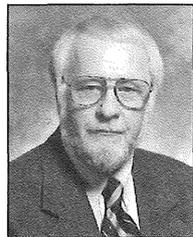


New members . . .

Hilty studies Minnesota's place in global economy

First-term Rep. Bill Hilty (DFL-Finlayson) may be a small-business man, but as a legislator struggling to define Minnesota's place in the global economy, he refuses to be pigeonholed as just another pro-business representative.



Rep. Bill Hilty

"I think some people just naturally assume that I have the small-business man's perspective, whatever that is," Hilty said. "But small business isn't really

related to big business. In terms of what's happening to our economy, I have more in common with organized labor."

The soft-spoken Hilty has been involved with manufacturing on a small-business scale for nearly 25 years now. With his wife, the 58-year-old father of five owns and operates a furniture manufacturing business in Finlayson, although now that he's a legislator, he's less involved with the actual day-to-day operation. Yet over the years, he said, he's had ample opportunity to study the direction of the free market and government policy decisions.

Given the trend in commerce toward consolidation, Hilty said small-business owners — the traditional backbone of the American economy — might soon take a back seat to big business interests, just as organized labor has lost clout in the political process because of declining membership. Indeed, the pro-

cess is already well under way, he said. Obviously, the North American Free Trade Agreement and the General Agreement on Tariffs and Trade weren't drawn up with small business in mind.

"Corporations," he said, "are putting themselves beyond the reach of any one government. It's not by accident that businesses are making these global arrangements."

Yet Hilty remains realistic about the limits of his ability as a state representative to significantly alter the course of U.S. economic policy. In the House, he said, he needs to be mindful of the legislative bailiwick.

Toward that end, Hilty, with his presence on the Governmental Operations Committee and its State Government Finance Division, the Labor-Management Relations Committee, and the Regulated Industry and Energy Committee, said he wants to broaden the scope of debate within the Legislature.

"The Legislature," he said, "has a very strong tendency to be myopic on whatever issues come before it. I'm afraid there's too little concern for the big picture."

Hilty is no stranger to legislative politics, either. He managed former Rep. Becky Lourey's three House campaigns, and decided to run for her District 8B seat when she declared her intention to challenge former Sen. Florian Chmielewski in the DFL primary. Lourey went on to win the District 8 Senate spot.

Beyond merely broadening the scope of debate, Hilty also has some concrete goals

he'd like to accomplish during his tenure in the Legislature, including some sort of significant property tax reform and a restructuring of the education finance mechanism. Of course, property tax reform implies a change in education funding, he said, adding that he vehemently opposes Gov. Arne Carlson's voucher proposal.

Another of his top concerns is the move toward utility deregulation. Policymakers, he said, should not get caught up in the deregulation frenzy, but rather, exercise caution and carefully consider the ramifications of their actions. There exists, he said, the potential to create a public policy imbroglio to rival the Savings and Loan crisis of the '80s.

"I think the whole question of utility deregulation is that huge," he said. "There's really the potential for bad things to happen for the average consumer. We don't want to find that we've indiscriminately committed ourselves to a path we may not want to go down."

— F.J. Gallagher

District 8B

1996 population: 35,094

Largest city: Moose Lake

Counties: Aitkin, Carlton, Pine

Location: east central Minnesota

Top concern: "We need significant property tax reform that would actually change the way schools are financed."

— Rep. Bill Hilty

A Capitol Dairy Queen?

During an April 3 meeting of the House Governmental Operations Committee, members were sharply divided about funding for renovations to the State Capitol cafeteria. A bill sponsored by Rep. Phyllis Kahn (DFL-Mpls) would appropriate \$2.2 million to restore the cafeteria's original German rathskeller design and decor. About \$1.2 million was approved in the 1996 bonding bill for the project.

Rep. Mike Osskopp (R-Lake City), said, somewhat tongue-in-cheek, that he'd learned from Perkins and Dairy Queen restaurant representatives that either restaurant could be built in that

space for considerably less money. "That covers land, the building, and the franchise fee," he added.

Paul Mandell, senior planner for the Capitol Area Architectural and Planning Board, explained that zoning regulations do not permit fast food restaurants in the space.

"Perkins isn't fast food," Osskopp responded, adding that he appreciated the historic considerations of the project, but "\$2.2 million? I guarantee that won't play in Wabasha," he said.

Kahn suggested he issue a press release to test taxpayer opinion about

putting a fast food restaurant in the historic space.

"For the quality of food [in the Capitol complex] cafeterias, vending machines would suffice," said Rep. Phil Krinkie (R-Shoreview). "Whether we're talking \$1.9 million or \$2.2 million, something here is amiss in terms of the cost."

The measure was approved by the committee on a 10-7 party-line vote. It was later discussed, but not voted on, by the House Capital Investment Committee.