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State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 172

01/24/2013 Authored by Peppin and Drazkowski

The bill was read for the first time and referred to the Committee on State Government Finance and Veterans Affairs

1.1 A bill for an act
1.2 relating to state government; requiring state budget documents to include federal
1.3 contingency planning; requiring reports on certain losses of federal funds;
1.4 amending Minnesota Statutes 2012, section 16A.10, by adding a subdivision;
1.5 proposing coding for new law in Minnesota Statutes, chapter 16A.

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

1.7 Section 1. Minnesota Statutes 2012, section 16A.10, is amended by adding a
1.8 subdivision to read:

1.9 Subd. 1d. Federal contingency planning. Each executive agency that receives
1.10 federal funds must include as part of its budget presentation an analysis of the implications
1.11 for the agency if federal funds for the agency are dramatically reduced or eliminated.

1.12 The analysis must:

1.13 (1) identify the risks to the agency related to the federal government's potential
1.14 inability to meet its financial or service commitments;

1.15 (2) estimate the impact of the risks to the agency in terms of potential loss of federal
1.16 revenue and the resulting impact to state services;

1.17 (3) recommend strategies that would help the agency adjust to and minimize the
1.18 loss of income and service impact;

1.19 (4) recommend a plan for continuous monitoring of specific leading indicators
1.20 of the federal government's inability to meet its obligations that trigger certain actions
1.21 by the agency; and

1.22 (5) recommend specific steps to be taken by the agency if the actions are triggered.

1.23 Sec. 2. [16A.1524] REPORT ON LOSS OF FEDERAL FUNDS.

2.1 The commissioner of management and budget must report to the chairs and ranking
2.2 minority members of the senate Finance and house of representatives Ways and Means
2.3 Committees on immediate implications for state agency budgets if federal funds for
2.4 agencies are dramatically reduced or eliminated, either as a short-term result of failure of
2.5 the federal government to enact legislation, or as part of a long-term decision to reduce or
2.6 eliminate these funds. The commissioner must report under this section within 30 days of
2.7 the event that triggers the federal government's inability or unwillingness to meet the prior
2.8 level of commitments to state agencies.