

# Alliance for a Better Minnesota Ad Check:

## *“Cash Bonuses?”*

Radio: 60

Script	Background
<p><b>Annie:</b></p> <p><i>Everyone keeps saying we're in "the biggest financial crisis in history." But I'm not worried about the stock market – I'm worried about the cost of food and gas – and just being able to afford to keep our home.</i></p> <p><i>So when I learned that Erik Paulsen actually voted <u>against</u> a plan to <u>cut</u> property taxes for homeowners like me – I just couldn't believe it.</i></p>	<p><b><u>Paulsen Voted Against Property Tax Cuts:</u></b></p> <p><b>2007: Paulsen voted against cutting property taxes for homeowners and farmers.</b> One percent of taxpayers, about 50,000 wealthy Minnesotans, would pay the higher taxes. The bill, passed on a 74-59 vote, raised the top income tax rate from 7.85 percent to 9 percent for couples and other joint filers earning more than \$400,000 a year and single taxpayers with incomes above \$226,000. Most of that money was set to go to a new program linking property tax relief to a homeowner's ability to pay. It would have provided state refunds to homeowners whose property tax bills exceed 2 percent of their incomes. Homeowners earning up to \$150,000 a year would be eligible for the refunds ranging from \$250 to \$2,500. The bill was the last of the House's big 2007 budget bills and the most controversial, since Gov. Tim Pawlenty vowed to veto it because it included an income tax hike. [Minnesota House Journal, pages 4841-4843, HF 2362, 4/27/2007; Star Tribune, 4/28/2007; St. Paul Pioneer Press, 4/27/2007; AFL-CIO Minnesota 2007 Scorecard]</p> <p><b><u>Voted Against Permanent Middle-Class Property-Tax Relief in 2007; Protected Extremely Wealthy from Paying Fair Share.</u></b> In April 2007, Paulsen voted against the 2007 Omnibus Tax Bill, which House Tax Committee Chair Ann Lenczewski said would ease the property-tax burden on 90 percent of Minnesota homeowners. The bill funded the property-tax relief with a new nine-percent income-tax bracket for joint filers earning more than \$400,000 dollars a year and for single filers making more than \$226,000 a year. The bill passed 74-59, but did not make it out of conference committee. The bill above (HF 2268) became the vehicle for the omnibus tax bill instead. [HF 2362, 85th Session, House Journal p. 4841, 4/27/07; Minnesota Public Radio, MPR Vote Tracker; 4/27/07]</p>
<p><i>And Paulsen voted to cut funding for our schools – and for colleges. Well the one thing we could count on here in Minnesota was good schools for our kids – but with Eric Paulsen's votes what will we do now?</i></p>	<p><b><u>Paulsen Voted to Cut Funding for Education:</u></b></p> <p><b>Paulsen voted in favor of slashing higher education by \$367 million.</b> April 2003, Paulsen voted in favor of the House version of the FY03 omnibus higher education finance bill. This bill funded the U of M, the Minnesota State Colleges and Universities (MnSCU), the Mayo Medical Foundation and the Higher Education Services Office. It cut the U by \$191.5 million over the following biennium and MnSCU by \$176 million (roughly a 15% cut). Tuition increases were projected at roughly 15% each year under this package. The bill passed 81-51. [SF 1511, 83rd Session, House Journal p. 3075, 4/29/03]</p>

*And the most unbelievable thing is that while Paulsen was making cuts to schools and health care – he turned around and gave big bonuses to his staff.*

*Look, I've never cared much about politics, but things are just getting too hard – we need to let Erik Paulsen know that Minnesotans are hurting – Call Erik Paulsen and tell him to stand up for us for a change.*

**NARRATOR:**

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**Paulsen Voted to Give Pay Bonuses to Staff...**

**Paulsen Voted to Give Pay Bonuses to Staff While Rest of Minnesota Suffered Record Budget Cuts.** In 2003, then House Majority Leader Erik Paulsen voted to give nearly a half-million dollars in bonuses to House staff members. At the time, the Legislature enacted record spending cuts and the state faced another projected budget shortfall. The Star Tribune reported that the “largesse was approved early in December, just a few days after state Finance Department officials announced a projected budget shortfall of \$185 million.” [Star Tribune, 12/20/03; Associated Press, 12/20/03]

**...While Voting to Cut Health Care and Education:**

**As House Majority Leader, Paulsen Led 2003 Charge to Cut Healthcare, Pass Costs onto Minnesotans.** In May 2003, Paulsen supported the 2003 Omnibus Health and Human Services Finance Bill. The bill eliminated health coverage for 68,000 Minnesotans and reduced funding for child-care assistance by \$87 million. The bill passed 74-59. Paulsen also voted for the conference version of the bill, which eliminated health coverage for 38,000 Minnesotans. [HF 437, 83rd Session, House Journal p.3321, 5/01/03; SS HF 6, 2003 Special Session, House Special Session Journal p. 771, 5/29/03; AP, 5/3/03]

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