

A bill for an act
relating to state government; providing that certain appropriations continue in
effect until eliminated or modified; proposing coding for new law in Minnesota
Statutes, chapter 16A.

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

Section 1. **[16A.1395] CONTINUING APPROPRIATIONS.**

Subdivision 1. Application. This section applies only to an appropriation enacted in a major finance or revenue bill. The house of representatives and the senate must adopt rules or resolutions specifying which bills are major finance or revenue bills. If the house and the senate fail to agree on which bills are major finance or revenue bills, "major finance or revenue bill" means the primary bill establishing state tax policy, and the primary bill making appropriations in each of the following areas: higher education, early childhood through high school education, agriculture and rural development, environment and natural resources, health and human services, state government finance, economic development, public safety, and transportation.

Subd. 2. Certain appropriations continue. (a) An appropriation from the general fund or any other fund enacted in a major finance or revenue bill for the fiscal year ending June 30 of an odd-numbered year remains in effect at the base level for future fiscal years unless a law is enacted eliminating or amending the appropriation. The appropriation base level is determined as provided in section 16A.11, subdivision 3, paragraph (b).

(b) The amounts needed to implement this section are appropriated from each fund covered by this section.

(c) This section does not apply to an appropriation in a fiscal year if a law is enacted appropriating money in that fiscal year for the purpose of the appropriation.

2.1 Subd. 3. **Exceptions and adjustments.** An appropriation remaining in effect under
2.2 authority of subdivision 2 must be adjusted or discontinued as required by other law, by
2.3 general policies of the commissioner of finance, and in the following circumstances:

2.4 (a) An appropriation for the fiscal year ending June 30 of the odd-numbered year
2.5 does not remain in effect for the fiscal year starting on July 1 if the legislature specifically
2.6 designated the appropriation as a onetime appropriation, if the commissioner of finance
2.7 determines that the legislature clearly intended the appropriation to be onetime, or if the
2.8 program for which the appropriation was made expires on or before July 1.

2.9 (b) If an appropriation remains in effect under authority of subdivision 2, but the
2.10 program or activity that is the subject of the appropriation is scheduled to expire during a
2.11 fiscal year, the commissioner of finance must pro rate the appropriation.

2.12 (c) The commissioner of finance may make technical adjustments to the amount of
2.13 an appropriation to the extent the commissioner determines the technical adjustments
2.14 are needed to accurately reflect the amount that constitutes the annual base level of the
2.15 appropriation. The commissioner may make an adjustment under this clause only if one or
2.16 more of the following conditions is met:

2.17 (1) the legislature previously appropriated money for a biennium, with the entire
2.18 appropriation being allocated to one year of the biennium, and the commissioner
2.19 determines an adjustment is necessary to accurately reflect the annual amount needed to
2.20 maintain program operations at the same level;

2.21 (2) laws or policies under which revenues and expenditures are accounted for
2.22 have changed to eliminate or consolidate certain funds or accounts, and adjustments in
2.23 appropriations are necessary to implement these changes;

2.24 (3) duties have been transferred between agency programs, or between agencies, and
2.25 adjustments in appropriations are needed to reflect these transfers; or

2.26 (4) a program, or changes to a program, were not fully operational in one fiscal year,
2.27 but will be fully operational in the following year, and an adjustment to the appropriation
2.28 is needed to accurately reflect the annual cost of the new or changed program.

2.29 The commissioner of finance must give the chairs of the senate finance and
2.30 house ways and means committees written notice of any adjustments made under this
2.31 subdivision.