



STATE OF MINNESOTA

Office of Governor Tim Pawlenty

130 State Capitol ♦ 75 Rev. Dr. Martin Luther King Jr. Boulevard ♦ Saint Paul, MN 55155

September 7, 2010

The Honorable Kathleen Sebelius
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Secretary Sebelius:

As you know, I recently issued an Executive Order directing Minnesota state agencies not to seek grant funding available under the recently-passed federal healthcare legislation unless required by law or approved by my office. I have further indicated my office would approve such grant applications if they are consistent with current state policy priorities, commitments, or directions and the grants do not represent objectionable overreach by the federal government.

This approach is partly fueled by a concern about overspending by the federal government and the unbearable burdens that spending will place on our economy and hard-working taxpayers now and in the future. It is also fueled by concerns about many aspects of the federal healthcare legislation itself.

Further, please also be aware that Minnesota pays more than its fair share to the federal government. Minnesota taxpayers subsidize the federal government, receiving only \$0.72 in federal funds for every dollar we send to Washington. By that measure, Minnesota is the fifth-largest subsidizer of the federal government among the fifty states.

While my Executive Order only pertains to grants available under the federal healthcare legislation, I am aware you have requested, pursuant to other recently-enacted legislation, my consideration of Minnesota's interest in certain additional Medicaid and foster care funds. Since those programs reflect current and longstanding Minnesota policy objectives and commitments, in accordance

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with Section 201 of Public Law 111-226, and to protect Minnesota taxpayers, I am requesting that the additional Federal Title XIX (Medicaid) and Title IV-E (Foster Care) funds made available under Section 201 of the Public Law be made available to the State of Minnesota. I certify that these additional funds, which are available through the extension of Section 5001 of the American Recovery and Reinvestment Act (ARRA) for the period January 1, 2011 through June 30, 2011, will be used in accordance with all applicable requirements under Section 5001 of ARRA as amended.

Sincerely,

A handwritten signature in blue ink, appearing to read "T. Pawlenty". The signature is stylized with a large "P" and a long horizontal stroke.

Tim Pawlenty
Governor