playing games with the lieutenant governor seat. Special elections. More Dayton incompetence with MNLARS and the Department of Health ignoring complaints of nursing home abuse.

All in all, the Franken resignation and Dayton's really bad, no good, rotten year are the top stories.

Here's what we had to say about them:

THE VICIOUS AND VACUOUS LEFT (11/24/17)

Al Franken's busy hands and slimy mouth have utterly exploded the Left's plan to turn 2018 into a "Year of the Woman" election and smear campaign against Republicans.

Unemployment is low, the stock market is up, home values are strong, and Republicans are in control.

The solution? Politicize an important and real issue like sexual harassment to redefine the election.

Never let a crisis go to waste, the Democrats tell us.

Then Al Franken showed up. So did Congressman John Conyers.

If nothing else, the Al Franken episode has so far reminded us that the Left practices a vicious and calculated moral relativism that values collective power far more than individual rights.

Apparently, "believe her" and "#metoo" applies only so long as the harasser isn't ingrained in the Progressive Power Structure.

What's happening to women victimized by Franken, and even one who hasn't, is following a vile yet predictable pattern.

This pattern follows two separate but mutually supporting narratives that pursue the strategic objective of keeping the harasser in power.

The first is to attack and minimize the victim.

Supporters of the victim obliquely and skillfully cast doubt on the victim's claims.

This week, multiple women who have worked with Franken came forward to proudly proclaim that Pervy Al didn't harass them.

How quaint. So there is some sort of acceptable harassment ratio? Refrain from harassing 10 women and you get a freebie with colleague number 11?

The purpose is to cast doubt on the veracity of the victim's story.

If scores of women are vouching for Al's gentlemanly habits, then perhaps this one woman isn't being honest.

Liberals have also leveled ad hominem attacks on Ms. Tweeden by noting her appearance years ago in Playboy, implying that she lacks the moral virtue to be believed.

It wasn't that long ago that feminists celebrated the right of liberated women to proudly present their bodies. Moreover, that presentation also represented her sovereignty over herself as a type of self-determination akin to the right to choose abortion.

But when that liberated position suddenly becomes a scarlet letter when she accuses a progressive power broker of sexual harassment.

Then there's plain old intimidation. The game plan is to simply savage anyone who expresses sympathy for the victim or has the temerity to suggest that the harasser be held accountable.

Such is the case with Abby Honold. Ms. Honold is a rape victim who has been pursuing federal legislation dealing with the subject.

She prevailed upon Al Franken to sponsor her bill.

When he became embroiled in scandal, Honold rightly looked for another sponsor, which brought down upon her a maelstrom of invective from Franken supporters, including one who declared that she should "really be raped."

That is one of the most sickening and disgusting statements we've ever read here at the Watchdog.

The statement not only called for her to be sexually assaulted, it minimized her experience as a survivor of assault. There's a special place in hell for the person who wrote that statement.

Franken and DFL Party Chairman Ken Martin should be called upon to condemn the statement right away. And so should Amy Klobuchar.

The second narrative is to minimize the offense and call for meaningless punishments that fall well short of calling on Franken to resign and give up an important liberal vote in the Senate.

Social media has been filled with liberal apologists arguing that the offenses were “only” unwanted groping and forced kissing. “It’s not like he molested children” read one liberal Tweet.

So the message is that groping is acceptable? Besides being patently ridiculous, this publication would like to see these posters give that advice and counsel to the women in their lives. “Dear, if that colleague at work merely gropes you and forces a kiss, just take it, especially if he is valuable to the company.”

The strategy of feigned outrage and de minimis accountability is best exemplified by Governor Dayton, who was forced to tap dance around the resignation issue yesterday when he was asked why he called for state Sen. Schoen and Rep. Cornish to resign but not Sen. Franken.

Dayton solemnly announced that the difference is that the U.S. Senate has an ethics committee to investigate while the state legislature doesn’t.

What a crock. The Senate Ethics Committee has the mission of investigating misconduct while in the Senate. The Tweeden incident happened well before that time.

Moreover, does anyone really believe the committee will do the right thing? Please.

In sum, none of this should surprise us.

Bill Clinton exposed this entire cynical charade over 20 years ago.

When it comes to the collective political pursuits of the Left, individual rights must yield, no matter how hypocritical it shows the Left to be.

Bill Clinton’s accusers were hammered as “bimbos”, “liars” and “uneducated white trash.”

Slick Willie’s flagrant abuse of these women paled in comparison to Clinton’s power to appoint judges, protect late term abortion, and otherwise pander to

the feminist crowd.

Recall the infamous words of Nina Burleigh, who declared, "I think American women should be lining up with their presidential kneepads on to show their gratitude for keeping the theocracy off our backs."

Watch the same thing happen with Al Franken. In the eyes of the Left, what's a little butt grabbing, groping and humiliation compared to Al's Senate vote?

HERE THEY GO AGAIN (12/15/17)

Another day, another crisis. On the heels of Governor Dayton's stunt to unilaterally defund the legislature (to which he has now said "never mind"), we are on the cusp of a new Dayton-inspired constitutional crisis.

If Dayton spent as much time governing as he apparently does cooking up political machinations, the state would be in prime shape.

As readers know, he this week announced his intention to have his lieutenant governor, Tina Smith, fill the remaining term of unfunny pervert Al Franken, who will be resigning at some point, he just won't tell the people of Minnesota when.

The intention to fill the position with his lieutenant governor is another too-cute-by-half stunt.

You see, the state constitution declares that when there is a vacancy, the last duly elected presiding officer of the Senate shall become the lieutenant governor.

With the Senate controlled by the GOP, that presiding officer is Republican Michelle Fischbach of Paynesville.

The thinking in devious DFL minds is that the state constitution also forbids a person from serving in two offices, ergo, Fischbach forfeits her seat and creates another open seat.

Recall that there is already one vacant seat in the Senate due to the resignation of Sen. Dan Schoen, who resigned after proving he's a graduate of the Al Franken School of Dating.

With two seats open, the balance of power in the Senate would be up for

grabs.

Lest you think that this nefarious and Machiavellian thinking isn't afoot, consider two recent statements from DFL leadership in this state.

The first comes from Dayton's general counsel, who this week wrote a letter to the attorney general, asking her to offer an opinion regarding whether a senator who assumes the lieutenant governor role automatically forfeits her senate seat.

How timely and how curious.

Never mind the fact that the attorney general also happens to be a Democrat.

We wonder how that opinion will turn out.

Yesterday, Senate Minority Leader Tom Bakk (DFL-Cook) was quoted as follows by the Senate DFL, "This appointment, and the subsequent ascension of the Senate President to Lt Gov, means the MN Senate will likely face two special elections this winter. The balance of power in the Minnesota Senate will be up for grabs."

But not so fast. Senate Republicans have correctly pointed to a Minnesota Supreme Court case directly on point that held that a senator could fulfill both roles, thereby denying Dayton and company their bid to overturn the 2016 elections.

Clearly, the DFL aims to take this to court and litigate what they couldn't win at the ballot box.

The DFL is playing a dangerous game, here.

Governor Dayton, unfortunately, has experienced health issues during his tenure.

A Governor Fischbach, for either days or months, would govern in a far different fashion.

What a mess.

On one final note, observe that Dayton has once again chosen a liberal Minneapolis DFLer.

By watching him, one would think that the DFL has been reduced to about five zip codes. In many respects, they have.