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State of Minnesota
HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. **4603**

04/28/2020 Authored by Ecklund and Lippert
The bill was read for the first time and referred to the Jobs and Economic Development Finance Division
05/04/2020 Adoption of Report: Amended and re-referred to the Committee on Ways and Means
Pursuant to Joint Rule 2.03, re-referred to the Committee on Rules and Legislative Administration
05/07/2020 Adoption of Report: Re-referred to the Committee on Ways and Means
Joint Rule 2.03 has been waived for any subsequent committee action on this bill

- 1.1 A bill for an act
- 1.2 relating to transferring money to the 21st century fund; modifying small business
- 1.3 emergency loans; amending Minnesota Statutes 2018, section 16A.152, subdivision
- 2; Laws 2020, chapter 71, article 1, section 11.
- 1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.6 Section 1. Minnesota Statutes 2018, section 16A.152, subdivision 2, is amended to read:
- 1.7 Subd. 2. **Additional revenues; priority.** (a) If on the basis of a forecast of general fund
- 1.8 revenues and expenditures, the commissioner of management and budget determines that
- 1.9 there will be a positive unrestricted budgetary general fund balance at the close of the
- 1.10 biennium, the commissioner of management and budget must allocate money to the following
- 1.11 accounts and purposes in priority order:
- 1.12 (1) the cash flow account established in subdivision 1 until that account reaches
- 1.13 \$350,000,000;
- 1.14 (2) the budget reserve account established in subdivision 1a until that account reaches
- 1.15 \$1,596,522,000;
- 1.16 (3) the amount necessary to increase the aid payment schedule for school district aids
- 1.17 and credits payments in section 127A.45 to not more than 90 percent rounded to the nearest
- 1.18 tenth of a percent without exceeding the amount available and with any remaining funds
- 1.19 deposited in the budget reserve;
- 1.20 (4) the amount necessary to restore all or a portion of the net aid reductions under section
- 1.21 127A.441 and to reduce the property tax revenue recognition shift under section 123B.75,
- 1.22 subdivision 5, by the same amount; ~~and~~

(5) the clean water fund established in section 114D.50 until \$22,000,000 has been transferred into the fund; and

(6) the amount necessary to increase the Minnesota 21st century fund by not more than the difference between \$5,000,000 and the sum of the amounts credited and canceled to it in the previous 12 months under Laws 2020, chapter 71, article 1, section 11, until the sum of all transfers under this section and all amounts credited or canceled under Laws 2020, chapter 71, article 1, section 11, equals \$20,000,000.

(b) The amounts necessary to meet the requirements of this section are appropriated from the general fund within two weeks after the forecast is released or, in the case of transfers under paragraph (a), clauses (3) and (4), as necessary to meet the appropriations schedules otherwise established in statute.

(c) The commissioner of management and budget shall certify the total dollar amount of the reductions under paragraph (a), clauses (3) and (4), to the commissioner of education. The commissioner of education shall increase the aid payment percentage and reduce the property tax shift percentage by these amounts and apply those reductions to the current fiscal year and thereafter.

(d) Paragraph (a), clause (5), expires after the entire amount of the transfer has been made.

Sec. 2. Laws 2020, chapter 71, article 1, section 11, is amended to read:

Sec. 11. TRANSFERS; SMALL BUSINESS EMERGENCY LOAN PROGRAM.

(a) Notwithstanding Minnesota Statutes, sections 116J.423 and 116J.8731, in fiscal year 2020, the following amounts are transferred to the small business emergency loan account in the special revenue fund under Minnesota Statutes, section 116M.18, subdivision 9:

(1) \$20,000,000 from the special revenue fund account of the Minnesota 21st century fund under Minnesota Statutes, section 116J.423, subdivision 1; and

(2) \$10,000,000 from the Minnesota investment revolving loan account under Minnesota Statutes, section 116J.8731, subdivision 5, in the special revenue fund.

Transferred amounts are appropriated to the commissioner of employment and economic development to make loans as set forth in Governor's Executive Order 20-15, Providing Immediate Relief to Small Businesses During the COVID-19 Peacetime Emergency. All loan repayments are credited proportionately to the accounts from which the loan amounts were originally transferred. Any amounts remaining in the small business emergency loan

3.1 account that are unexpended and unobligated at the close of the fiscal year cancel
3.2 proportionately to the accounts from which the amounts were originally transferred.

3.3 (b) Beginning the day following the day in which the total amount transferred under
3.4 Minnesota Statutes, section 16A.152, and from repayments of loans and cancellations of
3.5 funds under this section to the Minnesota 21st century fund equals \$20,000,000, all further
3.6 repayments of loans to the Minnesota 21st century fund under this section are transferred
3.7 to the general fund.