

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-SEVENTH LEGISLATURE**

**S.F. No. 1031**

(SENATE AUTHORS: WIGER, Goodwin, Cohen, Dibble and Torres Ray)

DATE	D-PG	OFFICIAL STATUS
03/25/2011	755	Introduction and first reading Referred to Rules and Administration
04/05/2011	1189	Withdrawn and re-referred to State Government Innovation and Veterans

1.1                                   A bill for an act  
1.2 relating to state government finance; changing the amount the commissioner  
1.3 of management and budget may bill for statewide services provided; setting a  
1.4 maximum amount for general fund budget reserve; allocating additional forecast  
1.5 balance; specifying which fund proceeds of bonds are credited to; making  
1.6 technical changes to Environmental Quality Board; extending availability of  
1.7 funds for the Enterprise Real Property Technology System; appropriating money;  
1.8 amending Minnesota Statutes 2010, sections 16A.1286, subdivision 2; 16A.152,  
1.9 subdivisions 1b, 2; 16A.641, subdivision 7; 16A.642, subdivision 2; 116C.03,  
1.10 subdivisions 4, 5; Laws 2009, chapter 101, article 2, section 106; repealing  
1.11 Minnesota Statutes 2010, section 197.585, subdivision 5.

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

1.13                                   **ARTICLE 1**  
1.14                                   **STATE GOVERNMENT APPROPRIATIONS**

1.15 Section 1. **SUMMARY OF APPROPRIATIONS.**

1.16                   The amounts shown in this section summarize direct appropriations, by fund, made  
1.17 in this article.

	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>Total</u></b>
1.18 <u>General</u>	<u>\$ 328,463,000</u>	<u>\$ 331,470,000</u>	<u>\$ 659,933,000</u>
1.19 <u>Health Care Access</u>	<u>1,927,000</u>	<u>1,927,000</u>	<u>3,854,000</u>
1.20 <u>State Government Special</u>			
1.21 <u>Revenue</u>	<u>400,000</u>	<u>400,000</u>	<u>800,000</u>
1.22 <u>Environmental</u>	<u>448,000</u>	<u>448,000</u>	<u>896,000</u>
1.23 <u>Remediation</u>	<u>250,000</u>	<u>250,000</u>	<u>500,000</u>
1.24 <u>Special Revenue</u>	<u>3,639,000</u>	<u>3,639,000</u>	<u>7,278,000</u>
1.25 <u>Highway User Tax</u>			
1.26 <u>Distribution</u>	<u>2,183,000</u>	<u>2,183,000</u>	<u>4,366,000</u>
1.27 <u>Workers' Compensation</u>	<u>7,350,000</u>	<u>7,350,000</u>	<u>14,700,000</u>
1.28 <b><u>Total</u></b>	<b><u>\$ 344,660,000</u></b>	<b><u>\$ 347,667,000</u></b>	<b><u>\$ 692,327,000</u></b>

2.1 Sec. 2. STATE GOVERNMENT APPROPRIATIONS.

2.2 The sums shown in the columns marked "Appropriations" are appropriated to the  
 2.3 agencies and for the purposes specified in this article. The appropriations are from the  
 2.4 general fund, or another named fund, and are available for the fiscal years indicated  
 2.5 for each purpose. The figures "2012" and "2013" used in this article mean that the  
 2.6 appropriations listed under them are available for the fiscal year ending June 30, 2012, or  
 2.7 June 30, 2013, respectively. "The first year" is fiscal year 2012. "The second year" is fiscal  
 2.8 year 2013. "The biennium" is fiscal years 2012 and 2013.

		<u>APPROPRIATIONS</u>	
		<u>Available for the Year</u>	
		<u>Ending June 30</u>	
		<u>2012</u>	<u>2013</u>
2.13	Sec. 3. <u>LEGISLATURE</u>	<u>\$ 63,120,000</u>	<u>\$ 63,120,000</u>
<u>Appropriations by Fund</u>			
2.14		<u>2012</u>	<u>2013</u>
2.15			
2.16	<u>General</u>	<u>62,942,000</u>	<u>62,942,000</u>
2.17	<u>Health Care Access</u>	<u>178,000</u>	<u>178,000</u>

2.18 Sec. 4. GOVERNOR AND LIEUTENANT  
 2.19 GOVERNOR \$ 3,195,000 \$ 3,195,000

2.20 This appropriation is to fund the Office of  
 2.21 the Governor and Lieutenant Governor.  
 2.22 \$19,000 the first year and \$19,000 the  
 2.23 second year are for necessary expenses in  
 2.24 the normal performance of the governor's  
 2.25 and lieutenant governor's duties for which no  
 2.26 other reimbursement is provided.

2.27 Sec. 5. STATE AUDITOR \$ 9,100,000 \$ 9,100,000

2.28 Sec. 6. ATTORNEY GENERAL \$ 21,489,000 \$ 21,489,000

		<u>Appropriations by Fund</u>	
		<u>2012</u>	<u>2013</u>
2.29			
2.30			
2.31	<u>General</u>	<u>21,094,000</u>	<u>21,094,000</u>
2.32	<u>Environmental</u>	<u>145,000</u>	<u>145,000</u>
2.33	<u>Remediation</u>	<u>250,000</u>	<u>250,000</u>

3.1	Sec. 7. <u>SECRETARY OF STATE</u>	\$	<u>5,659,000</u>	\$	<u>5,659,000</u>
3.2	<u>Any funds available in the account</u>				
3.3	<u>established in Minnesota Statutes, section</u>				
3.4	<u>5.30, pursuant to the Help America Vote Act,</u>				
3.5	<u>are appropriated for the purposes and uses</u>				
3.6	<u>authorized by federal law.</u>				
3.7	Sec. 8. <u>CAMPAIGN FINANCE AND PUBLIC</u>				
3.8	<u>DISCLOSURE BOARD</u>	\$	<u>725,000</u>	\$	<u>725,000</u>
3.9	Sec. 9. <u>INVESTMENT BOARD</u>	\$	<u>146,000</u>	\$	<u>146,000</u>
3.10	Sec. 10. <u>OFFICE OF ENTERPRISE</u>				
3.11	<u>TECHNOLOGY</u>	\$	<u>5,181,000</u>	\$	<u>5,181,000</u>
3.12	<u>Of this amount, \$3,930,000 the first year</u>				
3.13	<u>and \$3,930,000 the second year are for</u>				
3.14	<u>information technology security.</u>				
3.15	Sec. 11. <u>ADMINISTRATIVE HEARINGS</u>	\$	<u>7,647,000</u>	\$	<u>7,517,000</u>
3.16	<u>Appropriations by Fund</u>				
3.17		<u>2012</u>		<u>2013</u>	
3.18	<u>General</u>	<u>397,000</u>		<u>267,000</u>	
3.19	<u>Workers'</u>				
3.20	<u>Compensation</u>	<u>7,250,000</u>		<u>7,250,000</u>	
3.21	<u>\$130,000 the first year is for the cost</u>				
3.22	<u>of considering complaints filed under</u>				
3.23	<u>Minnesota Statutes, section 211B.32. Any</u>				
3.24	<u>amount of this appropriation that remains</u>				
3.25	<u>unspent at the end of the biennium must be</u>				
3.26	<u>canceled to the general account of the state</u>				
3.27	<u>elections campaign fund.</u>				
3.28	Sec. 12. <u>ADMINISTRATION</u>				
3.29	<u>Subdivision 1. Total Appropriation</u>	\$	<u>18,173,000</u>	\$	<u>18,058,000</u>
3.30	<u>The amounts that may be spent for each</u>				
3.31	<u>purpose are specified in the following</u>				
3.32	<u>subdivisions.</u>				

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4.1	<u>Subd. 2. Government and Citizen Services</u>	<u>16,455,000</u>	<u>16,340,000</u>
4.2	<u>(a) \$393,000 the first year and \$393,000 the</u>		
4.3	<u>second year are for the small agency resource</u>		
4.4	<u>team.</u>		
4.5	<u>(b) \$719,000 the first year and \$674,000 the</u>		
4.6	<u>second year are for ongoing support of the</u>		
4.7	<u>enterprisewide real property system.</u>		
4.8	<u>(c) \$800,000 the first year and \$800,000</u>		
4.9	<u>the second year are for the Minnesota</u>		
4.10	<u>Geospatial Information Office. Of the total</u>		
4.11	<u>appropriation, \$10,000 per year is intended</u>		
4.12	<u>for preparation of township acreage data in</u>		
4.13	<u>Laws 2008, chapter 366, article 17, section</u>		
4.14	<u>7, subdivision 3.</u>		
4.15	<u>(d) \$74,000 the first year and \$74,000</u>		
4.16	<u>the second year are for the Council on</u>		
4.17	<u>Developmental Disabilities.</u>		
4.18	<u>(e) \$206,000 the first year and \$206,000 the</u>		
4.19	<u>second year are for the Office of the State</u>		
4.20	<u>Archaeologist.</u>		
4.21	<u>(f) \$8,158,000 the first year and \$8,158,000</u>		
4.22	<u>the second year are for office space costs of</u>		
4.23	<u>the legislature and veterans organizations</u>		
4.24	<u>and for ceremonial and statutorily free space.</u>		
4.25	<u>(g) \$125,000 the first year and \$125,000</u>		
4.26	<u>the second year are for ongoing support for</u>		
4.27	<u>the Office of Grants Management which</u>		
4.28	<u>facilitates the commissioner's duties under</u>		
4.29	<u>Minnesota Statutes, sections 16B.97 and</u>		
4.30	<u>16B.98.</u>		
4.31	<u>(h) \$170,000 the first year and \$100,000 the</u>		
4.32	<u>second year are for activities and analysis</u>		
4.33	<u>related to the 2010 census.</u>		

5.1 (i) \$80,000 in fiscal year 2012 is transferred  
 5.2 from the plant management fund to the  
 5.3 general fund. The amount represents  
 5.4 proceeds from the sale of assets and other  
 5.5 revenues related to resource recovery  
 5.6 activities. This is a onetime transfer.

5.7 (j) \$39,000 in fiscal year 2012 is transferred  
 5.8 from the central stores fund to the general  
 5.9 fund. This is a onetime transfer.

5.10 (k) \$6,512 in fiscal year 2012 is transferred  
 5.11 from the special revenue fund to the general  
 5.12 fund. The amount represents remaining  
 5.13 funds in an account for a completed savings  
 5.14 monitoring energy program. This is a  
 5.15 onetime transfer.

5.16 <u>Subd. 3. <b>Administrative Management Support</b></u>	<u>1,718,000</u>	<u>1,718,000</u>
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5.17 <u>Sec. 13. <b>CAPITOL AREA</b></u>		
5.18 <u><b>ARCHITECTURAL AND PLANNING</b></u>		
5.19 <u><b>BOARD</b></u>	<u>\$ 342,000</u>	<u>\$ 342,000</u>

5.20 <u>Sec. 14. <b>MINNESOTA MANAGEMENT AND</b></u>		
5.21 <u><b>BUDGET</b></u>	<u>\$ 18,482,000</u>	<u>\$ 18,432,000</u>

5.22 (a) \$250,000 the first year and \$250,000 the  
 5.23 second year are for a results management  
 5.24 initiative for the executive branch of state  
 5.25 government.

5.26 (b) \$50,000 in the first year is for a task force  
 5.27 on small agencies, boards, and commissions  
 5.28 that have ten or fewer full-time equivalent  
 5.29 employees. The task force shall operate  
 5.30 according to applicable requirements  
 5.31 of Minnesota Statutes, section 15.059,  
 5.32 subdivision 6, and review the missions,  
 5.33 services, and operations of the small  
 5.34 agencies, boards, and commissions. The

6.1 task force will consist of nine members,  
 6.2 with five appointed by the governor and two  
 6.3 appointed by each chamber of the legislature.  
 6.4 Recommendations are due to the legislature  
 6.5 by January 15, 2012.

6.6 Sec. 15. REVENUE

6.7 Subdivision 1. Total Appropriation \$ 138,242,000 \$ 141,979,000

<u>Appropriations by Fund</u>	<u>2012</u>	<u>2013</u>
6.8 <u>General</u>	<u>134,007,000</u>	<u>137,744,000</u>
6.9 <u>Health Care Access</u>	<u>1,749,000</u>	<u>1,749,000</u>
6.10 <u>Highway User Tax</u>		
6.11 <u>Distribution</u>	<u>2,183,000</u>	<u>2,183,000</u>
6.12 <u>Environmental</u>	<u>303,000</u>	<u>303,000</u>

6.13 The amounts that may be spent for each  
 6.14 purpose are specified in the following  
 6.15 subdivisions.

6.16 Subd. 2. Tax System Management 111,495,000 113,638,000

<u>Appropriations by Fund</u>	<u>2012</u>	<u>2013</u>
6.17 <u>General</u>	<u>105,010,000</u>	<u>107,151,000</u>
6.18 <u>Health Care Access</u>	<u>1,749,000</u>	<u>1,749,000</u>
6.19 <u>Highway User Tax</u>		
6.20 <u>Distribution</u>	<u>2,183,000</u>	<u>2,183,000</u>
6.21 <u>Environmental</u>	<u>303,000</u>	<u>303,000</u>

6.22 (a) \$2,187,000 the first year and \$4,278,000  
 6.23 the second year are appropriated to the  
 6.24 department for additional activities to  
 6.25 identify and collect tax liabilities from  
 6.26 individuals and businesses that currently  
 6.27 do not pay all taxes owed. This initiative  
 6.28 is expected to result in new general fund  
 6.29 revenues of \$19,200,000 for the biennium  
 6.30 ending June 30, 2013.

6.31 (b) The department must report electronically  
 6.32 to the chairs of the house of representatives

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7.1 Ways and Means Committee and senate  
7.2 finance committees by March 1, 2012,  
7.3 and January 15, 2013, on the following  
7.4 performance indicators:

7.5 (1) the number of corporations noncompliant  
7.6 with the corporate tax system each year and  
7.7 the percentage and dollar amounts of valid  
7.8 tax liabilities collected;

7.9 (2) the number of businesses noncompliant  
7.10 with the sales and use tax system and the  
7.11 percentage and dollar amount of the valid tax  
7.12 liabilities collected; and

7.13 (3) the number of individual noncompliant  
7.14 cases resolved and the percentage and dollar  
7.15 amounts of valid tax liabilities collected.

7.16 (c) The reports must also identify base-level  
7.17 expenditures and staff positions related to  
7.18 compliance and audit activities, including  
7.19 baseline information as of January 1, 2011.

7.20 The information must be provided at the  
7.21 budget activity level.

7.22 Subd. 3. Accounts Receivable Management                                  28,997,000                                  30,593,000

7.23 \$1,656,000 the first year and \$3,252,000  
7.24 the second year are appropriated to the  
7.25 department for additional activities to collect  
7.26 tax liabilities from individuals and businesses  
7.27 that currently do not pay all taxes owed.

7.28 This initiative is expected to result in new  
7.29 general fund revenues of \$24,300,000 for the  
7.30 biennium ending June 30, 2013.

7.31 Sec. 16. GAMBLING CONTROL                                  \$                  2,740,000                  \$                  2,740,000

7.32 These appropriations are from the lawful  
7.33 gambling regulation account in the special  
7.34 revenue fund.

8.1	Sec. 17. <b><u>RACING COMMISSION</u></b>	<b><u>\$</u></b>	<b><u>899,000</u></b>	<b><u>\$</u></b>	<b><u>899,000</u></b>
8.2	<u>These appropriations are from the racing</u>				
8.3	<u>and card playing regulation accounts in the</u>				
8.4	<u>special revenue fund.</u>				
8.5	Sec. 18. <b><u>STATE LOTTERY</u></b>				
8.6	<u>Notwithstanding Minnesota Statutes, section</u>				
8.7	<u>349A.10, subdivision 3, the operating budget</u>				
8.8	<u>must not exceed \$29,000,000 in fiscal year</u>				
8.9	<u>2012 and \$29,000,000 in fiscal year 2013.</u>				
8.10	Sec. 19. <b><u>TORT CLAIMS</u></b>	<b><u>\$</u></b>	<b><u>161,000</u></b>	<b><u>\$</u></b>	<b><u>161,000</u></b>
8.11	<u>These appropriations are to be spent by the</u>				
8.12	<u>commissioner of management and budget</u>				
8.13	<u>according to Minnesota Statutes, section</u>				
8.14	<u>3.736, subdivision 7. If the appropriation for</u>				
8.15	<u>either year is insufficient, the appropriation</u>				
8.16	<u>for the other year is available for it.</u>				
8.17	Sec. 20. <b><u>MINNESOTA STATE RETIREMENT</u></b>				
8.18	<b><u>SYSTEM</u></b>				
8.19	Subdivision 1. <b><u>Total Appropriation</u></b>	<b><u>\$</u></b>	<b><u>3,122,000</u></b>	<b><u>\$</u></b>	<b><u>3,185,000</u></b>
8.20	<u>The amounts that may be spent for each</u>				
8.21	<u>purpose are specified in the following</u>				
8.22	<u>subdivisions.</u>				
8.23	Subd. 2. <b><u>Legislators</u></b>		<b><u>2,650,000</u></b>		<b><u>2,704,000</u></b>
8.24	<u>Under Minnesota Statutes, sections 3A.03,</u>				
8.25	<u>subdivision 2; 3A.04, subdivisions 3 and 4;</u>				
8.26	<u>and 3A.115.</u>				
8.27	Subd. 3. <b><u>Constitutional Officers</u></b>		<b><u>472,000</u></b>		<b><u>481,000</u></b>
8.28	<u>Under Minnesota Statutes, section 352C.001.</u>				
8.29	<u>If an appropriation in this section for either</u>				
8.30	<u>year is insufficient, the appropriation for the</u>				
8.31	<u>other year is available for it.</u>				



9.1 Sec. 21. MINNEAPOLIS EMPLOYEES  
 9.2 RETIREMENT FUND \$ 22,750,000 \$ 22,750,000

9.3 These amounts are estimated to be needed  
 9.4 under Minnesota Statutes, section 422A.101,  
 9.5 subdivision 3.

9.6 Sec. 22. TEACHERS RETIREMENT  
 9.7 ASSOCIATION \$ 15,454,000 \$ 15,454,000

9.8 The amounts estimated to be needed are as  
 9.9 follows:

9.10 (a) \$12,954,000 the first year and  
 9.11 \$12,954,000 the second year are for special  
 9.12 direct state aid authorized under Minnesota  
 9.13 Statutes, section 354A.12, subdivisions 3a  
 9.14 and 3c.

9.15 (b) \$2,500,000 the first year and \$2,500,000  
 9.16 the second year are for special direct state  
 9.17 matching aid authorized under Minnesota  
 9.18 Statutes, section 354A.12, subdivision 3b.

9.19 Sec. 23. ST. PAUL TEACHERS  
 9.20 RETIREMENT FUND \$ 2,827,000 \$ 2,827,000

9.21 These amounts are estimated to be needed  
 9.22 for special direct state aid to first class  
 9.23 city teachers retirement funds authorized  
 9.24 under Minnesota Statutes, section 354A.12,  
 9.25 subdivisions 3a and 3c.

9.26 Sec. 24. DULUTH TEACHERS  
 9.27 RETIREMENT FUND \$ 346,000 \$ 346,000

9.28 These amounts are estimated to be needed  
 9.29 for special direct state aid to first class  
 9.30 city teachers retirement funds authorized  
 9.31 under Minnesota Statutes, section 354A.12,  
 9.32 subdivisions 3a and 3c.

9.33 Sec. 25. AMATEUR SPORTS COMMISSION \$ 261,000 \$ 261,000

10.1	Sec. 26. <u>COUNCIL ON BLACK</u>			
10.2	<u>MINNESOTANS</u>	\$	<u>307,000</u>	\$ <u>307,000</u>
10.3	Sec. 27. <u>COUNCIL ON CHICANO/LATINO</u>			
10.4	<u>AFFAIRS</u>	\$	<u>289,000</u>	\$ <u>289,000</u>
10.5	Sec. 28. <u>COUNCIL ON ASIAN-PACIFIC</u>			
10.6	<u>MINNESOTANS</u>	\$	<u>267,000</u>	\$ <u>267,000</u>
10.7	Sec. 29. <u>INDIAN AFFAIRS COUNCIL</u>	\$	<u>486,000</u>	\$ <u>486,000</u>
10.8	Sec. 30. <u>GENERAL CONTINGENT</u>			
10.9	<u>ACCOUNTS</u>	\$	<u>1,000,000</u>	\$ <u>500,000</u>
10.10	<u>Appropriations by Fund</u>			
10.11			<u>2012</u>	<u>2013</u>
10.12	<u>General</u>		<u>500,000</u>	<u>-0-</u>
10.13	<u>State Government</u>			
10.14	<u>Special Revenue</u>		<u>400,000</u>	<u>400,000</u>
10.15	<u>Workers'</u>			
10.16	<u>Compensation</u>		<u>100,000</u>	<u>100,000</u>

10.17 (a) The appropriations in this section  
 10.18 may only be spent with the approval of  
 10.19 the governor after consultation with the  
 10.20 Legislative Advisory Commission pursuant  
 10.21 to Minnesota Statutes, section 3.30.

10.22 (b) If an appropriation in this section for  
 10.23 either year is insufficient, the appropriation  
 10.24 for the other year is available for it.

10.25 (c) If a contingent account appropriation  
 10.26 is made in one fiscal year, it should be  
 10.27 considered a biennial appropriation.

10.28 **ARTICLE 2**

10.29 **STATE GOVERNMENT OPERATIONS**

10.30 Section 1. Minnesota Statutes 2010, section 16A.1286, subdivision 2, is amended to  
 10.31 read:

10.32 Subd. 2. **Billing procedures.** The commissioner may bill up to ~~\$7,520,000~~  
 10.33 \$10,000,000 in each fiscal year for statewide systems services provided to state agencies,

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11.1 judicial branch agencies, the University of Minnesota, the Minnesota State Colleges  
11.2 and Universities, and other entities. Each agency shall transfer from agency operating  
11.3 appropriations to the statewide systems account the amount billed by the commissioner.  
11.4 Billing policies and procedures related to statewide systems services must be developed  
11.5 by the commissioner in consultation with the commissioners of management and budget  
11.6 and administration, the University of Minnesota, and the Minnesota State Colleges and  
11.7 Universities.

11.8 **EFFECTIVE DATE.** This section is effective July 1, 2013.

11.9 Sec. 2. Minnesota Statutes 2010, section 16A.152, subdivision 1b, is amended to read:

11.10 Subd. 1b. **Budget reserve increase maximum.** ~~On July 1, 2003, the commissioner~~  
11.11 ~~of management and budget shall transfer \$300,000,000 to the budget reserve account in~~  
11.12 ~~the general fund. On July 1, 2004, the commissioner of management and budget shall~~  
11.13 ~~transfer \$296,000,000 to the budget reserve account in the general fund. The amounts~~  
11.14 ~~necessary for this purpose are appropriated from the general fund. The maximum amount~~  
11.15 for the general fund budget reserve shall be set at 4.1 percent of biennial expenditures  
11.16 and transfers for the preceding biennium.

11.17 Sec. 3. Minnesota Statutes 2010, section 16A.152, subdivision 2, is amended to read:

11.18 Subd. 2. **Additional revenues; priority.** (a) If on the basis of a forecast of general  
11.19 fund revenues and expenditures, the commissioner of management and budget determines  
11.20 that there will be a positive unrestricted budgetary general fund balance at the close of  
11.21 the biennium, the commissioner of management and budget must allocate money to the  
11.22 following accounts and purposes in priority order:

11.23 (1) the cash flow account established in subdivision 1 until that account reaches  
11.24 \$350,000,000;

11.25 (2) the budget reserve account established in subdivision 1a until that account  
11.26 reaches \$653,000,000;

11.27 (b) any additional forecast balance shall be allocated in the following manner:

11.28 (1) 50 percent to the budget reserve account established in subdivision 1a until that  
11.29 account reaches the maximum set in subdivision 1b; and

11.30 (2) 50 percent to the following priorities:

11.31 ~~(3)~~ (i) the amount necessary to increase the aid payment schedule for school district  
11.32 aids and credits payments in section 127A.45 to not more than 90 percent rounded to the  
11.33 nearest tenth of a percent without exceeding the amount available and with any remaining  
11.34 funds deposited in the budget reserve;

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12.1           ~~(4)~~ (ii) the amount necessary to restore all or a portion of the net aid reductions  
12.2 under section 127A.441 and to reduce the property tax revenue recognition shift under  
12.3 section 123B.75, subdivision 5, paragraph (a), and Laws 2003, First Special Session  
12.4 chapter 9, article 5, section 34, as amended by Laws 2003, First Special Session chapter  
12.5 23, section 20, by the same amount;

12.6           ~~(5)~~ (iii) to the state airports fund, the amount necessary to restore the amount  
12.7 transferred from the state airports fund under Laws 2008, chapter 363, article 11, section  
12.8 3, subdivision 5; and

12.9           ~~(6)~~ (iv) to the fire safety account in the special revenue fund, the amount necessary  
12.10 to restore transfers from the account to the general fund made in Laws 2010.

12.11           ~~(b)~~ (c) The amounts necessary to meet the requirements of this section are  
12.12 appropriated from the general fund within two weeks after the forecast is released or, in  
12.13 the case of transfers under paragraph ~~(a)~~ (b), ~~clauses (3)~~ clause (2), items (i) and (4) (ii), as  
12.14 necessary to meet the appropriations schedules otherwise established in statute.

12.15           ~~(e)~~ (d) The commissioner of management and budget shall certify the total dollar  
12.16 amount of the reductions under paragraph ~~(a)~~ (b), ~~clauses (3)~~ clause (2), items (i) and (4)  
12.17 (ii), to the commissioner of education. The commissioner of education shall increase the  
12.18 aid payment percentage and reduce the property tax shift percentage by these amounts and  
12.19 apply those reductions to the current fiscal year and thereafter.

12.20           Sec. 4. Minnesota Statutes 2010, section 16A.641, subdivision 7, is amended to read:

12.21           Subd. 7. **Credit of proceeds.** (a) Proceeds of bonds issued under each law must be  
12.22 credited by the commissioner to a special fund, as provided in this subdivision.

12.23           (b) Accrued interest ~~and any premium~~ received on sale of the bonds must be credited  
12.24 to the state bond fund created by the Constitution, article XI, section 7. Any premium  
12.25 received on or prior to December 1, 2012, on the sale of the bonds must be credited to  
12.26 the state bond fund. Any premium received after December 1, 2012, on the sale of the  
12.27 bonds must be credited to either the bond proceeds fund where it is used to reduce the par  
12.28 amount of the bonds issued or the state bond fund.

12.29           (c) Except as otherwise provided by law, proceeds of state bonds issued under the  
12.30 Constitution, article XI, section 5, clause (a), must be credited to the bond proceeds fund  
12.31 established by section 16A.631.

12.32           (d) Proceeds of state highway bonds must be credited to the trunk highway fund  
12.33 under the Constitution, article XIV, section 6.

12.34           (e) Proceeds of bonds issued for programs of grants or loans to political subdivisions  
12.35 must be credited to special accounts in the bond proceeds fund or to special funds

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13.1 established by laws stating the purposes of the grants or loans, and the standards and  
13.2 criteria under which an executive agency is authorized to make them.

13.3 (f) Proceeds of refunding bonds must be credited to the state bond fund as provided  
13.4 in section 16A.66, subdivision 1.

13.5 (g) Proceeds of other bonds must be credited as provided in the law authorizing  
13.6 their issuance.

13.7 Sec. 5. Minnesota Statutes 2010, section 16A.642, subdivision 2, is amended to read:

13.8 Subd. 2. **Cancellation.** (a) If the commissioner determines that the purposes for  
13.9 which general obligation bonds of the state have been issued or for which general fund  
13.10 monies were appropriated are accomplished or abandoned, after consultation with the  
13.11 affected agencies, and there is a remaining authorization or appropriation for a specific  
13.12 project of \$500 or less, the commissioner may cancel the remaining authorization or  
13.13 appropriation for that project.

13.14 (b) If a premium received on the sale of bonds is credited to the bond proceeds  
13.15 fund, pursuant to section 16A.641, subdivision 7, paragraph (b), the corresponding bond  
13.16 authorization to which the premium is attributable must be reduced accordingly by the  
13.17 commissioner.

13.18 (c) The commissioner must notify the chairs of the senate Finance Committee and  
13.19 the house of representatives Capital Investment Committee of any bond authorizations or  
13.20 general fund appropriations canceled under this subdivision.

13.21 Sec. 6. Minnesota Statutes 2010, section 116C.03, subdivision 4, is amended to read:

13.22 Subd. 4. **Support.** Staff and consultant support for board activities shall be provided  
13.23 by the ~~Office of Strategic and Long-Range Planning~~ Pollution Control Agency. This  
13.24 support shall be provided based upon an annual budget and work program developed by  
13.25 the board and certified to the commissioner by the chair of the board. The board shall  
13.26 have the authority to request and require staff support from all other agencies of state  
13.27 government as needed for the execution of the responsibilities of the board.

13.28 Sec. 7. Minnesota Statutes 2010, section 116C.03, subdivision 5, is amended to read:

13.29 Subd. 5. **Administration.** The board shall contract with the ~~Office of Strategic and~~  
13.30 ~~Long-Range Planning~~ Pollution Control Agency for administrative services necessary to  
13.31 the board's activities. The services shall include personnel, budget, payroll and contract  
13.32 administration.

14.1 Sec. 8. Laws 2009, chapter 101, article 2, section 106, is amended to read:

14.2 Sec. 106. **ENTERPRISE REAL PROPERTY CONTRIBUTIONS.**

14.3 On or before June 1, 2009, the commissioner of administration shall determine the  
14.4 amount to be contributed by each executive agency to maintain the enterprise real property  
14.5 technology system for the fiscal year 2010 and fiscal year 2011 biennium. On or before  
14.6 June 15, 2009, each executive agency shall enter into an agreement with the commissioner  
14.7 of administration setting forth the manner in which the executive agency shall make its  
14.8 contribution to the enterprise real property system, either from uncommitted fiscal year  
14.9 2009 funds or by contributing from fiscal year 2010 and fiscal year 2011 funds to the real  
14.10 property enterprise system and services account to fund the total amount of \$399,000 for  
14.11 the biennium. Funds will be available for the enterprise real property technology project  
14.12 until June 30, 2013. Funds contributed under this section must be credited to the enterprise  
14.13 real property technology system and services account.

14.14 **EFFECTIVE DATE.** This section is effective the day following final enactment.

14.15 **ARTICLE 3**

14.16 **VETERANS AFFAIRS**

14.17 Section 1. **VETERANS AFFAIRS APPROPRIATIONS.**

14.18 The sums shown in the columns marked "Appropriations" are appropriated to the  
14.19 agencies and for the purposes specified in this article. The appropriations are from the  
14.20 general fund and are available for the fiscal years indicated for each purpose. The figures  
14.21 "2012" and "2013" used in this article mean that the appropriations listed under them are  
14.22 available for the fiscal year ending June 30, 2012, or June 30, 2013, respectively. "The  
14.23 first year" is fiscal year 2012. "The second year" is fiscal year 2013. "The biennium" is  
14.24 fiscal years 2012 and 2013.

14.25 **APPROPRIATIONS**  
14.26 **Available for the Year**  
14.27 **Ending June 30**  
14.28 **2012** **2013**

14.29 Sec. 2. **VETERANS AFFAIRS**

14.30 Subdivision 1. **Total Appropriation** **\$** **58,246,000** **\$** **59,396,000**

14.31 Appropriations by Fund

14.32		<u>2012</u>	<u>2013</u>
14.33	<u>General</u>	<u>57,695,000</u>	<u>58,595,000</u>
14.34	<u>Special Revenue</u>	<u>551,000</u>	<u>801,000</u>

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15.1 The amounts that may be spent for each  
 15.2 purpose are specified in the following  
 15.3 subdivisions.

15.4 Subd. 2. Veterans Services 13,779,000 13,779,000

15.5 Of the general fund appropriation, \$945,000  
 15.6 each year is for the higher education veterans  
 15.7 program.

15.8 Subd. 3. Veterans Homes 44,467,000 45,617,000

15.9	<u>Appropriations by Fund</u>		
15.10		<u>2012</u>	<u>2013</u>
15.11	<u>General</u>	<u>43,916,000</u>	<u>44,816,000</u>
15.12	<u>Special Revenue</u>	<u>551,000</u>	<u>801,000</u>

15.13 Of the appropriation in Laws 2009, chapter  
 15.14 94, article 3, section 2, subdivision 3, or from  
 15.15 funds carried forward from fiscal year 2009:

15.16 (1) \$800,000 in fiscal year 2011 is for  
 15.17 operational expenses related to the 21-bed  
 15.18 addition at the Fergus Falls Veterans Home;  
 15.19 and

15.20 (2) \$313,000 in fiscal year 2011 is for start-up  
 15.21 expenses related to the opening of an adult  
 15.22 day care facility at the Minneapolis Veterans  
 15.23 Home. This section is effective the day  
 15.24 following final enactment.

15.25 **Fergus Falls Veterans Home.** Of the  
 15.26 general fund appropriation, \$738,000 in  
 15.27 fiscal year 2013 is for operation of a new  
 15.28 21-bed specialty care/Alzheimer's unit at the  
 15.29 Minnesota veterans home in Fergus Falls.  
 15.30 Base funding for this program is \$842,000 in  
 15.31 fiscal years 2014 and 2015.

15.32 **Minneapolis Veterans Home.** Of the  
 15.33 general fund appropriation, \$162,000 in  
 15.34 fiscal year 2013 is for operation of a new

16.1 adult day care at the Minnesota veterans  
16.2 home in Minneapolis. Base funding for this  
16.3 program is \$232,000 in fiscal years 2014 and  
16.4 2015.

16.5 **Veterans Homes Special Revenue Account.**

16.6 The general fund appropriations made to  
16.7 the department may be transferred to a  
16.8 veterans homes special revenue account in  
16.9 the special revenue fund in the same manner  
16.10 as other receipts are deposited according  
16.11 to Minnesota Statutes, section 198.34, and  
16.12 are appropriated to the department for the  
16.13 operation of veterans homes facilities and  
16.14 programs.

16.15 **Veterans Home Service Redesign.**

16.16 \$551,000 in fiscal year 2012 and \$801,000 in  
16.17 fiscal year 2013, generated from additional  
16.18 nongeneral fund revenue and cost savings  
16.19 from operating efficiencies, are to be used to  
16.20 support the operational needs of the five state  
16.21 veterans homes.

16.22 Sec. 3. **REPEALER.**

16.23 Minnesota Statutes 2010, section 197.585, subdivision 5, is repealed.

16.24 **ARTICLE 4**

16.25 **MILITARY AFFAIRS**

16.26 Section 1. **MILITARY APPROPRIATIONS.**

16.27 The sums shown in the columns marked "Appropriations" are appropriated to the  
16.28 agencies and for the purposes specified in this article. The appropriations are from the  
16.29 general fund and are available for the fiscal years indicated for each purpose. The figures  
16.30 "2012" and "2013" used in this article mean that the appropriations listed under them are  
16.31 available for the fiscal year ending June 30, 2012, or June 30, 2013, respectively. "The  
16.32 first year" is fiscal year 2012. "The second year" is fiscal year 2013. "The biennium" is  
16.33 fiscal years 2012 and 2013.



17.1		<u>APPROPRIATIONS</u>	
17.2		<u>Available for the Year</u>	
17.3		<u>Ending June 30</u>	
17.4		<u>2012</u>	<u>2013</u>
17.5	Sec. 2. <b><u>MILITARY AFFAIRS</u></b>		
17.6	<b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$ 20,871,000</u></b>	<b><u>\$ 20,871,000</u></b>
17.7	<u>The amounts that may be spent for each</u>		
17.8	<u>purpose are specified in the following</u>		
17.9	<u>subdivisions.</u>		
17.10	<b><u>Subd. 2. Maintenance of Training Facilities</u></b>	<u>6,660,000</u>	<u>6,660,000</u>
17.11	<b><u>Subd. 3. General Support</u></b>	<u>2,363,000</u>	<u>2,363,000</u>
17.12	<b><u>Subd. 4. Enlistment Incentives</u></b>	<u>11,848,000</u>	<u>11,848,000</u>
17.13	<u>\$1,500,000 in each year is for the National</u>		
17.14	<u>Guard's tuition reimbursement program. This</u>		
17.15	<u>appropriation is in addition to the existing</u>		
17.16	<u>agency base appropriation and must be added</u>		
17.17	<u>to the base appropriation for fiscal year 2014</u>		
17.18	<u>and later.</u>		
17.19	<u>If appropriations for either year of the</u>		
17.20	<u>biennium are insufficient, the appropriation</u>		
17.21	<u>from the other year is available. The</u>		
17.22	<u>appropriations for enlistment incentives are</u>		
17.23	<u>available until expended.</u>		

APPENDIX  
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ARTICLE 2	STATE GOVERNMENT OPERATIONS .....	Page.Ln 10.28
ARTICLE 3	VETERANS AFFAIRS .....	Page.Ln 14.15
ARTICLE 4	MILITARY AFFAIRS .....	Page.Ln 16.24