Welcome

Minnesota’s 2011 state government shutdown marks the third time since 2005 that the regular legislative session has ended in a stalemate rather than a negotiated solution. Minnesotans are growing weary of this ongoing partisan impasse, and with the inability of elected officials to find areas of compromise.

But it doesn’t have to be this way.

From July 19 to 21, 2011, the Bush Foundation, in partnership with InCommons, convened three citizen forums in Grand Rapids, Bloomington and Rochester. These forums, called Citizen Solutions, brought together Minnesotans from many walks of life and political beliefs to talk about the state budget. From Tea Party activists to committed progressives, these sessions welcomed interested and passionate Minnesotans to think, participate, and try to reach consensus.

This moment in time – just as our state concluded the longest government shutdown in its history – served as an important backdrop to the forums, and as an equally important opportunity for the Foundation to illustrate one of its core beliefs:

**Often the best solutions to public problems lie in the shared experience and collective power of everyday citizens willing to work together.**

The Citizen Solutions forums were designed to harness that ethos to foster new ideas for solving our state’s budget challenges, and to demonstrate Minnesotans’ hunger for thoughtful solutions and civil compromise.

The Bush Foundation and InCommons presented participants with unbiased information about Minnesota’s current budget situation that had been reviewed by experts with diverse ideological opinions. A basic and consistent set of questions was used to start the conversation. From there, it was the job of the citizens to develop ideas to address Minnesota’s budget challenges. Working together in small groups, these citizens from diverse perspectives produced a multitude of budget solution strategies that they want Minnesota’s leaders to pursue.

And we know their responses were not an anomaly. In the weeks following the Citizen Solutions forums, the Bush Foundation partnered with the Wilder Foundation to conduct a statewide survey designed to test the very ideas and approaches that citizens offered in these statewide forums.

Ultimately, four key points emerged across both the events and the survey – whether respondents were rural or urban, and no matter their political perspective. They are:

1) **People of all ideologies share a universal desire to advance civil discourse, and to create long-term budget solutions around a foundation of shared values.**

2) **Minnesotans want to find a comprehensive approach to budget discussions that includes spending cuts, tax increases and tax and service redesign.**

3) **Citizen participants almost universally reject one-time borrowing to solve Minnesota’s budget challenges, instead preferring that decision makers take a long-term view in making budget choices.**

4) **Minnesotans believe that strategic and lasting public service redesign will ultimately be necessary to address the state’s long-term, structural deficit.**

These may sound like simple points. But looking at how the 2011 budget negotiations have unfolded, it’s clear that sometimes the most simple ideas can be the most difficult to implement.

We thank the 130 citizens who came together to discuss Minnesota’s budget challenges. They put aside preconceived notions, discussed difficult problems openly and respectfully, and found real solutions that *could* help Minnesota break the cycle of stalemates and deficits. By sponsoring the Citizen Solutions forums and research, we hope we can give state leaders a fresh perspective on this critical issue.

Sincerely,

Peter C. Hutchinson
President
Bush Foundation
The Bush Foundation was established in 1953 by 3M executive Archibald Bush and his wife Edyth, and today works in communities across Minnesota, North Dakota, South Dakota and the 23 Native nations that share the same geographic area. Our mission is to be a catalyst for the courageous leadership necessary to create sustainable solutions to tough public problems and ensure community vitality. We pursue this mission through a variety of methods including engaging citizens to work together to solve their community’s tough public problems.

In 2010, the Foundation and other partners launched InCommons, a community-based, Minnesota-wide initiative that connects people face-to-face and online to share credible tools, knowledge and resources to solve community problems. Given this mission, InCommons was naturally positioned to convene conversations focused on engaging citizens and facilitating solutions to the states most pressing problems.

The impetus for Citizen Solutions was the two organizations’ shared belief that ordinary citizens, armed with sound information, can find common ground on difficult problems because they share:

- Common values about the kind of state we want to live in;
- A desire to find compromises that reflect those values; and
- A willingness to work together to make the difficult choices that will honestly address the state’s challenges.

These beliefs are not new or unfounded. In fact, these shared values were present in a series of more than 30 similar forums held across Minnesota in the fall of 2010, which were sponsored by the Bush Foundation and the Citizens League.

It’s these values that provided the basis for the Citizen Solutions forums. Interested Minnesotans were asked to sit together, talk about their values, and based on those values, seek consensus on how our state leaders should approach solutions for Minnesota’s structural deficit. After witnessing five months of partisan debate in Minnesota’s legislature, citizens were eager for a unique opportunity to understand first-hand what this debate was about and to develop their own recommended solutions.

Great conversations begin with solid information…

Each Citizens Solution forum followed a standardized facilitation format that grounded conversations in reliable data, but allowed every participant the freedom to use that information however they saw fit.

The program included:

**A Values Discussion**

Participants gathered at tables of six to seven for a family-style dinner, and talked openly about their hopes for Minnesota’s future and their expectations of our state leaders and each other.
Facts About Our Budget Reality
Former Revenue Commissioner John James gave a brief presentation of the state’s current fiscal challenges and ongoing structural deficit. The information used in this presentation was vetted in the fall of 2010 by a significant, bipartisan coalition of sources including the Minnesota Chamber of Commerce, the Minnesota Taxpayers Association, TakeAction Minnesota, Center of the American Experiment and Growth & Justice.

Citizen Solutions to Minnesota’s Budget
With this context in place, citizens were turned loose. Each participant received a standard questionnaire, budget information and a budgeting worksheet, and facilitators helped each table of participants discuss and find consensus on their proposed solutions.

The report’s webpage includes copies of the data, research methods and questions provided to each participant to help inform these roundtable discussions.

…. And participation from diverse perspectives
The Bush Foundation and InCommons were fortunate to engage a diverse array of partners in promoting the Citizen Solutions forums.

Participants were recruited via outreach through organizations including the Citizens League, Minnesota Council of Churches, Minnesota Public Radio and the Minnesota Chamber of Commerce. Interested potential participants completed an online application that included information about their political ideologies and demographics including age, race and gender. Participants were chosen from this pool with a goal of ensuring wide diversity across those spectrums.

Over three nights, 130 Minnesotans participated in the Citizen Solutions forums.

Attendance:
Grand Rapids = 40
Bloomington = 57
Rochester = 33

VIEWPOINT

“I hope that [events like this and citizens] talking to each other will help get the word out about what people really want to see for our state.”
— STEVE JANUSZ, NORTHFIELD
People of all ideologies share a universal desire to advance civil discourse, and to create long-term budget solutions around a foundation of shared values.

We live in a hyper-partisan environment that pits ideologies against each other, and where people almost automatically assume that individuals of one ideology – whether Democrat, Republican, Green Party or Tea Party – will automatically dismiss the ideas and assumptions of people from competing ideologies.

However, Citizen Solutions participants whole-heartedly disproved this notion. In these forums, a local Republican Party chair sat across the table from a liberal retired teacher and a progressive local government budget staff member; a young, libertarian college student traded ideas with an elderly progressive; and so much more. In each instance, diverse tables of six to seven people were able to come together, share ideas and consider alternate perspectives to the state’s problems.

In each conversation, values were at the heart of what drove citizens’ solutions. For some, it was a desire to see their children have access to a quality education today and a strong economy tomorrow. For others, it was a belief in Minnesota’s unique status as a state that cares for its people while leading in business and innovation – and a desire to see that earned reputation continue.

But above all, citizens voiced a desire to see Minnesota’s decision makers come together around long-term approaches to our state’s budget shortfalls – a sentiment that was clearly reflected in the follow-up public opinion survey. The survey found that 76 percent of Minnesotans were disappointed in the process that state leaders used to reach the final budget agreement and 69 percent were dissatisfied with the final agreement reached.

More troubling still is Minnesotans’ deflating confidence in elected officials’ ability to reach an acceptable solution. The public opinion survey found that two-thirds of respondents disagree with the idea that elected officials did the best they could to reach an acceptable solution to the 2011 budget deficit. It’s a disheartened attitude that, for Citizen Solutions participants, lies in the perception that state elected leaders are more focused on the politics that divide us than the values that bring us together.

“I’m really concerned about the divergence of opinions that we seem to have in the legislature. I don’t think we necessarily have that in our communities; we’re more toward the center than some people on the far right or the far left.” —FRANK ALLEN, GRAND RAPIDS

Minnesotans Don’t Believe Elected Officials Did Their Best in 2011 Budget Negotiations

66% Did Not Do Their Best
34% Did Their Best
Minnesotans want to find a comprehensive approach to budget discussions that includes spending cuts, tax increases and service redesign.

From the positioning of partisan operatives to the barbs and rumors that consume politicians’ posturing, it’s easy to believe that Minnesotans are sharply divided between strong support for an all-cuts budget solution and strong support for an all-tax increases budget, with decision makers left to plow the untouched middle ground.

But the Citizen Solutions forums reached an entirely different conclusion. Across 130 participants, only three people recommended an all-cuts budget and 19 people recommended a budget solution based on tax increases alone. The public opinion survey produced similar results: 57 percent of Minnesotans polled said the state needs to both find more revenue and cut some state services to address future deficits. For Minnesotans, consensus opinion begins by thinking about budget solutions that include both revenue increases and spending cuts, with the core discussion centered around the best mix of those two strategies.

For example, on average Citizen Solutions participants recommended $2.5 billion in tax increases to address the state’s budget gap.

The challenge was difficult. However, given less than two hours to complete the task, 73 percent of participants were able to present a fully balanced budget to their table. Of the other one quarter of participants, many struggled with the choices that gripped our state leaders this session: the gravity of potential cuts or cost-shifts for education; the expense of a new or increased tax on working Minnesotans; and the realities that each dollar figure will have a direct impact on the lives of real people. For these participants, the exercise fostered a new degree of empathy for the challenging decisions facing our state leaders.

“We found the most common ground in recognizing that the budget deficit is so great, a mix of solutions is really the most viable [option].”

—MICHELE SIMON, BLOOMINGTON TABLE HOST

### How Participants Would Bridge The $5 Billion Budget Gap

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* N = 126
Citizen participants almost universally reject one-time borrowing to solve Minnesota’s budget challenges, instead preferring that decision makers take a long-term view in making budget choices.

Minnesota’s decision makers have relied on borrowing and accounting shifts to close the funding gaps in each state budget since 2005. The Governor and legislative leaders use this approach to find resolution when a compromise on their tax vs. cut divide appears insurmountable; the short-term solution all but ensures another fight in the next biennium budget debate.

Yet the short-term solutions are exactly what have Minnesotans feeling weary. Across all three forums, just over one-third of participants were willing to borrow money to close the state’s budget gap. Likewise, nearly two-thirds of poll respondents believe that borrowing money should never be a part of the state’s budget solutions.

Even among those who agreed to borrow against the future, there was a clear sense that such short-term fixes were only acceptable when paired with reforms that would bring about long-term solutions.

“There was lots of consensus on looking deeper and borrowing and focusing on reform.”
—DAWN ELLISON, BLOOMINGTON SITE HOST
Minnesotans believe that strategic and lasting public service redesign will ultimately be necessary to address the state’s long-term, structural deficit.

Minnesotans want to take a long-term look at the state’s future, and for many that long view starts with government service redesign. More than 80 percent of Minnesotans believe that improved government efficiency will be a central part of the state’s long-term budget solution, and 72 percent believe tax reforms will also be an essential component, according to the public opinion survey. Participants in the Citizen Solutions forums offered even more ideas. From how the state pays for healthcare to how higher education is delivered and managed across the state, virtually every table of participants voiced an overwhelming need to redesign Minnesota’s public services. Some of those ideas included:

- Merge the University of Minnesota and Minnesota State Colleges and Universities (MnSCU) systems to streamline higher education administration
- Expand Minnesota’s sales tax base
- Eliminate the mortgage interest deduction
- Study and identify opportunities to cap spending on nursing homes while preserving care and protecting results
- Cut the state’s employees by 5 percent
- Reform Minnesota’s tax deduction review system to eliminate “hidden spending” on un-checked deductions

Redesign entails much more that wasn’t addressed by participants, but their ideas do reflect an overwhelming desire to see the state government work better and a growing belief that structural redesign of our state budget will be necessary to end the state’s cycle of stalemates. In fact a majority of participants – 83 percent – specifically noted improving the efficiency of government services as part of the state’s long-term budget resolution.

For these respondents, the value of redesign lies in the latent potential of increased efficiency and the overall improvement of government services. From the ideas noted above to changes in healthcare, education and human services, participants believe that well-executed redesign has the potential to preserve Minnesota’s high-quality government services while helping to address the state’s structural budget challenges.

For these respondents, the greatest value of any potential redesign would be the potential to make government more efficient.

“One of the things that came out was no matter how you felt about revenue or expenses, people talk about reform. That came through loud and clear for me – every person, no matter what point of view they came from [wanted redesign].”

—FRANK ALLEN, GRAND RAPIDS

“I always thought that reform was necessary, but [now, after participating in Citizen Solutions] I think everyone can embrace that... You don’t realize that [redesign is something we all agree on] until you sit with people who think differently than you do.”

—LORRIE JANATOPoulos, GRAND RAPIDS
SURVEY: People Are Willing to Make Tough Choices for Minnesota’s Future

When faced with difficult choices about how to deal with the state’s long-term, structural budget deficit, Minnesotans consistently voiced a willingness to make the sacrifices to preserve the state’s high-quality public services.

It’s a perspective that was heard at the Citizen Solutions forums and it was echoed again in the follow-up public opinion survey conducted by Wilder Research. In particular, the survey offered several important findings of note:

1. A Comprehensive Approach is the First Step.
   Across political ideologies, 57 percent of Minnesotans – including 73 percent of moderates – said they believe both increased revenues and cuts to state services are needed to address the state’s budget.

2. Solutions Begin with Government Efficiency and Tax Reform.
   More than four out of five Minnesotans believe that increased government efficiency will be a central component of the state’s long-term solution, and nearly three out of four want to see tax reform as part of it.

   Minnesotans want to preserve state government services. In fact, the poll found that 83 percent of Minnesotans believe that government services are an essential part of preserving the state’s quality-of-life and growing the economy. Respondents are tired of the debates surrounding state government services. But more than two-thirds of Minnesotans polled were dissatisfied with the recent state budget agreement, and 86 percent said they believe the voices of average citizens were lost in the debate.

But above all, this survey affirmed what the Citizen Solutions forums clearly showed: Minnesotans are ready and eager to find another way to solve our state’s budget problems.

The public opinion survey was conducted Aug. 1-4, 2011 by Wilder Research. The statewide survey had a sample of 600 and a margin of error of +/- 4 percent.

[Graph showing Government Efficiency, Tax Reform Are Priority Solutions]

86 percent of Minnesotans polled believe the voices of average citizens were lost in Minnesota’s recent budget debate.
The Citizen Solutions forums offered a unique venue to bring together Minnesotans from diverse ideologies and perspectives around a common goal: to find long-term budget solutions that will end our state’s cycle of stalemates. But the forums were much more than that — they demonstrated that the process also matters to Minnesota.

Through these events, Minnesotans had the chance to learn from each other in new, civil venues. Conversations moved beyond the traditional talking points of the political world to uncover the shared values and creative ideas shared by every Citizen Solutions participant.

People had the opportunity, for three and a half hours over dinner and conversation, to live up to the greater aspirations of civility and compromise that Minnesotans aspire to. And whether Democrat or Republican, Green Party or Tea Party, they lived up to those aspirations.

Now that Citizen Solutions has demonstrated that Minnesotans are hungry for a new era of shared values, long-term vision and a common future, the real work begins. The Bush Foundation and InCommons will be collaborating in the coming weeks and months to share this report with Minnesota’s decision makers and the media, and to help forum attendees share it with their networks, too.

“I’m extremely glad I participated. I think that when the Bush report comes out, some of our current legislators will read it and realize that they don’t have to be so polarized in their views – that they can discuss topics civilly and come to common ground like we did tonight.”

—MARK SCHLEUSNER, ROCHESTER

Citizens Solutions’ greatest impact will be in its potential to inspire more conversations, like these, at community centers, chat rooms and kitchen tables across Minnesota. Moving forward, information about the Citizens Solutions forum, including tool kits for hosting similar sessions in your own community, will be available at www.BushFoundation.org