

# MINNESOTA Journal

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## Targeting truancy helps to close the achievement gap, reduces crime and benefits the economy

by Amy Klobuchar

I was once on a radio call-in show on the topic of kids who miss school. A woman called in and said: "It's so draconian to talk about consequences for truancy. I remember taking my daughter out of school many times. We went to plays; we went to museums; she saw the world."

It was not the first time I had encountered this sentiment. My response is always the same: "Despite what you'd like to believe, when kids miss school they aren't getting an 'alternative education' at the Guthrie Theater or the Walker Art Museum. Instead, they're more likely getting into trouble, either committing crimes or being victimized by older kids or adults. If we don't take truancy seriously, we're turning our backs on kids and essentially telling them that we don't care about their future—or our own. After all, who are we counting on to pay for our Social Security?"

Truancy is an education issue, an economic issue and a public safety issue. Young people who attend class regularly are more likely to succeed in school. In a study several years ago, Samuel Myers at the Humphrey Institute concluded that regular school attendance, more than poverty or race, is "the most consistent and reliable predictor of success" on standardized tests. The Minneapolis School District has also found a strong relationship between attendance and test scores (see graph). As schools struggle with ways to close the "achievement gap," a primary focus must be on getting kids to school in the first place.

Kids who stay in school grow up to be more productive and earn higher incomes. They contribute more to our economy and function as more informed, engaged citizens. They also grow up more law-abiding.

When I first came into office as County

Attorney, I was particularly alert to the importance of school attendance in fighting crime. Truancy is sometimes called the "kindergarten of crime" because it is an early risk factor for many other kinds of trouble, including criminal behavior. Reducing truancy is one of the surest ways to prevent crime. As a prosecutor, I would prefer to see fewer new customers come in the door.

Keeping kids in school must be a high priority for schools as well as the broader community. The stakes are high. They involve the future success and well-being of our young people, as well as the future safety and prosperity of our state.

Three years ago, a Citizens League committee recognized this priority and issued a report concluding that the number of students who drop out of school in Minneapolis and St. Paul is "unacceptably high." A common refrain among these dropouts was that nobody seemed to care or do anything when they started missing school.

Both urban and suburban schools continue to face serious challenges in keeping all of their students engaged with their education. In Hennepin County, more than 40 percent of all truancy referrals to the county attorney's office come from suburban schools. (Contrary to stereotypes, truancy is both a male and female issue. Girls account for almost 45 percent of truancy referrals. It is not exactly the equal opportunity we like to see.)

### Making early intervention a priority

In the past, truancy efforts focused on dealing with students after they already had a serious problem with truancy. But early intervention must be a priority if we want to keep kids in school and out of trouble. Students cannot be

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# Minnesota's tax base sharing law isn't broken; don't fix it

by Paul A. Gilje

The metropolitan tax base sharing law enacted in 1971 is working beautifully, precisely as intended.

Without the law, the range in commercial-industrial value per capita among localities with populations greater than 9,000 would be 16 to 1 this year. With the law, the range is 4 to 1. High-value communities still rank higher, but not by as much. Low-value communities still rank lower, but not by as much.

Tax-base sharing works slowly. Its effects are cumulative. It works automatically, without the need for legislative appropriations. It doesn't add to or remove authority from local governments.

**The law diminishes the impact of cut-throat competition for tax base.** Without tax-base sharing, communities in the seven county metropolitan area would be driven to unprecedented cut-throat competition for tax base. The strong would get stronger and the weak would get weaker. A community with an existing large tax base would be able to attract even more tax base, because it could offer industry lower tax rates and possibly better services than its competing communities. The have-not communities would find their tax rates going even higher, thus reducing their competitive position still further.

**The law diminishes disincentives for lower-priced housing** Without the law, localities would have more incentive to encourage higher-priced housing, which "pays its own way" in property taxes. Fortunately, under the law, the presence of more housing—of whatever value—represents an advantage because population is a major factor in determining each community's share of the metropolitan pool.

**The law makes Metropolitan Council development strategies possible** If the Metropolitan Council were to lose its ability to influence where development goes, it would, thereby, lose its corresponding ability to hold down public investments in roads, streets, sewers, and other elements of the metropolitan infrastructure. The late Charles Weaver, who authored tax-base sharing as a state representative and later chair of the Metropolitan Council, testified in court that the Metropolitan Land Planning Act would not be possible without the law. The reason,

he said, is that communities that were denied certain kinds of growth would not be able to receive other benefits.

**The law reduces the tax consequences of reserving land for open space.** Localities whose land is taken off the tax rolls when acquired for open space are less likely to resist such efforts because with the law they receive a share of business tax base elsewhere in the region.

**Under the law business property doesn't pay excessively high or low tax rates.** A significant portion of every business property in the metropolitan area pays the same tax rate, irrespective of where the business is located. Consequently, a business isn't penalized for locating where tax rates are high, nor does it receive a windfall for seeking a tax haven.

**The law recognizes that many regional factors affect where businesses locate.** The entire economy of the region, its population, labor base, amenities, and the location of the airport, freeways, and the homes of corporate executives all influence where businesses locate. Tax base sharing recognizes the regional character of such decisions.

**The law evens out peaks and valleys as communities go through various stages of growth.** In early stages of a community's life, it probably is a net gainer, with more residential property. Later, as its tax base diversifies, it might be a net contributor. As it matures, the community might neither gain nor lose. Should it go through redevelopment, it might again be a gainer, after which it might contribute again.

**The law isn't about winners and losers.** It is about insurance. It guarantees that every locality in the seven county metropolitan area will share in the growth of business tax base, regardless of where the buildings are located. At any one time some localities receive more than they contribute, and vice versa. But situations change. Net contributors today can become net recipients in the future. In that sense all are winners.

**Everyone contributes; everyone shares.** An amount equal to 40 percent of net growth in commercial-industrial taxable value within each community since 1971 is excluded from the local tax base and placed within the metro pool. Tax base in the metro pool is redistributed back to

each community, with communities with below-average tax base receiving slightly more than per capita, and communities with above-average tax base receiving slightly less than per capita.

**The law doesn't raise revenue. It affects the capacity of communities to raise revenue.** Every unit of local government is assigned an amount of tax base. That amount is a combination of two parts, its share of the metropolitan pool plus the value of property physically located within its borders (minus what has been contributed to the metro pool). Each local government, whether school district, county, city, township, or special taxing district, then levies taxes on that tax base.

**A local government can't "raid" the metropolitan pool.** Local governments impose taxes on their shares of the metropolitan pool but they can't impose rates on those shares that are any higher than rates imposed on their local taxpayers. Thus, for example, if a city council wanted to raise more money because of its share of the metro pool, its residential taxpayers would have to pay the same rate.

The question of whether some localities receive too much or too little from the pool has been present since the law was first proposed in 1969. Others have raised similar questions. Why should all-agricultural townships share? Why should small enclaves of wealthy homes that have no intention of allowing business property in their borders share?

The answer to these questions is largely the same. Yes, they could be excluded from the law's coverage. But it doesn't make all that much difference. The total of their shares is small because their populations are small.

The benefit accruing to a township in the rural area that is a net gainer is less than might appear at first glance. Such units of government usually have lower spending levels, and, therefore, lower tax rates. But these localities are also part of school districts and counties. Thus a small township might be a "gainer" but the real benefit of that gain accrues to the school district and county of which it is a part.

Moreover, if outlying communities were excluded from sharing in the pool, it's a

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# Viewpoint

## From great to good: will the boom generation go bust?

by Sean Kershaw

Hey, baby boomers! Yes, you, born between 1945 and 1965. It's now 2004. Do you know where your legacy is? More importantly, do you know *what* your legacy is—or what it should be? It's a daunting question, but judging from the recent headlines, it is a question we desperately need to answer.



▲ **Greenspan warns that soaring federal budget deficits represent long-term threat** (*USA Today*, May 5, 2004). At the national level, and equally so in both parties, we have created long-term fiscal trends that manage to be both depressing, and without economic logic or explanation. We are steering a fiscal train wreck straight at our children and our grandchildren's generation. Does this concern you?

▲ **Minnesota Legislature: Stop the craziness and get to work** (*Pioneer Press*, May 11, 2004). We've just ended one of the most remarkably unproductive legislative sessions in our history—and certainly not at a time that suffered from a lack of critical policy

issues. You are 72 percent of the legislature, but struggle with governance. Have you any sense of compromise—or of priorities? Or do your priorities forbid compromise?

▲ **Social Security needs long-term overhaul, not campaign slogans** (*Christian Science Monitor*, March 15, 2004). In 2012, your generation begins to retire in unprecedented numbers, pushing our entitlement systems to the brink of collapse. Who among you has the political courage to aggressively push for responsible, long-term reform, or for that matter to support emerging leadership that will have to deal with this potential crisis? Your demographic size dwarfs anything immediately behind you, making it extremely difficult for new leaders and new leadership styles to emerge. This is especially true in the non-profit, public and philanthropic communities.

You are the CEOs, the President, and the Governor—the leadership at all levels and institutions. In light of this role and the responsibility that comes with it, let me suggest three “civic business” priorities for you, and for all of us.

### Restore the balance sheet

We face extremely tough decisions about spending and revenue. But please make sure that our long-term assets and liabilities are in balance, and that we are building “equity” (commonwealth) in society.

At the national level and in *both* parties, your fiscal impersonations of Whimpy aren't funny (“I'll gladly pay you Tuesday for spending increases and tax cuts today!”). At the state level, don't reduce spending to the point that we stop investing in and preparing for our future. For example, don't propose short-term policy solutions, like a reduction of transit options, when we know darn well that you are likely to be dependent on these services when you are older.

No business succeeds on a strategy of short-term gain and long-term disinvestment. No generation—and more importantly no democracy—will either.

### Restore the succession plan

Your decisions right now will either confirm or deny your children and grandchildren the privileges that your parents and grandparents provided for you. Key among these decisions is ensuring that the next generation, and the one after it, succeeds.

There are about 75 million boomers, but only 45 million in the generation behind. Your retirement will cause significant disruptions in the work force, especially in leadership. This is to be expected, but if you ask your future successors, they might shock you with how unimpressed they are by the “training” they are receiving. It is either insufficient, or better suited for advocacy and oppositional models that worked well in the '60s and '70s but not today.

We are failing to train the next generation of leaders. Our civic institutions and our political parties bear particular blame. For example, both political parties seem more concerned with churning out political ideologues than developing leaders who can cultivate compromise and move our state forward.

### Restore our shared legacy

Our legacy is clear, and it actually transcends generations. It is all around us—literally—in the community and quality of life created by past leaders of all generations. It reflects the aspirations and actions that were borne of tremendous sacrifice and hope for the future. This legacy is a simple one: to create a democratic future for our children that is better than our own—and to support the institutions, leaders and democratic values that make this possible. We all share this responsibility.

The question is not about what our legacy should be, but rather how to hold each other accountable for achieving it. Baby boomers, are you up for the challenge? **MJ**

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# OnBalance

## Views From Around the State

*Who's puffing where, community college support and tougher writing standards have keyboards clacking across the state*

The **West Central Tribune** (4/23) argues that part of the Governor's legacy will be higher teen smoking rates. "While Gov. Tim Pawlenty doesn't want to lose any professional sports teams in the state on his watch and is supporting new stadiums, he apparently does not mind an increase in Minnesota teen smokers during his tenure. That is some legacy." This is in response to a recent study by the Centers for Disease Control showing that since the state cut funding for the aggressive anti-smoking Target Market campaign in 2003, teen smoking rates have risen almost 10 percent. The **Tribune** argues that, "Pawlenty should show some leadership in tough times. He should ask the Legislature to restore funding to Minnesota's anti-tobacco program ... Otherwise, part of his legacy will be more Minnesota lives going up in smoke."

The **Duluth News Tribune** (4/13) is baffled by opposition, led by House Republicans, to the proposed statewide ban on smoking in Minnesota bars and restaurants (Freedom to Breathe Act). "Minnesotans' good health isn't worth a hearing? Does this mean these usually family-friendly Republican lawmakers think it's OK when family members destroy their own health and jeopardize the health of those who must inhale their secondhand smoke?" the **Tribune** demands. "This [issue] isn't going to go away. The day will come when Americans will look back in wonderment that smoking was allowed in any building frequented by the public where its residue can endanger the lives of non-smokers."

Central Minnesotans should support the Freedom to Breathe Act, advises the **St. Cloud Times** (4/9), citing growing evidence that second-hand smoke is dangerous and sometimes deadly. A statewide ban (rather than the weak standards of the current Indoor Clean Air Act) should "not only make a bigger difference health-wise, but it will treat all businesses equally, especially bars and restaurants that now may be at a competitive disadvantage because of bans."

The Legislature should quit passing the buck on tough issues on to voters, argues the **Mankato Free Press** (4/8) "America is set up as a republic—a representative democracy. Elected officials are supposed to make decisions on most public matters. ... If we are going to hold a show of hands for every controversial issue, what's the point of having a Legislature or Congress? ... Let's not put every issue we differ on up to a vote. There needs to be a reasoned, rational approach that hears the roar of the crowd but also keeps an ear out for the righteous, softer voices."

Community colleges are a bargain for students and the state, according to the **Brainerd Dispatch** (4/28). "The best education doesn't have to be the most expensive one. That's what an increasing number of college students are discovering as they consider post-secondary education options." They conclude that, "College students' needs are diverse and Minnesota is lucky to have choices spread throughout the state. Whether a student chooses a state university, a community college or the University of Minnesota, the opportunity to learn and earn degrees is available for all Minnesotans. The payback for the state is a work force that's intelligent, adaptive and ready to go to work for the state's employers."

The **Mesabi Daily News** (4/27) also feels that "community colleges are an integral part of the nation's education system and are now providing an important bridge to the new economy through partnerships with business in communities across the country, including northeastern Minnesotans." Pleased that President Bush focused on the subject during his recent visit to Minnesota, they add that, "The need has been clearly identified for community colleges. And more federal money than the \$250 million [Jobs for the 21st Century Initiative, proposed to strengthen ties between community colleges and employers], would certainly be welcome and put to good use. But let's not lose sight that at least there is attention being paid to

community colleges at the highest levels in Washington."

The **Mesabi Daily News** (5/3) praises Senators Mark Dayton (D) and Norm Coleman (R) for their efforts to prevent a \$12 million cut in Title I funds to Minnesota. The proposed cuts are a result of altered poverty estimates by the U.S. Department of Education. The paper argues, "Title I is far too valuable of a bridge to a better future for some students who struggle with some basic skills to be neglected in any way. They need the specialized one-on-one help that Title I funding provides."

The **Duluth News Tribune** (5/4) welcomes a decision by the University of Minnesota to require writing entrance exams. "What's surprising is that writing apparently has not been an important criterion for higher education admission officials in deciding which students should be admitted, which should not, and how many need help in writing after acceptance." The **Tribune** adds that as we move from a society that primarily communicated by phone to one where email and the Internet are increasingly important, the need for good writing is even more critical. "Many successful people in and out of the professions find themselves at keyboards and expected to write cogent emails. An alarming number have difficulty doing that."

The **St. Cloud Times** (4/19) crows "hats off to the University of Minnesota for its plans to require all freshman applicants to take one of two standardized writing tests beginning in 2005. ... From personal notes to professional correspondence, strong writing has always been a crucial skill. But in this era of instant communication, it's easy to overlook. (Or should that be EZ 2 ovrllk?)"

# Minnesota's business plan to end long-term homelessness

by Tim Marx

The Pawlenty administration came into office committed to providing “better performing government” for Minnesota. The Citizens League promotes the public interest through citizen involvement, by framing policy issues and choices, and through advocacy. In essence, both approaches seek “business like” solutions to complex issues affecting the public interest. Homelessness is such an issue. It’s a life-threatening tragedy to those without shelter, expensive for taxpayers who foot the bill for expensive “crisis” services such as shelters and emergency rooms, and a gnawing public embarrassment. Those who are among our most vulnerable should not be left to the streets. The Governor is calling for an end to long-term homelessness and asked the Legislature to support a “business plan” to achieve this goal by allocating \$20 million to house the homeless in the 2004 capital bonding bill.

Every three years since 1991, several state agencies and philanthropic organizations have sponsored a statewide study of homelessness conducted by the Wilder Foundation. The most recent survey from 2003 shows that the overall number of homeless or near homeless is stabilizing at about 20,000. For many, homelessness is a temporary situation caused by a lost job, an incident of domestic abuse, or similar situation. However, for about 3,300 Minnesotans, including 500 children, homelessness is more permanent. Those who are without shelter for a year or more, or regularly experience homelessness, are referred to as the “long-term homeless.” The long-term homeless confront significant barriers that interfere with housing stability. Consistent with national studies, the Wilder Foundation’s survey found that many persons experiencing long-term homelessness report mental illness (52%), chemical dependency (33%), domestic abuse (24%), or a criminal history affecting their housing (26%). A leading researcher on homelessness issues, Dennis Culhane from the University of Pennsylvania, determined that the long-term homeless account for about 10 percent to 15 percent of the homeless population, but consume 50 percent to 60 percent of the shelter services available. The

## Financing Plan Estimate, 2004 - 2010 (in millions)

SOURCES		COSTS/USES	
<b>Identified Sources</b>			
State General Obligation Bonds (\$16.2 million in 2002; \$20 million in 2004; remainder in 2006 and 2008)	\$ 90	New Construction (500 units)	\$ 85
Minnesota Housing Finance Agency State Appropriated Programs and Agency Resources	\$ 90	Acquisition and Rehabilitation (1,500 units)	\$125
Private Tax Credit Equity (MHFA allocation)	\$ 60	New Units Integrated into Mixed-Income Developments (400 units)	\$ 50
Department of Human Services	\$120	Rental/Operating Assistance (1,600 units for available units in the rental market: \$40 million; remainder to support other new units identified above: \$60 million)	\$100
Remaining Sources:	\$180	Housing Support/Community Living Services/Income Supplements	\$180
Federal Government			
Local Government			
Philanthropic/Non-Profit			
State (Departments of Human Services, Corrections, and MHFA)			
<b>Total</b>	<b>\$ 540</b>	<b>Total</b>	<b>\$ 540</b>

long-term homeless also disproportionately utilize other crisis services such as emergency rooms and detox facilities.

The Pawlenty administration has made addressing long-term homelessness a priority. At the Governor’s request, the 2003 Legislature directed the state commissioners of Human Services, Corrections, and Housing Finance to convene a broadly representative working group for the purposes of developing a business plan to end long-term homelessness. The working group consists of representatives from state, local, and federal governments; the private sector, including developers and business interests; nonprofit organizations, including foundations and service providers; and faith-based organizations.

The working group began meeting in July 2003, and in March 2004 submitted to the Legislature a goal-oriented, reform-based business plan to end long-term homelessness in Minnesota by 2010. The business plan calls for multi-disciplinary (housing, human services, corrections), multi-sector (government, business, nonprofit), and multi-jurisdictional (federal, state, and local) strategies to address long-term homelessness.

In addition to the state’s existing 2,000 supportive housing units, which link affordable rental housing with social services for residents, the plan calls for 4,000 additional housing opportunities to satisfy the unmet need. Supportive housing has

been found to reduce the use of expensive crisis services such as emergency rooms, detox facilities, and shelters, and significantly improve outcomes for the long-term homeless.

The business plan anticipates building on this experience and improving Minnesota’s ability to provide supportive housing by controlling development costs through the use of innovative designs, alternative materials, and limiting transaction costs; maximizing the use of the private, competitive rental market to avoid the costs of new construction; carefully scrutinizing support service levels to focus on successful, long-term housing stability; requiring tenants to pay a portion of their rent from available sources and using financial incentives to minimize the amount of state support necessary.

The business plan estimates a total approximate cost of \$540 million over seven years. The following table summarizes the financing plan which is a unique effort to estimate over time the costs and potential sources for providing housing and support services from multiple funding sources, each of which has different allowable uses and eligibility criteria. The financing plan demonstrates that the state is providing significant resources (capital financing, rental/operating assistance, and service funding), but that the state cannot finance this effort alone. State funding is

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allowed to drift or fall by the wayside. There should be a swift and sure response when a student continues to miss school. Every parent knows that you don't wait six months to tell your children that they did something wrong.

Although juvenile court should be the last resort, early involvement by the county attorney's office can help support schools and parents in addressing students' attendance problems. This is happening in Hennepin County and in Ramsey County with good work by my counterpart across the river, Susan Gaertner.

In Hennepin County, much of our focus is now on early intervention. This includes an array of efforts involving schools, police and the courts, as well as parents and the students themselves. For example:

▲ **Monitoring unexcused absences.** School districts have made accurate, real-time attendance reporting a priority, so they can monitor daily student attendance and promptly identify unexcused absences. A school doesn't know if a student is truant unless it has accurate attendance records, and there cannot be early intervention unless attendance is monitored in real-time. Until recently, many schools lacked this basic capability.

▲ **Communicating with parents.** With a solid attendance system in place, schools can communicate more effectively with parents to let them know how their child is doing. For example, schools now send a formal notice to parents as soon as their child has three unexcused absences. In many cases, this is all it takes. During the 2002-2003 school year, for example, Earle Brown Elementary School in Brooklyn Center sent out 138 notification letters to parents whose children had three unexcused absences. After parents received these letters, more than two-thirds of the students had no further unexcused absences. Most parents said they were grateful the school made them aware of the problem and gave them the opportunity to address it.

▲ **School attendance review boards.** Many school districts have created school attendance review boards (SARBs) to assess a student's (and the family's) needs and arrange for services, whether in the school or community, to address the root of attendance problems. Through the

SARB process, a contract is also drawn up that sets expectations for the student, the parents and the school. In St. Louis Park, the SARB hearings are actually held at the city hall to emphasize the community-based nature of the intervention. They can do drug testing on the spot, as well as arrange for free chemical dependency and mental health evaluations.

▲ **County attorney meetings in the schools.** The Hennepin County Attorney's Office instituted a program of attorney meetings in the schools for students who continue to show attendance problems (and their parents). When parents receive a formal letter from the County Attorney requesting their presence, it tends to get their attention. At these group meetings, an assistant county attorney explains the law and the consequences of continued truancy. The school also provides information to parents about available resources for help. Through March of the 2003-2004 school year, more than 100 of these group meetings had been held in both Minneapolis and suburban schools.

▲ **Court action.** Finally, for kids who continue to miss school despite these interventions, we streamlined procedures, so that truancy petitions are filed in court within two days of receiving the referral. We also worked with juvenile court to get kids in front of a judge as soon as possible (on average, within three weeks). Most cases now get resolved at the first hearing. While truancy is not considered a crime under Minnesota law, court-ordered outcomes include work squad duty, community service, driver's license suspension, counseling, chemical dependency treatment, transfer to a new school and/or a day treatment program. For most kids, having the court get involved in their lives is a powerful incentive to get back to school. But the sanctions have to be real; kids catch on right away if all they face is a legal paper tiger.

### **Making a difference**

A concerted focus on promoting school attendance and preventing truancy can make a difference. At North Star Elementary School in Minneapolis, for example, the number of students meeting the 95 percent attendance goal increased dramatically after the school joined with

other partners (including the Minneapolis Police) to focus on motivating parents to get their children to school every day.

Other schools have also shown improvement. During the 2000-2001 school year, Brooklyn Center High School sent 560 letters to parents of students with three unexcused absences. Two years later, the school needed to send only 360 letters. The word got out to the students that the school was monitoring attendance more closely and notifying parents.

However, we should not underestimate the challenge of getting truant kids back in school and engaged with their education. As Leigh Abrahamson, the truancy coordinator for St. Louis Park Schools, points out: "Truancy is usually about so many more things than just school attendance." Many truancy cases are linked to factors such as mental illness, alcohol or drug abuse, language or cultural barriers, domestic abuse or family financial problems.

Responding to truancy requires involvement from schools, police, prosecutors, courts, juvenile probation, social workers, mental health and chemical dependency service providers, youth-serving agencies and others. In a time of tight public budgets, it is harder for schools and everyone else to dedicate the resources needed to do the job right. Unfortunately, these resources are now being reduced. At the same time, difficult issues related to truancy such as poverty, limited English proficiency and family mobility have become more prominent not only in Minneapolis, but also in many suburban districts.

At the Hennepin County Attorney's Office, we continue to increase our commitment to anti-truancy efforts with schools. We are expanding the number of schools where we offer our group meetings for students showing attendance problems. With our Safe Schools Initiative, prosecutors are assigned as liaisons to every secondary school to work on school crimes and truancy issues. We provide school districts with mid-year and year-end reports that detail what happened with each truancy referral.

We also expanded our focus to elementary schools. Although many people assume that truancy problems do not surface until the teenage years, teachers and

## Tax base sharing *from page 2*

virtual certainty they wouldn't be required to make a contribution to the pool either. Thus the rest of the metro area wouldn't share if a new valuation-rich power plant or other large industry were built in such areas.

The law "is a bold and imaginative departure from conventional devices for balancing the benefits and burdens of taxation," wrote Minnesota Supreme Court Justice James Otis in the decision upholding its constitutionality.

But the act is no fiscal bail-out. A recurring theme of scholars nationally who

have analyzed the law—and there have been many—is that it doesn't go far enough. In many cases the authors were seeking devices that would provide substantial sums of new money quickly to depressed sections of metropolitan areas.

For 30 years the act has been functioning quietly and effectively, exactly as intended, reinforcing the interdependence of the citizens and communities of the region, in contrast to some heralded reforms that turn sour after a few years.

The law has been tweaked here and

there over the years but remains an outstanding—and all too rare—example of urban innovation by a state Legislature. **MJ**

*Paul A. Gilje served on the staff of the Citizens League from 1964 to 1988 and as staff to the League committee that prepared a report in 1969 recommending tax base sharing. From 1975 to 1988 he prepared an annual analysis of the impact of the law.*

## Homelessness *from page 5*

expected to leverage significant federal, local and philanthropic resources. This leverage is more likely if the state shows leadership and a bi-partisan commitment to the plan. This was why state leadership and the Governor's 2004 bonding proposal were so important.

The ongoing costs of rental assistance and support services are expected to be reduced or eliminated with the mainstreaming of most services and with federal rental assistance. The financing plan does not include an estimate of the reduced costs to counties, other local units, and the state due to reduced use of crisis services, nor does it account for the benefits associated with the better outcomes expected to be achieved by persons experiencing long-term homelessness.

There are positive signs that if the state shows leadership, other partners will also. A key partner is the federal government. The Minnesota Congressional delegation,

on a bi-partisan basis, has helped obtain necessary federal waivers in support of the plan and is pursuing necessary federal resources. The Bush administration, which has also called for an end to long-term homelessness, has also shown support. On April 1, 2004, Governor Pawlenty presented Minnesota's business plan to a key Bush administration panel, the U.S. Interagency Council on Homelessness. The Council is made up of 20 cabinet level agencies and is charged with implementing the research-driven and performance-based federal strategy on homelessness. Health and Human Services Secretary Tommy Thompson, Education Secretary Rod Paige, Veterans Affairs Secretary Anthony Principi, and Housing and Urban Development Secretary Alphonso Jackson were on hand for the Governor's presentation. This same day, \$2.1 million of federal grants to Minnesota were announced to help implement the business plan.

The Citizens League report, "Doing the Common Good Better" offers Minnesota a choice for what we will be as a state at our 150th birthday in 2008. We have a choice, by that time, to be leading the nation and well on the way to ending long-term homelessness in Minnesota. Much has to happen to achieve this goal. State government must remain committed. The federal government must play an increased role. Communities need to welcome the long-term homeless as neighbors. We have the business plan to address these and other issues. Now we need to work it.

The Business Plan to End Long-Term Homelessness and further information about the working group are available at [www.mhfa.state.mn.us/about/about\\_reports.htm](http://www.mhfa.state.mn.us/about/about_reports.htm). **MJ**

*Tim Marx is Commissioner of the Minnesota Housing Finance Agency and serves on the Board of Directors of the Citizens League.*

## Truancy *from page 6*

counselors know that many truants got their start in elementary school. With support from the Target Corporation, we produced a 10-minute video that explains Minnesota's attendance laws, reminds parents that they are responsible for getting their child to school and emphasizes the importance of daily school attendance for their child's future. Every elementary school in Hennepin County received a copy for use with parents. The video was also translated into Spanish, Hmong and Somali—because we found that immigrant

parents often do not know about attendance requirements.

Even access to high-quality, affordable early childhood education can make a real difference for years to come by helping kids get ready to thrive in school.

Ultimately, any serious strategy for reducing truancy must emphasize the personal responsibility of the parents and the students themselves. We cannot expect the schools and the courts to do it all.

If there is any magic solution to truancy, it is the magic of parental expectations

and involvement. All young people need to know that someone cares about them. If they start missing school, they need someone to take notice and show concern. And if they keep missing school, they need to know there will be consequences as well as support to help them get their lives back on track. **MJ**

*Amy Klobuchar is the Hennepin County Attorney, serving Minneapolis and suburban communities with a total population of more than 1 million people.*

# TakeNote

## Policy Tidbits

*Demographic trends, educational innovation and policing prisoners from the sky*

**Generation Xers are on the move**, reports *American Demographics*, and they are moving to cities that you might not expect. Interior and coastal states with newly growing metro areas, known for their New Economy and high employment rates are attracting high numbers of Gen-Xers (ages 28-39), away from cities with high housing costs and stagnating economies. The largest gainers from 1995-2000 were Atlanta (+98,019), Dallas (+58,774) and Phoenix (+55,774), with “techie” centers of activity like Minneapolis-St. Paul (+34,204) and Seattle (+27,201) following closely behind. The big losers were Los Angeles (-83,013) and New York (-63,659). New York state leads the list of states for out-migration of Gen-Xers, losing 154,000 people all together. College graduates from Gen-X continue to move toward more prosperous coastal cities, as their predecessors did, and African Americans tend to move to the South. [www.demographics.com](http://www.demographics.com)

**Minnesota is not a welfare magnet**, according to a preliminary report by State Demographer Tom Gillaspay. Gillaspay reports that only about 1.5 percent of the people who have moved to the state in the last five years have received more than \$1,000 in public assistance in 1999. He also found that for every Latino immigrant who receives more than \$1,000 in public assistance, 91 do not—and Latinos are, by far, the largest group of immigrants. Blacks who move here from other countries tend to receive less cash welfare than those who move from other U.S. states, even though immigrants are often eligible for refugee assistance. Gillaspay’s findings will also ease those worried about “brain drain.” He says that although Minnesota is losing significant numbers of college-age students, educated people in their 20s and 30s are moving into the state, and bringing with them almost \$1 billion in combined income annually. Gillaspay cautions that the findings are preliminary, and further analysis will be available later this year.

**The graying of the Great Plains.** Nearly three quarters of the ninth federal district’s counties have more people aged 65 and over than the national median. This comes in a report from the *Fed Gazette* (a publication from the Federal Reserve Bank of Minneapolis). While the metropolitan

regions of Minneapolis and the Dakotas still sustain younger populations, rural areas of western Minnesota (especially in the south), and much of the eastern Dakotas contain heavy numbers of aging residents. The young tend to leave rural areas, to go to college or to find a job. And older residents stay or return. So, what will the future impact of this be? It is projected that by the year 2020, the senior population in Minnesota will grow 117 percent, while the 0-44 age group will only grow about 9 percent. This will be driven by the aging baby boomer generation which the report describes as “bulging upwards through the [age] pyramid like a pig in a python,” and by stabilized or falling fertility rates. For more information, visit <http://minneapolisfed.org/pubs/fedgaz/04-03/cover.cfm>

**Colorado lawmakers approved a voucher plan** for colleges. Starting in 2005, students will be eligible for a voucher worth \$2,400 at public schools and \$1,200 at three private schools in the state. Under the program, the state will give funds to graduating high school students rather than schools, and let students choose which school to attend. Colorado is one of many states who are exploring new techniques to solve education funding problems, and they face considerable challenges with the toughest constitutional spending cap in the nation. Lawmakers also hope to increase college enrollment for low-income high school graduates, which is an abysmal 17 percent. Critics argue that the voucher program will take money away from public schools because it allows for students to apply the money to private school tuition. [www.christiansciencemonitor.com/2004/05/03/p03s01-uspo.html](http://www.christiansciencemonitor.com/2004/05/03/p03s01-uspo.html)

**Twin Cities workers earn more**, on average, than the rest of the nation. According to a recent survey by the U.S. Department of Labor’s Bureau of Labor Statistics, the average hourly wage in the Twin Cities metropolitan area is \$21.58. In contrast, the national average is only \$17.18. State economist Tom Stinson attributes the higher Minnesota wages to a very productive work force, while Art Rolnick, Director of Research at the Federal Reserve Bank of Minneapolis, points to large investments in human capital, led by heavy education spending in the state since the 1950s. For more information, visit [www.startribune.com/stories/535/4746415.html](http://www.startribune.com/stories/535/4746415.html) or see [www.bls.gov/ncs/ocs/compub.htm](http://www.bls.gov/ncs/ocs/compub.htm) #MN for the data report.

**States are using GPS to free up prison beds.** In order to free up some much-needed cash, Oklahoma is prepared to join several states in allowing parole officers to track parolees using Global Positioning Satellite (GPS) technology. A tracking device strapped to a parolee’s ankle will alert officers when convicted sex offenders go near schools, for example, or when criminals return to the scene of their crimes. Florida’s Department of Corrections has been using GPS to track parolees since 1997. The cost is just \$5 per day per parolee, compared to \$50 a day per prisoner to house them in prison. Since implementing the tracking system, Florida has found that recidivism rates have dropped from around 50 percent to between 3 and 7 percent. <http://www.csmonitor.com/2004/0507/p02s02-usju.htm> MJ

*Take Note compiled by Citizens League staff and members.*