

HF1863 - 1A - "Appropriate Salary Funds; NonApprop Event"

Chief Author: **Leon Lillie**
 Committee: **State Government Finance Division**
 Date Completed: **03/20/2019**
 Agency: **Minn Management and Budget**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2019	FY2020	FY2021	FY2022	FY2023
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2019	FY2020	FY2021	FY2022	FY2023
Total	-	-	-	-	-	-

Executive Budget Officer's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Marianne Conboy Date: 3/20/2019 4:00:27 PM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2019	FY2020	FY2021	FY2022	FY2023	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

Subdivision 1: Appropriates funds for the biennium beginning July 1 for state agency employee salaries and benefits for one fiscal year in the event of nonappropriation of funds for state agency operations. Appropriations are from the fund from which the salaries and benefits were paid in the previous fiscal year.

Subdivision 2: Appropriates funds for the biennium beginning July 1 for legislative branch employee salaries and benefits for one fiscal year in the event of nonappropriation of funds for state agency operations. Appropriations are from the fund from which the salaries and benefits were paid in the previous fiscal year.

Subdivision 3: Appropriates funds for the biennium beginning July 1 for judicial branch employee salaries and benefits for one fiscal year in the event of nonappropriation of funds for state agency operations. Appropriations are from the fund from which the salaries and benefits were paid in the previous fiscal year.

Subdivision 4: Requires each legislative body and office and the chief clerk of the supreme court to certify to Minnesota Management and Budget by June 25th the amounts needed for the upcoming fiscal year to pay employee salaries and benefits. Requires the commissioner of Management and Budget to make available the amounts necessary to pay legislative and judicial branch employee salaries by July 1 or on a schedule that permits the salary and benefits to be paid in a timely manner.

Subdivision 5: Requires that any subsequent appropriation for agency, the legislature, and the courts for regular operations would supersede and replace the funding authorized in this bill.

Subdivision 6: Caps the appropriations amounts at the base level amounts in the second year of the biennium preceding the biennium in questions.

Assumptions

1. MMB is responding to this note on behalf of all agencies, the judicial and legislative branch.
2. Required funding for state employee salaries and benefits will not exceed base level funding as defined as the appropriation the agency received in the 2nd year of the prior biennium.
3. Costs incurred under subdivision 4 by MMB, the chief clerk of supreme court and the legislature to certify employees salary and benefit amounts and make funds available to pay salaries and benefits will be minimal and can be absorbed as part of the regular operations of the agencies.

Expenditure and/or Revenue Formula

This bill has zero cost relative to the February forecast which assumes that state agencies, the judicial branch and the legislature will receive base level appropriations for biennium FY 2020-21. Because the bill caps appropriation amounts at the base level and provides that appropriations will be replaced and superseded by regular biennial appropriations ultimately enacted by the legislature, total appropriations under this bill will not exceed forecast amounts.

As a reference point and included for information only is a table below showing total compensation for FY 2020 by agency and separated by general fund and other state funds. The table represents agency base level total compensation as entered in the Budget Planning and Analysis System as part of the FY 2020-21 Biennial budget process required under MS 16A.11.

State Agency	\$ in thousands		
	General Fund	Other Funds	Total
B04 - Agriculture	16,290	28,805	45,095
B11 - Cosmetologist Examiners, Board of	1,931		1,931
B13 - Commerce	17,713	19,597	37,310
B14 - Animal Health, Board of	3,840	488	4,328
B15 - Barber Examiners, Board of	235		235
B20 - Explore Minnesota Tourism	4,226		4,226
B22 - Employment and Economic Development	11,187	113,695	124,882
B24 - Public Facilities Authority		1,113	1,113
B34 - Housing Finance		29,316	29,316
B41 - Workers Compensation Court of Appeals		1,703	1,703
B42 - Labor and Industry	1,643	43,701	45,344
B43 - Iron Range Resources and Rehabilitation		5,011	5,011
B7E - Architecture, Engineering Board	490		490
B7P - Accountancy, Board of	456		456
B7S - Private Detectives Board	182		182
B82 - Public Utilities Commission	5,867	41	5,908
B9D - Amateur Sports Commission	301	44	345
E25 - Perpich Center for Arts Education	5,036	131	5,167
E26 - Minnesota State		1,346,647	1,346,647
E37 - Education	16,215	26,875	43,090
E39 - Prof Educator Licensing Std Bd	12	1,960	1,972
E44 - State Academies	11,350	4,301	15,651
E50 - Arts Board	431	118	549
E60 - Higher Education, Office of	2,457	3,860	6,317
E77 - Zoological Gardens	9,183	9,741	18,924
E9W - Higher Education Facilities Authority		270	270
G02 - Administration	9,371	39,015	48,386
G03 - Lottery		14,564	14,564
G05 - Racing Commission		1,531	1,531
G06 - Attorney General	18,551	15,701	34,252
G09 - Gambling Control Board		2,993	2,993
G10 - Management and Budget	16,636	12,085	28,721
G17 - Human Rights	3,676	493	4,169
G19 - Indian Affairs Council	424	0	424
G38 - Investment Board		5,282	5,282
G39 - Governor, Office of the	2,573	1,889	4,462
G45 - Mediation Services, Bureau of	1,728		1,728
G46 - MN.IT Services	1,926	271,283	273,209

G53 - Secretary of State	5,267	4,277	9,544
G61 - State Auditor	8,883	665	9,548
G62 - Minnesota State Retirement System		13,729	13,729
G63 - Public Employees Retirement Association		11,023	11,023
G67 - Revenue	111,899	9,298	121,197
G69 - Teachers Retirement Association		9,968	9,968
G92 - Ombudsperson for Families	439	0	439
G9J - Campaign Finance and Public Disclosure Board	891		891
G9K - Administrative Hearings, Office of	164	9,055	9,219
G9L - African Heritage, Council for Minnesotans of	304		304
G9M - Latino Affairs, Minnesota Council on	372		372
G9N - Asian-Pacific Minnesotans, Council on	386		386
G9X - Capitol Area Architectural and Planning Board	250	27	277
G9Y - Disability Council	667		667
H12 - Health	15,152	131,031	146,183
H55 - Human Services	412,527	229,696	642,223
H60 - MNSure		14,430	14,430
H75 - Veterans Affairs	7,634	95,929	103,563
H7B - Medical Practice, Board of		2,820	2,820
H7C - Nursing, Board of		3,397	3,397
H7D - Pharmacy, Board of		2,736	2,736
H7F - Dentistry, Board of		943	943
H7H - Chiropractic Examiners, Board of		396	396
H7J - Optometry, Board of		123	123
H7K - Nursing Home Administrators, Board of		1,167	1,167
H7L - Social Work, Board of		989	989
H7M - Marriage and Family Therapy, Board of		276	276
H7Q - Podiatric Medicine, Board of		129	129
H7R - Veterinary Medicine, Board of		210	210
H7S - Emergency Medical Services Regulatory Board	1,117	58	1,175
H7U - Dietetics and Nutrition Practice, Board of		97	97
H7V - Psychology, Board of		854	854
H7W - Physical Therapy, Board of		297	297
H7X - Behavioral Health and Therapy, Board of		541	541
H7Y - Occupational Therapy Practice Board		256	256
H9G - Ombudsman for Mental Health and Developmental	1,977		1,977
J33 - District Courts	261,576	2,894	264,470
J50 - Guardian ad Litem Board	13,734		13,734
J52 - Public Defense, Board of	70,747	15	70,762
J58 - Court Of Appeals	11,272		11,272
J65 - Supreme Court	28,426	4,308	32,734
J68 - Tax Court	1,082		1,082
J70 - Judicial Standards, Board on	303		303
JLP - Legal Professions Boards		4,939	4,939
L10 - Legislature	15,299	240	15,539
P01 - Military Affairs	5,731	25,671	31,402
P07 - Public Safety - Transportation	8,547	141,650	150,197
P78 - Corrections	376,812	26,817	403,629
P7T - Peace Officer Standards and Training Board		988	988
P9E - Sentencing Guidelines Commission	610		610
PS7 - Public Safety - Public Safety	36,614	21,247	57,861

R29 - Natural Resources	54,908	189,010	243,918
R32 - Pollution Control	995	77,188	78,183
R9P - Water and Soil Resources, Board of	4,156	1,653	5,809
T79 - Transportation	1,575	472,781	474,356
Grand Total	1,624,246	3,516,071	5,140,317

Long-Term Fiscal Considerations

None.

Local Fiscal Impact

None.

References/Sources

Data from the Budget Planning and Analysis System (BPAS) February forecast base budget scenario.

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