

January 12, 2018

Public Policy Commentary

In This Issue:

Editor's Note: Welcome to the first edition of the 2018, the Watchdog's 13th year of publication. This promises to be a very consequential year in politics, public policy, and the economy. Thanks for your loyal readership!

Quote of the Week: "We must let candidates know two things: first, do not take our vote for granted. And second, the Mille Lacs Band will not be your ATM machine."

Asked after her speech if she felt betrayed by the Minnesota DFL party, Benjamin said yes.

"When you go out and ask for help, and it's (viewed as) not as important as other things, yes, I do feel betrayed.'

-Mille Lacs Band of Ojibwe Chief Executive Melanie Benjamin

Quote of the Week: 'The workers have no connection to the community, get paid large sums of money and have little to do in their free time. Some will bring trouble, attracting the drug trade, sex trafficking or both. They will pollute the land by day, and women and children by night.'

-Ann Manning, director of Women's Congress for Future Generations and associate director of the Science & Environmental Health Network.

Quote of the Week: 'My fellow Americans, I am pleased to tell you today that I've signed legislation that will outlaw Russia forever. We begin bombing in five minutes.'

-President Ronald Reagan

Quote of the Week: 'Reagan is an amiable dunce.'

-House Speaker Tip O'Neill

Factoid of the Week: 1,039,839 American workers so far have received notice that they will receive a bonus payment from their employer because of the Republican tax reform plan

RONALD TRUMP

If you were alive and paying attention to politics in the 1980s, you would think there's a time warp spinning about us the past year.

You would think we've been transported back the 1980s and the Reagan administration. President Trump's treatment at the hands of the media and the Left is the exact playbook they threw at Reagan during his time in the White House.

This is more than similarity or parallel. This is an eerie carbon copy.

Reagan was derided as a slacker who didn't understand the weight of the presidency.

He came to the office late and was in pajamas by 6PM.

Trump spends hours watching television, eating junk food, and talking on the phone to friends, much like a teenage boy.

Reagan was a dangerous commander-in-chief who would end the world through a nuclear exchange with the Soviet Union. He can't be trusted with nukes!

Similarly, Trump is dangerous and will get America into war with North Korea, setting the whole peninsula on fire.

Reagan was an 'amiable dunce' who lacked the ability to grasp important public policy concepts.

Trump may be successful and an Ivy League graduate, but is nonetheless of mediocre intelligence. His daddy set him up for success.

Reagan's mental fitness must be questioned. He's old and forgetful.

Trump's mental fitness must be questioned. He says whatever is on his mind and lack political correctness.

In short, Trump, like Reagan, is the subject of vitriol and downright hatred from the media and their allies on the Left.

Why is that?

First, both were/are bold presidents who were more than caretakers of the country and their party.

Both had/have a vision for their party and their country different from the status quo.

Reagan built a Republican coalition of defense hawks, social conservatives, and small government advocates that expanded what Barry Goldwater started in the 1960s.

Trump is building a similar coalition, with more emphasis on blue collar voters that is reminiscent of the 'Reagan Democrats' of 30-plus years ago.

Both took over the White House after a democrat president and immediately got to work reversing the work of those predecessors, angering those who benefitted from the previous administration.

Reagan worked hard to rebuild the military, cut taxes, and reverse the economic 'malaise' of the Carter presidency.

Trump has worked to reverse Obamacare, Obama's overregulation of corporate America, and the hollowing out of our military.

Perhaps most importantly, both Reagan and Trump had/have an unshakable belief in American Exceptionalism that lies at the heart of their governing philosophy.

Reagan's 'morning in America' and Trump's 'make America great again' differ in detail but both are based on the bedrock belief that America is a unique and special country, destined for greatness by Divine Providence.

Liberals hate American Exceptionalism, instead seeing America as a rapacious and destructive country, obligated to forever atone for a variety of cardinal sins against other nations and cultures.

Far from being exceptional, America is just another piggy colonial empire, in their thinking.

That is the heart of the very deep partisan divide in America today.

One camp hates America and thinks the country is bad.

The other camp sees America as an exceptional nation steeped in greatness.

Is Donald Trump Ronald Reagan?

Only history can render that verdict some years from now.

In the meantime, we will enjoy tax cuts, a shrinking federal work force, and a president who believes in America.

THE DFL CRACK UP

Just like in 2016 and 2017, the media is spending a lot of time talking about how 2018 will be a disaster for Republicans, citing an ill-defined angst with President Trump as the reason.

The media very willingly points out the splinter in the GOP eye while ignoring the log in the DFL eye.

Two examples this week remind us of that oak tree log in the DFL eye.

The first example is the comments from Mille Lacs Band chief executive Melanie Benjamin, who warned the DFL to stop treating her tribe, with its gaming wealth, as an ATM for political contributions.

A long-time DFL constituency, the Mille Lacs Band has been frustrated by the Dayton Administration's failure to help the band with law enforcement and reservation boundary issues.

The second example comes from the pen of Ann Manning, who wrote a scathing hit piece on construction trade workers this week, warning that pipeline work inevitable invites violent crime, as she believes these workers to be violent criminals inclined to engage in drug use and sexual assault.

Manning, who is the director of Women's Congress for Future Generations and associate director of the Science & Environmental Health Network, is no doubt one of those elitist democrats who disdains the Labor Wing of the DFL (excluding, of course, those who 'labor' as government bureaucrats).

According to the urban liberal elite, pipeline work not only endangers Mother Earth, it also endangers women and children.

Read her words once again: 'They (construction workers) will pollute the land by day, and women and children by night.'

Hey, blue collar people! Wake up! The DFL hates your work and clearly puts you in the 'basket of deplorables.'

If there is one message the DFL has successfully pushed recently, it's that they hate blue collar workers.

That message resulted in Donald Trump winning the Iron Range and in the election of Republicans in many traditional DFL districts across rural Minnesota.

Watch for the rest of 2018 as the media predicts a DFL wave and then watch as it doesn't materialize, much like any predicted blizzard or hurricane.

January 19, 2018

Public Policy Commentary

In This Issue:

Quote of the Week: 'I know that this is likely to probably end my political career, at least for the time being, in Minnesota.'

-Lindsey Port, DFL candidate

Quote of the Week: 'It's disappointing, but not surprising, that Democrats are attempting to force an influential Republican woman out of her duly elected position in the Senate.'

-Senate Majority Leader Paul Gazelka (R - Nisswa)

Quote of the Week: 'Charlie Nauen is also a key go to lawyer for DFLers, so the lawsuit is likely well-orchestrated from the Senate DFL. As for the plaintiff, it's clear that Destiny Dusosky has some strong connections to the DFL. Her twitter feed is filled with DFL favorable tweets, and her Facebook friends include Rep. Deb Hillstrom and AFSCME official Jennifer Munt.'

-Blois Olson, author of 'Morning Take'

THOSE TRICKY DICK DEMS

They might be tricky, but they aren't real subtle. When Governor Dayton announced his choice to replace disgraced Senator Al Franken, lieutenant governor Tina Smith, Republicans could easily see the machinations and dirty tricks coming to the fore.

As if there was any doubt that the DFL would once again turn to the courts to grab through litigation the victory denied at the ballot box, Minority Leader Tom Bakk issued a crystal-clear public statement to Senate President Michelle Fischbach (R - Paynesville), telling her she can't be both lieutenant governor and senator simultaneously.

Thus, the ham-handed power grab was public.

Using the state constitution as a solemn fig leaf to cover the stinky scheme, Dayton and Bakk would appoint Smith to the senate, which would automatically elevate Fischbach to the junior governor spot, and thus force her from the senate.

With the senate so closely divided (34-32, one vacancy), the plan would be to win the special election on February 12th and then win another special election, the one to replace Fischbach.

Now you have a 34-33 majority in favor of the DFL.

So, it is that the lawsuit filed to force Fischbach from office came as no surprise.

It was also no surprise that the 'citizen' who filed the lawsuit is a DFL hack with clear ties to the DFL.

Would you also believe that the lawyer representing this average, everyday citizen is none other than Charlie Nauen, the DFL attorney who represents that party in each and every legal effort to kick Republicans in the crotch?

If the DFL is suing the GOP, you can bet Charlie Nauen and his law firm, Lockridge, Grindal, Nauen, will be front and center.

In one hilarious moment of feigned secrecy, Nauen refused to divulge to the media who is funding the lawsuit.

Yeah, we can't figure that one out.

The irony, as pointed out by this publication on many occasions, is that the law firm is also a lobbying firm that all too often wins political favors from Republicans.

In other words, when their lobbyists walk through the door at a GOP event and leave a check, the GOP should simply deposit that check immediately in the legal defense fund, as the firm will extract it back when they sue the GOP or one of its candidates for the umpteenth time.

Let's hope neither the courts nor the Republicans reward this shameless scheme to overturn the 2016 elections.

THE PRICE FOR BEING LOUD

Sometimes the mainstream media gets it right.

Briana Bierschbach of the Minnpost news site has engaged in some excellent journalism in covering the sexual harassment scandal at the Capitol in Saint Paul.

She helped break the story of Lindsey Port, the first female to step forward at the Capitol, accusing state Senator Dan Schoen (DFL - Cottage Grove) of harassing her on multiple occasions, including his observation Port had a 'great door knocking ass.'

This week, Bierschbach published a stunning and troubling follow-up piece on Lindsey Port's life, business and political, since stepping forward to accuse a fellow DFLer of unwelcome behavior.

Port is sadly learning the hard lesson that liberal rhetoric is merely a tool to gain political power.

In short, #metoo is little more than a weapon in the minds of many liberals. Thus, it's a good thing when trained on Republicans and a bad thing when turned on Democrats, especially Democrats with election certificates.

It's one thing to step under the microscope by accusing Hillary pals like Harvey Weinstein.

It's another when the accused is elected and in a position to advance the Grand Liberal Dogma.

This revealing and touching piece puts the lie to the 'believe her' movement in the same way that other news articles have put the lie to the 'we're for working people' mantra.

Of course, that's not to say there aren't some thoughtful and sincere progressives who truly believe in both.

But it's just as true to say that there are plenty of progressives who say these things only so long as the issue is used to benefit their political ideology.

And that's a shame, because sexual harassment is real and so is the effort of working people to craft a better life for themselves through mining, pipeline work, and other activities that liberals despise because it conflicts with their arrogant, haughty pursuit of more enlightened objectives, like raw political power.

Below are a couple more powerful quotes from the article, but do yourself a favor and read the whole piece here.

'We started noticing this turn, that first started on social media and DFL Facebook groups. Suddenly people who were talking about supporting women and believing

women were now talking about how these women were liars and how they know how this was just never something [Franken] would do, so this must be some big conspiracy.'

'I've talked to a lot of women in politics, and there are a lot more stories about a lot of different people. Knowing now what's happening, and feeling like I've been blackballed and there are these economic repercussions, those women don't feel like they can speak out.'

SOME WAVE

As we continue to hear of the impending liberal wave that will wash away Donald Trump's 'failures' like the stock market, rising wages, destruction of ISIS, and conservative jurists, we find this week that the even the always-biased Star Tribune poll shows that most Minnesotans approve of Trump's handling of the issues, except the diehards who hate him, refusing to accept defeat in the same way some Japanese soldiers hid in caves for years after the end of World War II.

It's also interesting to observe how many DFLers are retiring from the Minnesota House this year, and we're still many months away from precinct caucuses.

If the DFL was so confident of taking back the House under an anti-Trump wave, you would think these legislators would stick around for a chance to be in the majority and for most of them, chair a committee.

Rep. Paul Thissen (Minneapolis)
Rep. JoAnn Ward (Maplewood)
Rep. Susan Allen (Minneapolis)
Rep. Clark Johnson (Mankato)
Rep. Karen Clark (Minneapolis)
Rep. Sheldon Johnson (Saint Paul)

On the GOP side, only Rep. Abigail Whelan (Anoka) has announced her retirement. Rep. Matt Dean is also rumored to not be running again, but this publication has seen nothing official.

It will be interesting to see how many more announce.

January 26, 2018

Public Policy Commentary

In This Issue:

Quote of the Week: 'Our brand is [expletive deleted]. Our brand is toxic. People don't know what the heck it is. If you got a hundred Democrats in this room right now, and ask them what the Democratic Party stands for, you'd get a hundred different answers. There's no consistency. No one knows what the Democratic Party is.'

-DFL Party Chairman Ken Martin

Quote of the Week: 'Just tell them the trailer-court story, they're not big thinkers out there.'

-DFL Campaign Staffer, referring to voters in rural MN

GOVERNOR'S RACE PART I

Greetings, Watchdogs. Did you survive the government shutdown? Whew, that was close. What would we have done if the government quit spying on us, regulating us, and harassing us for a few days? Congratulations on surviving.

The governor's race on the Republican side has seen the temperature rise, starting to bubble and froth.

This week, state Rep. Matt Dean of Dellwood dropped out, citing low polling numbers and the need for the eventual GOP nominee to 'scale up' quickly.

(Editor's Note: Dean has also chosen not to run for re-election to his House seat in the northern suburbs, with three hopefuls already announcing for the GOP endorsement.)

Interestingly, Dean made his withdrawal announcement in a joint press conference with fellow GOP candidate Jeff Johnson, with Dean endorsing Johnson.

The endorsement was clearly a shot at fellow candidate and former party chairman Keith Downey, who has sparred with Dean over health care issues during the campaign.

Downey is also in a bit of hot water with Jeff Johnson because of accusations that a Downey staffer is behind a vile fake web site aimed at Johnson (more on that below).

A real 'anyone but Downey' coalition is forming, with many GOP activists and delegates telling the Watchdog that they've been unimpressed over the years with Downey's temperament, interpersonal skills and lack of charisma.

'I would rather watch paint dry than listen to Keith Downey talk,' one GOP insider observed.

It's too bad Matt Dean dropped out this early. His voice on health care and tax issues was needed in this debate. His hard-charging campaign style would help other candidates hone their own.

Moreover, who knows where Dean would have ended up.

In any case, the Watchdog thanks Matt Dean for his hard work over the years on behalf of conservative principles and values.

GOVERNOR'S RACE PART II

'Having been around politics for many years, Harold Hamilton and the fearless cast of Watchdog staffers knows that politics can be a full-contact sport, with campaigns sometimes getting sharp-elbowed and mean.

But even in politics, lines can be crossed, and actions can go beyond the pale.

Such is the case with a rather vile tactic of the Keith Downey for Governor folks. The nasty story is probably best told by the victim, Jeff Johnson, quoting with Facebook statement in full below:

'I love the energy and challenges of political campaigns. It's not without its frustrations, though. In particular, when Republicans engage in a circular firing squad or campaigns stoop to unethical practices.

There has certainly been some frustration in this campaign with negative and misleading tactics. I, however, largely let them roll off my back because the strategy of trying to pull down other Republicans in hopes of being the last candidate standing is wrong and seldom works.

Recently, however, I learned of something much more disturbing than just nasty campaigning.

Several months ago, someone created a fake Facebook site called Never-Trumpers for Jeff Johnson in the hopes of falsely suggesting I either don't or didn't support the President. It was created by 'Kevin G. Bennett' who turned out to also be a fake profile. It appeared to us that 'Kevin Bennett' also had several other false identities on Facebook and was active in trolling my posts.

The fake Never-Trumpers page was not just dishonest, it was quite vile. One post, which was on the site for months, accused me of being a pedophile (yes, you read that correctly):

'Jeff Johnson is a sick pervert who belongs behind bars. He groped my teenage son last year and sent him lewd pictures. Jeff is a disgusting bastard.'

We spent several weeks trying to get Facebook to shut the site down since it was getting significant traffic and causing problems for the campaign. Facebook refused to do so.

Recently, we learned that 'Kevin Bennett' is actually a full-time staffer for Keith Downey's campaign. I've spoken to Keith about this and he acknowledges it's true and that the staffer still has a key full-time role in his campaign, but justifies it by saying he told her to disassociate herself from the site when he learned of it. The site did come down last week, but then came back up a few days later, scrubbed of the pedophile post. It went down again two days ago when someone posted about its source on Facebook.

I will continue to focus on the reasons I'm the strongest Republican candidate in this race. That doesn't mean I'll never explain my differences with other Republicans, but my main job will be to sell myself. I will save my most aggressive fire for the DFL and I will NEVER mislead you in order to raise doubts about my fellow Republicans, nor will anyone who works for my campaign - or at least they won't be around for long if they do.

We need to all be together the minute we endorse a candidate - the nastier we get with each other, the more difficult that will be.

Here's to a spirited, substantive (and honest) Republican fight for endorsement in 2018.'

If true, this slimy episode says much about Keith Downey and his campaign.

If true, he should take responsibility, fire the staffer, and face the delegates.

This publication also invites Keith Downey to respond, if he desires.

As is our policy, we will publish his response without edit.

GOVERNOR'S RACE PART III

Of Course, the elephant in the Elephant's room here is Timothy J. Pawlenty.

Many opinion leaders, donors, and GOP operatives are still on the sidelines waiting for TPaw to decide if he will seek a third, non-consecutive, term in the governor's office.

After publicly declaring that he will not be a candidate for the U.S. Senate, Pawlenty was conspicuous in not saying anything about the governor's office.

Sources close to him say he his 'actively mulling' the race.

If Pawlenty enters, he would be a formidable candidate and the odds-on favorite to not only be the GOP standard bearer, he would be the favorite to outright win.

Sure, he's not the perfect candidate. There would be the tag line that he's a rich Washington, DC lobbyist.

There would be the old, tired narrative that his time in office was all about 'draconian cuts' and poor fiscal management.

So what.

He's got name recognition that none of the other candidates have.

He's a proven winner. Pop quiz: who was the last man to win state-side for the GOP? Yes, Tim Pawlenty.

You might note that his wins were only plurality wins, with a third-party candidate there to help.

It's also true that Minnesota in 2018 is different than 2006. Back in 2006, we didn't have Republicans representing parts of the Iron Range. Or Swift County. Or Inver Grove Heights, South Saint Paul, and Shoreview.

He's a proven fund-raiser. His rolodex is fat after 8 years in the governor's mansion and time spent running for president.

Most importantly, he's a great candidate. He's smart, articulate, funny, charismatic, media savvy, and the experienced candidate Republicans could hope to field.

This publication also thinks that Pawlenty's time in office is a benefit, not a burden.

His time in office saw Minnesota drop several places amongst the 'most taxed' states.

In fact, Pawlenty passed a budget that actually cut spending in real terms.

He didn't simply slow growth. He cut spending.

Moreover, Minnesota continued during that time to lead the nation in a number of quality of life indicators.

A race with Pawlenty would feature his record versus the Dayton record.

Like it or not, the DFL candidates will not only have to defend their own records (good luck with that Chris Coleman, Tim Walz), they would be forced to defend Dayton, since their candidacy would be, in effect, the third Dayton term.

Dayton has presided over massive spending and tax increases that did nothing to enhance those quality of life rankings.

Here's the tag line: Dayton and the DFL spent many more billions to achieve the same or worse results.

And one other thing. At least Pawlenty knew what was in the bills he signed.

There is no question that this race is Pawlenty's for the taking.

February 2, 2018

Public Policy Commentary

In This Issue:

Quote of the Week: "I am very interested in public service and service for the common good, there are a lot of different ways to do that."

-Tim Pawlenty

Quote of the Week: 'Asked about the need for accountability, Dana Bailey said she didn't have an answer to that.'

-MPR News, quoting Dana Bailey, the bureaucrat in charge of the MNLARS fiasco

Quote of the Week: 'Having taken time to review the proposed road map and reflect on the administration's request, two words keep popping into my head: not acceptable. We will not be bullied, and we will not be threatened into flushing millions more down the drain based solely on the empty promises of executives who have shown no indication they grasp the severity of this catastrophe or that they have any idea how to fix it. If the governor's agencies expect to hold Minnesotans hostage to extract another \$43 million for a vague, generic 'road map' that offers few specifics and zero accountability, they are sorely mistaken.'

-Senate Transportation Chairman Scott Newman (R - Hutchinson)

THE MONEY CHASE

At this point in the gubernatorial campaign cycle, fundraising numbers are a key indicator of campaign strength and support.

Fundraising totals were reported for candidates this week, telling us much in this regard.

There are totals from campaigns that are still active.

DFL candidates: Amount raised/amount on hand

Tim Walz: \$1.1 million / \$488,000

Chris Coleman: \$600,000 / \$300,000

Erin Murphy: \$377,000 / \$147,000

Rebecca Otto: \$320,000 / \$181,000

Paul Thissen: \$300,000 / \$108,000

Tina Liebling: \$100,000 / \$20,000

Overall, DFL candidates raised about \$2.8 million.

Republican candidates: Amount raised/amount on hand

Jeff Johnson: \$260,000 / \$180,000

Keith Downey: \$130,000 / \$53,000

Mary Giuliani Stephens: \$71,000 / \$40,000

Overall, Democrats outraised Republicans by a roughly 6 to 1 margin.

The GOP money leader, Jeff Johnson, was bested by every DFL candidate expect one.

In short, the DFL whipped up on the GOP field during this fundraising cycle.

Clearly, there isn't much enthusiasm for the current field.

The exception may be Mary Giuliani Stephens, who got into the race recently and therefore offered a solid fundraising number, despite small headline numbers.

The elephant in the room remains Tim Pawlenty, who has held money and support on the sidelines.

While this publication always expects spin in politics, the reality is that the Johnson and Downey campaigns have to be disappointed by the numbers and will look to regain some momentum at precinct caucuses next week by doing well in the straw poll.

With Pawlenty unlikely to make a decision until later this month or early March, the straw poll becomes a win-or-go-home scenario for Johnson and Downey.

Winning the straw poll would allow either one to regain momentum.

On the other hand, a loss combined with poor fundraising would likely mean a functional end to their gubernatorial aspirations.

Giuliani Stephens is in a different position, both by virtue of her late start and her status as an outsider to GOP party politics.

She's in a very interesting position that the Watchdog will explore in a future issue.

ANOTHER MARK DAYTON PRODUCTION

By now, you've heard of the massive debacle regarding the state's vehicle licensing and registration system, known by the acronym MNLARS.

A long-planned system upgrade has turned into a massive white elephant, plaguing vehicles owners, banks, car dealers, and other users of the system with outrageous delays.

Originally pegged at a cost of \$48 million, the cost has climbed to \$93 million and the system still doesn't work.

Heck, when the DFL blew \$93 million on an opulent office building for themselves, at least taxpayers got what the DFL spent.

Here, \$93 million has been pissed down the drain and the Dayton administration has nothing to show for it except excuses.

No word on whether Dayton has will award bonuses to those running MNLARS, much as he kicked out bonuses to MnSURE execs, who mismanaged the state's bungled foray into the Obamacare insurance exchange system.

Now, the Dayton administration has presented a 'road map' to fixing MNLARS.

All they want from the taxpayers is another \$43 million and another two years for the fix.

Sadly, this spectacular implosion has all the hallmarks of a typical Dayton boondoggle.

A chief executive asleep at the switch, reacting to the problem.

When he reacts, he defends the indefensible, acts like there's no problem, and then lashes out against Republicans.

'I fully support these recommendations, and urge legislative leaders to work with my administration to ensure we have the funding and support necessary to make urgently needed improvements,' said Governor Nero in a statement.

Step two, put in charge people who have no real experience and expertise but instead offer a background of only political partisanship.

The Dayton appointee in charge of this mess is Dana Bailey, who holds a degree in English Literature from Mankato State.

Somehow, we think knowing Chaucer, Steinbeck, and Fitzgerald won't help you write code.

While Bailey knows very little of computer programming, she certainly knows politics.

Various biographies brag of her managing Dayton's 2010 campaign for governor.

She has also been a political appointee of Dayton and former Saint Paul Mayor Chris Coleman.

Step three, hold decision makers hostage by claiming that if they don't pay the ransom to fix the problem, then the problem gets worse.

BS.

Thankfully, Senator Scott Newman has set the tone for the legislature by rejecting Dayton's incompetent leadership.

Before one more penny is spent, there should be a thorough investigation of what happened, which will allow decision makers to chart a proper path to move forward.

Trusting the word of the bureaucrats who screwed it up in the first place isn't the place to start.

The best 'road map' forward is the one laid out by Newman:

'Having taken time to review the proposed road map and reflect on the administration's request, two words keep popping into my head: not acceptable. We will not be bullied, and we will not be threatened into flushing millions more down the drain based solely on the empty promises of executives who have shown no indication they grasp the severity of this catastrophe or that they have any idea how to fix it. If the governor's agencies expect to hold Minnesotans hostage to extract another \$43 million for a vague, generic 'road map' that offers few specifics and zero accountability, they are sorely mistaken.

'We have now reached a point where cost overruns for MNLARS are set to go over \$100 million. When will it end? If the original \$48 million projection wasn't enough to

create a functional program, and \$115.6 million wasn't enough to create a functional program, why should we be confident \$158 million will be enough?

'Previously, I said I was hesitant to authorize any new money to the Department of Public Safety and MN.IT until those responsible for the failures of MNLARS have been held accountable, and I stand by that. I still haven't heard any specifics. I still haven't heard any answers. There is no accountability. I will not support spending more taxpayer money on a system that is now scheduled to enter its 11th year of development and still can't function properly. They have the tools at their disposal; they need to stop the excuses and get it done.

'I am especially angry at the complete and utter absence of leadership from Governor Dayton on this issue. As the chief executive of Minnesota, his agency is responsible for this disaster, yet he continues to pass the buck. He needs to take control, fire those responsible, implement the necessary changes to MNLARS operations, and get it fixed. If he continues to avoid taking any real action, the MNLARS mess will be a permanent stain on Gov. Dayton's legacy.'

February 9, 2018

Public Policy Commentary

In This Issue:

Factoid of the Week: President Trump holds a 48% approval rating today in the Rasmussen daily tracking. President Trump has a stronger approval rating today than Barack Obama did back in 2010 on this same day.

PRECINCT CAUCUS GRADES

With Tuesday's precinct caucuses in the books, we can offer the candidates (and the Party) grades with respect to how they performed vis-à-vis expectations regarding the straw poll.

While the precinct caucuses don't do a great job predicting the eventual endorsee, they provide a good yardstick to measure the health of each candidate and his/her campaign.

Jeff Johnson: 'A'

Johnson ran away with the straw poll and overperformed expectations. The de facto front runner, Johnson kept that status, as for now, by trouncing Keith Downey by a better than 3 to 1 margin.

Spinners can spin, but Johnson did what he needed to do and then some. His total will do much to boost his standing and narrative as 'the' GOP standard bearer and quiets his critics, who questioned just how strong his support was with delegates.

Undecided: 'B+'

This 'candidate' was important Tuesday night because it stood as a proxy for Tim Pawlenty, who is considering another campaign for governor.

'Pawlenty' came in second place, a very respectable showing, especially considering that there was no space for a write in candidate, meaning Pawlenty supporters had to cast a vague vote for 'undecided.'

No 'A' was awarded because Johnson maintained a near 3 to 1 margin here as well.

In the end, the name of the game for Pawlenty was a respectable showing, and he got it here, especially since there was no concerted effort to encourage attendees to vote this way.

Keith Downey: 'F'

There's no way to spin this one, although the Downey campaign has tried hard to do so.

The straw poll was a heads-up contest between Johnson and Downey for front-runner status.

Johnson won it and won it huge.

Moreover, Downey came in behind 'undecided', an embarrassing blow for the recent GOP party chairman.

The reasons for Downey's lack of traction are many.

First, Downey has prosecuted a campaign narrative that is very much at odds with his resume.

Downey has awkwardly attempted to cloth himself in Donald Trump's brash, confrontational, outsider's cloak.

That's a tough sell when he is both a former legislator and party chairman.

The party chairman is the ultimate insider.

Moreover, the attacks on other candidates and heavy spin have fallen flat.

For example, Downey has attacked Johnson for having lost two state-wide races.

That's fair, but it's also true that Downey has lost a legislative race in his own community.

Is Johnson a worse candidate for having lost state-wide?

Johnson also served in the Minnesota legislature and never lost a race.

The delegates are politically involved and sophisticated.

They see these things.

After caucus night, the Downey campaign sent out a press release trumpeting his second-place finish - among candidates.

This spin conveniently ignored the fact the he came in behind 'undecided' as well.

Again, delegates see these things and they don't appreciate being spun.

Downey's attempt to cram his campaign narrative into a Trumpian Procrustean Bed has left him with no real 'lane' in the race.

Downey is naturally an establishment Republican, just like Jeff Johnson.

He could have adopted that more natural mantle and appealed to delegates as one who knows the party and the process while promising bold change.

The attempt to grab the 'Trump' lane has failed because Phillip Parrish has seized that lane and has come off as a more authentic outsider. Why have a faux outsider when you can have the real thing?

Phillip Parrish: 'A+'

Look, Parrish isn't in this race to be governor - he won't be. He's in this race to raise the profile of issues he cares about - namely immigration and border security.

He's the true Trumper in this race and he's successfully occupied the lane.

His base going into the state convention will be small yet vocal. He will wield an amount of influence on the issues debated and will have thus achieved his strategic goal.

He's run a shoestring campaign, if you can even call it that, and turned in a showing that exceeded expectations.

He's cemented a role in the process throughout, again accomplishing strategic goals.

Mary Giuliani Stephens: 'B'

MGS met the goal of turning in a respectable showing, but it was barely that.

She came in last place, save for Lance Johnson, an unknown who will remain so for so long as he's in the race.

Nonetheless, it was respectable showing as she kept it close with Parrish and Downey.

Politics is about timing and MGS is picking a good time, thanks to Gregg Peppin's excellent instincts.

Woman, suburban, outsider, fresh face, no baggage, center-right, leadership credentials as mayor of a large suburb, educated, career and family credentials.

She checks many boxes regarding an ideal candidate.

The problem here is time.

With no path to run a primary race, MGS must win the endorsement in early June in order to remain in the race.

While she's an intriguing candidate, it's hard to see how she gets up over Jeff Johnson within the next 120 days to win the delegate race.

That's very little time to introduce yourself to a state-wide delegate audience and win their support.

MGS may very look back this summer on what might have been.

If she had gotten into the race earlier, she would have given her campaign a real boost.

We think back to 2002, when Brian Sullivan spent many months early on speaking to GOP groups about taxes and spending.

These speeches served as a springboard to his gubernatorial campaign, which very nearly won the endorsement after an epic, multi-ballot war with eventual endorsee Tim Pawlenty.

Time is indeed a valuable commodity.

Lance Johnson: 'I'

Incomplete. Camera shy. MIA.

SENATE DISTRICT 54

Next Tuesday is the special election in the east Metro to fill a vacated state Senate seat.

What will the outcome tell us about November?

Likely not much.

A mid-February special election will boil down to little more than who shows up.

If turnout is low, there will be very little to be gleaned, other than that one candidate did a better job getting folks to the polls than the other.

If turnout is high, comparatively, there may be insights to be gleaned.

Regarding the expectations game, the pressure is on the DFL.

This is their seat.

It's a DFL-leaning district that hasn't had a GOP senator for a long, long time.

And it promises to be a fight.

Denny McNamara is a legendary campaigner, who relishes door knocking and is rarely, if ever, outworked.

Moreover, he and his family have deep roots in the district, with name recognition earned - not bought - over time.

While both candidates have elective office experience, McNamara is first and foremost a businessman who first worked in and then bought his landscape business.

Regardless, the eyes of the state will indeed be on SD 54 next week.

February 16, 2018

Public Policy Commentary

In This Issue:

Quote of the Week: "There were nine people at our caucus. A little old lady said Tim Pawlenty might be running for governor. The whole mood of the room changed."

-Josh Anderson, GOP delegate

SPECIAL ELECTION NOT SO SPECIAL

Perhaps readers can help us out. The Watchdog staff is having a hard time figuring out which group of people gets it wrong more often: weather forecasters who frequently call for 'snowmageddon' or DFL leaders who predict 'blue waves.'

After issuing 'blue wave' tsunami warnings, DFL leaders were huge losers Tuesday night as the predicted wave turned into a ripple, much like a predicted blizzard that turned into a dusting of snow.

As readers well know, there were two special elections this week that, overall, delivered a surprising dose of status quo ante.

Let's start in Senate District 54.

Located in the East Metro in the Cottage Grove, Hastings area, SD54 has a long history of electing democrats and hasn't had a GOP state senator in generations.

After the resignation of DFL Senator Dan Schoen, the district was a 'hold' obligation for the DFL and their race to lose.

Leading up to the election, DFL leadership predicted a big victory for their candidate, calling attention to a Democrat special election victory recently just across the river in Wisconsin.

The DFL victory was, at best, underwhelming.

Regardless of the metrics, political scientists would assign the district a 'DFL index', meaning essentially that the district normally votes DFL.

One index we like sets it at 51.3% Democrat.

Karla Bigham won on election night with 50.7%, meaning she underperformed the index.

While some races have been close over the years, the area has sent a DFLer to the state Senate going back decades.

Then there's House District 23B.

Republican Jeremy Munson vanquished DFL candidate Melissa Wagner in 60-40% fashion.

While the rural district in southern Minnesota is Republican, DFL House leader Melissa Hortman predicted that Wagner's gender identity politics would perform political alchemy and flip the district from conservative to one that would suddenly embrace the DFL's agenda of gun control, high taxes, transgender rights and other issues popular only in Minneapolis zip codes.

With a DFL index of 43%, Wagner's showing again underperformed the index, indicating she did worse than she should have.

In short, both DFL candidates performed worse than the hypothetical 'typical' election, dispelling any notion of a blue wave.

These results, while a split decision on the headline, should hearten Republicans who have been hearing from the media that this November will be a disaster and they should all stay home.

A major takeaway is that the results have put the lie to the narrative that Republicans are facing disaster this November.

JEFF JOHNSON GETS DESPERATE

While this publication isn't naive regarding the nature of politics, it was a bit disappointing this week to see gubernatorial candidate Jeff Johnson issue a desperate email this week attacking Tim Pawlenty.

Far from projecting strength, the hit piece had the odor of fear and apprehension about it.

To be clear, this publication is neutral, as always, on candidates and campaigns.

Jeff Johnson certainly has the skills and values to be a good chief executive.

Tim Pawlenty has many virtues as well as some baggage as a candidate.

Both would certainly be better than the current occupant of the office.

Those observations, however, don't change the opinion that the Johnson email was a massive spin job that likely won't move delegates and will perhaps even backfire.

Keith Downey's attack narratives have certainly backfired on him.

While the reasons are many, the primary reason that door is open for Tim Pawlenty is that Jeff Johnson has failed to close it.

Despite being on the campaign trail for months, many delegates remain undecided and most donor money is still on the sidelines.

This email won't help his cause.

Let's examine it in some detail.

*A primary battle will be contentious and costly. It will squander both our unity and the advantage of having a strong GOP candidate this summer while the DFLers beat on each other in their own primary.

This claim is made shortly after Johnson states he would welcome Pawlenty to an endorsement battle.

So, a bare-knuckle fight into a June convention is a good thing for the candidates and the party but if the fight extends two more months into an August primary it's a horrific development that endangers the Republican universe?

The truth here is that Johnson knows he can't compete with Pawlenty in a primary and is thus baiting him into agreeing to an endorsement battle.

In other words, Johnson knows his best and only chance to beat Pawlenty is an endorsement fight.

The absence or presence of a hotly contested primary has no bearing on general election outcomes for governor.

Winning candidates have had both sharply contested primaries and easy paths to the general election.

*There is no clamor among Republicans on the ground for Pawlenty (or anyone else) to enter this race. Anything to the contrary comes from people who don't have much contact with actual rank-and-file Republicans.

This claim is patently absurd.

On precinct caucus night, 'undecided' came in second place. Because there was no room for write in candidates, this block served as a proxy for Tim Pawlenty.

Moreover, the Watchdog has spoken to many delegates around the state who are very much clamoring for Pawlenty to get in the race.

Johnson's poor fundraising numbers and the lackluster turn-out on caucus night are further signs that people aren't excited with the current field.

Finally, Pawlenty held a meeting recently with Republican opinion leaders and donors that was a standing-room-only crowd we are told.

The venue was changed multiple times to accommodate the demand, according to one Pawlenty confidant.

*Money alone will not win this election in a primary or in November. Recent history from Minnesota and nationally is filled with Republicans who had piles of money and lost. This race will be won on grassroots passion and an agenda of true fundamental reform.

We thinks that Jeff Johnson doth protest too much on this one.

While money certainly isn't enough alone, it is absolutely essential to winning a gubernatorial bid.

This isn't a race for a suburban city council seat.

Long history in American politics also shows thousands of candidates who lost because they didn't have the resources to compete.

This argument is little more than an unsophisticated attempt to downplay Johnson's significant weakness in raising money thus far against Pawlenty's significant ability to raise money and lots of it.

Long experience has taught this publication that when candidates start talking up 'grassroots' in their narrative, they are in trouble.

Appeals to 'grassroots passion' is often little more than an attempt to cover weaknesses in important areas like fundraising and the endorsement of prominent thought leaders.

*The 2016 presidential election showed us the blueprint for winning. There are millions of hardworking Minnesotans who will vote for an aggressive reform agenda that fundamentally changes the way our system works and gives them a voice. Having a candidate who can prove they will do that is critical to winning. I can and I will.

Uh, no it didn't. Donald Trump had a good showing in Minnesota, but he nonetheless lost.

Moreover, many endorsed Republicans won in districts Trump lost, and lost big in some cases.

For better or worse, Donald Trump is his own brand and it's a big gamble for candidates to attempt to 'fight the last war' by aping Trump.

And while this publication certainly agrees with Johnson that bold reforms are necessary to not only winning, but actually saving the Republic, we can't think of any bold reforms that fundamentally changed government that Johnson has pushed into law.

This, even though he has been in public office nearly twenty years, serving in the Minnesota House and as a Hennepin County commissioner.

Jeff Johnson is a better man than this memo shows.

But if he is going to lead Republicans into the governor's mansion, he needs to up his game.

Instead of weak attempts to deflect from his shortcomings thus far, Johnson should acknowledge those weaknesses and offer a plan to address them.

Republican delegates are sophisticated and understand politics.

They know that money is important.

They know Pawlenty would be a formidable candidate and there is a desire in many corners for him to run.

While they value the endorsement, they also know that a primary isn't some sort of death knell for the GOP.

Like Keith Downey, Jeff Johnson isn't going to win over delegates with Emperor's-New-Clothes missives like this one.

February 23, 2018

Public Policy Commentary

In This Issue:

Quote of the Week: 'Taxes on medicines can account for a substantial share of medicine prices. They are regressive. They reduce utilisation, particularly by the poor and elderly, and reduce compliance with cost-effective preventive and chronic disease treatment regimes.'

-World Health Organization

Quote of the Week: "Republican Majorities won't give the governor a blank check -- we will hold the administration accountable, thoroughly investigate where they went wrong with this system, and work with the governor to pass a better solution to get DMV's back on track for Minnesota drivers."

-Rep. Paul Torkelson (R - Hanska), House Transportation Committee Chairman

Quote of the Week: 'If it doesn't flip the majority, you've spent a lot of money to make a statement.'

-Senate Minority Leader Tom Bakk, on the litigation to remove Republican Senator Michelle Fischbach from office

MEDICINE TAX MADNESS

The Watchdog has been observing the Capitol in Saint Paul for 13 years now.

In 13 years of coverage, we on occasion run into some really, really bad ideas.

Although this legislative session is only three days old, we've already run into a bill that is making a bid for the Legislative Hall of Shame.

If you can believe it, two Republicans have introduced legislation to tax medicine.

Yes, tax medicine.

While these bills were introduced last year, sources tell the Watchdog that there is a new 'delete everything' amendment to the bill that actually increases the tax.

HF1440 (Rep. Baker) and SF 730 (Sen. Rosen), puts a significant tax on opioid pain killer medication.

You read that right. A tax on opioid painkiller prescriptions.

This kind of tax is unprecedented - and for good reason.

Even the liberal World Health Organization and California Governor Jerry Brown recognize it.

First, medicine taxes are regressive, meaning they hit the poor hardest.

Medication is a staple of life, sometimes improving our quality of life and sometimes saving lives.

Government making medication more expensive with a tax on that medication is both immoral and bad public policy.

Readers can guess what happens when medication is made more expensive.

Poor people often quit taking the medication or they turn to a cheaper substitute, which economists call the 'substitution effect.'

People who quit their medication regimes often end up back in the medical system with their condition worsened. When these people are on government health care programs, it only means that they cost the system more to treat.

In the case of pain medication, it often means that people turn to cheaper, less effective alternatives.

A person in pain isn't simply going to tolerate living in pain. The rational response is to seek relief.

That relief would likely come in the form of alcohol, illegal opioids like heroin, or the misuse of other prescription medications.

Making pain medication more expensive for people is simply bad public policy.

Republicans have rightly fought health care taxes for many years.

In fact, Republicans recently scored a victory in Minnesota when they put a sunset on the hated 2% 'sick tax.'

Moreover, there are the optics for the GOP.

Fighting against health care taxes only to turn around and embrace one is precisely the kind of hypocrisy voters have begun to reject with a vengeance.

Being 'for it before you were against it' is losing politics.

Taxing hospice patients, cancer patients, and people with crippling, chronic pain is downright cruel.

On top of all that, many sources tell the Watchdog that the state will have a surplus approaching \$1 billion when the next budget forecast is released.

Taxes are bad.

Taxes on medicine are worse.

Taxes heaped on top of a budget surplus are insane.

Given how bad this proposal really is, it's hard to see how Speaker Daudt or Majority Leader Gazelka let it happen.

Taxes on pain medication.

You can't make it up.

PLAYING POLITICS

Senate Minority Leader Tom Bakk (DFL - Cook) dropped a bombshell this week when he casually noted during a media scrum that pursuing a lawsuit to kick Sen. Michelle Fischbach (R - Paynesville) wasn't worth pursuing unless it 'flipped the majority.'

Wow.

That's quite an admission.

All the high-minded rhetoric about the constitution, separation of powers, and the rule of law was all a bunch of bunk.

The lawsuit was all about leveraging the judicial branch to overturn the results of the 2016 election and thwart the will of the people in the naked, cynical pursuit of political power.

The lawsuit would kick a powerful female legislator out of her seat in order to grab power.

Let's also not forget how Fischbach got embroiled in all this against her will.

Mark Dayton appointed his political crony, Tina Smith, to the U.S. Senate seat vacated by Creepy Al Franken.

Fischbach then automatically became Dayton's lieutenant governor.

DFL politics on the front end and DFL politics on the back end.

It's hard to see how the DFL can pursue this lawsuit with this admission.

The Minnesota Supreme Court, while guided by the rule law, must also act as a separate branch of government to maintain its integrity and goodwill with the public.

For the court to take the case and upset the balance of power in the Senate in light of this blatant admission would shred the court's reputation worse than the Doe v. Gomez case that forced taxpayers to pick up the tab for abortions.

TIM WALZ WALTZ

Whither Tim Walz.

The DFL front-runner for their gubernatorial endorsement ran headlong into his first of many promised flip-flops as he navigates the tricky waters of maintaining his rural 'aw shucks' avuncular veneer while sprinting headlong into crazy town to appeal to the gender-bending fragrance-free crowd of snotty, elitist urban delegates.

His flip-flop on guns this week was only the start of his efforts to dance on the head of a pin as he tries to be all things to all people.

How about pipelines and mining? That's the next shoe to drop, as Walz will no doubt atone for his sins against Mother Earth and pledge fealty to the radical environmentalists who want to live in caves and reintroduce cholera and rickets to the lexicon.

Tim Walz is about to learn the hard way that his white, rural district out in southern Minnesota is a far cry from the radical vortex of state-wide DFL politics.

He may be the front-runner right now, but it's unlikely the delegates want a middle aged white guy from the hinterlands who wears the NRA's scarlet letter to be their standard bearer.

Our money is on Rebecca Otto.

March 2, 2018

Public Policy Commentary

In This Issue:

Quote of the Week: 'A fourth argument, one that was made by Alexander Hamilton and continues to be repeated down to the present, is that free trade would be fine if all other countries practiced free trade but that, so long as they do not, the United States cannot afford to. This argument has no validity whatsoever, either in principle or in practice. Other countries that impose restrictions on international trade do hurt us. But they also hurt themselves. Aside from the three cases just considered, if we impose restrictions in turn, we simply add to the harm to ourselves and also harm them as well. Competition in masochism and sadism is hardly a prescription for sensible international economic policy! Far from leading to a reduction in restrictions by other countries, this kind of retaliatory action simply leads to further restrictions.'

-Milton Friedman

TRUMP TARIFF TURD

It's been a heck of a week for our fly-by-the-seat-of-your-pants president.

It started with him suggesting that government grab guns and then later on offer some sort of due process.

There's nothing wrong with that view point other than it violates the sacred American rights enshrined in the Second, Fourth, and Fourteenth Amendments to the Constitution of the United States.

We would also point out that this ridiculous suggestion directly contravenes numerous prior statements to the contrary but we have all come to expect such head-spinning contradictions from our multi-faced president. Janus, indeed.

He then tanked the stock market and set off harsh reactions from America's best businesses and allies by announcing his intention to set off a trade war by imposing tariffs on steel and aluminum.

While the exploration of this issue could fill many books, there are some basic truths regarding the president's dangerous and ill-advised plan that readers should understand.

The first is that trade wars ultimately hurt the domestic and global economy and hurt the American worker and consumer.

Tariff actions always invite retaliation, which results in a downward spiral that increases the cost of goods, hurts jobs, and reduces the availability of goods and services.

If you think that America's trading partners won't retaliate with tariffs of their own, you're sharing Trump's fantasy world.

Suppose those retaliatory measures move into the realm of Agriculture. In Minnesota alone, 33% of acres planted in the state are shipped to export markets.

No matter how one cuts the data, Minnesota is a top 5 state regarding agriculture.

It's a multi-billion-dollar industry that directly and indirectly supports over 150,000 jobs in the state.

Chew on that one.

Second, the global economy is so intertwined, it's nearly impossible for America to impose tariffs that don't harm the country.

In today's economy, supply chains, production chains, shipping chains, and sales chains rely in some fashion on foreign goods and services.

Thus, imposing tariffs is sort of like punching yourself in the gut to cure a headache.

Consider that Trump is justifying his tariffs on the dubious legal theory that the tariffs are needed under the auspices of a 'national security' concern.

In other words, America's very national defense needs are at risk from international aluminum and steel competition.

Let's run this theory out in hypothetical, yet very realistic fashion.

Trump imposes a 25% tariff on imported aluminum.

That tariff will certainly raise the price of aluminum, foreign or domestic.

When supply is restricted, the supply-demand equilibrium will move the price point upwards.

Boeing uses aluminum as a substantial input in the manufacture of aerospace products that are critical to national defense, like drones.

Now drones are more expensive to make.

That means fewer drones will be produced, resulting in job losses and reduced revenues for Boeing.

Or it means the federal government will pay more for each drone.

That means that the federal government will have to borrow more money from the Chinese to pay the increased price.

How does that policy enhance our national security?

If this sounds stupid to you, you correctly understand the issue.

If there is a real threat to our sovereignty, it's the federal debt and our indebtedness to the Chinese.

It would certainly be interesting if the Chinese retaliated by refusing to loan us money.

These trade wars are a simplistic, emotional campaign issue that deflect from the real, complex issues surrounding a global economy.

DEMS DEALT DOSE OF DELECTABLE TAX CUT REALITY

Let's take a trip down memory lane way, way back to May of 2017.

At that time, Republicans were successful in pushing Mark Dayton to sign a tax cut bill he is still trying to renegotiate.

Remember the predictions of doom and gloom from the DFL?

DFL Minority Leader Tom Bakk: 'The Minnesota Republican tax bill is unaffordable, unsustainable, and unwise for Minnesota.'

Governor Mark Dayton, on the tax bill he himself signed: 'We're on the precipice of future fiscal catastrophe after the tax bill we passed last session.'

So, what happened?

A projected \$188 million budget deficit is now a projected \$329 million surplus.

Yes, state government is once again over-collecting taxes.

And, yes, the DFL is once again wrong.

Maybe they can back to selling us on high taxes to fund their other winning programs like MNLARS, MnCARE, and light rail transit.

The bottom line is that the DFL favors the government budget over the family budget.

BILL OF THE WEEK

Speaking of the DFL's laser-like focus on the middle class and issues that really matter, here's our 'bill of the week' coming out the Capitol in Saint Paul.

Feast your eyes on Senate File 2901.

This piece of important legislation is authored by Senators Scott Dibble (Minneapolis), John Marty (Roseville/Saint Paul), and Sandy Pappas (Saint Paul). In short, the ideological headquarters for the DFL.

This is a 'resolution calling the United States to 'pull back from the brink' and prevent nuclear war.'

Seriously, this is what the DFL is doing down at the Capitol these days.

The resolution essentially calls for the United States to unilaterally disarm in order to prevent possible climate change.

Need proof?

Consider these excerpts from the resolution:

WHEREAS, the use of even a tiny fraction of these weapons would cause worldwide climate disruption and global famine; to wit, as few as 100 Hiroshima-sized bombs,

small by modern standards, would put at least five million tons of soot into the upper atmosphere and cause climate disruption across the planet'

WHEREAS, a large-scale nuclear war would kill hundreds of millions of people directly and cause unimaginable environmental damage and catastrophic climate disruption'

WHEREAS, as the effects of climate change place increased stress on communities around the world and intensify the likelihood of conflict, the danger of nuclear war will grow'

BE IT RESOLVED by the Legislature of the State of Minnesota that it urges the President and the Congress of the United States to embrace the Treaty on the Prohibition of Nuclear Weapons and make nuclear disarmament the centerpiece of our national security policy'

Your tax dollars at work!

March 9, 2018

Public Policy Commentary

In This Issue:

Quote of the Week: 'I've really come to believe that there are some legislators who don't want us to improve MNLARS. As long as they keep bashing this, it's good political fodder. And you know, if it's fixed by next fall it increasingly becomes a nonissue. If it's still in an acute phase, then it's a live issue. That's the only reason I can see why we can't get 'a transfer of money from one account to another.'

-Governor Dayton on the MNLARS DMV Fiasco

Quote of the Week: 'I'm to blame for this.'

-Governor Dayton on the MNLARS DMV Fiasco

CAPITOL UPDATE

As the legislature wraps up another week, we take a look at all that has happened under the Capitol Dome:

Planet Dayton: Governor Dayton took the all-too-familiar rocket out to Planet Dayton this week when he simultaneously took responsibility and blamed Republicans for the MNLARS vehicle registration and licensure fiasco.

On the one hand, he blamed himself and rightfully so.

On the other hand, he reverted to juvenile lashing out in attacking Republicans for not writing a blank check after Dayton issue an ultimatum that MNLARS repair would shut down without an immediate no-strings-attached \$10 million ransom.

Republicans took the common-sense approach of both refusing to be blamed and refusing to simply turn over \$10 million to Mark Dayton, knowing that such a move would be similar to giving a teenage boy a bottle of whiskey and keys to the Corvette.

What could possibly go wrong?

As if the governor's ranting wasn't laughable enough, he threw another log on the comedy fire by stating that he wouldn't find \$10 million within the vast bureaucracy of the executive branch because doing so would 'cannibalize' state government.

Really.

It's truly Planet Dayton.

A Failure of Leadership: While vacationing on Planet Dayton, the governor may have missed an absolutely scathing report on the elder abuse scandal.

The investigative report was compiled by the highly respected Office of the Legislative Auditor (OLA), a non-partisan office that investigates state government.

The OLA faulted Dayton Office of Health Facility Complaints (OHFC) in just about every way imaginable, painting a picture of a truly broken bureaucracy that was charged with protecting vulnerable Minnesotans.

Take a look at just some of the OLA findings:

Between fiscal years 2012 and 2017, the number of allegation reports OHFC received increased by more than 50 percent, reaching 24,100 in Fiscal Year 2017. OHFC triaged for onsite investigation only 5 percent of the reports it received that year.

OHFC does not have an effective case management system, which has contributed to lost files and poor decisions regarding resource allocation.

The majority of OHFC staff do not have confidence in OHFC leadership's ability to lead the office.

OHFC has frequently failed to meet required triage and investigation deadlines.

OHFC's intake, triage, and investigation processes lack sufficient quality control measures.

OHFC does not inform vulnerable adults or their family members whether providers have reported suspected maltreatment.

OHFC posts investigation reports on its website, but the website is incomplete and difficult to navigate.

OHFC does a poor job managing its data, and MDH does not use available allegation and investigation data to identify trends and inform prevention efforts.

Instead of taking immediate action to fix this immediate and critical problem, the governor spends his time defending the failed MNLARS project and holding news conferences to advocate for taxes on pain medication.

It's truly Planet Dayton.

Crony Capitalism: DFL Attorney General Lori Swanson hired a private law firm to represent the state in a lawsuit against 3M, which resulted in an \$850 million settlement.

The firm will walk away with what amounts to a payday of \$48,000 per day for their work, a cool \$125 million.

Questions remain regarding the process the attorney general used to hire this firm and how competitive the bid process was to receive this state government contract.

The Party of the Working Class.

Opioid News: As readers know, some legislators are considering a tax on opioid pain medication.

Even the World Health Organization has criticized taxes on medication as 'highly regressive' and a barrier to faithful adherence to a course of treatment.

In considering an opioid medication tax, Minnesota is in the same boat as that other healthcare policy leader, the Commonwealth of Kentucky.

The home of fried chicken and tobacco farms, Kentucky's legislature also features members who think such a tax would be good public policy.

This week, a nationally prominent pain doctor, James Patrick Murphy, issued a statement calling the planned tax 'cruel and immoral.'

Murphy, who has treated thousands of patients dealing with long-term and severe pain, noted, 'If it was cancer patients or heart medicine, they would never do it. It's so offensive.'

A tax on pain medication is one of the worst ideas to come down the legislative pike in some time.

This publication simply can't see Republican majorities going along with such a scheme.

The real question is how much damage will be done entertaining such a bad idea until it falls off the table.

Doctor Duplicity: The Minnesota Medical Association (MMA) is the lobbying arm for the state's doctors, or at least the 1/3rd of physicians who actually belong to the group.

They're quite an interesting group, and that's being charitable about things.

The group this week jumped into Second Amendment issues by calling for an 'assault weapon' ban (please define).

This publication would love to see the empirical data that demonstrate that such a ban would result in healthier outcomes for Minnesotans.

We bet such data don't exist.

The only bigger political blunder the group committed this year is their support for the opioid tax mentioned above.

While an opioid tax would likely result in worse health outcomes for Minnesotans, maybe the MMA has offered up support of the tax in order to expiate the sin of all those opioid prescriptions written by some of their members.

While there is plenty of blame to go around on the opioid crisis, it is a hard fact that only one group of professionals has authorization to allow patients to purchase an opioid.

March 16, 2018

Public Policy Commentary

In This Issue:

Quote of the Week: 'From my experiences in places like Iraq, Afghanistan, and the poorest parts of New York City, I have come to realize how much our lives are proscribed by where we land at birth on this planet.'

-Governor Mark Dayton

PROPAGANDA PARADE

Taxpayers celebrated as Governor Dayton Wednesday evening delivered his final State of the State address to beleaguered Minnesotans who have endured eight years of tax increases, growing government, epic government failures (MNSURE, MNLARS) and the epic failures of the chief executive (what was in that bill I signed?).

The address was a boring as it was predictable.

Job number one for the soon to be erstwhile governor was propagating the myth that he's some sort of budgetary genius. A magician with the budget pen.

You know the chestnut. He inherited a huge budget mess and restored it all to sterling glory through a combination of skill, courage, and intangible talent that willed the state to fiscal nirvana.

The reality is that Mark Dayton is fiscal restraint what Jesse James was to wealth management.

Dayton needed money to feed his vision of an ever-expanding Leviathan.

He and his gang in the legislature stole what they wanted and then some.

They then called it 'fiscal integrity.'

Right. Jesse James stole what he needed and then some, leaving his gang in better financial condition than when he knocked over his first bank.

Theft, whether deemed legal or illegal by government, is just that.

The taking of another's property by force or threat of force is no sign of financial management skill.

It's merely a sign of ruthlessness.

When Mark Dayton was sworn in as governor in early 2011, the state's general fund budget was just a shade under \$30 billion for the 2010-2011 biennium.

As Mark Dayton prepares to leave office in early 2019, the state's general fund budget will sit at \$45 billion, a whopping 50% increase during his tenure.

You read that right. 50%.

And even though state spending has been jacked into the stratosphere in a grossly unsustainable manner (and we still can't get our license tabs renewed), Dayton offered the same old warmed-over bromides about the state budget needing more money for 'wise investments' in 'commonsense' programs.

(Editor's Note: Any time a politician has to label their idea as either a 'wise investment' or a 'Commonsense' measure, you can rest assured it is neither wise nor commonsense).

When I started, the state's funding for elementary and secondary education per \$1,000 of personal income, was in the bottom half of the fifty states. Most recently, we ranked 18th, according to the Minnesota Center for Fiscal Excellence. That's better, but it's not good enough.

'State government's funding for higher education has also declined. In 2012, state support for the University of Minnesota, Minnesota State, and Financial Aid was, in real dollars, the lowest it had been since 1981. Once again, we have restored some of that loss, but we have still shifted too much of the costs of attending our state colleges and universities onto students and their parents.'

'Further damaging the future success of our colleges and universities is the chronic inadequacy of our state's capital investments in their campuses. It's almost impossible to provide world-class educations in antiquated buildings with leaky ceilings, dilapidated bathrooms, worn-out exteriors, and in classrooms without advanced technologies and other learning aids.'

'Another crucial area for infrastructure investments is in transportation, which also was poorly financed for years. Everyone driving in our state knows that traffic congestion and highway conditions keep getting worse, wasting their time and straining their sanity.'

'So, our number one priority - which will be reflected in my budget on Friday - should be tax fairness for individual Minnesotans and their families.'

This all means Dayton will continue to push for more and more government spending until the day he leaves office.

Thank goodness we the GOP in charge of the legislature to put the brakes on the fiscal insanity.

There were also a couple of comical and ironic moments that highlighted Governor Dayton's tin ear, no doubt honed by years of living in an insulated bubble of trust fund opulence and elegance.

At one point, Dayton tried to indict President Trump and the Congress by criticizing tax cuts to lay a foundation for his forthcoming tax increases.

Dayton said, 'Last year, the Legislature reduced business property taxes for each of the next ten years. The federal bill just cut the corporate tax rate by a whopping 40 percent. Combined, they provide huge tax cuts to Minnesota businesses'

Republicans in the chamber immediately rose to their feet to wildly cheer the tax cuts, undermining Dayton's desire for an ominous set up to his call for tax increases.

The best of moment of the night occurred near the end, as Dayton reminisced on his lifetime of leisure and frolic.

'From my experiences in places like Iraq, Afghanistan, and the poorest parts of New York City, I have come to realize how much our lives are proscribed by where we land at birth on this planet,' he wistfully observed.

How true. Birth into one of Minnesota's wealthiest families, providing a lifetime of privilege can overcome a whole lot of innate mediocrity.

Indeed.

BILL OF THE WEEK

Our bill of the week this week is a good bill, authored by Sen. Roger Chamberlain (R - Lino Lakes).

Sen. Chamberlain is a true friend of the taxpayer and a champion of limited government.

He has authored Senate File 3490, A resolution memorializing Congress to call a convention to propose amendments to the United States Constitution to impose fiscal constraints on the federal government, limit the power and jurisdiction of the federal government, and limit the terms of office for its officials and for members of Congress.

What a great bill. Our constitutional republic is in crisis.

WHERE'S THE OUTRAGE?

Saint Paul Mayor Melvin Carter enthusiastically joined students at Harding High School this week in a walk out to protest gun violence.

One can only wonder why there isn't similar concern and outrage over the tragedy of abysmal graduation rates among students of color at Harding High School and across Minnesota.

Fewer than 60 percent of the state's black and Hispanic students graduate in four years.

The rate for the state's Native American students is the second worst in the nation at 49 percent.

Minnesota has the worst or second-worst graduation rates among in all four non-white student categories. No other state is in the bottom five in all four groups, and only Oregon comes close with three races in the bottom five.

If there's a walk out to protest the way our public schools and our government fail people of color, we will be there.

Waiting for Superman.

March 23, 2018

Public Policy Commentary

In This Issue:

Factoid of the Week: Senator Amy Klobuchar is the U.S. Senator with the highest annual staff turnover, at 36%.

CAPITOL UPDATE

This week was the legislature's 'first deadline.' This means that most bills introduced must have passed all necessary committee's in either the House or the Senate to remain alive.

Practically speaking, this means that many of the 4,000 bills out there are dead for the 2018 session.

On the other hand, there is an aphorism that observes, 'nothing is ever dead at the Capitol.'

The strategy for many advocates now turns to trying to get their bill language tucked into the many finance bills that will now begin working their way through the process.

Up next: The 'second deadline' happens March 29th, when those bills that met the first deadline must now pass all relevant committees in the other body. In short, if a bill made first deadline in the House, it now must pass the committee process in the Senate by March 29th.

BILL OF THE WEEK

Man, the 'bill of the week' this week might also take honors as the 'bill of the year.'

Any bill that strikes a major blow for due process, limited government, individual rights, and the rule of law should be recognized and applauded.

House File 3725 and Senate File 3419 seek to reform the odious and unconstitutional practice of 'civil forfeiture.'

Civil forfeiture is a procedure that allows law enforcement to seize and retain the property of citizens who have not been convicted of a crime or even charged with a crime.

The law, meant to fight drug dealers, has become a dragnet and a cash cow for law enforcement and government at the expense of private property rights.

The primary issue is that the person involved is put into the criminal justice system while their property is put into the civil justice system, where standards of proof are lower and legal expenses can be higher.

And even though the person may be discharged from the criminal system without being charged and convicted, their property may languish in the civil system unless and until they move through that system to free their own property.

You see, regardless of what happens on the criminal side of the equation, a person must file a lawsuit in the civil system to recover their property, or the property is forfeited to the government.

Moreover, the value of what has seized often has less value than the cost of hiring an attorney and filing suit.

And on top of all that, many citizens lack the knowledge to navigate the complex civil justice system in the first place.

These bills seek to remedy that problem by putting the seized property in the criminal justice system, where there will be more symmetry between the criminal case against the person and the status of any personal property seized as part of the case.

A wide array of liberal and conservative groups has come together to support this bill.

Watchdogs should take just a moment today to send a word of thanks to both Senator Scott Newman and Representative Jim Knoblach to thank them for their work on behalf of the rule of law.

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651-296-4131

rep.jim.knoblach@house.mn
651-296-6612

THOSE FECKLESS DEMOCRATS

It never ends with the Democrats.

Let's start with Tim Pawlenty.

The liberals and their friends in the media have been obsessing over Pawlenty's salary as head of the Financial Services Roundtable, his most recent job.

Funny, there was never any concern expressed about candidates making millions when Al Franken was a Senator who made his millions peddling rape jokes and other assorted smut out in Hollywood.

Funny, it was just fine that Mark Dayton was an ultra-rich trust fund kid selling priceless art works to fund his campaigns.

But now it's a problem.

Why? Because Pawlenty has an 'R' behind his name.

If he was a Democrat, he would get a pass.

Let's hope Republicans don't fall into this tawdry line of questioning.

We are a party that values success, achievement, and the accumulation of wealth.

We also learned this week that Mark Dayton continues to politicize the state Supreme Court.

He has already appointed one political hack to the bench in David Lillehaug, a prominent DFLer.

Now we learn that State Rep. Paul Thissen is a candidate to replace David Straus on that bench, after Stras was appointed to the federal appeals bench.

Will Dayton reward another political crony with a judicial appointment?

Probably.

March 30, 2018

Public Policy Commentary

In This Issue:

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 United States Constitution

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 warrant shall issue but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched and the person or things to be seized.

-Article I, Section 10, State of Minnesota Constitution

THE INCONVENIENCE OF CONSTITUTIONAL RIGHTS

Hey, Watchdogs. Another week, another step closer to the end of the 2018 legislative session.

As the sausage making continues apace, we are again this week revisiting one of the most important bills of the session, the reform of civil asset forfeiture.

As loyal readers will recall, we currently have a 'justice' system that allows government to seize and retain the private property of citizens without that citizen being charged with a crime, let alone a conviction.

The bill was heard this past week in the House Civil Law Committee, where the bill was vehemently opposed by the Law Enforcement Industrial Complex, comprised of police groups and organizations representing prosecutors.

Sponsored by Rep. Jim Knoblach (R - Saint Cloud), the bill has three main features that honor constitutional principles,

First, it would end Minnesota's hybrid civil forfeiture process and replace it with criminal forfeiture. Property seizures would be adjudicated only after a suspect is found guilty.

Notice that government can only seize private property AFTER conviction.

Next, it routes forfeiture proceeds to crime victim services groups and similar organizations, as well as the state's general fund. Money would no longer go automatically to the local governmental units making the seizures to supplement to their budgets.

This is a big deal because the current system provides a perverse incentive for law enforcement to seize as much as they can because it funds their own budgets.

The more they seize, the bigger their budgets.

Third, it would introduce procedural protections for spouses, parents and other innocent owner claimants who sometimes lose property to forfeiture even when not suspected of a crime.

As mentioned, Law Enforcement opposed the measure.

And what did they have to say in defense of the status quo?

One Bob Small from the County Attorney's Association complained that such a change would 'glut' the system with extra hearings.

So, the Constitutional rights of citizens are to yield to concerns of administrative convenience?

Maybe in Syria or Venezuela, but not in America, pal.

Yes, the inherent rights of citizens may be inconvenient for the prosecution, but that's really a secondary concern.

Shakopee police chief Jeff Tate (no relation to the Queensryche front man) complained that the seized loot funds all sorts of cool programs like drug awareness posters, officer training, and even academic scholarships.

Well, excuse us. If we knew that Johnny or Susie was getting a couple hundred bucks to defray the high cost of text books, we would have never complained about this shredding of the Constitution.

Heck, if we simply repealed the Fourth Amendment, we could probably even fund light rail.

Frankly, we're a bit embarrassed that law enforcement would even proffer these weak excuses.

Again, kudos to every legislator, Republican and Democrat, who supports this bill.

Finally, this bill ironically may be a moot point as Minnesota courts are also considering a case dealing with this issue.

It really is astounding that this blatantly unconstitutional process has gone on for 20 plus years.

CRITICAL THINKING APPLIED: OPIOIDS

As with many states, Minnesota is considering a bill to tackle the opioid crisis, which is truly a crisis.

Having said that, there are some aspects of the response that don't add up.

Myth #1: Limiting access to legitimate opioids reduces access to opioids.

Hardly. Limiting access to safe, FDA-approved opioids used under a physician's care only pushes many people into the black market, where the opioids are often toxic and lethal.

Take Ohio, a state that has trumpeted its zeal in limiting opioid prescriptions.

Opioid prescriptions have fallen exponentially.

Fatal overdoses have opioids have risen exponentially.

Myth #2: Naloxone works.

Naloxone is the name of a chemical that reverses the clinical effects of opioids, many times saving overdose victims from death or serious injury.

That is all true and Naloxone and its family of drugs has indeed saved lives.

The point here is that, ironically, Naloxone may be encouraging risky opioid use (which already high risk) by inducing a moral hazard.

There is now scholarly work available that supports the proposition that opioid abusers are willing to take on more risk in their addiction, knowing that first responders with Naloxone kits are a sort of safety net that will bail them out of trouble.

Anecdotally, first responders report reviving the same addicts multiple times in a single day.

One paramedic reported reviving the same person in the hospital parking lot.

Within minutes of being discharged from the first overdose, the patient walked into the parking lot and got high - and overdosed - again.

Myth #3: Big Pharma bears all the responsibility.

This is classic politics, as Big Pharma is a classic 'black hat' that makes for excellent rhetoric.

While Pharma no doubt bears some portion of culpability for the problem, there are plenty of other responsible actors here.

As for pharma, look no further than the millions they pour into all those anti-drug groups like Partnership for a Drug Free America.

We wouldn't want medical marijuana to become a competitor now, would we?

At least not until Pharma figures out how to corner that market.

No one but doctors have the power to prescribe. Physicians wrote the scrip for opioids. They enjoyed the 'pain conferences' that were little more than all expenses paid junkets to exotic locations for doctor and spouse.

And how about those consulting fees, sponsored research fellowships and the like?

Doctors certainly weren't the dupes they portray themselves to be.

And what insurance companies? They made a decision that profit considerations mandate quick opioid prescriptions over more expensive, less lethal options like

physical therapy. Cheaper to give a patient 60 days of opioids instead of paying for therapy and acupuncture.

Finally, can we also acknowledge a modicum of personal responsibility?

No one forced addicts to take that pill or fill that needle.

The data strongly confirm that most addicts aren't abusing their own prescription.

To the extent they are using legitimate opioids, they are taking opioids either they or someone else stole or otherwise illegally obtained for them.

Myth #4: Taxing opioids is okay because it holds Big Pharma 'accountable.'

This is simply untrue. The simple fact is that it's impossible to limit a tax on a business only to the business.

These higher costs are inevitably passed on in some form to customers.

In this case, customers are often very sick and indigent people.

Making their medicine more expensive is simply wrong.

Moreover, taxing opioids is a case of government taxing itself.

Many health insurance programs are government programs that pick up the tab in whole or in part for millions of Americans.

If Minnesota (or any other state) taxes this medicine, it's just a case of the state pocket withdrawing money from the federal pocket.

Of course, both pockets belong to the taxpayers.

Moreover, these taxes will result in higher insurance costs for all, regardless of public or private insurance.

The accounting of liability for this crisis will happen in the court system, where some 400 different lawsuits are pending regarding the opioid crisis.

Taxing opioids is simply bad public policy - and bad politics for Republicans.

April 6, 2018

Public Policy Commentary

In This Issue:

Quote of the Week: 'Having the Democrats watch your money is like having Michael Vick watch your dog for the weekend.'

-Tim Pawlenty

Quote of the Week: 'I give President Obama credit for one thing. He's proven that someone can be less deserving of the Nobel prize than Al Gore.'

-Tim Pawlenty

HE'S IN

Today Tim Pawlenty made his entrance into the governor's race official. His entrance has been encouraged and cheered by Republicans across the party base, from rank and file activists to donors, to thought leaders across the country.

His entrance establishes him as the consensus front runner, meaning he will continue to be the target of attacks from other GOP candidates.

That's okay. It comes with the territory.

But let's get one thing straight: Tim Pawlenty is in this race in large part because the opportunity was handed to him on a silver platter.

The other candidates have been in the race for many months and had every opportunity to seal the deal with delegates and donors.

And they failed to do so.

You could pilot an ocean liner through the opening he has been given.

It will be up to him to capitalize on that opportunity by earning the support of both Republicans and the citizens of this state.

After an eight-year absence, it's clear that he is the GOP's best hope to recapture the governor's office.

UNDERPAID?

Much has been made of teacher compensation of late. Teachers in other states have walked out over perceived lagging pay, with the issue taking on a national profile.

While walk outs haven't happened in Minnesota, the issue has also taken on a high profile in places like Saint Paul.

And while the issue is subjective in some respects, it certainly is possible to quantify teacher compensation and present it for consideration and comparison.

The Watchdog this week reviewed the 2015-2017 collective bargaining agreement between the Saint Paul Public Schools and the union representing the teachers to see what we can learn about teacher compensation in that district, for example.

Our 'example' teacher, we will call her 'Lisa', is at the middle of the pay scale, with 10 years of experience in the district and stands at lane '7/8'.

This teacher carries family health care and takes a 403(b) deferred compensation match.

While there are many opportunities to enhance compensation (e.g. coaching a team or working during the summer), our example focuses on salary, health care, and retirement.

For salary, she earns \$60,445 annually.

The district contributes \$12,720 annually to her health insurance premiums.

The district contributes roughly \$6,000 annually to her defined-benefit retirement plan, which on average will pay her \$26,000 per year in retirement, according to state regulators.

She also takes advantage of the \$1,000 match to her 403(b) account.

That's roughly \$80,000 in district-provided direct and indirect pay.

According to the collective bargaining agreement, the duty year consists of 187 duty days.

If that duty day is a standard 8 hours, Lisa works 1,496 hours each year, not inclusive of any sick days, vacation days, or other paid time off.

The standard work year, by comparison, is 2080 hours, meaning Lisa works 584 hours (or 73 days) fewer than the standard American worker.

The bottom line is that in our example, Lisa is paid over \$53 dollars per hour by the Saint Paul Public Schools.

In the Saint Paul schools, teachers at the bottom of the scale start at a salary of \$40,203 annually. A teacher at the very top of the pay scale earns \$93,749 in annual salary.

The median household income in Saint Paul is \$47,000 annually.

Thus, a brand-new teacher starts at nearly 86% of the median household income of city she serves.

A teacher at the top of the scale earns almost 200% of the median household income in the city.

Do these numbers make teachers 'underpaid?' Overpaid?

You be the judge.

KNOW YOUR CANDIDATES

Pete Stauber is running for a seat in the U.S. House of Representatives.

As readers know, there is an open seat in Minnesota's Eighth District, with incumbent Rick Nolan opting not to run for re-election.

Stauber is an excellent candidate and fits the district well.

Check out this bio, lifted from his campaign web site:

Pete Stauber grew up in Duluth, where he and his five brothers graduated from Denfeld High School. He went on to earn his BS degree in Criminal Justice with a minor in Fire Science from Lake Superior State University in Sault Ste Marie, MI. One of Stauber's highlights in college was having the opportunity to meet President Ronald Reagan, after

the LSSU hockey team (which he captained) won the Division I National Championship in 1988.

Stauber was honored to have an opportunity to play hockey with the Detroit Red Wings Organization. After retiring from professional hockey, he returned to Minnesota and began his law enforcement career. He retired from the Duluth Police Department after 22 years of service. Commissioner Stauber was serving as an Area Commander with the department, as well as the President of the Law Enforcement Labor Services Union, Local 363, when he retired in August 2017.

Commissioner Stauber's political career began when he served two terms as a Hermantown City Councilor. In 2012, he successfully ran for St. Louis County Commissioner against a 16-year incumbent. In his second year on the County Board, Commissioner Stauber served as vice-chair, and in his third year; chairperson. In 2016, Stauber was re-elected as County Commissioner with 78% of the total votes. He is currently serving his second term on the St. Louis County Board.

Pete's wife, Jodi, is an Iraq war Veteran and is retired from the 148th Fighter Wing as its first female Command Chief. The Staubers have 4 children and reside in Hermantown.

This is a seat the GOP can definitely win.

Now you know Pete Stauber.

April 13, 2018

Public Policy Commentary

In This Issue:

Quote of the Week: 'Finger pointing is just another example of how divisive politics has become in Minnesota today.'

Factoid of the Week: Famed political scientist Larry Sabato moved the Minnesota Governor's race from Lean D, to Toss-Up after Tim Pawlenty officially announced his candidacy.

Tip of the Week: Candidates for governor are required to report their fundraising totals for the period ending March 31st. Expect Tim Pawlenty to announce totals exceeding \$1 million. By comparison, Jeff Johnson raised \$259,000 for all of 2017.

ADMINISTRATION WATCH

There has always been a certain hypocrisy about Democrats, a certain casual dismissal of reality when that reality interferes with the political narrative.

But things are really getting out of hand as Tim Pawlenty's entrance into the governor's race clearly triggered the DFL establishment, causing a stampede to safe spaces and a histrionic lashing out.

Start with the titular head of said political party, one Mark B. Dayton.

The sitting governor, taking a break from fiddling with Saint Paul burns (more on that momentarily), this week proceeded to castigate Tim Pawlenty for all manner of alleged fiscal sins during his tenure as governor.

The interview, which could have been alternatively titled 'Grandpa's Yelling Again,' was classic Mark Dayton, replete with the usual attacks and divisive pandering to his base.

'I don't know what he's going to run on because his record as governor was so abysmal,' Dayton piously intoned.

The interview, posted in a local newspaper, was truly an example of Dayton pointing out the splinter in Pawlenty's eye while ignoring the log in his own.

It never fails to amaze this publication that Democrats shamelessly clothe their brand of gangster government in the rich vestments of fiscal responsibility.

Government 'needs' a dollar.

Democrats raise taxes and confiscate from the productive class \$1.50.

They spend \$1.25.

They call the extra 25 cents in over-taxation 'surplus' and evidence of their skilled budgetary management.

Yes, and Jesse James was a skilled wealth manager.

It bears repeating that government can only raise money by diverting wealth from the private economy into the public economy.

Every dollar that government expropriates is a dollar that is unavailable to the private sector for investment or other deployment as decided by the person or entity that earned that dollar.

Now back to the 'administration watch.'

It is more than a little ironic that at the same time the DFL is engaging in revisionist history by comparing the Pawlenty years to the Dark Ages, their governor is presiding over multiple disasters and failures of basic governmental competence.

Let's start with welfare health care programs.

Readers will recall that the Dayton administration had all sorts of problems with basic software management when it rolled out its version of Obamacare in 2014.

These software problems led to billing errors that weren't corrected until the spring of 2016.

Those two years of errors has led to over \$30 million in premiums not being collected by the state.

If that wasn't bad enough, the state this week announced that they will simply write off the uncollected premiums.

You read that right. The state has decided that it will simply write off \$30 million.

In other words, the taxpayers will eat \$30 million in free health care premiums for others.

Thankfully, Republicans in the legislature are pushing legislation that would force the bureaucracy to do its job and collect the money.

Next, the MNLARS debacle regarding driver services continues to be a dumpster fire of epic proportions.

The latest flare up concerns customer service, where it has come to light that emails to the customer service center take up to two weeks to garner a response.

The previous response time on emails was an average of 3.5 days.

Phone calls into the service center is even worse.

Approximately 75% of calls into the service center meet with a busy signal.

Of the calls that got through, only 50% of those calls resulted in the caller actually talking to someone because the other half dropped off after sitting on hold too long.

Moreover, the call volume has exploded since the ham-handed roll out of the MNLARS system.

Prior to the roll out, the call center received an average of 277,000 calls per month.

After the roll out, those calls increased to about 500,000 per month.

And the DFL has gall to call out Pawlenty.

When he was governor, at least you could get your license tabs renewed.

The final goof up (at least for this week) happened with a group called the Board of Water and Soil Resources (BWSR).

BWSR promulgated rules this week that would result in draconian fines for farmers and others who violate rules regarding buffer strips of land between agriculture and water.

Republicans and farm groups went ballistic on the new rules, declaring yet another iteration of Dayton's liberal elite War of Agriculture.

Even though BWSR is his agency, Governor Dayton expressed his shock and dismay at the proposed new penalties, declaring, 'I was surprised and disturbed to learn about your proposed Administrative Penalty Order for the Buffer Law that is out for public comment. The proposed fines are unreasonable. They have come as a shock to not only myself, but also to Minnesota farmers.'

What, Mark Dayton unaware?

Say it ain't so, governor.

THE PALACE COUP REVISITED

The Minnesota Senate is closely divided, 34-33 in favor of Republicans.

Readers well know about the issue of Senate President Michelle Fischbach (R-Paynesville) being elevated to the position of lieutenant governor by operation of the constitution when lieutenant governor Tina Smith was appointed to fill the seat vacated by Al Franken, who finally embarrassed himself out of office.

Because the GOP maintain that she can serve in both offices (citing court precedence), the DFL filed a lawsuit to kick Fischbach out of office to make for a 33-33 tie in the Senate.

That lawsuit was dismissed by a judge months ago.

The news here is that the lawsuit was recently refiled.

The other news is that the media continues to inaccurately report on the case.

Specifically, the inaccuracy is that the lawsuit was dismissed the first time around merely because of a timing issue.

The judge was far more definitive in pointing out the problems the plaintiff will have in kicking a sitting senator out of office.

What the media is missing is that the judge in his earlier ruling opined that the judicial branch has no authority to remove a sitting senator from office.

'There is nothing in the Constitution granting courts the authority to remove legislators from office through citizen lawsuits,' Judge John Guthmann wrote.

While a higher court might overrule Guthmann, the media should at least report this important aspect of his earlier ruling instead of the misleading characterization that the suit was dismissed because of timing.

April 20, 2018

Public Policy Commentary

In This Issue:

Quote of the Week: 'Dayton Seeks Tax Relief for Families.'
-News Headline

Factoid of the Week: Mark Dayton's tax plan proposes to raise taxes on 100% of taxpayers.

MOTHER'S MILK

It has been said (by Jesse 'Big Daddy' Unruh, to be specific) that money is the mother's milk of politics.

It takes money to win elections and that's a fact.

While some may decry money in politics, the reality is that fundraising fundamentally serves as a metric for candidate support, candidate work ethic, and candidate skill.

The other harsh reality is that there is no good way to wring money out of politics.

It's like capitalism, the worst economic system ever devised - except for all the others.

In short, campaign money not only serves as a metric of candidate strength. It also serves as a platform to support the candidate's core First Amendment right to free speech.

Money allows a candidate to amplify their ideas and agenda across a broad spectrum, making the message available to a wider audience.

Put another way, our system certainly has its flaws but overall, it's pretty darn good, especially compared to what other countries have to offer in this regard.

So, let's take a look at what the major candidates for the major offices reported raising in the first quarter of 2018 and what they have in cash on hand.

Here's what the governor's race shows:

(Money raised/Cash on hand)

Tim Pawlenty: \$1,013,000/\$972,662

Jeff Johnson: \$105,656/\$210,062

Tim Walz: \$528,292/\$628,027

Analysis: Tim Pawlenty absolutely blew away the field, besting DFL front-runner Tim Walz by nearly 2 to 1 and shellacking Jeff Johnson by a stunning 10 to 1.

It's even more noteworthy to observe that Pawlenty only started raising money in mid-March, after he terminated employment with the Financial Services Roundtable at about the same time.

Put another way, it was a \$1 million haul in two weeks of activity.

Fundraising prowess like that makes Pawlenty the instant front runner in the race, clearly demonstrating GOP donor and base support.

On the other hand, Jeff Johnson turned in another anemic performance, getting outraised 10 to 1 by Pawlenty and 5 to 1 by Walz.

While raising the most money certainly doesn't anoint a candidate as 'the' candidate, Johnson's numbers aren't really about Pawlenty as much as they are about his own campaign.

Raising just over \$100,000 just isn't viable for a gubernatorial candidate.

It's not that he got lapped by Pawlenty. He also got lapped by Walz.

CD 1

Jim Hagedorn: \$636,103/\$330,058

Carla Nelson: \$330,295/\$215,958

Let's focus on the GOP numbers in this district, which will be one of the most contested races in the country, with incumbent Tim Walz vacating the seat to run for governor.

While Jim Hagedorn outraised Nelson by almost 2 to 1 here, Nelson raised respectable numbers that certainly make her viable.

Make no mistake, Hagedorn did well, but Nelson is right there, especially given the cash on hand numbers.

Hagedorn showed a very high burn rate, spending about half of what he raised.

That's a serious burn rate that should be a cause for concern.

CD 2

Jason Lewis: \$1,270,593/\$884,625

Angie Craig: \$1,089,476/\$749,744

While challenger Angie Craig might look close to incumbent Jason Lewis, recall that she outspent Lewis by 4 to 1 last election.

At 1 to 1 parity and with the advantage of incumbency, Lewis should be in better shape this time around than when he beat her the last time.

CD 3

Erik Paulsen: \$2,675,256.54/ \$2,000,909.52

Dean Phillips: \$1,625,667.00/ \$695,234.67

Erik Paulsen has certainly taken care of business, raking in over \$2 million and having over \$2 million cash on hand.

DFL opponent Dean Phillips raised respectable numbers, but showed a high burn rate and sits at about a 3 to 1 disadvantage cash on hand.

National Democrats love to dream about beating Paulsen, but the dude does his homework and represents his district very well.

He'll be fine in 2018 as another Democrat fantasy is shattered.

CD 8

Pete Stauber: \$529,906.22/ \$292,870.05

Jason Metsa: \$132,657.00/ \$116,938.42

Joe Radinovich: \$108,455.25/ \$94,520.92

This seat is a golden pick up opportunity for the GOP and perhaps their number one target this cycle.

As mentioned in a previous edition, Republican Pete Stauber is a tier 1 candidate who is running un-challenged for this open seat.

On the DFL side, the party is deeply fractured, with no candidate emerging with the endorsement, making for a divisive and bruising primary where four candidates will duke it out.

(Only two of the four raised enough money to earn press with this publication.)

It's amazing to consider that Minnesota may be the nation's biggest battleground state in 2018.

Two Senate races, an open seat for governor, and four competitive House races will make the North Star state the center of America's political universe.

For political junkies, this will be a very exciting time in our state's history.

TAXES, TAXES, TAXES

It was yet another 'Ruh Roh' week in the Dayton administration when his own budget office released an analysis of his tax plan that showed that the governor's plan raises taxes on EVERYONE.

Yes, his tax plan will raise taxes on every taxpayer, according to his own budget folks.

In fact, the largest tax increases would fall on the bottom 10% of income earners.

What compassion.

Kind of like when Dayton said he wouldn't raise tobacco taxes because of how hard those taxes fell on the poor.

Then he raised exactly those taxes when then his rich NFL buddies needed a new football stadium to enhance their 'revenue streams.'

April 27, 2018

Public Policy Commentary

In This Issue:

Quote of the Week: 'It's not like it's a free ride and everything's going to be fine.'

-Sen. Mary Kiffmeyer (R - Big Lake) on the attempt to add money to a finance bill on the Senate floor that would have studied extending the North Star commuter train to Saint Cloud

Quote of the Week: 'As I have said earlier, I will not call a Special Session.'

-Governor Mark Dayton (emphasis original)

LEGISLATIVE UPDATE

Before we examine the coolest bill of the week, a brief update on the big picture in Saint Paul.

The House and Senate are moving supplemental omnibus spending bills through the process, which has consumed most of this week.

In fact, the Senate last night moved a massive all-in-one spending bill off the Senate floor on a party-line vote.

The House finished moving several spending bills that merged some program areas together into single bills through the committee process, setting up floor action in that body for next week.

Once that process concludes, the House and Senate will move into some sort of conference committee process to reconcile differences and produce a conference committee report(s).

It's unclear right now exactly what that process will look like or how/when the administration will be involved.

Also unresolved right now is the issue of global budget targets, which would tell the conferees how much money they must spend in each program area.

The governor, through his commissioners, has also laid down several veto markers regarding various policy proposals contained in the supplemental bills.

Whether there is a final work product of any type that becomes law remains to be seen.

All three leaders have indicated that there are no mandatory 'to do' items, since a comprehensive budget was passed last year.

Thus, there is no real pressure to get things done and Republicans may be content to take the gamble that they will hold the House this fall and elect a GOP governor, who will obviously be less of an obstacle to passing bills.

On the other hand, there will be pressure to pass tax conformity measures to provide citizens with some certainty regarding their taxes next year.

There will also be pressure to pass a bonding bill to allow legislators to bring home public works projects to their districts.

Finally, the governor has one last chance to establish his legacy and should want to negotiate with Republicans to get some of his priorities enacted.

No governor wants to finish his tenure with an 'incomplete' on the report card.

This publication could see a tax bill, a bonding bill, and two other bills passing into law (opioids, elder abuse) and the rest falling to the cutting room floor.

Stay tuned!

BILL OF THE WEEK

Man, we've got one heck of a good 'bill of the week' this week.

SF4010 and companion HF4450 seek to implement a great idea that causes Watchdogs to say, 'why hasn't this been done already?'

Authored by Sen. Roger Chamberlain (R - Lino Lakes) and Rep. Greg Davids (R - Preston), the bills would trigger an automatic reduction in the income tax and corporate taxes if certain budget surplus criteria are met.

In short, if government over-collects by a certain amount, automatic tax cuts are triggered.

Sweet.

In testimony, Sen. Chamberlain noted that 11 states already have these provisions in law, so there is no new public policy ground ploughed here.

These other states have not plunged into anarchy and civil unrest because there is an over-collection cap on government.

Of course, the Dayton administration has concerns that government would have a circuit breaker on its confiscation of citizen wealth.

The great news here is that Chamberlain and Davids are the chairmen of the taxes committee in their respective bodies.

You can bet that this bill will be part of the larger conversation in the omnibus tax bills this session.

Hopefully, they can get the bill over the finish line and over Dayton's objection.

CONSTITUTIONAL CRISIS CRAP

You should have been there to see the wailing and gnashing of teeth from special interest groups this week as a House committee debated a constitutional amendment that would dedicate auto-related sales taxes to roads and bridges.

A who's who of public trough feeders lined up to protect the gravy train from a possible diversion of tax money into the state's dedicated fund for roads and bridges.

Never mind the fact that the diversion would represent about 1% of the state's general fund.

Never mind that the state has a constitutional obligation to fund and maintain roads and bridges.

The hypocrisy was running thick throughout the hearing.

It started with the much-debunked narrative that money should be pumped into roads and bridges through a tax increase on gasoline and license tabs.

First, taxes are high enough. Taxpayers shouldn't have to reach into their pockets yet again in order to have a transportation system that meets their needs.

Second, the very same Democrats calling for these tax increases are the very same Democrats who chose not to raise those taxes when they were in charge.

It's sort of like those Republicans who voted to repeal Obamacare when they were in the minority and then failed to do so when they were in charge.

Second, don't forget that many of the same Democrats opposed to this constitutional amendment supported the so-called 'Legacy Amendment' that constitutionally dedicated sales tax money to the environment AND the arts.

That's right. If you didn't know it, a portion of the sales tax you pay is constitutionally fenced off to arts projects.

So, they don't support auto-related taxes for roads and bridges but DO support general sales taxes being fenced off for the arts.

Last year, \$441 million of your tax dollars went to these projects.

Over the 25-year life of the sales tax dedication, it is estimated that over \$1.2 billion will be doled out for these projects.

Here are a couple of examples of those constitutionally important programs:

Lake Bemidji Dragon Boat Festival Documentary

Norwegian Holiday Traditions Documentary

Green T Productions will host master artist David Furumoto (Onoe Kikunobuhide) for a series of training workshops in the Japanese traditional dance drama forms kabuki, noh, and bunraku, culminating in a public demonstration and workshop.

Suchitra Sairam will develop Natya Gurukulam, an intensive residential learning opportunity for Minnesotan Bharatanatyam students to enhance their skills in Bharatanatyam and allied arts.

So there you go.

We can fence off funds for the Lake Bemidji Dragon Boat Festival, but we can't fence off funds for our roads and bridges.

Things were best summed up by Jason George of the Operating Engineers Union that represents heavy equipment operators.

He said, 'We're told we can't build pipelines because it harms the climate. We're told we can't dig mines because it harms the water. Now we're told we can't build roads and bridges because it takes money from the children.'

May 4, 2018

Public Policy Commentary

In This Issue:

Quote of the Week: 'We have not yet seen any conclusive evidence that opioid taxes will combat addiction or drug abuse. But there are indications that the cost of such a tax could be passed on to patients, and lead to higher insurance and medical costs.'

-Grover Norquist, Americans for Tax Reform

Quote of the Week: 'A fee is related to a tax, in that it is also a charge paid to the government by individuals or by a business. However, a fee is specifically applied for the use of a service. The fee rate is directly tied to the cost of maintaining the service. Money from the fee is generally not applied to uses other than to providing the service for which the fee is applied.'

-Small Business Law Chronical

Quote of the Week: 'Sometimes, a tax will be incorrectly labeled as a fee, often for political reasons. For example, if a politician wishes to keep a promise that he will not raise taxes, but still wishes to increase government revenue, he may push for an increase in certain kinds of taxes that can be labeled as fees. This is because, for voters, a 'fee' does not always have the same loaded political connotations that taxes do.'

- Small Business Law Chronical

TAX VS. FEE AND THE SOPHISTRY

Some things never change, especially here in Minnesota. The political trickery of labeling a 'tax' as a 'fee' to fool the taxpayers.

It's happened before and it's happening again, this time with a tax on opioid pain medication.

Sen. Julie Rosen (R - Vernon Center) has once again modified her proposal to tax opioid pain medication to be a 'registration fee' slapped on opioid manufacturers and wholesale distributors who sell into Minnesota.

The average citizen would consider a registration fee to be a fee charged by the agency responsible for processing the registration that covers the cost of providing the registration service.

Currently, the registration fee is only a couple hundred dollars.

The new scheme, based on a recent New York law that will likely be struck down in court, simply states that the state wants to collect \$20 million off the fees each year and apportions the fee across those required to register.

\$20 million to administer a few licenses? Bunk.

In fact, the bill actually apportions money to activities and government accounts that have nothing to do with administering a registration license.

Not many taxpayers buy the argument that fee that collect a few thousand bucks suddenly requires \$20 million.

Suddenly, a \$235 fee becomes one of a \$150,000 (according one wholesaler) to approaching a whopping \$9 million for one manufacturer.

By comparison, no state currently charges more than \$2,000 for a license and some charge as little as \$50.

This new language is simply a tax on FDA-approved pain medications all dressed up in the vestments of a 'fee.'

The Watchdog has recently explained the bad politics and bad public policy behind taxing medication.

This new language exacerbates the problem by attempting to fool taxpayers into thinking that a new, heavy tax on their medication isn't what they see; it's merely a 'fee.'

The Watchdog bets that taxpayers won't be so easily fooled.

It's bad enough to tax medicine. It's even worse to claim that it's not really a tax.

EMERGENCY ADEQUACY

Did we just mention that some things never change? Another thing that never changes is the annual cry to 'adequately' fund our 'underfunded' public schools.

Of course, those who call for adequacy are never able to answer the question begged. Just how much money equals adequacy?

Then again, the adequacy slogan isn't meant to be answered. In fact, it isn't meant to be thoughtfully analyzed as any minimal analysis would reveal the ridiculousness of the slogan.

Instead, the slogan is merely a chanting point designed to rally Big Government lemmings.

So just as the seasons change and sun rises each day, we see Democrats and their media allies trot out the shopworn and tiresome stories regarding inadequacy of funding and the need for more and more money to satisfy the great unknowable number that constitutes 'adequate' education funding.

Related to the Great Unknowable Number is the narrative that school districts have funding problems because of the aforementioned inadequate funding.

But is the real issue revenue, or is it spending?

Indeed, the real problem in education financing is that school districts outspend their revenue.

It's an undeniable fact that school funding at both the state and local level has gone up (in some cases exponentially) year after year.

Take a look at state level education funding in the recent past:

FY10-11: \$12 billion

FY12-13: \$15 billion

FY14-15: \$17 billion

FY16-17: \$18 billion

FY18-19: \$19 billion

The reason for the overspending is quite simple.

When the teacher union and the school board sit down to negotiate a contract, they are often all sitting on the same side of the bargaining table.

Because Education Minnesota is allowed to collect dues and spend a portion of it on politics, the union is the 800-pound gorilla in school board elections.

Thus, many school board officials are suffering a conflict of interest at the bargaining table.

On the one hand, they are charged with representing the taxpayer and advocating zealously on their behalf.

On the other hand, they are beholden to the union because the union endorsed their candidacy and contributed to their campaign.

In short, everyone is sitting on the union side of the table.

Is it any wonder revenues are overspent?

Is it any wonder blame is laid on the taxpayer for not ponying up enough?

The U.S. Supreme Court is right now considering a case that would free public employees from mandatory union dues.

This case, if decided in favor of the employee against the union, a more correct balance can be obtained.

The only better outcome would be to recognize that union membership is incompatible with public employment and pass a law repealing public unionization.

THE RIGHT TO WHOLE FOODS

The latest manifestation of Big Government is the idea that Americans are now entitled to organic food and health club memberships.

You can add it to the growing list of 'rights' that now include 'free' college, a universal minimum income, and a guaranteed job.

Just like France.

The federal government is now designating certain areas 'food deserts,' where citizens lack access to what is vaguely described as 'nutritious' food.

Liberals are now starting to decry the 'fat gap' between rich and poor, that purports to show that obesity rates are higher among lower income people than wealthy people.

You know what it is coming, folks.

Taxpayer subsidized organic and other high-end food.

And taxpayer subsidized gym memberships.

An Obama phone, a transit card, a membership card to Lifetime fitness, and voucher to Whole foods for some kale and Alaska-caught sockeye salmon.

While the expanding list of government guaranteed rights is concerning, the pernicious aspect of this is constant, drum beat narrative to eliminate the concept of personal responsibility from our culture.

While some people are in difficult circumstances through no fault of their own, many are undeniably in trouble because of poor lifestyle choices.

Many Americans are obese because they can't muster the initiative to get off the couch and put down the Taco Bell.

Providing the option of a trip to Whole Foods and Snap Fitness won't be enough motivation to overcome the inertia of a bag of Cheetos and another 8 hours of Call of Duty: Modern Warfare.

Personal responsibility is a cornerstone of our republic and its elimination from the public discourse will be another nail in America's coffin.

May 11, 2018

Public Policy Commentary

In This Issue:

Editor's Note: There are 10 days left in the 2018 legislative session.

BONDING BLUES

As readers well know, the end of the legislative session entails a flurry of activity on a host of issues.

Like the last two minutes of a basketball game, the end of session is where 80% of the action takes place.

Just like any other year, major issues remain undecided, including supplemental spending, a tax bill, and possible changes to laws governing sexual harassment, elder abuse, and opioids.

One of those issues is bonding, the issuance of state debt to finance capital improvements to government assets of regional or state-wide significance.

This week saw the unveiling of bonding bills in both the House and Senate.

Each bill came in at roughly \$825 million in spending, depending upon how one calculates the various debt financing (e.g. general obligation, trunk highway bonding, and even cash).

The bottom line with bonding is that the GOP should think very carefully about whether or not to have a bonding bill this year.

Recall that a \$1 billion bonding bill was passed just last year.

With the governor coming in this year with a \$1.5 billion proposal, any compromise bill would surely come in at well over \$1 billion.

If that happened, the GOP-led legislature would have the distinction of presiding over north of \$2 billion in bonding in a single bi-ennium.

This would be a record amount of debt-financed spending in one bi-ennium.

Obviously, such a distinction would fly in the face of the core GOP narrative of fiscal restraint and would instead look more like Washington's orgy of debt spending under those Republicans.

Moreover, while these bonding bills contain spending for core functions like prisons and bridges, they are also filled with more dubious projects that cause taxpayers angst.

\$4 million for the Glensheen Mansion;

\$2 million for a swimming pool in New Hope;

\$2.85 for public TV in Austin (do we need public tv in this day and age?);

\$18 million for Second Harvest food shelf (important charity, but not a government building);

\$100,000 for the Litchfield Opera House;

\$2.7 million for the Saint Paul Humanities Center (whatever that is);

TAXING THE POOR

In a very troubling and disturbing development, the state Senate yesterday voted on a bill that would slap a \$20 million tax on opioid medication in Minnesota.

Only 6 brave Republican senators voted against the misguided bill.

The tax has been sold as a 'licensing fee' on manufacturers and distributors.

Whether a tax or a fee, it is an undeniable truth of economics that a tax placed on any business is passed along to consumers.

While much has been written about this subject in recent Watchdog editions, it should be re-iterated that not only are taxes passed along to consumers, a tax on medication is highly regressive, hitting the sick and poor especially hard.

In fact, three of the most regressive taxes known to man are those on tobacco, gasoline, and medication.

Sadly, the legislature has now raised taxes on all three in recent years if this tax comes to fruition.

Special recognition should be given to the six who voted against:

Sen. David Osmeck;

Sen. Paul Utke;

Sen. Carla Nelson;
Sen. Karin Housley;
Sen. Andrew Mathews;
Sen. Michelle Fischbach

This is exactly the kind of bill that has a lot emotional appeal but will visit some nasty consequences on innocent people if it becomes law.

Let's hope cooler heads prevail over in the House.

ACCOUNTABILITY MATTERS

The governor travelled around the state last week to tout his call for \$138 million in 'emergency' funding for our chronically underfunded public schools.

In a brilliant move, Senate Republican communications staff followed each visit to a different school district, called out the millions in extra state funding each received this past year and simply asked, 'what did they do with the money?'

This is a simple but powerful question Republicans should be asking these school districts.

Put the governor and the public schools to their proof.

Before asking for more money, show the taxpayers what you did you do with the additional funding just received?

Republicans would be well served to resist the narrative that funding has been lacking.

May 18, 2018

Public Policy Commentary

In This Issue:

Quote of the Week: 'When Tim entered the race just last month, he indicated that seeking the endorsement at the Republican party's convention in early June may not be realistic in light of his late entrance into the race - Tim appreciates the convention delegates, but his late entry into the race effectively precluded a fair fight for endorsement at the convention. As a result, he has decided not to participate in the convention and instead will make his case directly to the broader and larger group of voters who will be participating in the Republican primary on Tuesday, August 14th.'

-Pawlenty Campaign

Quote of the Week: 'Tim claims to be the 'A Team' and the only strong Republican in the race, but a strong candidate would be able to win the support of the most active Republicans in MN. If he can't even compete for the support of his base, he'll be a disaster in the General Election.'

-Jeff Johnson

Editor's Note: The legislature has only hours left in the 2018 session. By the state constitution, bills must be passed by midnight Sunday night. No major bills have been agreed upon, including taxes, supplemental spending, bonding, and school safety. Next week's issue will have a recap of what happened (or didn't). Stay tuned!

THE RACE HEATS UP

With just a scant couple of weeks before the state endorsing conventions for the DFL and GOP, the races for governor have heated up substantially, with major developments across the board.

Perhaps the biggest news this week came from the Pawlenty camp, where it was announced that he would bypass the convention and go directly to the August primary.

A press release noted that Pawlenty's late entrance into the race 'effectively precluded a fair fight' regarding the GOP endorsement.

Like life, most decisions in politics come with benefits and drawbacks.

Overall, the decision to bypass the endorsement makes sense for him.

First, not competing for the endorsement avoids the pandering to hardcore delegates that entails taking positions and offering rhetoric that is often a turn-off to both the general election electorate and even the partisan primary electorate.

It's simply a fact that convention delegates from both parties tend to tack towards the ends of the ideological spectrum and hold viewpoints that aren't shared by vast swaths of the general electorate.

Bypassing the primary allows Pawlenty to hone a center-right message geared towards winning primary and general election voters.

Of course, there is a downside in that many active and committed GOP delegates will be turned off by the decision and refuse to support him, perhaps even in a general election, instead choosing to sit home or skip his name on their ballot.

Having said that, there are other normal downside risk factors that simply aren't there in this situation.

Normally, bypassing the endorsement, especially the GOP endorsement, would put the candidate at a disadvantage because of the resources the party endorsement confers on the endorsee.

Sadly, for many years the Minnesota GOP has been mired in deep debt, hampering the party's ability to offer candidates significant support.

That debt resulted in other conservative organizations like the Minnesota Jobs Coalition filling the void by developing platforms and techniques to take on functions normally undertaken by a political party.

Pawlenty has further diminished the negative impact of not being the endorsed candidate by his demonstrated ability to raise significant resources and his high name recognition.

Moreover, it is quite likely any peeved delegates will come home in November if Pawlenty prevails.

After 8 years of Governor Dayton and the prospect of another liberal DFL governor, the GOP base will be hungry for a Republican chief executive, especially if it means total GOP control of state government.

And it's not like Pawlenty is offering a milquetoast agenda. Being tough on 'sanctuary' cities, cracking down on welfare fraud, and a pro-growth agenda have been at the top of his talking points on the stump.

In short, the reality is that Tim Pawlenty doesn't need the endorsement to win the primary.

THE MOTHER OF ALL SCANDALS

Since none of our loyal readers live under a rock, you have read about the massive scandal involving daycare fraud.

A whistleblower within the Department of Human Services alleges that a daycare subsidy scam running as high as \$100 million a year is being perpetrated on the taxpayers of this state through 'no show' children at daycare centers.

Even worse, it's further alleged that much of the skimmed money is being sent overseas, perhaps to organizations with terrorist ties.

If even a fraction of what's alleged is true, this would be the biggest scandal in the history of the state, bar none.

The story has gone viral and is the subject of national news.

Sadly, Minnesota has been the subject of way too many stories of late regarding government malfeasance or incompetence.

MNLARS, Community Action of Minneapolis, MnSURE, elder abuse allegations not investigated, and on and on.

While the legislature has admirably investigated and acted on these and other issues, now is perhaps the time to consider creating a legislative oversight agency with the resources and power to regularly and thoroughly audit state programs and agencies.

The Office of Legislative Auditor (OLA) does a good job in this regard. Perhaps it's resources and mission should be expanded.

This function should be coupled with a prosecutorial team dedicated to charging and prosecuting government employees and citizens who defraud the taxpayers, creating a strong deterrent.

Finally, the legislature should enhance penalties for these crimes, giving prosecutors the tools they need to make examples out of fraudsters.

Corruption in government is extremely corrosive and needs to be stamped out right away.

And one final thought on the subject.

Government shouldn't do so much and spend so much. Less government means fewer targets for these criminals.

ODDS AND ENDS

It was appalling to watch Governor Dayton use school children as a background prop for his veto of the omnibus tax bill.

It was especially cringe-worthy to watch him encourage the children to vocally participate in the veto.

Whoever thought it would be a good idea to use children as a veto prop should be fired.

Under Dayton, that person will probably be released from salary limitations and given a 500% raise.

By the way, that same staff should educate the governor that the omnibus tax bill passed by Republicans isn't 'tilted' towards corporations.

While liberal chanting points are rarely based in fact, the reality is that the GOP tax bill actually slightly raises taxes on corporations.

This fact doesn't exactly please the Watchdog, but it certainly dispels the narrative that the bill was nothing but a goodie basket for job creators and successful people.

Finally, we learned this week that the beleaguered Southwest Light Rail project is no projected to cost \$2 billion.

Of course, these projects never come in at or under budget, so we can add a couple hundred more million right off the top.

\$2 billion for a 14.5 mile train line.

A train line that even advocates admit is slower than taking a car.

Republicans would be nuts to go along with this project and have been right to oppose it.

The price tag shocks the conscience and is an egregious proposal.

We would be better off buying a fleet of helicopters and flying people between Eden Prairie and downtown Minneapolis.

May 25, 2018

Public Policy Commentary

In This Issue:

Editor's Note: We pause this week to remember those courageous Americans who gave all in the defense of this Great Nation. We are free because of their sacrifice.

Quote of the Week: 'I can't answer why Governor Dayton wasn't engaged during session. He'll have to answer those questions. His parking spot sits empty almost every day - he doesn't even come to the Capitol. He hasn't been engaged at all in his job here.'

-House Speaker Kurt Daudt

Quote of the month: 'This session wasn't a failure. Our governor was a failure.'

-House Speaker Kurt Daudt

Quote of the Year: 'The governor is behaving like a toddler - emotional, impulsive, and unreasonable. It is just another part of his legacy of chaos and failure.'

-Sen. Roger Chamberlain (R - Lino Lakes)

AN EXPENSIVE SMUGNESS

Liberals have always displayed a not-so-subtle disdain for capitalism and business. It's similar to the smug disdain they show for working people like electricians and pipefitters.

Here in Minnesota, that smugness is amplified by a certain elitism that holds our brand of liberalism over that of other jurisdictions and other people of all ideological stripes.

'We don't want to become a cold ____ (fill in the blank)' goes the mantra, usually chanted in the context of jacking up taxes to fund some government program that apparently underpins Minnesota's entire quality of life and the absence of which makes the comparative jurisdiction an inferior loser.

That smarmy, condescending attitude was on display again this week when Mosaic, a large corporation, announced it was leaving the Minnesota tundra for sunnier, more tax friendly climes.

'Good riddance' was the reply from the North Star Elite. The attitude of those folks was that if Mosaic can't smell Minnesota's qualifications, it's no big deal. Some other

corporation will come along to gladly pay the high taxes that make Minnesota a magical, fantastical utopia.

Unlike many business leaders who are frequently cowed by liberal politicians and the threat of further political harassment and persecution, CEO Fritz Corrigan penned a passionate and brilliant indictment of the arrogance plaguing our hometown liberals.

Just a couple of excerpts well illustrate what Corrigan is talking about, which every taxpayer should be thinking about:

'Minnesota's high state and local taxes, now not deductible on federal tax returns, make it more difficult to hire and retain top-quality executives to manage Mosaic. By comparison, Florida has no state income tax.'

'Minnesota's vaunted quality of life isn't that great, particularly in the winter. Don't forget that most days of the year, Florida has friendlier weather. That is a factor in many snowbirds' decisions to head south. Don't delude yourselves.'

'Minnesota is losing 150 well-paid executives. If the average salary of Mosaic's headquarters office is \$175,000 and state income taxes are 9.85 percent, that is \$2.6 million. Property taxes these people pay probably average \$20,000 per person. That is another \$3 million lost until 150 other well-paid executives move to Minnesota.'

'Surely Amazon didn't give Minnesota a second look. Not even a follow-up phone call. And nobody at the Star Tribune and in government seemed to care. How many jobs has Minnesota failed to attract and because of its smugness doesn't even know or care?'

'I wish Mosaic would stay in Minnesota, but the company is making the right choice. To be competitive in a very competitive global industry, it can't afford this wintry place when it can choose a lower-tax, warmer climate.'

Well-said. Very well-said.

A LEGACY OF FAILURE AND PERFIDY

As readers well know by now, Governor Dayton has vetoed the two biggest bills of the legislative session, the omnibus tax conformity bill and the omnibus supplemental finance bill.

Other publications have well explained what was in those bills and why they were important pieces of legislation for Minnesota taxpayers.

What they really represent is the final chapter in the failed tenure of Governor Dayton.

Once again, Dayton demonstrated that he really isn't up to the job of being chief executive of the state.

Thus, he leaves a legacy of failure, a legacy of failing to lead and unite a divided state.

Beyond that, he has no legacy. He has no signature achievements he or his liberal brethren can brag up.

MnSURE failed. His desire for universal Pre-K didn't happen.

He is really left with only the dubious claim that presided over a massive increase in the state income tax, a sort of Holy Grail for liberals that visits upon the successful the misery of bearing their 'fair share' of income taxes, which really means somewhere around 70% of the total burden.

It will be interesting to see how an artist will construct the governor's portrait.

If it's at all accurate, it will show Dayton bug-eyed, waving a finger as he attacks legislators both Republican and Democrat in vicious terms, slurring his words the entire way.

The background, if honest, would surely show his empty parking space at the Capitol, evidence of disengagement and a bunker mentality.

It would include football goal posts, emblematic of an erratic governor who could never clearly articulate his priorities and communicate them to the legislature.

It would surely show the school children he used as props in his veto theater over the 2018 tax bill.

Such propaganda is usually reserved for totalitarian strong men.

The background would also show long lines and people waiting anxiously on hold, as they beg the bureaucracy for a measure of mercy in their quest for health insurance information or license tabs.

A final touch would show his political appointees flashing wads of cash, the result of obscene pay raises and bonuses not earned but handed out nonetheless.

That Dayton failed as a governor should come as no surprise.

There was nothing in his privileged background that prepared him to lead strong political personalities and manage the Leviathan-like state budget.

When that lack of leadership acumen and managerial experience is combined with the angry embarrassment of a man who knows he has enjoyed privilege far beyond what he's earned, it's a recipe for failure.

All good leaders share certain personality traits.

They are poised. They are patient. They are focused. They are mature. They are skilled at finding solutions to difficult problems. They know how to find common ground.

Mark Dayton is none of this.

The utter lack of talent is best illustrated by Dayton's regular and frequent name calling of both the legislature in general and certain legislators in particular.

Dayton frequently labeled those with whom he disagreed as 'vile' or 'untrustworthy' or 'unfit to govern.'

He labeled the efforts of others as 'the worst he's ever seen' or 'totally mismanaged.'

He said of the Senate Minority Leader, a fellow Democrat, that he could never trust him again and would never meet with him alone.

He lashed out at those around him in a vicious and juvenile way that hasn't been seen in Minnesota politics, ever.

Even Jesse Ventura, the eternal man-child, treated those around him in better fashion.

It was clear that Mark Dayton failed to lead the state precisely because he didn't know how to lead the state.

Instead, he covered for his lack of talent and experience by seeking to tear down those around him. If one can't rise up by building up, rise up by tearing down those around you.

The image any thinking Minnesotan will have of Mark Dayton's tenure is that of this week's press conference after he vetoed the big bills.

When asked to name the reasons for his veto, he fumbled over his words, made a weak attempt to name a reason or two, then stared off into space for an uncomfortable period of silence.

He finally said simply, 'It's on a sheet I left in my office.'

<https://twitter.com/mnsrc/status/999397025014865920>

A failed governor.

June 1, 2018

Public Policy Commentary

In This Issue:

Quote of the Week: "Have we had the discussion, 'When do we turn back and say this is too expensive?'"

-Hennepin County Commissioner Jeff Johnson

THE HO HUM CONVENTIONS

There is a bit of irony in the air this week as both major parties prepare to convene their state conventions to confer endorsements on state-wide candidates.

This irony is particularly pronounced in the governor's race, where an open seat opportunity awaits the candidates.

The irony is that despite the hotly contested nature of the gubernatorial election, the conventions matter little this year, having been relegated to a smaller role.

This isn't to say the endorsement doesn't matter. It does, but only to a certain extent.

Take the Republican convention, for example. The biggest name on the GOP ledger isn't even coming to the convention. Tim Pawlenty has already announced he is going directly to the August primary.

That news makes the GOP endorsement for governor a fait accompli, with Hennepin County Commissioner Jeff Johnson the prohibitive favorite to walk away as the endorsee.

A Pawlenty-Johnson primary contest will be the real GOP race for governor this year.

And while activists and observers will critique Pawlenty's decision for weeks to come, his decision essentially moots any interest or drama surrounding the convention.

On the DFL side, there is a bit more drama, but only a bit more.

The presumptive front runner, Congressman Tim Walz, has announced he won't abide by the endorsement, while the other two major candidates, Rep. Erin Murphy and Auditor Rebecca Otto, will abide.

Thus, the endorsement only matters to the extent that Walz can clear the field and avoid a meaningful primary battle if he can secure the endorsement.

According to Watchdog sources within the DFL activist ranks, the most likely outcome of the convention is a deadlock that results in no endorsement.

Moreover, many of the sources also opine that Rep. Murphy's campaign is gaining velocity and could pull an upset endorsement win.

Recent high-profile endorsements, combined with the likelihood that Otto's moribund campaign will result in her delegates moving to Murphy, all point to a deadlocked convention.

Thus, the real endorsement contest will happen this August, for sure in the GOP and most likely in the DFL.

If the endorsement matters little this year, it's fair to ask how much the endorsement has mattered at all over the state's past few decades.

There has been a mythology, especially in GOP circles, that the endorsement is dispositive of the ultimate victor and thus a key stepping stone to the governor's mansion.

But is it true?

History begs to differ.

Over the past 36 years, 4 of 5 governors won the office without major party backing.

This started in 1982, with Rudy Perpich winning sans the DFL endorsement.

Next up was Arne Carlson, who won not once but twice without the endorsement.

After that was Jesse Ventura, who won without the blessing of either major party.

Mark Dayton in 2010 was banished from the DFL convention for the sin of ignoring the endorsement. As we sadly know, he won and then won again in 2014, beating Jeff Johnson soundly.

2018 promises to be another year in which the endorsement is likely to mean little.

The pace of technology will only accelerate this process.

In years past, political parties served as a key information conduit for the party faithful, controlling voter lists, activist rolls, and interfacing between endorsed candidates and donors.

Not anymore. Technology platforms allow candidates with a modicum of sophistication access to data that helps them directly interface with voters, activists, and donors.

For example, standard consumer data has proven to be more accurate in helping candidates identify and micro-target voters than even the most up-to-date party rolls.

The car you drive or the place where you buy your groceries tells operatives more about your voting tendencies than being on some list from four election cycles ago.

While there will be sound and fury this weekend, August will be the bigger game in town for the governor's race.

A TRAIN TOO FAR?

Maybe, just maybe, liberals have finally broken light rail.

The news this week that the Southwest light rail project (SWLRT) is now projected to cost more than \$2 billion (you can bet we haven't seen the last cost increase, either), was greeted with concern across the ideological spectrum.

It appears that the \$2 billion number has perhaps proven to be a psychological number that may be hard to overcome.

While an increase in the cost of material and labor has contributed to the cost increase, the real culprit is the legal and practical doubt of spending \$2 billion to run a 14-mile rail line that even advocates admit will move people no faster than a car.

Liberals in the upscale, tony Kenwood neighborhood are waging a NIMBY lawsuit against the project that clearly confirms they think mass transit is good for other people.

A local railroad, TC&W, is waging a battle to mitigate negative impacts the project will have on their operations.

Funding from the federal government is uncertain.

In short, policy makers at all levels from both parties are asking the question that heretofore wasn't discussed: At what point does government pull the plug, acknowledging that a tipping point has been reached that makes the project not worth pursuing?

Conservatives have long held the correct view that the tipping point was reached long ago.

What's different now is that Democrats, at least some of them, are asking the same question.

Taxpayers may be witnessing history in the making.

They may be witnessing the demise of a rail project.

CHANGES

The bi-ennial announcement of legislative retirements is a rite of spring.

In certain election cycles, however, that news carries big weight.

Such is the case this year, with two announcements drawing particular attention.

The first was the bombshell news of late last week that Senate President Michelle Fischbach had resigned her seat and would take the oath of office as Mark Dayton's lieutenant governor.

The news immediately erased the GOP's 34-33 advantage in the Senate and put control of the chamber in play this year.

Governor Dayton has already set a special election date this year to coincide with the regular election day (editor's note: The Senate is not up this year; this is the only state senate seat on the ballot).

Current state Rep. Jeff Howe (R - Cold Spring) has announced his candidacy for the seat, giving the GOP a strong advantage in retaining the seat.

As if that news wasn't enough of a shocker, Tim Pawlenty announced Fischbach as his running mate at a Thursday morning press conference.

Fischbach is an excellent choice, with high standing within major GOP constituencies.

She will help smooth over any hurt feelings regarding the decision to bypass the state convention.

The second major announcement came on Wednesday of this week, when House Majority Leader Joyce Peppin (R - Dayton) said she would resign her seat and retire from legislative service.

Peppin will immediately take a lobbying job.

Other legislative retirements announced this session:

Rep. Peggy Flanagan (DFL-St. Louis Park) - Running on the Walz ticket for governor

Rep. Jon Applebaum (DFL-Minnetonka)

Rep. Abigail Whelan (R-Ramsey)

Rep. Clark Johnson (DFL-North Mankato)

Rep. JoAnn Ward (DFL-Woodbury)

Rep. Susan Allen (DFL-Mpls)

Rep. Mark Uglem (R-Champlin)

Rep. Jim Newberger (R-Becker) - Running for U.S. Senate

Rep. David Bly (DFL-Northfield)

Rep. Linda Slocum (DFL-Richfield)

Rep. Matt Dean (R-Dellwood)

Rep. Karen Clark (DFL-Mpls)

Rep. Sheldon Johnson (DFL-St. Paul)

Rep. Paul Thissen (DFL-Mpls) Named to the Minnesota Supreme Court.

June 8, 2018

Public Policy Commentary

In This Issue:

Editor's Note: The Watchdog notes the 74th anniversary of Operation Overlord this week, June 6th. The brave men who landed on Normandy beaches and behind enemy lines via parachute and glider demonstrated uncommon valor did much to create the label 'Greatest Generation.' May we never forget their selfless sacrifice.

Quote of the Week: "Let's work through this, let's slog through this. Let's come out of this convention unified."

-DFL Chairman Ken Martin

Quote of the Week: When Forum News Service asked May (sic) Quade if she knew what E85 is, she replied "I am still learning a lot." However, she said it sounded like something dealing with oil.

-Quoting DFL-endorsed lieutenant governor candidate Erin Maye Quade

FLIRTIN' WITH DISASTER

I'm travelin' down the road

I'm flirtin' with disaster

I've got the pedal to the floor,

My life is running faster

I'm out of money, I'm out of hope,

It looks like self-destruction

-Molly Hatchet

Wow. Just wow. This past weekend's DFL state convention showed that the Democratic Farmer Labor Party is falling apart, with a permanent fracture of the modern coalition on the horizon.

As this publication has explored on many occasions, there is a growing schism between the party's urban, liberal faction and its rural 'Reagan Democrat' pragmatic faction.

This impending divorce was on full display this past weekend in Rochester and portends an impending disaster for the party this fall.

The convention was a disaster.

The August primary will further divide the DFL.

The general election will feature extreme DFL candidates.

It is for these three reasons that the Watchdog predicts the 2018 election will be a winner for the GOP.

THE CONVENTION WAS A DISASTER

There is a popular saying that starts 'you had one job'

DFL Chairman Ken Martin and his crew had one job this past weekend, unite the party behind a slate of endorsed candidates.

That didn't happen, obviously.

And while it isn't uncommon to have primary races, even hotly contested, this past weekend went beyond anything in modern Minnesota politics.

The DFL left the convention wholly divided and divided on many levels.

The governor's race is a three-way primary contest* that features three legitimate contenders:

State Rep. Erin Murphy (endorsed);

Congressman Tim Walz;

Attorney General Lori Swanson.

*There are two other candidates who merit little more than 'C' list consideration.

Another state-wide race, attorney general, is a five-way primary contest, with four legitimate contenders:

Matt Pelikan (endorsed);

Deb Hillstrom (state Rep.);

Mike Rothman (former Commerce Commissioner);

Keith Ellison (Congressman)

A third state-wide race, state Auditor, will also see a primary between endorsed candidate Julie Blaha and Jon Tollefson.

The only DFL state-wide race on the ballot that won't feature a primary is that of Secretary of State, where Steve Simon will move on to the general election.

And while congressional district race endorsements don't happen at the state convention, the attorney general fiasco prompted District 5 Congressman Keith Ellison to abandon a bid for re-election and jump into the attorney general race.

The open seat in District 5, which is heavily DFL, has created an 8-way free-for-all, with many prominent names:

Ilhan Omar (state Rep.);
Bobby Joe Champion (state Sen.);
Margaret Anderson Kelliher (former House speaker);
Patricia Torres Ray (state Sen.)
Kim Ellison (Keith's ex);

This race will have a big impact on the DFL primary (as explained below).

THE AUGUST PRIMARY WILL FURTHER DIVIDE THE DFL

The governor's race more than anything else will divide the DFL base and lead to further fractures.

With three legitimate candidates, they have no choice but to attack one another to gain an upper hand with primary voters.

Moreover, those attacks will inevitably focus on the divisions within the base, forcing each candidate to speak to certain elements.

Take Second Amendment issues. Lori Swanson specifically pointed out in her announcement that she was running for governor that she is in favor of gun rights, a hot button topic.

Erin Murphy, on the other hand, is a gun grabber and has no regard for the Second Amendment, as does her running mate.

There is no middle ground here. This is a fault line within the DFL and one that candidates will jump up and down upon.

Mining is another example. Swanson and her running mate, Rick Nolan, favor mining.

Murphy does not.

They will attack each other on this subject, inflaming passions.

As for Tim Walz on these issues, who knows.

His fatal flaw may be that in attempting to be all things to all DFL voters, he has ended being nothing.

He may be the man who stood in the middle of the road and got run over.

As a congressman, he proudly took the NRA endorsement. For governor, he's run away from the NRA.

He claims he supports mining and pipelines, but his running mate has been a vocal and active opponent.

This may explain why Walz spent over a year and a million dollars running for governor, only to lose the endorsement and attract a quality opponent to enter the primary (Swanson).

Nonetheless, he is still a formidable candidate.

The bottom line is that DFL stands to leave the primary election a bruised and battered entity, with one faction feeling alienated and thus prone to stay home or vote GOP.

THE GENERAL ELECTION WILL FEATURE EXTREME DFL CANDIDATES

The Watchdog predicts that the most extreme DFL candidates will emerge from the primary, meaning their ticket will feature the least electable candidates.

Here's why.

First, the DFL is wholly funded, owned, and operated by the wealthy urban elites who hail from about three zip codes in Minneapolis and Saint Paul.

These king makers are extremely liberal in their world view and thus support candidates who are extremely liberal in their world view.

In short, the DFL establishment these days favors extreme liberals who hail from the urban core.

Second, August primary elections are classic base elections where the candidate who best panders to the base will likely win.

Today's DFL base is far more liberal than in the past. The sheer numbers favor liberals, and it favors liberals who live in Minneapolis or Saint Paul.

A third (and related) point goes back to what was written above about the 5th Congressional District.

With an open seat in this district (Minneapolis and surrounding suburbs), primary turnout in this district will be greatly enhanced, as voters go to the polls to support one of 8 candidates for the seat.

When one considers that the 5th already exercises outsize influence in terms of DFL vote numbers, you have a recipe for electing urban liberals.

Take a look at the 2016 vote for president.

Hillary Clinton received 273,402 votes in the 5th.

That is more than twice the number of votes she received in either the 1st, 7th, or 8th congressional districts.

Look at the numbers another way. Combining the 4th and 5th districts (Saint Paul and Minneapolis), Clinton took 497,205 votes.

In districts 1,7, and 8 combined, she took 374,062, some 123,000 votes less than the urban core.

This imbalance will only be exacerbated by an open seat in the 5th, where the DFL primary IS the general election, since the winner will win the district.

This means that the likely primary winners will be Erin Murphy for governor and Keith Ellison for attorney general.

These two candidates are a dream for the GOP, where their voting records and Ellison's personal baggage will be a liability with respect to a general election.

This isn't to say the GOP will have a cake walk.

The GOP faces its own primary for governor, with the risk of divided party post-primary.

Having said that, the chance to retake the governor's office after 8 years of Mark Dayton will provide a powerful glue to hold the party together in November.

There is also a great deal of apprehension among many Republicans regarding Doug Wardlow, the endorsed attorney general candidate.

A former legislator, Wardlow earned a reputation for intemperance and immaturity during his brief tenure.

Many are worried those same character traits will emerge on the campaign trail this year.

Time will tell.

Moreover, the GOP has quality candidates running at the top of the ticket, with names like Karin Housley, Jason Lewis, Tom Emmer, and newcomer Pete Stauber exciting the base.

House Speaker Kurt Daudt is an experienced campaign leader and has his caucus primed to hold the House.

Overall, as things stand today, the GOP has the wind at their back, thanks to the DFL's very bad, no good, rotten convention.

June 15, 2018

Public Policy Commentary

In This Issue:

Quote of the Week: 'Israel has hypnotized the world, may Allah awaken the people and help them see the evil doings of Israel.'

-DFL State Rep. and congressional candidate Ilhan Omar

THE HYPOCRISY NEVER ENDS

Greetings, Watchdogs. Welcome to another week of big political news, as summer hasn't slowed down politics or the cynical hypocrisy of the liberals.

As readers well know, Governor Dayton vetoed a huge amount of important, bi-partisan legislation this past session.

Tax cuts, tax conformity, education reform, opioid abuse funding, MNLARS funding, suicide prevention funding, and the list goes on.

The DFL justified this unjustifiable gubernatorial temper tantrum by proclaiming that Republicans should have passed this legislation as separate, stand-alone bills.

As readers will recall, the legislature passed much of this legislation in 'omnibus' spending bills, including a comprehensive supplemental omnibus funding bill, derisively called a 'garbage bill.'

Such a bill rolls all programmatic spending (education, transportation, agriculture, environment, human services, etc.) into one bill.

While the Watchdog recognizes and shares the concern that these bills offend the state constitution's mandate that bills embrace only a single subject, it is galling to see the DFL complain about such omnibus bills when they have done the same thing.

It is curious that the media hasn't called out the DFL for complaining about the omnibus supplemental spending omnibus bill when many of those same DFLers voted for such a bill when they were in charge.

In 2008, the DFL controlled both the House and Senate.

That year, they passed a similar, almost identical, omnibus 'garbage' bill.

That bill ran 281 pages.

The bill's title ran 2 and a half pages alone.

It's high time that these DFL legislators who are using this session's omnibus spending bill as an excuse get called out for voting for such legislation.

Here is that roll call of those who voted for it before they voted against it:

Rep. Karla Bigham (Cottage Grove) (now in Senate)
Rep. David Bly (Northfield)
Rep. Lyndon Carlson (Crystal)
Rep. Jim Davnie (Minneapolis)
Rep. Rick Hansen (South Saint Paul)
Rep. Alice Hausman (Saint Paul)
Rep. Deb Hilstrom (Brooklyn Park)
Rep. Frank Hornstein (Minneapolis)
Rep. Melissa Hortman (Brooklyn Park)
Rep. Carolyn Laine (Columbia Heights) (now in Senate)
Rep. John Lesch (Saint Paul)
Rep. Leon Lillie (Maplewood)
Rep. Diane Loeffler (Minneapolis)
Rep. Tim Mahoney (Saint Paul)
Rep. Carlos Mariani (Saint Paul)
Rep. Paul Marquardt (Dilworth)
Rep. Erin Murphy (Saint Paul)
Rep. Mary Murphy (Hermantown)
Rep. Mike Nelson (Brooklyn Park)
Rep. Jeanne Poppe (Austin)
Rep. Jean Wagenius (Minneapolis)
Sen. Tom Bakk (Cook)
Sen. Jim Carlson (Eagan)
Sen. Dick Cohen (Saint Paul)
Sen. Scott Dibble (Minneapolis)
Sen. Ron Latz (Saint Louis Park)
Sen. Tony Lourey (Kerrick)
Sen. Sandy Pappas (Saint Paul)
Sen. Ann Rest (New Hope)

THE ANTI-SEMITES AMONG US

While the media has been engaged in a running obsession with Donald Trump, pointing out every perceived foible and error (some made up), there has been an eerie silence regarding the DFL's tolerance of blatantly intolerant, anti-semitic behavior on the part of two prominent members of their own party.

Since arriving on the Minneapolis political scene recently, state Rep. Ilhan Omar has been celebrated as a rising star.

A Muslim, Somali immigrant, Rep. Omar has made national news as an example of the new face of Democrat politics.

In only her first term in the legislature, she is now a candidate for Congress.

Congressman Keith Ellison is a darling of the far Left and the first Muslim elected to the U.S. House.

The trouble is that both have a troubling history of anti-semitic behavior.

Ihan's most infamous statement is our quote of the week: 'Israel has hypnotized the world, may Allah awaken the people and help them see the evil doings of Israel.'

Ellison, who is now running for Minnesota Attorney General, has longer history in this regard, including a history of association with virulent anti-semite Louis Farrakahn.

Various non-legacy media outlets have documented Ellison's history of anti-semitic, anti-American hatred.

<http://freebeacon.com/politics/9-potentially-damaging-facts-keith-ellison-frontrunner-chair-dnc/>

<http://www.powerlineblog.com/archives/2011/08/keith-ellison-for-dummies.php>

<https://legalinsurrection.com/2016/11/keith-ellisons-troubling-relationship-with-anti-israel-groups/>

The DFL continues its race to the far, far Left.

THE ODDEST FILING

While attention this campaign cycle has rightly been focused on the DFL's three ring circus, there has been little attention given to former state Rep. Tom Hackbarth filing to run for his old seat in the House.

According to the Secretary of State's office, Hackbarth filed for House District 31B on May 29th.

The filing lists no campaign web site or email.

A search of the Internet shows no press release, campaign web site, quotes, or other news regarding a 2018 campaign.

Such a campaign would make no sense, whatsoever.

To start, the man who beat Hackbarth for the GOP endorsement and then thumped him in the primary, Cal Bahr, is running for re-election.

Bahr has been an excellent legislator who has cast conservative votes and been a staunch voice for individual liberty and limited government.

In fact, Bahr had the highest score of any House member on the Legislative Evaluation Assembly score card in 2016.

In short, this publication is having big trouble thinking of a strategy that would oust Bahr in favor of Hackbarth.

It's hard to see why GOP delegates would endorse Hackbarth over Bahr or why they would choose Hackbarth in a primary.

Hackbarth lost the endorsement in 2016 to Bahr after 31B delegates finally got sick and tired Hackbarth's ethics problems as well as his unprofessional demeanor.

Hackbarth then burned his bridges by reneging on a pledge to abide by the endorsement to run in a primary.

In short, good luck with all that.

The situation was best summed up by loyal Watchdog reader and conservative activist Dwight McCullough.

After Hackbarth lost the endorsement in 2016 and was publicly contemplating a primary run, McCullough was quoted in the news as stating, "Tom Hackbarth's integrity goes down the tubes," if he decides to run in the primary after committing to abide by the endorsement.

Odd, indeed.

June 22, 2018

Public Policy Commentary

In This Issue:

Quote of the Week: "The elite! Why are they elite? I have a much better apartment than they do. I'm smarter than they are. I'm richer than they are. I became president and they didn't."

-President Donald J. Trump

Quote of the Week: 'She has been so great. She's got a big race coming along. It's going to be so great.'

-President Trump, endorsing the Pawlenty/Fischbach Ticket in an oblique sort of way

Quote of the Week: 'I love how Trump has to keep finding more and more remote places for his hillbilly jerkoff rallies. Tonight: Duluth, MN. Next Month: Some trailer park in Huckleberry, MS.'

-Tweet from another liberal, expressing their true, collective feelings about any part of America not within 5 miles of a skyscraper

TRUMP'S VISIT

Unless you were in a coma, you knew that President Trump visited Duluth this week for a patented MAGA rally.

All presidential investments of time are made for strategic reasons.

So why Duluth, and why now?

Who won and who lost with Trump's appearance?

Clearly, Trump is establishing a road map for 2020 and laying the foundation for re-election.

Minnesota hasn't gone with a Republican presidential candidate since Richard Nixon in 1972, the same year Harold Hamilton founded Micro Control Company.

The biggest winner by far from the rally was Pete Stauber, the GOP candidate for the open 8th District seat being vacated by Rick Nolan.

The rally provided great visibility for Stauber, raised his profile, and enhanced his gravitas as a strong candidate in one of the most highly targeted races this cycle.

Conversely, the rally diminished the DFL candidates, who are competing in a divisive primary and were relegated to an amateurish counter-rally where they all dispassionately regurgitated the same old shop-worn attacks on the president.

The GOP is well on its way to capturing this seat.

The other big winner here is Republicans across the Eighth Congressional District up and down the ticket.

As this publication has noted on many occasions, there is a true political realignment taking place across the district. This rally was another nail in the DFL coffin in the 8th and another chapter in the GOP rise in the area.

Trump won the district by 16 points in 2016 and there is nothing to counter the presumption that he will do even better in 2020.

Another big winner was Tim Pawlenty. Pawlenty has thus far deftly navigated the treacherous political cross-currents of our divisive president.

State-wide GOP candidates need to secure the support of both rural voters who embrace Trump as well as suburbanites, many of whom despise Trump.

Pawlenty pulled off the master stroke of having it both ways.

He stayed away, preventing photo ops and other fodder for opposition literature later this year.

By the same token, his running mate was there to embrace Trump and she earned the coveted 'shout out' from the president, who proclaimed, 'she has been so great.'

While some have declared Congressman Erik Paulsen a 'loser' here because his absence would be noted by the base in his district, we disagree.

Paulsen has proven to be very attuned to the mood of his suburban district, and his decision to stay away won't hurt him. In fact, staying away shows an element of independence that is expected and rewarded in the district.

Paulsen knows his district and will win re-election. The DFL dreams of beating him every election cycle in the same way the GOP dreams of beating Collin Peterson.

The loser from the Trump visit had to be Jeff Johnson.

Way behind in the money race and looking for a boost to build on his endorsement win, his camp was looking for Trump's help by way of some praise, if not an outright endorsement.

It didn't happen.

Throughout, Johnson's campaign narrative has been to identify as the ideological heir to Trump in Minnesota.

That Trump failed to acknowledge him or his campaign was a blow for sure.

Having said all that, it's important to acknowledge that any president's influence isn't absolute, especially in Minnesota.

Minnesota has a history of ticket splitting, and 2016 proved that a 'Trump effect' is limited.

For example, there were many districts that elected a Republican or Democrat to the Congress or legislature but also voted for the presidential candidate of the party opposite:

1st Congressional District: Voted for Trump, Re-elected Tim Walz;

3rd Congressional District: Voted for Clinton by 10 points, Re-elected Erik Paulsen by 13 points;

7th Congressional District: Went for Trump by 31 points, Re-elected Collin Peterson;

8th Congressional District: Went for Trump by 16 points, Re-elected Rick Nolan;

House District 49A (Edina): Clinton won by 27 points, elected Dario Anselmo;

House District 42A (Shoreview): Clinton won by 14 points, elected Randy Jessup;

House District 52B (Inver Grove Heights): Clinton won by 7 points, elected Regina Barr;

House District 4B (Moorehead area): Trump won by 21 points, Re-elected Paul Marquardt;

House District 6A (Iron Range): Voted for Trump, elected Julie Sandstede by 18 points.

These are just a few examples that demonstrate the old political axioms that all politics is local and that the quality of candidate matters.

So, while President Trump will certainly influence down-ticket races across the country this year, that influence will be tempered by both the limitations of presidential appeal and the fact that in many ways Trump is more of a unique political brand rather than a standard bearer for a major party.

LIBERAL UPDATE

In case you missed it, this is what the DFL liberals in Minnesota have been up to, and stand for, as we move into the heart of a critical election season:

Endorsed for governor a Saint Paul liberal who, among other things, wants single-payer health care;

That same candidate chose for her running mate another Metro liberal legislator who is so ineffective she has yet to pass a single bill into law;

Fought against a bill to enhance penalties for people who shut down freeways and airports;

Endorsed a candidate for congress with a history of anti-semitic statements;

Have a candidate for attorney general with a long, long history of anti-semitic associations and activities;

Still supporting a governor who vetoed important tax reform legislation but couldn't explain why he did so;

Are preparing protest camps along the Line 3 route to specifically vandalize the project and assault construction workers.

Yes, please tell us again of that Blue Wave that's coming our way.

June 29, 2018

Public Policy Commentary

In This Issue:

Quote of the Week: "We conclude that this arrangement violates the free speech rights of nonmembers by compelling them to subsidize private speech on matters of substantial public concern."

-Justice Samuel Alito

Quote of the Week: 'If you see anybody from that Cabinet in a restaurant, in a department store, at a gasoline station, you get out and you create a crowd and you push back on them and you tell them they are not welcome anymore, anywhere.'

-Rep. Maxine Waters (CA - 43)

A MAJOR DECISION

Watchdogs, you read this week of one of the most consequential Supreme Court cases to be issued in decades.

The case, Janus vs. AFSCME, held that government workers cannot be compelled to pay 'agency' or 'fair share' dues as a condition of employment.

These so-called 'fair share' dues are ostensibly used only to pay for the costs associated with union services that benefit all members, such as the cost of bargaining a contract.

Public unions double-pinky swear that no fair-share dues end up being spent for other purposes.

If you believe that.

Put another way, Janus established right-to-work for government employees in the 22 states that compel such dues as a condition of public employment.

The decision was an eminently correct decision that will reverberate for decades to come.

First, the decision was correct from a legal perspective. Basically, Mark Janus and his counsel argued that all speech coming from a public-sector union is inherently political.

Thus, the payment of any dues constitutes a violation of the First Amendment rights of the one compelled to pay because he may not agree with that speech.

The positions taken by these unions, whether at the bargaining table or at a swanky fundraiser for some DFL politician, are indeed political. Teacher tenure, school discipline, how much taxpayer money should go to wages versus after-school programs, it's all political and entails public policy choices. No public employee should be compelled to pay for a teacher union lobbyist who is down at the Capitol testifying against a freeway protest bill or in favor of open borders.

In the same manner, no public employee should be forced to subsidize some union leader making \$150,000 to argue that layoffs should only be conducted in reverse order of seniority, with no account given to merit.

Second, the Court was right to prune back public-sector union power. In fact, it is right to ask whether public employees should be allowed to organize at all.

This is because public sector labor relations lack that true tension between labor and management interests that results in hard-won compromise and balance.

We all know how this game works. The union spends gobs of money to elect supine, compliant politicians. In turn, these politicians pledge loyalty to the union, not the taxpayers they are charged to represent.

Thus, the bargaining table in the public sector is often one-sided, with both sides looking out for the union and no one looking out for the taxpayers.

Ever wonder why so many public union retirement funds are bankrupt? Unsustainable, kid-in-the-candy-store financial promises, that's why. Because no one was at the bargaining table to enforce any restraint or push back against outlandish union desires.

Inherently clashing interests create the tension that upholds the beneficial nature of bargaining. In fact, it is the cornerstone of labor relations.

When everyone lines up to raid the cookie jar, it's little wonder there is quickly nothing left but crumbs.

Third, these public unions were in desperate need of being reigned in from a political perspective.

Some of these unions hurled hundreds of millions of dollars at Democrats in a shameless display of hyper-partisanship and not-so-subtle influence peddling.

The Watchdog has spoken to many former and current GOP legislators about this subject.

All of them, to a person, recounted stories of groups like Education Minnesota making no meaningful effort to reach out or work with them. It was clear to these legislators that groups like Ed MN and AFSCME were little more than an extension of the DFL.

A search of campaign finance records shows that these unions generally give about 99% of their donations to the DFL.

A union is supposed to be about representing their membership, not supporting one political party.

In fact, most union issues shouldn't be hyper-partisan. We also know that no union has a membership that votes 99% DFL. One of the truly interesting statistics from the 2016 election is how many self-identified union members voted for Donald Trump (40-50% in the construction unions).

Fourth, the arrogance of union leadership is evident in their lashing out at the Supreme Court, the president, the Congress, and the pizza delivery guy over Janus.

They are angry that upwards of 30% of their membership will walk away, taking millions and millions in union dues (and political power) with them.

If a person runs an organization that sees 30% of their customers flee when given a chance, shouldn't that be an invitation for that leader to look in the mirror?

After all, Janus didn't go so far as to outlaw these unions. It only made dues voluntary.

If the union was providing a value to the membership, there wouldn't be the predicted mass exodus. Sure, there will always be a few freeloaders, but these can't be so arrogant and out of touch as to label nearly 1/3rd of their membership as deadbeats. Can they?

The simple fact is that big money, big politics, and big egos caused these unions to ignore the very people they should care about: their membership and the taxpayers who fund their wages and benefits.

Finally, it's a sad commentary on the state of American politics that any case or the retirement of any justice of the court should cause national strife.

It's a clear indicator that the federal government's authority has washed over the guardrails established by the Framers and has engulfed every aspect of our lives.

It is cold comfort to patriots to take joy in seeing the Leviathan created by the Left eat them alive.

The simple truth is that the Judicial Branch shouldn't have this much power over our daily lives.

The real goal of conservatives shouldn't be a conservative court. The real goal should be to move our entire federal government back within the confines of what our Founding Fathers intended it to be.

SHE'S COME UNDUN

She's come undone

She found a mountain that was far too high

And when she found out she couldn't fly

It was too late

-Bruton Cummings

Before we start, all you uncool readers need to understand the spelling of 'undun' is due to the artistic license of one Burton Cummings. We don't need emails from middle-aged geeks correcting things, thank you.

Now back to one Maxine Waters and the mania of the Left.

We have been witnessing the Left come undone once again lately in a way the country hasn't seen since the violence of the 1960s.

Pay attention, readers. The behavior of the Left in harassing Trump staffers and other behavior is a stark reminder that at its core, liberalism doesn't respect individual rights.

The Left will trammel people who stand in the way of their collectivist march and not think twice.

While people who subscribe to norms of human decency can and should decry this behavior, it should surprise no one.

History is replete with Leftist violence committed in the name of collectivist goals.

While conservatives are supposed to quietly sit down when Obamacare and gay marriage are on the docket, the Left feels entitled to bully, intimidate, harass, and riot when their political agenda is thwarted.

Know it. Remember it.

<https://www.youtube.com/watch?v=xgBGnwGwKpY>