

*PRIVILEGED AND CONFIDENTIAL*

**MEMORANDUM**

**TO: CITY OF MINNEAPOLIS**

**ATTN: MAYOR RYBAK  
CITY COUNCIL  
J. MOIR  
B. BARNHART**

**FR: LOCKRIDGE GRINDAL NAUEN P.L.L.P.  
Federal Relations Group  
Dennis McGrann // Andrew Tantillo**

**DT: DECEMBER 15, 2003**

**RE: FEDERAL APPROPRIATIONS UPDATE**

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**Background**

The only legislation Congress is required to pass each year are the thirteen *appropriations* bills which constitute the *discretionary federal budget*. (Mandatory spending, such as Social Security and Medicare, which make up over half of the federal budget, is not subject to annual Congressional appropriations.) These thirteen appropriations bills are suppose to be signed into law by September 30, the end of the fiscal year. Congress has not completed all 13 bills on time since 1994 however, chiefly over disputes regarding the overall level of spending. Making the task more difficult is the fact that since these bills must pass (or else the federal government shuts down), some Members of Congress attach otherwise unpopular policy initiatives to the bills. The thinking is that these policy initiatives would never pass Congress on their own, but Members will hold their nose and vote for the important appropriations legislation even with policy riders they may disagree with attached. In recent years Congress has chosen to produce an *omnibus appropriations* bill just prior to adjourning for the year comprised of all of the 13 bills that have not yet been signed into law.

**Current Situation**

As the 1<sup>st</sup> Session of the 108<sup>th</sup> Congress wound down this year, Congress produced a Fiscal year 2004 Omnibus Appropriations bill combining seven of the thirteen appropriations bills. The bill was contentious however due to 1) the record number of *earmarks* for local projects in the bill, and 2) policy riders that have little to do with federal appropriations, including initiatives to change federal overtime regulations and media ownership rules. The House passed the Omnibus Appropriations bill on December 8. However the Senate could not achieve consensus on the bill and has put off its consideration until it reconvenes on January 20, 2004.

Most Members expect the bill to pass as it is, and if it is to change at all those changes will likely be to those policy riders, not to local projects. We therefore present to you a list of local projects in Minnesota that are included in the Omnibus bill and previous FY 2004 appropriations legislation. This list is not meant to be exhaustive because it is not official; rather it represents the research of the LOCKRIDGE GRINDAL NAUEN P.L.L.P. Federal Relations Team. Please don't hesitate to contact us if you have any questions or need additional information about any of these projects.

In the meantime, we will continue to work with Congress to ensure that the City's projects remain in tact until the appropriations process officially concludes.

**City of Minneapolis FY 2004 Priorities**

Project	FY'03 Request	FY'03 Conf.	FY'04 Request	FY'04 House	FY'04 Senate	FY'04 Conf.
<b>FY 2004 Projects</b>						
Above the Falls Trail Loop	\$0	\$0	\$2,000,000	\$0	\$0	\$0
Automatic Vehicle Locator	\$0	\$0	\$516,000	\$0	\$0	***
Central Corridor	\$0	\$0	\$1,000,000	\$0	\$0	\$0
City Attorney Inegrated System	\$0	\$0	\$1,400,000	\$0	\$750,000	\$750,000
Combined Sewer Overflow	\$2,000,000	\$0	\$1,011,000	\$750,000	\$0	\$750,000
Computer Aided Facility Managemen	\$0	\$0	\$395,000	\$0	\$0	\$0
Crisis Intervention Team		\$0	\$240,000	\$0	\$0	\$0
Emergency Operations Center	\$0	\$0	\$6,000,000	\$0	\$0	***
Empowerment Zone	\$10,000,000	\$2,000,000	\$5,000,000	\$0	\$0	\$1,000,000
Fire Emergency Response Reimburse	\$0	\$0	<i>Formula</i>	\$0	\$0	\$0
Hiawatha LRT	\$60,000,000	\$60,000,000	\$75,000,000	\$74,980,000	\$74,980,000	\$74,980,000
Minneapolis and Hennepin Co. law en			***	***	***	\$2,000,000
Northstar CR	\$10,000,000	\$5,000,000	\$10,000,000	\$0	\$10,000,000	\$5,750,000
Northwest Busway		\$2,500,000	\$0	\$4,000,000	\$0	\$3,000,000
Olson Memorial Highway	\$0	\$0	\$5,100,000	\$0	\$0	\$0
Planetarium	\$0	\$0	\$4,000,000	\$0	\$0	\$0
Reverse 911	\$0	\$0	\$100,000	\$0	\$0	***

Please see the 5<sup>th</sup> Congressional District projects on the attached chart for additional earmarks that impact Minneapolis. Thank you.

Attachments:

- 1) Chart of FY 2004 Minnesota Earmarks
- 2) *Congressional Quarterly* article on the stalled Omnibus bill

LOCKRIDGE GRINDAL NAUEN P.L.L.P. Federal Relations – Washington, DC

<b>Project</b>	<b>Location</b>	<b>Amount</b>	<b>CD</b>
Minnesota State University, College of Allied Health & Nursing	Mankato	\$100,000	1
Southern Minnesota Transit Facilities	Regional	\$30,000	1
Southern Minnesota Transit Vehicles	Regional	\$375,000	1
Winona State University's National Child Protection Development and Tr	Winona	\$547,000	1
County Highway 42	Dakota County	\$250,000	2
County State Aid Highway 21 Project	Dakota County	\$750,000	2
Highway 52 and County Highway 24 interchange	Dakota County	\$500,000	2
Lock and Dam 3	Hastings	\$600,000	2
Minnesota Corn Growers Assoc.	Shakopee	\$187,500	2
Minnesota River		\$175,000	2
Minnesota River Basin environmental study		\$132,000	2
Mississippi River between the Missouri River and Minneapolis		\$36,000,000	2
Red Wing Medical Center	Goodhue County	\$600,000	2
South Washington County Watershed	Washington Co.	\$250,000	2
Sturgeon Lake Road Overpass	Prarie Island	\$2,000,000	2
US Highway 212/County Road 134 Intersection		\$700,000	2
US Highway 212/County Road along Highway 21		\$750,000	2
Trunk Highway 610/10	Brooklyn Park	\$3,750,000	3
Vinland National Center	Loretto	\$200,000	3
Ames Lake Neighborhood/Phalen Place Apartments	St. Paul	\$187,500	4
Cereal Disease Research	St. Paul	\$45,000	4
Child Neurology Society	St. Paul	\$25,000	4
Conservatory for the Performing Arts Charter School	St. Paul	\$25,000	4
Homeland Security - St. Paul	St. Paul	\$7,800,000	4
Labor Interpretive Center	St. Paul	\$150,000	4
Minnesota Historical Society	St. Paul	\$25,000	4
Mississippi Place	St. Paul	\$250,000	4
Neighborhood House	St. Paul	\$500,000	4
Phalen Boulevard	St. Paul	\$2,000,000	4
Ramsey County ACE Program	Ramsey County	\$50,000	4
Sobriety High	St. Paul	\$400,000	4
St. Paul Police Department for law enforcement tech.	St. Paul	\$100,000	4
Union Depot Multi-modal Transportation Hub	St. Paul	\$750,000	4
Air Force Reserve 934th Airlift Wing	MSP	\$3,650,000	5
Artspace Projects, Inc.,	Minneapolis	\$100,000	5
Minneapolis and Hennepin Co. law enforcement tech.	Hennepin County	\$2,000,000	5
Combined Sewer Overflow	Minneapolis	\$750,000	5
Community Lead Education and Reduction Program	Minneapolis	\$100,000	5
Criminal Justice Information Integration Project	Minneapolis	\$750,000	5
Fairview Health System	Minneapolis	\$100,000	5
Family and Children's Service	Minneapolis	\$950,000	5
Great Plains Institute for Sustainable Development	Minneapolis	\$547,000	5
Greater Minneapolis Council of Churches	North Minneapolis	\$150,000	5
Hennepin County Community Works	Hennepin County	\$1,200,000	5
Hiawatha Corridor Light Rail Transit (LRT),	Minneapolis	\$74,980,000	5
Homeland Security - Minneapolis	Minneapolis	\$12,300,000	5
James Ford Bell Museum of Natural History	Minneapolis	\$100,000	5

LOCKRIDGE GRINDAL NAUEN P.L.L.P. Federal Relations – Washington, DC

<b>Project</b>	<b>Location</b>	<b>Amount</b>	<b>CD</b>
Lower St. Anthony Falls	Minneapolis	\$750,000	5
Lyndale Avenue Bridge	Richfield	\$3,000,000	5
Minneapolis American Indian Center	Minneapolis	\$150,000	5
Minneapolis Community and Technical College	Minneapolis	\$200,000	5
Minneapolis EZ	Minneapolis	\$1,000,000	5
Minnesota Cultivated Wild Rice Council Research	Minneapolis	\$290,000	5
Minneapolis-St. Paul International Airport	MSP	\$2,500,000	5
NCA Expansion: Ft. Snelling	Ft. Snelling	\$24,800,000	5
Northside Residents Redevelopment Council	Minneapolis	\$150,000	5
Northwest Corridor Busway	Hennepin County	\$3,000,000	5
NW Quadrant Project in the City of St. Anthony	St. Anthony	\$750,000	5
UM Center for Farm Financial Management	Minneapolis	\$268,000	5
University of Minnesota	Minneapolis	\$700,000	5
University of St. Thomas Interprofessional Clinic	Minneapolis	\$75,000	5
<b>Project</b>	<b>Location</b>	<b>Amount</b>	<b>CD</b>
10th Street South Phase II	St. Cloud	\$200,000	6
Anoka County-Blaine Airport	Anoka County	\$2,000,000	6
CentraCare Health Foundation	St. Cloud	\$500,000	6
St. Cloud Buses	St. Cloud	\$100,000	6
Stillwater Levee and Flood Control project	Stillwater	PAF	6
Trunk Highway 241	St. Michael	\$300,000	6
US Highway 10 Interchange	City of Ramsey	\$200,000	6
34th Street Corridor	Moorhead	\$1,000,000	7
City of Moorhead for water infrastructure improvements	Moorhead	\$500,000	7
City of Roseau for economic development	Roseau	\$500,000	7
City of Roseau for the rehabilitation of damaged housing	Roseau	\$187,500	7
City of Roseau for water and wastewater infrastructure improvements	Roseau	\$300,000	7
Grand Forks--East Grand Forks	East Grand Forks	\$3,000,000	7
Metropolitan Access to Job Initiative, Fargo, North Dakota	Moorhead	\$100,000	7
Redwood County Agricultural Society	Redwood County	\$225,000	7
Shelter House	Willmar	\$187,500	7
White Earth Nation	White Earth	\$100,000	7
Willmar Municipal Airport	Willmar	\$1,000,000	7
Audubon Center of the North Woods	Sandstone	\$100,000	8
Falls to Falls Corridor	International Falls	\$1,000,000	8
Fond Du Lac Tribal and Community College	Cloquet	\$125,000	8
Leech Lake Tribal College	Cass Lake	\$100,000	8
Mille Lacs Band of Ojibwe	Mille Lacs Indian Reservat	\$1,050,000	8
Metro Transit buses and bus facilities	Metro Area	\$4,400,000	Multiple
Metropolitan Council Job Access	Metro Area	\$500,000	Multiple
Minnesota Association of County Probation Officers	Statewide	\$100,000	Multiple
Minnesota Dept. of Public Safety's CriMNet system	Statewide	\$500,000	Multiple
Minnesota District 8 Transit Vehicles and Bus Facilities		\$800,000	
Minnesota Guidestar	Statewide	\$1,250,000	Multiple
Northstar Corridor Rail Project	Minneapolis	\$5,750,000	5 & 6
Phase II, Minnesota Valley Regional Rail Authority	Yellow Medicine -	\$2,000,000	1 & 2
Twin Cities Redundant Communications Pilot	Metro Area	\$1,000,000	Multiple

## **No Final Action on Omnibus Spending Bill This Year**

By CQ Staff

Congressional Quarterly

Tuesday, December 9, 2003; 2:42 PM

The Senate will wait until January to consider the \$820 billion measure that wraps up spending decisions for the current fiscal year. The legislation passed the House on Dec. 8 but has been under heavy attack from both Republican conservatives and mainstream Democrats. Many in the GOP say the bill's \$328 billion in new discretionary spending is too loaded with "pork," while Democrats - and some Republicans - continue to fume that too many victories were awarded to President Bush over the wishes of the rank and file.

A vote limiting debate on the measure is set for 2:30 p.m. on Jan. 20, the day the House and Senate convene for the second session of the 108th Congress. Despite requests for action from the White House, there is little appetite among Republican leaders for a lengthy spending debate during the holiday season.

The House adopted the huge conference report (HR 2673) despite criticism by Democrats and grumbling among House conservatives over domestic spending levels and "earmarks" for members' projects. The vote was 242-176, with 38 GOP lawmakers voting "no" and 58 Democrats joining a majority of Republicans in support.

The omnibus, which combines seven appropriations bills into one measure, includes fiscal 2004 funding for programs under the departments of Agriculture, Commerce, Education, Health and Human Services, Housing and Urban Development, Justice, Labor, State, Transportation, Treasury and Veterans Affairs and the District of Columbia.

The House's top Democratic appropriator, David R. Obey of Wisconsin, complained Dec. 8 that the omnibus contained more than 7,000 lawmaker earmarks, including \$860 million in the Labor-Health and Human Services-Education section alone. Obey said the spending is directed primarily to the districts of influential appropriators and the congressional leadership, draining funds from national priorities.

"If you want to vote for this stuff, you are voting for a system to give the lion's share to just a few big shots and table scraps to the rest of the country," Obey said. "That is what you get to take home."

But House Majority Leader Tom DeLay, R-Texas, said lawmakers have a "fundamental right" to determine how federal revenue is spent. "This Congress can state through earmarks the importance of spending in certain parts of this country," DeLay told the House. "We don't have to wait around for some bureaucrat to decide whether it's important or not. I'm not ashamed of the fact that there are earmarks in this bill."

DeLay also defended the spending levels in the bill against attacks from both sides of the aisle by arguing that total discretionary budget authority is being held to the \$786 billion ceiling set by the fiscal 2004 budget resolution. But when the House voted on the omnibus, the majority that allowed its adoption was provided by Democrats whose support offset a mini-revolt by GOP conservatives. A continuing resolution that expires Jan. 31 is keeping the government operating at fiscal 2003 spending levels.