October 5, 2012

Via Hand Delivery

The Honorable Mark Dayton
Governor
130 State Capitol
St. Paul, MN 55155

The Honorable Jim Schowalter
Commissioner
Minnesota Management & Budget
400 Centennial Building
St. Paul, MN 55155

Dear Governor Dayton and Commissioner Schowalter:

By this letter, the House members of the Legislative Advisory Commission submit to you our rejection of your request to spend $42.5 million in federal funds to build and implement a state health care exchange under the federal Affordable Care Act ("ACA").

In your request to authorize spending these funds, you are asking us to authorize the hiring of 54 new full time employees yet provide limited to no details about how those employees and other costs would be funded once the federal funding expires.

In a letter to us dated September 18, 2012, you stated: "Let me be clear: My administration will not commit Minnesota to any final policy decisions in this application, such as how it will be financed or its permanent governance structure." You even declared, in a recent visit to the Humphrey Institute, what you termed a "truce" on implementing an exchange until after the upcoming election.

Yet with this request you are asking individual legislators to take on long-term costs which you have not defined to us or to the taxpayers who must ultimately pay for it. We believe the state of Minnesota should not implement a state health care exchange until or if the Minnesota Legislature has approved it and not at least until the public has had a chance to weigh in on this important policy decision.

Sincerely,

Representative Kurt Zellers
Speaker of the House

Representative Mary Liz Holberg
Chair, Ways & Means Committee