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State of Minnesota
HOUSE OF REPRESENTATIVES
NINETIETH SESSION

H. F. No. 3437

03/08/2018 Authored by Knoblach; Anderson, S.; O'Driscoll and Carlson, L.,
The bill was read for the first time and referred to the Committee on Government Operations and Elections Policy

1.1 A bill for an act
1.2 relating to state government; authorizing court-ordered funding of critical functions
1.3 in certain circumstances; appropriating money; proposing coding for new law in
1.4 Minnesota Statutes, chapter 16A.

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

1.6 Section 1. **[16A.117] COURT-ORDERED FUNDING OF CRITICAL FUNCTIONS;**
1.7 **APPROPRIATION.**

1.8 Subdivision 1. **Petition; court order.** (a) In an odd-numbered year, no later than 20
1.9 days after the date that the legislature must adjourn a regular session under the Constitution,
1.10 article IV, section 12, the commissioner must petition the Supreme Court under this section
1.11 if money has not been appropriated for a critical function for the fiscal year beginning that
1.12 July 1. If the commissioner fails to comply with this requirement, the Legislative
1.13 Coordinating Commission may petition the Supreme Court under this section.

1.14 (b) Upon petition, the Supreme Court must order the commissioner to release money
1.15 from the treasury sufficient to fund only the functions, as determined by the Supreme Court,
1.16 that satisfy the criteria in subdivision 2, paragraph (b), or 3.

1.17 (c) Except as provided in subdivision 2, paragraph (b), clause (4), an order issued under
1.18 this section remains in effect for a function until superseded by a subsequent law eliminating
1.19 or providing funding for the function.

1.20 (d) The chief justice of the Supreme Court or the chief justice's designee may appoint a
1.21 special master to hold hearings and advise the Supreme Court regarding any issues or
1.22 controversies related to the order.

2.1 Subd. 2. Funding limited; exceptions. (a) Except as provided in paragraph (b), an order
2.2 issued under this section must not fund a function from any fund in an amount that exceeds
2.3 the amount spent for that function from that fund during the corresponding month in the
2.4 fiscal year ending that June 30.

2.5 (b) The order must direct the commissioner to fully fund the following critical functions
2.6 not otherwise funded for the fiscal year beginning that July 1:

2.7 (1) natural disaster and other emergency assistance under chapters 12, 12A, 12B, or
2.8 other law;

2.9 (2) transportation activities consistent with plans developed by the commissioner of
2.10 transportation and funded entirely by constitutionally dedicated revenues;

2.11 (3) the operation of a board regulating licensed occupations or gambling if the board is
2.12 funded entirely by:

2.13 (i) dues or other dedicated revenues; or

2.14 (ii) general fund appropriations, if dues or other revenues collected by the board and
2.15 deposited in the general fund exceeded the board's general fund appropriation in at least
2.16 three of the last five fiscal years;

2.17 (4) the operation of state parks and historical sites from July 1 to July 15 only, with
2.18 funding limited to the amount spent for these functions from July 1 to July 15 of the fiscal
2.19 year ending that June 30;

2.20 (5) continuation of existing construction contracts:

2.21 (i) previously awarded and funded with general obligation bond proceeds;

2.22 (ii) previously awarded and funded by sources other than the general fund; or

2.23 (iii) necessary to secure an existing project and prevent a threat to public safety; and

2.24 (6) full payment of the following categories of debt:

2.25 (i) debt for which the full faith and credit of the state has been pledged;

2.26 (ii) debt paid from user fees or other dedicated revenues and not from appropriations or
2.27 transfers from the general fund;

2.28 (iii) certificates of participation;

2.29 (iv) appropriation bonds for which payment is contingent upon an appropriation for that
2.30 purpose;

3.1 (v) credit enhancement programs for cities, counties, and school districts; and

3.2 (vi) debt service equalization aid payments to school districts.

3.3 Subd. 3. **Other critical function criteria.** Except as provided in subdivision 2, paragraph
3.4 (b), the order must direct the commissioner to release funding only for those critical functions
3.5 not otherwise funded for the fiscal year beginning that July 1 that satisfy one or more of the
3.6 following criteria:

3.7 (1) functions necessary for the legislature to draft, debate, publish, vote on, and enact
3.8 legislation;

3.9 (2) functions necessary for the judiciary to adjudicate civil and criminal cases and ensure
3.10 the rights afforded to the citizens of Minnesota under the state and federal constitutions;

3.11 (3) functions necessary for constitutional offices to perform duties required under the
3.12 state and federal constitutions;

3.13 (4) functions necessary to:

3.14 (i) protect other rights afforded to the citizens of Minnesota under the federal or state
3.15 constitution; or

3.16 (ii) secure public facilities, data, and information technology systems;

3.17 (5) funding for elementary and secondary education through the basic education formula
3.18 and special education services required by federal law;

3.19 (6) functions required under an existing agreement with the federal government as
3.20 governed by the Supremacy Clause of the United States Constitution such as medical
3.21 assistance, MinnesotaCare, Minnesota family investment program, and general assistance;

3.22 (7) functions required under an agreement with another state or nation;

3.23 (8) providing basic custodial care for citizens in group residential housing and residents
3.24 of state correctional facilities, regional treatment centers, nursing homes, veterans homes,
3.25 residential academies, and other similar state-operated services;

3.26 (9) continuation of critical child support payment services;

3.27 (10) maintaining public safety and addressing exigent threats to public health, including
3.28 providing for the safe use of food, drugs, and hazardous materials;

3.29 (11) transportation safety functions and the protection of transport property;

3.30 (12) activities that ensure the production of power or maintenance of the power
3.31 distribution system;

4.1 (13) preserving the essential elements of the financial system of state government,
4.2 including the continued operation of the tax collection and borrowing capacities of state
4.3 government;

4.4 (14) maintaining contract performance where a suspension or interruption could
4.5 reasonably be regarded as a material default resulting in substantial monetary damages
4.6 against the state;

4.7 (15) functions of the Minnesota Zoological Garden and Department of Natural Resources
4.8 necessary to maintain and secure animals, including staff necessary to prevent animals from
4.9 escaping and endangering the public;

4.10 (16) that portion of county program aid and local government aid necessary for local
4.11 units of government to provide only the critical functions identified under this subdivision;
4.12 and

4.13 (17) administrative and support services necessary to perform the functions in clauses
4.14 (1) to (15), including but not limited to maintaining relevant computer systems and issuing
4.15 payments.

4.16 Subd. 4. **Relation to other laws.** (a) Except as provided in paragraph (b) and
4.17 notwithstanding any other law, while an order issued under this section is in effect, any
4.18 statutory appropriation to an entity receiving court-ordered funding for a critical function
4.19 is suspended or superseded by this section.

4.20 (b) This subdivision does not prohibit the Supreme Court from ordering the commissioner
4.21 to release money for a critical function pursuant to an existing statutory appropriation.

4.22 Subd. 5. **Public higher education institutions.** In an odd-numbered year, if the omnibus
4.23 budget act appropriating biennial funding to the University of Minnesota and the Minnesota
4.24 State Colleges and Universities system is not enacted by July 1, these institutions may
4.25 continue to operate using tuition, fees, and other resources available to them.

4.26 Subd. 6. **Appropriation.** (a) Sums sufficient to execute an order issued under this section
4.27 are appropriated to the recipient from the relevant fund or funds in the treasury.

4.28 (b) A sum sufficient to pay the reasonable and necessary fees and expenses of a special
4.29 master appointed under subdivision 1 is appropriated from the general fund to the chief
4.30 justice of the Supreme Court.