



June 1, 2011

Commissioner Myron Frans
Minnesota Department of Revenue
600 North Robert Street
St. Paul, MN 55101

Commissioner Jim Schowalter
Minnesota Management and Budget
400 Centennial Building
658 Cedar Street
St. Paul, MN 55155

Dear Commissioners Frans and Schowalter:

Thank you for agreeing to participate in the upcoming meetings of the Legislative Commission on Planning and Fiscal Policy. Our hope is the meetings will be a setting for productive public dialogue between the Legislature and the Dayton Administration. In anticipation of tomorrow's meeting, please be prepared to discuss Minnesota's current fiscal situation, the Governor's latest budget, and the Governor's position on specific provisions in the legislature's vetoed budget.

We would like information on plans to offset the loss of \$1.8 billion in revenue in the Governor's budget due to the recent change in the administration's tax plan. Specifically, be prepared to discuss the legislature's spending reductions the Governor will agree to, or new spending reduction proposals.

On multiple occasions the Governor has indicated an interest in exempting small business from the effects his tax increase plan. We are interested in knowing how this proposal changes revenue estimates for the administration's budget, and what offsets are proposed to allow small businesses keep more of their hard-earned money.

Again, we appreciate your willingness to engage in public discussions regarding the state budget and look forward to tomorrow's exchange.

Sincerely

Handwritten signature of Amy T. Koch in black ink.

Amy T. Koch
Senate Majority Leader
Senate District 19

Handwritten signature of Kurt Zellars in black ink.

Kurt Zellars
Speaker of the House
House District 32 B

