

CHAPTER 16A

DEPARTMENT OF FINANCE

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16A.06 OTHER COMMISSIONER DUTIES AND POWERS.

[For text of subs 1 to 9, see M.S.2000]

Subd. 10. **Technology budget book.** The department must prepare a separate budget book containing all of the administration's technology initiatives. The book must be in the same format as other biennial budget books.

History: 1Sp2001 c 10 art 2 s 20

16A.10 BUDGET PREPARATION.

[For text of subs 1 to 1b, see M.S.2000]

Subd. 1c. **Performance measures for change items.** For each change item in the budget proposal requesting new or increased funding, the budget document must present proposed performance measures that can be used to determine if the new or increased funding is accomplishing its goals.

[For text of subs 2 and 3, see M.S.2000]

History: 1Sp2001 c 10 art 2 s 21

16A.1283 LEGISLATIVE APPROVAL REQUIRED.

(a) Notwithstanding any law to the contrary, an executive branch state agency may not impose a new fee or increase an existing fee unless the new fee or increase is approved by law. For purposes of this section, a fee is any charge for goods, services, regulation, or licensure, and, notwithstanding paragraph (b), clause (3), includes charges for admission to or for use of public facilities owned by the state.

(b) This section does not apply to:

- (1) charges billed within or between state agencies, or billed to federal agencies;
- (2) the Minnesota state colleges and universities system;
- (3) charges for goods and services provided for the direct and primary use of a private individual, business, or other entity; or
- (4) charges that authorize use of state-owned lands and minerals administered by the commissioner of natural resources by the issuance of leases, easements, cooperative farming agreements, and land and water crossing licenses and charges for sales of state-owned lands administered by the commissioner of natural resources.

(c) An executive branch agency may reduce a fee that was set by rule before July 1, 2001, without legislative approval. Chapter 14 does not apply to fee reductions under this paragraph.

History: 2001 c 206 s 1

16A.1286 STATEWIDE SYSTEMS ACCOUNT.

Subdivision 1. **Continuation.** The statewide systems account is a separate account in the special revenue fund. All money resulting from billings for statewide systems

services must be deposited in the account. For the purposes of this section, statewide systems includes the state accounting system, payroll system, human resources systems, procurement system, and related information access systems.

Subd. 2. **Billing procedures.** The commissioner may bill up to \$7,520,000 in each fiscal year for statewide systems services provided to state agencies, judicial branch agencies, the University of Minnesota, the Minnesota state colleges and universities, and other entities. Billing must be based only on usage of services relating to statewide systems provided by the intertechnologies division. Each agency shall transfer from agency operating appropriations to the statewide systems account the amount billed by the commissioner. Billing policies and procedures related to statewide systems services must be developed by the commissioner in consultation with the commissioners of employee relations and administration, the University of Minnesota, and the Minnesota state colleges and universities.

Subd. 3. **Appropriation.** Money transferred into the account is appropriated to the commissioner to pay for statewide systems services during the biennium in which it is appropriated.

Subd. 4. **Supersede.** This section supersedes section 8.31, subdivision 2c.

Subd. 5. **Expiration.** This section expires June 30, 2003.

History: *1Sp2001 c 10 art 2 s 22*

16A.151 PROCEEDS OF LITIGATION OR SETTLEMENT.

Subdivision 1. **State funds; general fund.** (a) This subdivision applies, notwithstanding any law to the contrary, except as provided in subdivision 2.

(b) A state official may not commence, pursue, or settle litigation, or settle a matter that could have resulted in litigation, in a manner that would result in money being distributed to a person or entity other than the state.

(c) Money recovered by a state official in litigation or in settlement of a matter that could have resulted in litigation is state money and must be deposited in the general fund.

Subd. 2. **Exceptions.** (a) If a state official litigates or settles a matter on behalf of specific injured persons or entities, this section does not prohibit distribution of money to the specific injured persons or entities on whose behalf the litigation or settlement efforts were initiated. If money recovered on behalf of injured persons or entities cannot reasonably be distributed to those persons or entities because they cannot readily be located or identified or because the cost of distributing the money would outweigh the benefit to the persons or entities, the money must be paid into the general fund.

(b) Money recovered on behalf of a fund in the state treasury other than the general fund may be deposited in that fund.

(c) This section does not prohibit a state official from distributing money to a person or entity other than the state in litigation or potential litigation in which the state is a defendant or potential defendant.

Subd. 3. **Definitions.** For purposes of this section:

- (1) "litigation" includes civil, criminal, and administrative actions;
- (2) "money recovered" includes actual damages, punitive or exemplary damages, statutory damages, and civil and criminal penalties; and
- (3) "state official" means the attorney general, another constitutional officer, an agency, or an agency employee, acting in official capacity.

History: *1Sp2001 c 10 art 2 s 23*

16A.152 BUDGET RESERVE AND CASH FLOW ACCOUNT.

[For text of subd 1, see M.S.2000]

Subd. 1a. **Budget reserve.** A budget reserve account of \$653,000,000 is created in the general fund in the state treasury. The commissioner of finance shall transfer to the

budget reserve account on July 1 of each odd-numbered year any amounts specifically appropriated by law to the budget reserve.

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 until the total amount in the account equals the amount set in this section.

The amounts necessary to meet the requirements of this section are appropriated from the general fund within two weeks after the forecast is released.

[For text of subds 3 to 6, see M.S.2000]

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 4.

History: 1Sp2001 c 5 art 20 s 2,3; 1Sp2001 c 10 art 2 s 24

16A.1521 [Repealed, 1Sp2001 c 5 art 20 s 24]

16A.1523 LOCAL GOVERNMENT AID REFORM ACCOUNT.

Subdivision 1. **Account established.** A local government aid reform account is established in the general fund. Amounts in this account are available for and may only be spent in conjunction with reforming local government aids under chapter 477A. The reforms may include, but are not limited to:

- (1) changes to the local government aid distribution formula; and
- (2) supplemental aids to address local government aid disparity problems.

The balance in the account does not cancel and remains in the account until appropriated for local government aid reform.

Subd. 2. **Appropriation.** Beginning in fiscal year 2003, and in each fiscal year thereafter, \$14,000,000 is appropriated from the general fund to the local government aid reform account established in subdivision 1. In fiscal year 2004, and each year thereafter, until the balance of the account is appropriated by the legislature to local government aid reform, an amount equal to the balance at the end of the fiscal year times 2.5 percent is also appropriated from the general fund to the account.

History: 1Sp2001 c 5 art 3 s 1

16A.532 MINNESOTA STATE COLLEGES AND UNIVERSITIES ENTERPRISE ACCOUNT.

There is created in the state enterprise fund a Minnesota state colleges and universities account. The commissioner must report to committees of the legislature having jurisdiction over the account on activity in this account at the same time fund balance statements are issued for the general fund. The amounts in this account earn investment income as provided in section 136F.71, subdivision 3.

History: 1Sp2001 c 1 art 2 s 1

16A.641 STATE BONDS; APPROPRIATIONS.

[For text of subds 1 to 7, see M.S.2000]

Subd. 8. **Appropriation of proceeds.** (a) The proceeds of bonds issued under each law are appropriated for the purposes described in the law and in this subdivision. This appropriation may never be canceled.

(b) Before the proceeds are received in the proper special fund, the commissioner may transfer to that fund from the general fund amounts not exceeding the expected proceeds from the next bond sale. The commissioner shall return these amounts to the

general fund by transferring proceeds when received. The amounts of these transfers are appropriated from the general fund and from the bond proceeds.

(c) Actual and necessary travel and subsistence expenses of employees and all other nonsalary expenses incidental to the sale, printing, execution, and delivery of bonds must be paid from the proceeds. The proceeds are appropriated for this purpose. Bond proceeds must not be used to pay any part of the salary of a state employee involved in the sale, printing, execution, or delivery of the bonds.

(d) Bond proceeds remaining in a special fund after the purposes for which the bonds were issued are accomplished or abandoned, as certified by the head of the agency administering the special fund, or as determined by the commissioner, unless devoted under the appropriation act to another purpose designated in the act, must be transferred to the state bond fund.

(e) Before the proceeds of state highway bonds are received in the trunk highway fund, the commissioner may either:

(1) transfer funds to the trunk highway fund from the general fund; or

(2) authorize the use of funds in the trunk highway fund, in an amount not exceeding the expected proceeds from the next state highway bond sale.

These funds must be used in accordance with the legislative authorization to sell state highway bonds. The commissioner shall return these funds to the general fund or replace the funds used from the trunk highway fund by transferring proceeds when received. The amounts of these transfers are appropriated from the general fund and from the state highway bond proceeds.

[For text of subs 9 to 13, see M.S.2000]

History: 1Sp2001 c 8 art 2 s 8

16A.661 GENERAL OBLIGATION SPECIAL TAX BONDS.

[For text of subs 1 and 2, see M.S.2000]

Subd. 3. Establishment of debt service fund; appropriation of debt service fund money. (a) There is established within the state bond fund a separate and special account designated as a general obligation special tax bond debt service account. There must be credited to this debt service account in each fiscal year from the tobacco tax revenue fund established in section 297F.10 an amount sufficient to increase the balance on hand in the debt service account on each December 1 to an amount equal to the full amount of principal and interest to come due on all outstanding bonds whose debt service is payable primarily from proceeds of the tax to and including the second following July 1. The money on hand in the debt service account must be used solely for the payment of the principal of, and interest on, the bonds, and is appropriated for this purpose. This appropriation does not cancel as long as any of the bonds remain outstanding.

(b) There is established within the state bond fund a separate and special account designated as a general obligation special tax bond debt service account. There must be credited to this debt service account in each fiscal year from the sports and health club sales tax revenue fund established in section 297A.94 an amount sufficient to increase the balance on hand in the debt service account on each December 1 to an amount equal to the full amount of principal and interest to come due on all outstanding bonds whose debt service is payable primarily from proceeds of the tax to and including the second following July 1. The money on hand in the debt service account must be used solely for the payment of the principal of, and interest on, the bonds, and is appropriated for this purpose. This appropriation does not cancel as long as any of the bonds remain outstanding.

[For text of subs 4 to 7, see M.S.2000]

History: 2000 c 418 art 1 s 44

16A.67 [Repealed, 1Sp2001 c 10 art 2 s 102]

16A.6701 [Repealed, 1Sp2001 c 10 art 2, s 102]

16A.76 [Repealed, 1Sp2001 c 5 art 14 s 9]

16A.87 TOBACCO SETTLEMENT FUND.

Subdivision 1. **Establishment; purpose.** The tobacco settlement fund is established as a clearing account in the state treasury.

Subd. 2. **Deposit of money.** The commissioner shall credit to the tobacco settlement fund the tobacco settlement payments received by the state on September 5, 1998, January 4, 1999, January 3, 2000, January 2, 2001, January 2, 2002, and January 2, 2003, as a result of the settlement of the lawsuit styled as *Staté v. Philip Morris Inc.*, No. C1-94-8565 (Minnesota District Court, Second Judicial District).

Subd. 3. **Appropriation.** (a) Of the amounts credited to the fund prior to January 2, 2002, 61 percent is appropriated for transfer to the tobacco use prevention and local public health endowment fund created in section 144.395 and 39 percent is appropriated for transfer to the medical education endowment fund created in section 62J.694.

(b) The entire amount credited to the fund from the payment made on January 2, 2002, and January 2, 2003, is appropriated for transfer to the academic health center account under section 62J.694, subdivision 1, paragraph (b), in the medical education endowment fund created under section 62J.694, subdivision 1.

Subd. 4. **Sunset.** The tobacco settlement fund expires June 30, 2004.

History: 1Sp2001 c 1 art 2 s 2

16A.88 TRANSIT FUNDS.

Subdivision 1. **Greater Minnesota transit fund.** The greater Minnesota transit fund is established within the state treasury. Money in the fund is annually appropriated to the commissioner of transportation for assistance to transit systems outside the metropolitan area under section 174.24.

Subd. 2. **Metropolitan area transit fund.** The metropolitan area transit fund is established within the state treasury. All money in the fund is annually appropriated to the metropolitan council for the funding of transit systems within the metropolitan area under sections 473.384, 473.387, 473.388, and 473.405 to 473.449.

Subd. 3. **Metropolitan area transit appropriation account.** The metropolitan area transit appropriation account is established within the general fund. Money in the account is to be used for the funding of transit systems in the metropolitan area, subject to legislative appropriation.

History: 1Sp2001 c 5 art 3 s 2

NOTE: This section, as added by Laws 2001, First Special Session chapter 5, article 3, section 2, is effective July 1, 2002. Laws 2001, First Special Session chapter 5, article 3, section 2, the effective date.