

## CHAPTER 16A

### DEPARTMENT OF FINANCE

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#### 16A.011 DEFINITIONS.

*[For text of subds 1 to 4, see M.S.1992]*

Subd. 5. **Ways and means committee.** "Ways and means committee" means the chief fiscal committee of the house of representatives.

Subd. 6. **Biennium.** "Biennium" means a period of two consecutive fiscal years beginning in an odd-numbered calendar year and ending in the next odd-numbered calendar year.

*[For text of subds 7 to 13, see M.S.1992]*

Subd. 14. **Fiscal year.** "Fiscal year" means the period beginning at midnight between June 30 and July 1 and ending 12 months later.

*[For text of subds 15 and 16, see M.S.1992]*

**History:** 1993 c 192 s 43-45

#### 16A.04 BUDGET AND CASH PROJECTION.

Subdivision 1. **To prepare, consult, supervise.** The commissioner shall prepare the biennial budget with projections of revenues and expenditures for both the biennial budget period and the biennium following the biennial budget period. The governor shall supervise the preparation unless there is a governor-elect, who then shall provide the supervision.

**History:** 1993 c 192 s 46

#### 16A.055 SOME OF THE COMMISSIONER'S DUTIES.

Subdivision 1. **List.** The commissioner shall:

(1) receive and record all money paid into the state treasury and safely keep it until lawfully paid out;

(2) manage the state's financial affairs;

(3) keep the state's general account books according to generally accepted government accounting principles;

(4) keep expenditure and revenue accounts according to generally accepted government accounting principles;

(5) develop, provide instructions for, prescribe, and manage a state uniform accounting system;

(6) provide to the state the expertise to ensure that all state funds are accounted for under generally accepted government accounting principles; and

(7) coordinate the development of, and maintain standards for, internal auditing in state agencies and, in cooperation with the commissioner of administration, report to the legislature and the governor by December 31 of even-numbered years, on progress made.

*[For text of subds 2 to 5, see M.S.1992]*

**History:** 1993 c 192 s 47

## **16A.06 OTHER COMMISSIONER DUTIES AND POWERS.**

*[For text of subds 1 to 3, see M.S.1992]*

Subd. 4. **Reporting agency performance.** Executive agencies shall prepare performance-based budget plans according to schedules, forms, and standards as established by the commissioner. The commissioner may also require other periodic reports of agency performance.

*[For text of subds 5 to 8, see M.S.1992]*

**History:** 1993 c 192 s 48

## **16A.065 PREPAY SOFTWARE, SUBSCRIPTIONS, UNITED STATES DOCUMENTS.**

Notwithstanding section 16A.41, subdivision 1, the commissioner may allow an agency to make advance deposits or payments for software or software maintenance services for state-owned or leased electronic data processing equipment, for sole source maintenance agreements where it is not cost-effective to pay in arrears, for exhibit booth space rental when required by the renter to guarantee the availability of space, for registration fees where advance payment is required or advance payment discount is provided, and for newspaper, magazine, and other subscription fees customarily paid for in advance. The commissioner may also allow advance deposits by any department with the Library of Congress and federal Supervisor of Documents for items to be purchased from those federal agencies.

**History:** 1993 c 192 s 49

## **16A.095 STATE BUDGET SYSTEM.**

*[For text of subds 1 to 2a, see M.S.1992]*

Subd. 3. [Repealed, 1993 c 192 s 110]

## **16A.10 BUDGET PREPARATION.**

Subdivision 1. **Budget format.** In each even-numbered calendar year the commissioner shall prepare budget forms and instructions for all agencies, subject to the approval of the governor. The commissioner shall request and receive advisory recommendations from the chairs of the senate finance committee and house of representatives ways and means committee before adopting a format for the biennial budget document. By June 15, the commissioner shall send the proposed budget forms to the appropriations and finance committees. The committees have until July 15 to give the commissioner their advisory recommendations on possible improvements. To facilitate this consultation, the commissioner shall establish a working group consisting of executive branch staff and designees of the chairs of the senate finance and house of representatives ways and means committees. The commissioner must involve this group in all stages of development of budget forms and instructions. The budget format

must show actual expenditures and receipts for the two most recent fiscal years, estimated expenditures and receipts for the current fiscal year, and estimates for each fiscal year of the next biennium. Estimated expenditures must be classified by funds and character of expenditures and may be subclassified by programs and activities. Agency revenue estimates must show how the estimates were made and what factors were used. Receipts must be classified by funds, programs, and activities. Expenditure and revenue estimates must be based on the law in existence at the time the estimates are prepared.

**Subd. 2. By October 15 and November 30.** By October 15 of each even-numbered year, an agency must file the following with the commissioner:

- (1) budget and departmental earnings estimates for the most recent and current fiscal years;
- (2) its upcoming biennial budget and departmental earnings estimates;
- (3) a comprehensive and integrated statement of agency missions and outcome and performance measures; and
- (4) a concise explanation of any planned changes in the level of services or new activities.

The commissioner shall prepare and file the budget estimates for an agency failing to file them. By November 30, the commissioner shall send the final budget format, departmental earnings report, agency budget plans or requests for the next biennium, and copies of the filed material to the ways and means and finance committees, except that the commissioner shall not be required to transmit information that identifies executive branch budget decision items. At this time, a list of each employee's name, title, and salary must be available to the legislature, either on paper or through electronic retrieval.

*[For text of subd 3, see M.S.1992]*

**History:** 1993 c 192 s 50,51

#### **16A.105 DEBT CAPACITY FORECAST.**

By December 1 of each even-numbered year the governor shall submit to the legislature a debt capacity forecast. The debt capacity forecast must include statements of the indebtedness of the state for bonds, notes, and other forms of long-term indebtedness that are not accounted for in proprietary or fiduciary funds, including general obligation bonds, moral obligation bonds, revenue bonds, loans, grants payable, and capital leases. The forecast must show the actual amount of the debt service for at least the past two completed fiscal years, and the estimated amount for the current fiscal year and the next six fiscal years, the debt authorized and unissued, the condition of the sinking funds, and the borrowing capacity for the next six fiscal years.

**History:** 1993 c 192 s 52

#### **16A.11 BUDGET TO LEGISLATURE.**

**Subdivision 1. When.** The governor shall submit a three-part budget to the legislature. Parts one and two, the budget message and detailed operating budget, must be submitted by the fourth Tuesday in January in each odd-numbered year. Part three, the detailed recommendations as to capital expenditure, must be submitted as follows: agency capital budget requests by June 15 of each odd-numbered year; preliminary governor's recommendations by September 1 of each odd-numbered year; and final recommendations by February 1 of each even-numbered year.

*[For text of subd 2, see M.S.1992]*

**Subd. 3. Part two: detailed budget.** Part two of the budget, the detailed budget estimates both of expenditures and revenues, shall contain any statements on the financial plan which the governor believes desirable or which may be required by the legislature. Part of the budget must be prepared using performance-based budgeting concepts. In

this subdivision, "performance-based budgeting" means a budget system that identifies agency outcomes and results and provides comprehensive information regarding actual and proposed changes in funding and outcomes. The detailed estimates shall include the budget plan of each agency arranged in tabular form so it may readily be compared with the governor's budget for each agency. They shall also include, as part of each agency's organization chart, a summary of the personnel employed by the agency, showing the full-time equivalent positions for the current biennium, and the number of full-time equivalent employees of all kinds employed by the agency on June 30 of the last complete fiscal year.

*[For text of subds 3a to 5, see M.S.1992]*

**History:** 1993 c 192 s 53,54

#### 16A.122 WORK FORCE PLANNING AND REPORTING.

Subdivision 1. **Agency authorized work force.** Within any limits imposed by law, state agencies may establish full-time, part-time, or seasonal positions as necessary to carry out assigned responsibilities and missions except that actual levels of employment are limited by availability of appropriated funding for salaries and benefits.

Subd. 2. **Transfers from grants prohibited.** Unless otherwise provided by law, an agency must not use grant or flow-through funds for salaries or other operating purposes.

Subd. 3. **Work force reporting.** The commissioner shall prepare quarterly work force reports as required for accurate reporting of state employment levels, whether for internal analysis or for nationwide comparisons of public employment levels. The reports shall express total employment in terms of full-time equivalent positions; shall indicate changes from previous reporting periods; and shall take into account all positions, including full-time, part-time, temporary, and other employees. In this subdivision, a full-time equivalent position means 2,080 working hours per year; except that the number of work hours may vary, depending upon the exact number of working days in any given year. Independent contractors are not to be included within the definition of a full-time equivalent position.

Subd. 4. **Budget reporting.** For purposes of budgetary reporting, position counts must be expressed as full-time equivalents as stipulated in subdivision 3. Estimated positions must be based on actual funding in the year indicated. The biennial budget document submitted to the legislature by the governor shall indicate full-time equivalent base level positions, the number of projected positions, and the number of positions for each of the two years before the base year. The governor's budget recommendations shall clearly specify any proposed changes in full-time equivalent positions. All fiscal notes and any other budgetary items submitted to the legislature shall specify relevant changes, both in full-time equivalent positions and accompanying changes in salary dollars.

**History:** 1993 c 192 s 55

**16A.123**     ~~[Repealed, 1993 c 192 s 110]~~

#### 16A.127 INDIRECT COSTS.

*[For text of subds 1 to 7, see M.S.1992]*

Subd. 8. **Exemption.** (a) Except for the costs of the legislative auditor to conduct financial audits of federal funds, this section does not apply to the community college board, state university board, or the state board of technical colleges. Indirect cost receipts attributable to financial audits conducted by the legislative auditor of federal funds administered by these post-secondary education boards shall be deposited in the general fund.

(b) Except for federal funds, this section does not apply to the department of natural resources for agency indirect costs.

*[For text of subd 9, see M.S.1992]*

**History:** 1Sp1993 c 2 art 3 s 2

**16A.128 [Repealed, 1993 c 192 s 110]**

**NOTE:** Subdivision 2a was also amended by Laws 1993, chapter 4, section 9, to read as follows:

"Subd. 2a. **Procedure.** Other fees not fixed by law must be fixed by rule according to chapter 14. Before an agency submits notice to the State Register of intent to adopt rules that establish or adjust fees, the agency must send a copy of the notice and the proposed rules to the chairs of the house ways and means committee and senate finance committee."

**NOTE:** Subdivision 2 was also amended by Laws 1993, chapter 369, section 38, to read as follows:

"Subd. 2. **No. rulemaking.** The kinds of fees that need not be fixed by rule unless specifically required by law are:

- (1) fees based on actual direct costs of a service;
- (2) one-time fees;
- (3) fees that produce insignificant revenues;
- (4) fees billed within or between state agencies;
- (5) fees exempt from commissioner approval;
- (6) fees for admissions to or use of facilities operated by the iron range resources and rehabilitation board, if the fees are set according to prevailing market conditions to recover operating costs; or
- (7) fees established by the Minnesota historical society."

**16A.1281 [Repealed, 1993 c 192 s 110]****16A.1285 DEPARTMENTAL EARNINGS.**

**Subdivision 1. Definitions.** In this section, "departmental earnings" means any charge for goods and services and any regulatory, licensure, or other similar charges levied by any state agency and paid by individuals, businesses, or other nonstate entities. This definition must not be construed to include general taxes collected by a state agency or charges for services provided by one state agency to another state agency.

**Subd. 2. Policy.** Unless otherwise provided by law, specific charges falling within definitions stipulated in subdivision 1 must be set in the manner prescribed in this subdivision provided that: (1) agencies, when setting, adjusting, or authorizing any charge for goods or services that are of direct, immediate, and primary benefit to an individual, business, or other nonstate entity, shall set the charges at a level that neither significantly over recovers nor under recovers costs, including overhead costs, involved in providing the services; or (2) that agencies, when setting, adjusting, or establishing regulatory, licensure, or other charges that are levied, in whole or in part, in the public interest shall recover, but are not limited to, the costs involved in performance and administration of the functions involved.

**Subd. 3. Duties of the commissioner of finance.** The commissioner of finance shall classify, monitor, analyze, and report all departmental earnings that fall within the definition established in subdivision 1. Specifically, the commissioner shall:

(1) establish and maintain a classification system that clearly defines and distinguishes categories and types of departmental earnings and takes into account the purpose of the various earnings types and the extent to which various earnings types serve a public or private interest;

(2) prepare a biennial report that documents collection costs, purposes, and yields of all departmental earnings, the report to be submitted to the legislature on or before November 30 of each even-numbered year and to include estimated data for the year in which the report is prepared, actual data for the two years immediately before, and estimates for the two years immediately following; and

(3) prepare and maintain a detailed directory of all departmental earnings.

**Subd. 4. Rulemaking.** (a) Unless otherwise exempted or unless specifically set by law, all charges for goods and services, licenses, and regulation must be established or adjusted as provided in chapter 14; except that agencies may establish or adjust individual charges when:

(1) charges for goods and services are provided for the direct and primary use of a private individual, business, or other similar entity;

(2) charges are nonrecurring;

(3) charges would produce insignificant revenues;

(4) charges are billed within or between state agencies; or

(5) charges are for admissions to or for use of public facilities operated by the state, if the charges are set according to prevailing market conditions to recover operating costs.

(b) In addition to the exceptions in paragraph (a), agencies may adjust charges, with the approval of the commissioner of finance, if the proposed adjustments are within consumer price level (CPI) ranges stipulated by the commissioner of finance, if the adjustments do not change the type or purpose of the item being adjusted.

(c) Any departmental earnings changes or adjustments authorized by the commissioner of finance must be reported to the chairs of the senate committee on finance and the house ways and means committee before August 1 of each year.

**Subd. 5. Procedure.** The commissioner of finance shall review and comment on all departmental charges submitted for approval under chapter 14. The commissioner's comments and recommendations must be included in the statement of need and reasonableness and must address any fiscal and policy concerns raised during the review process.

**History:** 1993 c 192 s 56

## 16A.129 MORE POWERS.

*[For text of subds 1 and 2, see M.S.1992]*

**Subd. 3. Cash advances.** When the operations of any nongeneral fund account would be impeded by projected cash deficiencies resulting from delays in the receipt of grants, dedicated income, or other similar receivables, and when the deficiencies would be corrected within the budget period involved, the commissioner of finance may transfer general fund cash reserves into the accounts as necessary to meet cash demands. The cash flow transfers must be returned to the general fund as soon as sufficient cash balances are available in the account to which the transfer was made. Any interest earned on general fund cash flow transfers accrues to the general fund and not to the accounts or funds to which the transfer was made.

**History:** 1993 c 192 s 57

## 16A.15 ACCOUNTING SYSTEM; ALLOTMENT AND ENCUMBRANCE.

Subdivision 1. [Renumbered 16A.152, subd 4]

*[For text of subds 2 to 4, see M.S.1992]*

Subd. 5. [Renumbered 16A.152, subd 6]

Subd. 6. [Renumbered 16A.152, subdivision 1]

Subd. 7. [Renumbered 16A.152, subd 7]

**History:** 1993 c 192 s 58-60.111; 1993 c 375 art 17 s 1

## 16A.152 BUDGET RESERVE AND CASH FLOW ACCOUNT.

Subdivision 1. **Budget reserve and cash flow account established.** (a) A budget reserve and cash flow account is created in the general fund in the state treasury. The commissioner of finance shall restrict part or all of the balance before reserves in the general fund as may be necessary to fund the budget reserve and cash flow account as provided by law from time to time.

(b) The commissioner of finance shall transfer the amount necessary to bring the total amount of the budget reserve and cash flow account, including any existing balance in the account on June 30, 1993, to \$360,000,000. The amounts restricted shall remain in the account until drawn down under subdivision 1 or increased under subdivision 2.

**Subd. 2. Additional revenues; priority.** If on the basis of a forecast of general fund revenues and expenditures the commissioner of finance determines that there will be

a positive unrestricted budgetary general fund balance at the close of the biennium, the commissioner of finance must allocate money to the budget reserve and cash flow account until the total amount in the account equals five percent of total general fund appropriations for the current biennium as established by the most recent legislative session. Beginning July 1, 1993, forecast unrestricted budgetary general fund balances are first appropriated to restore the budget reserve and cash flow account to \$500,000,000 and then to reduce the property tax levy recognition percent under section 121.904, subdivision 4a, to zero before money is allocated to the budget reserve and cash flow account under the preceding sentence.

The amounts necessary to meet the requirements of this section are appropriated from the general fund.

**Subd. 3. Use.** The use of the budget reserve should be governed by principles based on the full economic cycle rather than the budget cycle. The budget reserve may be used when a negative budgetary balance is projected and when objective measures, such as reduced growth in total wages, retail sales, or employment, reflect downturns in the state's economy.

**Subd. 4. Reduction.** (a) If the commissioner determines that probable receipts for the general fund will be less than anticipated, and that the amount available for the remainder of the biennium will be less than needed, the commissioner shall, with the approval of the governor, and after consulting the legislative advisory commission, reduce the amount in the budget reserve and cash flow account as needed to balance expenditures with revenue.

(b) An additional deficit shall, with the approval of the governor, and after consulting the legislative advisory commission, be made up by reducing unexpended allotments of any prior appropriation or transfer. Notwithstanding any other law to the contrary, the commissioner is empowered to defer or suspend prior statutorily created obligations which would prevent effecting such reductions.

(c) If the commissioner determines that probable receipts for any other fund, appropriation, or item will be less than anticipated, and that the amount available for the remainder of the term of the appropriation or for any allotment period will be less than needed, the commissioner shall notify the agency concerned and then reduce the amount allotted or to be allotted so as to prevent a deficit.

(d) In reducing allotments, the commissioner may consider other sources of revenue available to recipients of state appropriations and may apply allotment reductions based on all sources of revenue available.

(e) In like manner, the commissioner shall reduce allotments to an agency by the amount of any saving that can be made over previous spending plans through a reduction in prices or other cause.

**Subd. 5. Restoration.** The restoration of the budget reserve should be governed by principles based on the full economic cycle rather than the budget cycle. Restoration of the budget reserve should occur when objective measures, such as increased growth in total wages, retail sales, or employment, reflect upturns in the state's economy. The budget reserve should be restored before new or increased spending commitments are made.

**Subd. 6. Notice to committees.** The commissioner shall notify the committees on finance and taxes and tax laws of the senate and the committees on ways and means and taxes of the house of representatives of a reduction in an allotment under this section. The notice must be in writing and delivered within 15 days of the commissioner's act. The notice must specify:

- (1) the amount of the reduction in the allotment;
- (2) the agency and programs affected;
- (3) the amount of any payment withheld; and
- (4) any additional information the commissioner determines is appropriate.

**Subd. 7. Delay; reduction.** The commissioner may delay paying up to 15 percent

of an appropriation to a special taxing district or a system of higher education in that entity's fiscal year for up to 60 days after the start of its next fiscal year. The delayed amount is subject to allotment reduction under subdivision 1.

**History:** 1973 c 492 s 23; 1978 c 793 s 47; 1981 c 1 s 2; 1Sp1981 c 5 s 1; 2Sp1981 c 1 s 3; 3Sp1981 c 1 art 1 s 1; 3Sp1981 c 2 art 2 s 3; 1983 c 342 art 18 s 1-3; 1984 c 502 art 1 s 1; 1984 c 628 art 2 s 1; 1Sp1985 c 14 art 18 s 1,2,4; 1Sp1986 c 1 art 5 s 1-3; 1987 c 268 art 18 s 1-3; 1988 c 690 art 2 s 1; 1988 c 719 art 13 s 1,2; 1989 c 329 art 1 s 1; 1Sp1989 c 1 art 15 s 1,2; 1990 c 604 art 10 s 4; 1991 c 291 art 21 s 2; 1992 c 511 art 9 s 1; 1993 c 192 s 58-63,111; 1993 c 375 art 17 s 1,2

**16A.1541** [Renumbered 16A.152, subd 2]

## **16A.28 TREATMENT OF UNUSED APPROPRIATIONS.**

**Subdivision 1. Carryforward.** Agencies may carry forward unexpended and unencumbered nongrant operating balances from the first year of a biennium into the second year of the biennium.

**Subd. 2. Use of carryforward.** No money shall be carried forward without the approval of the commissioner of finance.

**Subd. 3. Lapse.** Any portion of any appropriation not carried forward and remaining unexpended and unencumbered at the close of a fiscal year lapses to the fund from which it was originally appropriated. Any appropriation amounts not carried forward and remaining unexpended and unencumbered at the close of a biennium lapse to the fund from which the appropriation was made.

**Subd. 4. Reinstatement; final lapse.** The commissioner may reinstate a lapsed appropriation within three months of the lapse. A reinstated appropriation lapses again no later than three months after it first lapsed. A payment under a reinstated appropriation may be made only under section 16A.15, subdivision 3.

**Subd. 5. Permanent improvements.** An appropriation for permanent improvements, including the acquisition of real property does not lapse until the purposes of the appropriation are determined by the commissioner, after consultation with the affected agencies, to be accomplished or abandoned.

**Subd. 6. Canceled September 1.** On September 1 all allotments and encumbrances for the last fiscal year shall be canceled unless an agency head certifies to the commissioner that there is an encumbrance for services rendered or goods ordered in the last fiscal year, or certifies that funding will be carried forward under subdivision 1. The commissioner may: reinstate the part of the cancellation needed to meet the certified encumbrance or charge the certified encumbrance against the current year's appropriation.

**Subd. 7. Exceptions.** Except as otherwise expressly provided by law, subdivisions 1 to 6 apply to every appropriation of a stated sum for a specified purpose or purposes heretofore or hereafter made, but do not, unless expressly provided by law, apply to any fund or balance of a fund derived wholly or partly from special taxes, fees, earnings, fines, federal grants, or other sources that are by law appropriated for special purposes by standing, continuing, or revolving appropriations.

**Subd. 8. Historical society.** Except as provided by law, an appropriation made to the Minnesota historical society, if not spent during the first year, may be spent during the second year of a biennium. An unexpended balance remaining at the end of a biennium lapses and shall be returned to the fund from which appropriated. An appropriation made to the society for all or part of a biennium may be spent in either year of the biennium.

**History:** 1993 c 192 s 64; 1993 c 369 s 39

## **16A.281 APPROPRIATIONS TO LEGISLATURE EXEMPT.**

Except as provided in this section, section 16A.28 applies to appropriations made to the legislature, the senate, the house of representatives or its committees or commis-



sions. An appropriation made to the legislature, the senate, the house of representatives, or a legislative commission or committee other than a standing committee, if not spent during the first year, may be spent during the second year of a biennium. An unexpended balance not carried forward and remaining unexpended and unencumbered at the end of a biennium lapses and shall be returned to the fund from which appropriated. Balances may be carried forward into the next biennium and credited to special accounts to be used only as follows: (1) for nonrecurring expenditures on investments that enhance efficiency or improve effectiveness; (2) to pay expenses associated with special sessions, interim activities, public hearings, or other public outreach efforts and related activities; and (3) to pay severance costs of involuntary terminations. The approval of the commissioner of finance under section 16A.28, subdivision 2, does not apply to the legislature. An appropriation made to the legislature, the senate, the house of representatives, or a standing committee for all or part of a biennium may be spent in either year of the biennium.

**History:** 1993 c 192 s 65

**NOTE:** The amendment to this section by Laws 1993, chapter 192, section 65, is effective June 30, 1995, and applies to appropriations to the legislature, the senate, the house of representatives, or a legislative commission or committee that are unexpended and unencumbered on June 30, 1995. See Laws 1993, chapter 192, section 112.

### **16A.285 ALLOWED APPROPRIATION TRANSFERS.**

An agency may transfer state agency operational money between programs within the same fund if: (1) the agency first notifies the commissioner as to the type and intent of the transfer; and (2) the transfer is consistent with legislative intent. If an amount is specified for an item within an activity, that amount must not be transferred or used for any other purpose.

The commissioner shall report the transfers to the chairs of the senate finance and house of representatives ways and means committees.

**History:** 1993 c 192 s 66

**16A.35** [Repealed, 1993 c 192 s 110]

### **16A.45 OUTSTANDING UNPAID WARRANTS, CANCELLATION.**

*[For text of subd 1, see M.S.1992]*

Subd. 2. [Repealed, 1993 c 192 s 110]

Subd. 3. [Repealed, 1993 c 192 s 110]

*[For text of subd 4, see M.S.1992]*

### **16A.58 COMMISSIONER CUSTODIAN OF PAYMENT DOCUMENTS.**

The commissioner or the head of a state agency designated by the commissioner is the custodian of original documents on which money has been or may be paid out of or received in the state treasury.

**History:** 1993 c 192 s 67

### **16A.671 CERTIFICATES OF INDEBTEDNESS.**

*[For text of subds 1 to 8, see M.S.1992]*

Subd. 9. **PRIORITY OF CERTIFICATE PAYMENTS; COVENANTS.** (a) The proceeds of certificates of indebtedness issued in whole or in part to refund outstanding certificates and interest as authorized in the constitution are available only for that purpose until the refunded certificates and interest are paid.

(b) The commissioner may covenant by order, on behalf of the state, for the security of the holders of any certificates, to segregate cash and cash equivalent assets in a special account within the general fund in the amounts and at the times in advance of the due dates that the commissioner determines to be advisable for marketing the cer-

tificates, and to act under section 16A.152, subdivision 4, to perform the covenant. The amount in the account is available only to pay the principal of and interest and premium, if any, on the certificates referred to in the order.

*[For text of subs 10 and 11, see M.S.1992]*

**History:** 1993 c 192 s 111

## **16A.69 APPROPRIATIONS INTO SINGLE PROJECT ACCOUNT.**

*[For text of subd 1, see M.S.1992]*

**Subd. 2. Transfer between accounts.** Upon the awarding of final contracts for the completion of a project for construction or other permanent improvement, or upon the abandonment of the project, the agency to whom the appropriation was made may transfer the unencumbered balance in the project account to another project enumerated in the same section of that appropriation act. The transfer must be made only to cover bids for the other project that were higher than was estimated when the appropriation for the other project was made and not to cover an expansion of the other project. The money transferred under this section is appropriated for the purposes for which transferred. For transfers by the state board of technical colleges, the total cost of both projects and the required local share for both projects are adjusted accordingly. The agency proposing a transfer shall report to the chair of the senate finance committee and the chair of the house of representatives ways and means committee before the transfer is made under this subdivision.

*[For text of subd 3, see M.S.1992]*

**History:** 1993 c 4 s 10; 1993 c 192 s 68

## **16A.712 LOCAL GOVERNMENT TRUST; APPROPRIATIONS IN FISCAL YEAR 1993 AND SUBSEQUENT YEARS.**

(a) The amounts necessary to make the following payments in fiscal year 1993 and subsequent years are appropriated from the local government trust fund to the commissioner of revenue unless otherwise specified:

- (1) attached machinery aid to counties under section 273.138;
- (2) in fiscal year 1993 only, supplemental homestead credit under section 273.1391;
- (3) \$560,000 in fiscal year 1993 and \$300,000 annually in fiscal years 1994 and 1995 for tax administration;
- (4) \$105,000 annually to the commissioner of finance in fiscal years 1993, 1994, and 1995 to administer the trust fund;
- (5) \$25,000 annually to the advisory commission on intergovernmental relations in fiscal years 1993, 1994, and 1995 to pay nonlegislative members' per diem expenses and such other expenses as the commission deems appropriate;
- (6) \$350,000 in fiscal year 1993 and \$1,200,000 in fiscal year 1995 to the intergovernmental information systems advisory council to develop a local government financial reporting system, with the participation and ongoing oversight of the legislative commission on planning and fiscal policy; and
- (7) in fiscal year 1993 only, the transition credit under section 273.1398, subdivision 5, and the disparity reduction credit under section 273.1398, subdivision 4, for school districts. The school districts' transition credit and disparity reduction credit shall be appropriated to the commissioner of education.

(b) In addition, the legislature shall appropriate the rest of the trust fund receipts for fiscal year 1993 and subsequent years to finance intergovernmental aid formulas or programs prescribed by law.

**History:** 1993 c 375 art 4 s 1

**16A.72 INCOME CREDITED TO GENERAL FUND; EXCEPTIONS.**

All income, including fees or receipts of any nature, shall be credited to the general fund, except:

- (1) federal aid;
- (2) contributions, or reimbursements received for any account of any division or department for which an appropriation is made by law;
- (3) income to the University of Minnesota;
- (4) income to revolving funds now established in institutions under the control of the commissioners of corrections or human services;
- (5) investment earnings resulting from the master lease program, except that the amount credited to another fund or account may not exceed the amount of the additional expense incurred by that fund or account through participation in the master lease program;
- (6) receipts from the operation of patients' and inmates' stores and vending machines, which shall be deposited in the social welfare fund in each institution for the benefit of the patients and inmates;
- (7) money received in payment for services of inmate labor employed in the industries carried on in the state correctional facilities which receipts shall be credited to the current expense fund of those facilities;
- (8) as provided in sections 16B.57 and 85.22;
- (9) income to the Minnesota historical society; or
- (10) as otherwise provided by law.

**History:** 1993 c 192 s 69; 1993 c 369 s 40

**16A.80** [Repealed, 1993 c 192 s 110]