

# House Research Act Summary

**CHAPTER:** 24

**SESSION:** 2011 Regular Session

**TOPIC:** Retained savings program

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## Section

### 1 SAVI program.

**Subd. 1. Program established.** Establishes the SAVI program to encourage state agencies to identify cost-effective and efficiency measures.

**Subd. 2. Retained savings.** Provides that upon approval of the Commissioner of Management and Budget, 50 percent of appropriations for agency operations that remain unspent at the end of a biennium because of unanticipated efficiencies or cost-savings may be carried forward and retained by the agency to fund specific agency proposals or projects. Project expenditures must not create future obligations beyond the amounts available from the retained savings. Provides that this section supersedes section 16A.28 (the current law which provides that unspent appropriations lapse at the end of a biennium), but this section does not restrict authority granted by other law to carry forward money for a different period or different purposes.

**Subd. 3. Special peer review panel.** Requires a participating agency to organize a peer review panel that will determine which projects receive funding. The panel must be balanced between department employees credited with cost-savings initiatives and department managers.

Provides that an agency may spend money for a project recommended for funding by the panel after the agency posts notice of proposed spending on its Web site for at least 30 days, and the Commissioner of Management and Budget approves the project. Requires the Commissioner to seek a recommendation from the Legislative Advisory Commission before approving a project.

**Subd. 4. SAVI-dedicated account.** Provides that agency savings will be deposited in a SAVI account in the special revenue fund or another appropriate fund determined by the Commissioner of Management and Budget. Appropriates money in the account to the participating agency for purposes authorized by this section.

**Subd. 5. Expiration.** Provides that this section expires June 30, 2018.

This section is effective June 30, 2013, and first applies to funds to be carried forward from the biennium ending June 30, 2013, to the biennium starting July 1, 2013.

- 2 Lapse.** Amends the current law governing lapse of appropriations at the end of a biennium, to reference the carry-forward authority under the SAVI program.