

A bill for an act
relating to state government; proposing an amendment to the Minnesota
Constitution, article XI; establishing budget reserve, setting amount of reserve,
and providing for full funding of reserve.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **CONSTITUTIONAL AMENDMENT PROPOSED.**

An amendment to the Minnesota Constitution is proposed to the people. If the
amendment is adopted, a section shall be added to article XI, to read:

Sec. 16. A budget reserve equal to six percent of the biennial general fund budget is
created in the general fund in the state treasury. If the balance in the budget reserve at
the end of a biennium is less than the amount specified in this section, the budget reserve
account must be restored to a full funding level within four fiscal years. On July 1 of each
year, the commissioner of finance shall transfer funds specifically appropriated to the
budget reserve. A law to increase state sales tax rates or state personal income tax rates for
revenues to make an appropriation to fully fund the budget reserve must be adopted by the
vote of at least three-fifths of the members of each house of the legislature.

Sec. 2. **SUBMISSION TO VOTERS.**

The proposed amendment must be submitted to the people at the 2010 general
election. The question submitted must be:

"Shall the Minnesota Constitution be amended to establish and maintain a budget
reserve in the state treasury equal to six percent of the state's biennial general fund budget,
that must be fully funded within four years of its use, but must not be restored to full

2.1

2.2

2.3

2.4

funding through an increase in state income or sales tax rates unless the increase is
approved by a three-fifths vote of the legislature?

Yes

No "