

CHAPTER 16A

DEPARTMENT OF FINANCE

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16A.103 FORECASTS OF REVENUE AND EXPENDITURES.

[For text of subs 1 to 2, see M.S.2004]

Subd. 4. Report on expenditure increases. By January 10 of an odd-numbered year, the commissioner of finance must report on those programs or components of programs for which expenditures for the next biennium according to the forecast issued the previous November are projected to increase more than 15 percent over the expenditures for that program in the current biennium. The report must include an analysis of the factors that are causing the increases in expenditures.

History: 2005 c 156 art 2 s 13

16A.125 STATE TRUST LANDS.

Subd. 5. Forest trust lands. (a) The term "state forest trust fund lands" as used in this subdivision, means public land in trust under the Constitution set apart as "forest lands under the authority of the commissioner" of natural resources as defined by section 89.001, subdivision 13.

(b) The commissioner of finance shall credit the revenue from the forest trust fund lands to the forest suspense account. The account must specify the trust funds interested in the lands and the respective receipts of the lands.

(c) After a fiscal year, the commissioner of finance shall certify the total costs incurred for forestry during that year under appropriations for the protection, improvement, administration, and management of state forest trust fund lands and construction and improvement of forest roads to enhance the forest value of the lands. The certificate must specify the trust funds interested in the lands. The commissioner of natural resources shall supply the commissioner of finance with the information needed for the certificate.

(d) After a fiscal year, the commissioner shall distribute the receipts credited to the suspense account during that fiscal year as follows:

(1) the amount of the certified costs incurred by the state for forest management, forest improvement, and road improvement during the fiscal year shall be transferred to the forest management investment account established under section 89.039;

(2) the balance of the certified costs incurred by the state during the fiscal year shall be transferred to the general fund; and

(3) the balance of the receipts shall then be returned prorated to the trust funds in proportion to their respective interests in the lands which produced the receipts.

[For text of subd 5a, see M.S.2004]

History: 1Sp2005 c 1 art 2 s 12

16A.1286 STATEWIDE SYSTEMS ACCOUNT.

[For text of subs 1 and 2, see M.S.2004]

Subd. 3. Appropriation. Money transferred into the account is appropriated to the commissioner to pay for statewide systems services.

History: 2005 c 156 art 2 s 14

16A.151 PROCEEDS OF LITIGATION OR SETTLEMENT.

[For text of subd 1, see M.S.2004]

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.

(d) State agencies may accept funds as directed by a federal court for any restitution or monetary penalty under United States Code, title 18, section 3663(a)(3) or United States Code, title 18, section 3663A(a)(3). Funds received must be deposited in a special revenue account and are appropriated to the commissioner of the agency for the purpose as directed by the federal court.

(e) Subdivision 1 does not apply to a recovery or settlement of less than \$750,000.

[For text of subds 3 and 4, see M.S.2004]

Subd. 5. [Repealed, 2005 c 156 art 2 s 52]

History: 2005 c 156 art 2 s 15

16A.152 BUDGET RESERVE AND CASH FLOW ACCOUNTS.

[For text of subds 1 to 1b, see M.S.2004]

Subd. 2. Additional revenues; priority. (a) 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 following accounts and purposes in priority order:

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

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

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

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

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

(c) To the extent that a positive unrestricted budgetary general fund balance is projected, appropriations under this section must be made before section 16A.1522 takes effect.

(d) The commissioner of finance shall certify the total dollar amount of the reductions under paragraph (a), clauses (3) and (4), to the commissioner of education.

The commissioner of education shall increase the aid payment percentage and reduce the property tax shift percentage by these amounts and apply those reductions to the current fiscal year and thereafter.

[For text of subds 3 to 7, see M.S.2004]

History: 2005 c 156 art 2 s 16

16A.1522 REBATE REQUIREMENTS.

Subdivision 1. **Forecast.** If, on the basis of a forecast of general fund revenues and expenditures in November of an even-numbered year or February of an odd-numbered year, the commissioner projects a positive unrestricted budgetary general fund balance at the close of the biennium that exceeds one-half of one percent of total general fund biennial revenues, the commissioner shall designate the entire balance as available for rebate to the taxpayers of this state.

[For text of subds 2 to 5, see M.S.2004]

History: 2005 c 156 art 2 s 17

16A.281 APPROPRIATIONS TO LEGISLATURE.

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 commissions. 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 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: 2005 c 156 art 2 s 18

16A.30 [Repealed, 2005 c 156 art 2 s 52]

16A.502 NONSTATE COMMITMENTS TO CAPITAL PROJECTS.

If a state appropriation or grant for a capital project or project phase is not sufficient, by itself, to complete the project or project phase, and thus requires a commitment from other sources:

(1) the commitment, including any required match, must be in an amount that, when added to the appropriation or grant, is sufficient to complete the project or project phase; and

(2) the appropriation or grant is not available until the commissioner has determined that the commitment is sufficient.

In making the determination, the commissioner must apply generally accepted governmental accounting standards and principles, including those that are particularly applicable to capital projects.

History: 2005 c 20 art 1 s 29

16A.671 CERTIFICATES OF INDEBTEDNESS.

[For text of subds 1 and 2, see M.S.2004]

Subd. 3. **Definitions.** As used in this section, the terms defined in this subdivision have the meanings given them:

(a) "General fund" means all cash and investments from time to time received and held in the treasury, except proceeds of state bonds and amounts received and held in special or dedicated funds created by the Constitution, or by or pursuant to federal laws or regulations, or by bond or trust instruments, pension contracts, or other agreements of the state or its agencies with private persons, entered into under state law.

(b) "Maximum current cash flow requirement" means the commissioner's written estimate of the largest of the amounts by which, on a particular designated date in each month of the term for which certificates are to be issued, the sum of (1) the warrants then outstanding against the general fund plus (2) an amount equal to five percent of the actual working capital expenditures from the general fund in the preceding fiscal year, will exceed the amount of cash or cash equivalent assets held in the general fund, excluding the proceeds of the certificates to be issued.

[For text of subs 4 to 11, see M.S.2004]

History: 2005 c 20 art 1 s 30

16A.724 HEALTH CARE ACCESS FUND.

Subdivision 1. **Creation of fund.** A health care access fund is created in the state treasury. The fund is a direct appropriated special revenue fund. The commissioner shall deposit to the credit of the fund money made available to the fund. Notwithstanding section 11A.20, after June 30, 1997, all investment income and all investment losses attributable to the investment of the health care access fund not currently needed shall be credited to the health care access fund.

Subd. 2. **Transfers.** (a) Notwithstanding section 295.581, to the extent available resources in the health care access fund exceed expenditures in that fund, effective with the biennium beginning July 1, 2007, the commissioner of finance shall transfer the excess funds from the health care access fund to the general fund on June 30 of each year, provided that the amount transferred in any fiscal biennium shall not exceed \$96,000,000.

(b) For fiscal years 2006 to 2009, MinnesotaCare shall be a forecasted program, and, if necessary, the commissioner shall reduce these transfers from the health care access fund to the general fund to meet annual MinnesotaCare expenditures or, if necessary, transfer sufficient funds from the general fund to the health care access fund to meet annual MinnesotaCare expenditures.

History: 1Sp2005 c 4 art 8 s 1

16A.725 HEALTH IMPACT FUND AND FUND REIMBURSEMENTS.

Subdivision 1. **Health impact fund.** There is created in the state treasury a health impact fund to which must be credited all revenue from the health impact fee under section 256.9658 and any floor stocks fee enacted into law.

Subd. 2. **Certified tobacco expenditures.** By April 30 of each year, the commissioner of human services shall certify to the commissioner of finance the state share, by fund, of tobacco use attributable costs for the previous fiscal year in Minnesota health care programs, including medical assistance, general assistance medical care, and MinnesotaCare, or other applicable expenditures.

Subd. 3. **Fund reimbursements.** (a) Each fiscal year, the commissioner of finance shall first transfer from the health impact fund to the general fund an amount sufficient to offset the general fund cost of the certified expenditures under subdivision 2 or the balance of the fund, whichever is less.

(b) If any balance remains in the health impact fund after the transfer in paragraph (a), the commissioner of finance shall transfer to the health care access fund the amount sufficient to offset the health care access fund cost of the certified expenditures in subdivision 2, or the balance of the fund, whichever is less.

History: 1Sp2005 c 4 art 4 s 1