02/08/23 **REVISOR** RSI/HR 23-03101 as introduced

SENATE STATE OF MINNESOTA NINETY-THIRD SESSION

A bill for an act

S.F. No. 1836

(SENATE AUTHORS: LUCERO)

DATE 02/20/2023 **D-PG** 901

1.1

1.21

Introduction and first reading Referred to Finance

OFFICIAL STATUS

| 1.2 1.3 1.4 | proposing an amendment to the Minnesota Constitution by adding a section to article XI; limiting general fund expenditures to 5-1/3 percent of state personal income. |
|-------------------|---|
| 1.5 | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA: |
| 1.6 | Section 1. CONSTITUTIONAL AMENDMENT PROPOSED. |
| 1.7 | An amendment to the Minnesota Constitution is proposed to the people. If the amendment |
| 1.8 | is adopted, a section shall be added to article XI to read: |
| 1.9 | Sec. 16. The legislature must not cause total general fund expenditures for a fiscal year |
| 1.10 | to exceed 5-1/3 percent of forecasted state personal income for the fiscal year. Onetime |
| 1.11 | general fund expenditures are not included in the expenditure limit. |
| 1.12 | To accommodate the transfer of governmental functions between the federal and state |
| 1.13 | governments or the state and local units of government without contravening the intent of |
| 1.14 | the expenditure limit, the legislature must specify any adjustment to the expenditure limit |
| 1.15 | in law and the adjustment must be consistent with the following principles: |
| 1.16 | (1) if, by order of any court or by legislative enactment, the costs of a program or any |
| 1.17 | portion thereof are transferred from a local unit of government to the state, the legislature |
| 1.18 | may commensurately increase the expenditure limit provided the tax revenues of the affected |
| 1.19 | local unit of government are commensurately decreased; |
| 1.20 | (2) if, by order of any court or by legislative enactment, the costs of a program or any |

portion thereof are transferred from the state to a local unit of government, the legislature

Section 1. 1

| 2.1 | must commensurately decrease the appropriation limit and the tax revenues of the local unit |
|------|---|
| 2.2 | of government may be commensurately increased; |
| 2.3 | (3) if funds provided by the federal government in support of an existing program are |
| 2.4 | eliminated or significantly curtailed, the legislature may commensurately increase the |
| 2.5 | expenditure limit by the amount of the increased state costs incurred in administering the |
| 2.6 | program or any portion thereof pursuant to an order of any court or by legislative enactment; |
| 2.7 | and |
| 2.8 | (4) if the costs of a program are transferred from the state to the federal government, the |
| 2.9 | legislature must commensurately decrease the expenditure limit. |
| 2.10 | Sec. 2. SUBMISSION TO VOTERS. |
| 2.11 | The proposed amendment must be submitted to the people at the 2024 general election |
| 2.12 | The question submitted must be: |
| 2.13 | "Shall the Minnesota Constitution be amended to limit general fund expenditures to no |
| 2.14 | more than 5-1/3 percent of state personal income? |
| 2.15 | <u>Yes</u> |
| 2.16 | No" |

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Sec. 2. 2