A bill for an act

relating to state government; authorizing the governor to declare a fiscal emergency; specifying the effect of a declaration of fiscal emergency on legislative procedures; proposing coding for new law in Minnesota Statutes, chapter 4.

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

Section 1. **[4.031] FISCAL EMERGENCY.**

Subdivision 1. **Declaration.** If the governor determines that, for a biennium, general fund revenues will decline substantially below the estimate of general fund revenues upon which the budget for that biennium, as enacted, was based, or that general fund expenditures will increase substantially above the estimate of general fund revenues for that biennium, or both, the governor may issue a proclamation declaring a fiscal emergency.

Subd. 2. **Extra session.** If the legislature is not meeting in regular session, a proclamation declaring a fiscal emergency must convene the legislature in extra session for the purpose of dealing with the fiscal emergency. The proclamation must identify the nature of the fiscal emergency and shall be submitted by the governor to the legislature, accompanied by proposed legislation to address the fiscal emergency. If the legislature fails to pass and send to the governor a bill or bills to address the fiscal emergency within 45 days following the issuance of the proclamation declaring the fiscal emergency, the legislature may not act on any other bill, nor may the legislature adjourn for a joint recess of more than three days, until that bill or those bills have been passed and sent to the governor.

Subd. 3. **Regular session.** If the legislature is meeting in regular session, the governor may issue a proclamation declaring a fiscal emergency only if the conditions in subdivision 1 exist and the governor determines the legislature will not address the fiscal emergency in a timely manner. The proclamation shall identify the nature of the fiscal emergency and shall be submitted by the governor to the legislature, accompanied by proposed legislation to address the fiscal emergency. After the governor declares a fiscal emergency during a regular session of the legislature, the legislature may not present a bill to the governor until the legislature has presented the governor a bill or bills to address the fiscal emergency.

Subd. 4. **Effect on unallotment authority.** The commissioner of finance may not reduce unexpended unallotments of prior general fund appropriations or transfers under section 16A.152 if the governor has issued a proclamation declaring a fiscal emergency under this section.