

Nobles Economic Opportunity Network (NEON) is a collaborative effort of local governmental and quasi-governmental agencies and taxing authorities working together to improve the region.

Mission Statement

NEON is a regional platform for communication and collaboration among local taxing authorities to provide the best value service delivery to their constituents.

The NEON group consists of:

Townships of Bigelow, Bloom, Dewald, Elk, Graham Lakes, Grand Prairie, Hersey, Indian Lake, Larkin, Leota, Lismore, Little Rock, Lorain, Olney, Ransom, Seward, Summit Lake, Westside, Wilmont, and Worthington;

The Cities of Adrian, Bigelow, Brewster, Dundee, Ellsworth, Kinbrae, Lismore, Round Lake, Rushmore, Wilmont and Worthington;

The School Districts of Adrian #511, Ellsworth #514, Worthington #518, and Round Lake/Brewster #2907;

Minnesota West

Lincoln Pipestone Rural Water

Heron Lake, Kanaranzi-Little Rock, and Okabena-Ocheda Watershed Districts

Nobles County Soil and Water Conservation District

Worthington Area Chamber of Commerce

Worthington Public Utilities

Worthington Regional Economic Development Corporation (WREDC)

Nobles County

Regular invitees include Senator Weber, Representatives Hamilton and Schomacker, Senators Klobuchar and Smith staff, Representative Walz staff, Lewis & Clark Rural Water Systems and others.

NEON holds a monthly meeting to better understand each other's programs and needs, bring up ideas, share information, address opportunities and build relationships.

Our first major success is the recognition as a Blandin Broadband Community in 2015, leading to several matching grants and excellent progress in bringing broadband to many county rural residents. NEON is currently looking for more opportunities with a current focus on daycare.

This document demonstrates success as the development of this legislative platform and the consensus to bring forth the top priorities for our county area.



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2018 LEGISLATIVE PLATFORM

ESSENTIAL ELEMENTS

Day Care

The challenges related to starting a daycare and staffing have created a severe shortage of quality daycare to the point people have denied job offers for that one reason. Licensing is very complex and onerous to a point where we have had potential providers stop the process and walk away. (Exhibit A)

Special Project Funding

A collaboration between the City of Worthington, Nobles County and Independent School District 518 will benefit most Nobles County residents and others throughout the region and clean up an old commercial site and regional data center for governmental and quasi-governmental. Funding through the next state bonding bill will be important to ensure the projects are successful. (Exhibit B)

Infrastructure funding: roads, bridges, broadband, transportation

Our primary infrastructure of roads and bridges is aging and significant investment is needed across the entire state. NEON strongly supports a transportation bill with a reliable funding source, and increased funding of broadband. The quality of life, education access and economic development of many rural Minnesotans' is compromised severely by the lack of reliable broadband. (Exhibit A)

Health Care/ Insurance

The cost for health insurance in rural Minnesota is surpassing the cost of housing for many homeowners and renters. This is having a negative effect on business. Significant change in policy needs to be made to reduce the very large increases in health care premiums and deductible amounts many Minnesota residents are experiencing needs to be a priority. (Exhibit A)

Education

We believe that for Minnesota to continue to be known for its quality of public education numerous items must be addressed in order to continue meeting the high expectations including; taxation policy, bonding capability, pre-school requirements and teacher certification. NEON supports efforts to make schools a top priority by making funding equitable for buildings and students across the state. (Exhibit B)

Housing

Shortages across all housing sectors threaten the economic and community viabilities of SW Minnesota. NEON supports the adoption of tools allowing local government flexibility to address local housing challenges and to encourage market rate and targeted housing starts as critical for sustained and healthy growth. (Exhibit A)



Summary of All Legislative Priorities

Infrastructure and Transportation

- 1) NEON supports continued trail development funding to improve the quality of life for residents and visitors and encouraging healthy lifestyles.
- 2) NEON supports state aid in bringing critical services of gas and water to small communities and bringing economic development opportunities to these communities.
- 3) NEON supports increased percentages of biofuels be mandated in the summer months to improve air quality, keep jobs in Minnesota refining the bio fuels and supporting a sustainable commodity of corn and soybeans produced in Minnesota.
- 4) NEON supports increased funding for broadband to encourage more public/private partnerships and ensuring the unserved and underserved areas across the state are not left behind.

Economic Development

- 5) NEON supports Greater Minnesota Economic development initiative to enhance the ability of especially border counties to remain competitive. (Exhibit A)
- 6) NEON supports bonding funds be allocated to complete the Biotechnology Advancement Center in the City of Worthington to enhance the ability of the community to bring new technology and industry to the region.
- 7) NEON supports appropriate tax incentives be offered to investors to continue their investments in renewable energy, and the revenues from that infrastructure not be included in any tax levy limits imposed on local government.
- 8) NEON support changes in the tax abatement process requirements to simplify the effort it takes to consider each request and proposal.
- 9) NEON supports the use of the Detailed Occupation Data as gathered by the Minnesota State Department of Employment and Economic Development in determining the Prevailing Wage Rate to be used for projects requiring the use of Prevailing Wage.



Education

- 10) NEON Supports equitable funding for all students across the State with increase funding that supports education of immigrants, refugees, and a diverse student population. (Exhibit B)
- 11) NEON supports providing School Districts with levy equalization aide that will support a more equitable funding avenue for students in every district. The district is promoting that a more equitable capital funding between property rich and property poor districts exists. Do not create the haves and have-nots! (Exhibit B)
- 12) NEON supports creating for students between the ages of 17 to 21 a career ready option (certificate program or enhanced adult diploma option) that does not affect district graduation rates and encourages further education or career options. (Exhibit B)
- 13) NEON supports addressing the teacher shortage with legislative changes that continue to remove barriers. Provide incentives that will encourage individuals to pursue a teaching profession beyond the loan forgiveness program (proactive approach). Provide the opportunity for all districts to participate/develop a Grow Your Own Teacher Program beyond what is currently in place. (Exhibit B)
- 14) NEON supports providing districts with the ability to have levy authority for capital projects along with more flexibility in the Long-Term Facility Maintenance program. The Minnesota Department of Education is limiting some of the projects for districts currently limiting projects based on interpretation versus legislation. (Exhibit B)
- 15) NEON supports reducing mandates that are not funded and create additional burden on district, while taking dollars out of the classroom to meet the requirements. (Exhibit B)
- 16) NEON supports developing a business tax credit that would allow for support of district bond referendums. A 20% credit would go a long way in helping district's meet the facility needs during a time of aging facilities.



Funding

- 17) NEON supports funding aid to all local governmental agencies be maintained at a level where essential services provided to the citizenry can be accomplished in an efficient and effective manner and to aid in meeting the requirements of the many unfunded mandates local government must follow.
- 18) NEON supports increased funding for Community Corrections in a consistent model to ensure adequate resources for the supervision of offenders and services provided by corrections departments across Minnesota.
- 19) NEON supports maintaining the wind and solar production tax as it currently exists and to remove the potential of levy limits being placed on the monies returned to Counties.
- 20) NEON supports increases in funding for older adults to ensure a high quality of life for all seniors, regardless of needs related to long term care. (Exhibit A)

General Government

- 21) NEON supports legislation to allow rural volunteer public safety service people a simpler means of meeting training and education needed to be a first responder especially in the areas of fire-fighting and ambulance services.
- 22) NEON does not support the 2013 law stating all Assessors are required to be at least AMA certified by 2022. This will create a hardship for townships and counties already challenged to contract or hire assessors.
- 23) NEON supports legislation making it easier for individuals to obtain health insurance through local insurance agents.
- 24) NEON supports simplifications, removal of unnecessary data exchange regulations, modernize technology systems and improvements in handicapped and elder care.
- 25) NEON supports continuing and enhancing the Small-city street funding from 2015.
- 26) NEON supports Small-city development assistance programs.
- 27) NEON supports an efficient permitting processes when construction permit requirements are taken over by the State of MN.
- 28) NEON supports easing restrictions on allowing ½ cent sales tax for communities to enhance recreational opportunities, buildings, infrastructure and amenities to improve the quality of life of citizens.



Natural Resources and Agriculture

- 29) NEON supports strengthening animal agriculture from livestock, dairy and crop producers to input dealers and processors which will create a strong rural economy that is interdependent with the entire state economy. (Exhibit A)
- 30) NEON supports full sustainable funding for regular maintenance of all state owned lands and appropriate tax rates to ensure townships and counties remain whole when land is taken out of agricultural production.
- 31) NEON supports encouragement of “Animal Agriculture” in Minnesota, similar to the Nebraska Livestock Friendly County program and opposes adopting a federal program which will be a state by state ‘patchwork’ system. (Exhibit A)

Thanks for engaging in NEON!



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**Worthington Area Chamber of Commerce
2018 Legislative Priorities**

Agriculture

Strengthening animal agriculture from livestock, dairy and crop producers to input dealers and processors will create a strong rural economy that is interdependent with the entire state economy. The strong interrelationship between agriculture in rural Minnesota, jobs and value-added processing in rural areas must be protected and strengthened without additional costs.

Education

The Worthington Area Chamber of Commerce believes in the following legislative priorities:

- Equitable funding for all students across the State with increase funding that supports education of immigrants, refugees, and a diverse student population.
- Provide School Districts with levy equalization aide that will support a more equitable funding avenue for students in every district. Do not create the haves and have-nots!
- Create for students between the ages of 17 and 21 a career ready option (certificate program or enhanced adult diploma option) that does not affect district graduation rates and encourages further education or career options.
- Addresses the teacher shortage with legislative changes that continues to remove barriers. Provide incentives that will encourage individuals to pursue a teaching profession beyond the loan forgiveness program (proactive approach). Provide the opportunity for all districts to participate/develop a Grow Your Own Teacher Program beyond what is currently in place.
- Provide districts with the ability to have levy authority for capital projects along with more flexibility in the Long-Term Facility Maintenance program. The Minnesota Department of Education is limiting some of the projects for districts currently limiting projects based on interpretation versus legislation.
- Reduce Mandates that are not funded and create additional burden on the district, while taking dollars out of the classroom to meet requirements.

Funding for Older Adult Services

Baby boomers are turning 65 at the rate of 10,000 per day. Minnesotans age 85+ increased 150% over the next three years. There will be more seniors than schoolchildren by 2020. The Age Wave has arrived, and it's starting to impact state budget decisions in the next biennium and beyond. The current funding system for long term care in Minnesota is broken and does not serve the needs of seniors, caregivers or the state.

The Worthington Area Chamber of Commerce supports creating a permanent long term care funding solution that will ensure:

- A high quality of life for our seniors today and in the future by providing better care for our aging population.
- Ensuring safe and quality care from experienced caregivers.
- Preserving access to long term care across the state.

Half-Cent Sales Tax

The Worthington Area Chamber of Commerce supports local government approval of a half-cent sales tax for recreational activities.

Healthcare

Ensure access to quality, affordable health care for employers and their employees, and address escalating costs.

- Make it easier for small employers to self-insure.
- Reform and stabilize the individual market, which supports self-employed and those with defined-contribution arrangements.
- Oppose new health care mandates that increase employer and employee costs.
- Prepare policy solutions for federal law changes impacting the state's public health care programs such as Medicaid.

Housing

The Worthington Area Chamber of Commerce supports development of programs for all levels of housing options. Shortages across all housing sectors threatens economic development and community viabilities of Worthington, Nobles County, and SW Minnesota.

Internet Sales Tax Collection

With the growing number of individuals purchasing goods on-line it has become a serious problem for local merchants. The Worthington Area Chamber of Commerce supports collection of sales tax of on-line purchases.

Local Government Aid

The Worthington Area Chamber of Commerce appreciates the connection to property taxes that local government plays in financing city and county services. Therefore, we support maintaining the state funding for Local Government Aid at its current level and should the state face a deficit, any further cuts or unallotment to Local Government Aid should not be under consideration.

Taxes

Promoting Tax Fairness.

- Conform the State Estate Tax Exclusion to the Federal Exclusion – Minnesota is one of only fourteen states with an estate tax. Unfortunately our neighbors, South Dakota, North Dakota and Wisconsin do not have estate taxes encouraging Minnesota residents to locate across the border and warm climate states. Minnesota's estate tax is "a leading reason why people move out of Minnesota in their retirement years." Once the wealth leaves, it never comes back.

Tax Relief

Encourage investment, innovation and growth by reducing uncompetitive taxes for all businesses.

- Enact meaningful business property tax relief and eliminate the automatic business property tax inflator.
- Reduce high income-tax burdens impeding investment in Minnesota businesses and jobs by reducing the rate on "pass through" businesses.
- Enhance the research-and-development tax credit.

Transportation

Provide adequate long-term, sustainable funding streams that provide the necessary resources for all safe highway and road systems that can efficiently move people and goods throughout the state.

Workforce/Childcare

Workforce growth is slowing to near zero with businesses statewide reporting availability of skilled workers as one of the most serious barriers to growth. Compounding the problem of the worker shortage is the lack of affordable child care. This is becoming a growing problem and has the potential to impede economic success. To increase the number of childcare facilities and providers, support is needed in providing targeted resources invested in early childhood care aligned to the Parent Aware ratings; and fostering private-sector investment.

Legislative Priorities for 2018

Worthington School District #518

District 518 has developed a set of priorities for the 2018 session. These priorities are listed as items that the district would like to see addressed. Some of the items would restore local decision making that allows for a quality education to be provided to all students, while others are addressing costly mandates that continue to take valuable dollars from the classroom.

District #518's Priorities:

1. Education Funding

The Worthington School District is in support of Statute changes to establish the level of per pupil funding approved within thirty (30) days from the submission of the Governor's budget. Further, the establishment of the State percent of funding shall be the only subject of that legislation.



- We support addressing the inequities related to taxable property within districts across the State.
- Appropriate equitable funding increase for education while reducing mandates and increasing local control through levy authority. (3% increase in basic formula).
- We support capital facilities authority and continued changes that allow school boards to address district needs (enrollment growth or repair of facilities/task force recommendations).
- Increase funding for English Language Learners education.
- School Districts are limited in their ability to make decision related to resource allocations and resource management when education funding is one of the last actions taken by the legislature in the session. Too many students and personnel are negatively affected when the education budget is not determined until May.
- We support reform and efficiencies of special education regulations (teacher licensure and barriers above the Federal laws).
- We support eliminating the funding gap in special education that continues to affect school district's educational dollars for all students.

2. Bonding Request

The Worthington School District 518 is located in an agricultural area that is dominated by a high tax due to market value.

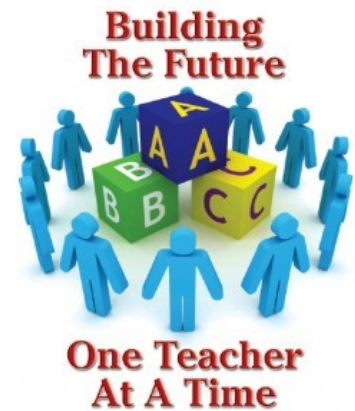
- The bond support is for capital needs in the district due to lack of space, collaborative projects and other inferior infrastructure. The districts free/reduced lunch is over 70% and taxes are higher in our district due to property values per student basis. The district is requesting bonding support due to inequities across the state.

3. Building Levy Equalization

- Districts that are not operating a High School (established tuition agreement) must provide for facility usage within the tuition agreement (bond assistance or direct payment based on per pupil funding).
- Districts need to have the legislature address equalization for facilities across the state in order to allow for better taxing structure.
- Consideration for more equalization aid for districts with poor property wealth or low property values per student.

4. Teacher Licensure/Shortage Issue

- Legislation creates barriers that limit licensure of teachers and create a process that is difficult to maneuver.
- A need exists to develop an incentive for people to enter the profession of teaching such as loan forgiveness, low interest loans or other options, such as payments for entering teaching as a career.
- A need exists to develop a program for stronger promotions and incentives for students of a diverse population to enter the educational profession.
- Incentives for minorities to enter the field of education (resolution provided to MSBA addressing the shortage of teachers).
- Include ALL districts in the opportunity to Grow Our Own Teachers.



5. Create Opportunity for a Certificate Program

The Worthington School District would like to address a growing concern regarding young adults that have limited credits toward graduation and may struggle due to language issues (primarily refugee students). This opportunity would address students between the ages of 17 to 21 that cannot receive a diploma either through traditional methods or a GED program due to issues like language development or credit deficiencies.

- Develop a certificate option that is in collaboration with school districts and other post-secondary institutions that provides job skills training in specific areas (opportunities and access).
- Create a positive language program and skill acquisition that supports a career ready training program for young adults that can have access without a diploma.
- Does not count these students against a local district's graduation rate or other data that is mandated by the State create a fair playing field on student reporting/district success.

6. Local Levy Authority

- MSBA, MREA, District 518 and other organizations continue to support more local levy authority for a variety of funding opportunities.
- Levy opportunities should be consistent in all parts of the state! Some districts have higher property values per student than other districts. This creates inequities in which taxpayers in some districts may pay twice as much than others on an operating levy. This is even greater for capital levies where the inequities are over five times as much in some districts.

- District 518 would promote the development of a local option sales tax opportunity for Regional Centers outside the 7 County Metro Area that must be in collaboration with other Government Entities to promote community resources (recreational facilities, sports facilities and meet community needs).

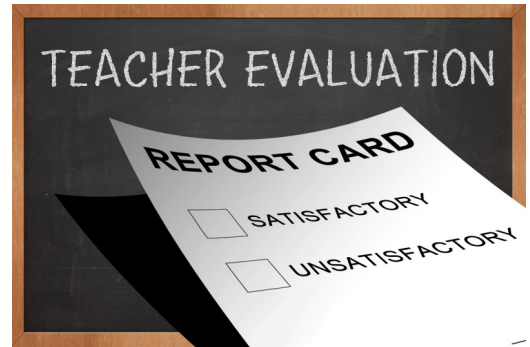
7. Reduction of Mandates/Additional Legislative Requirements

MSBA developed a list of over one hundred (100) mandates that are considered unfunded or out of date or inefficient related to student academic success. Only a small number have been addressed in the past legislative sessions. A few mandates listed;

- 120A.40 School Calendar – limits when a district may start the school year.
- 120.41 Length of A School Year – creates limits based on 15 year old decisions.
- Specifically identified MSBA mandate list from the 2014 legislation.
- District should have local decision making authority.
- Teacher and Principal Evaluations as an unfunded mandate that costs districts across the state approximately \$83 million dollars and specifically it is estimated to cost District 518 approximately \$150,000 annually.
- The need to reduce/eliminate state mandated testing and reporting requirements (e.g. ACT/Civics testing).

8. Principal/Teacher Evaluation Mandate (Eliminate or Fund)

- This mandate continues to cost annually approximately \$150,000.
- Legislation has been determined at the State level for local implementation in collaboration with the district and association which infringes on managerial rights.
- Can create an environment not conducive to the collaborative interests for students.
- No research that supports a minimal implementation.
- Has made it a legal concern for elimination of poor teachers while increasing the costs (legal) and time for removal of that poor teacher.



9. Eliminate the Labor Day Start Mandate!!!!

The Worthington School District would like to have legislation passed to remove the restriction in law establishing the start time after Labor Day.

- District 518 believes that the starting date for a school should be a local decision.
- Allowing districts the flexibility in starting school could also provide the opportunity for potential energy savings and increase academic achievement.

10. Address the Underfunding of Employee Retirement Programs

- The legislature needs to address TRA and PERA deficiencies for the current promises to employee retirements across the state. The current system must have support with a legislative commitment to public employees. Must be a financial commitment by legislators!

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