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Section

- 1 **Reduction; unallotment.** Requires an executive branch agency head to determine the amount of an unallotment of the agency's general fund appropriation as a percentage of the original general fund appropriation to the agency, and requires that in implementing the unallotment, the agency must reduce its expenditures on contracts with outside vendors by at least that percentage. Provides that to the extent possible, reductions must be applied to contracts for which the work would be performed outside of Minnesota.
- 2 Proportional reduction in contracts. Requires that if a law reduces a general fund appropriation to an executive agency, the agency head must determine the amount of this reduction as a percentage of the original general fund appropriation to the agency, and requires the agency to reduce its general fund expenditures on contracts with outside vendors by at least that percentage (unless otherwise specified in the law making the reduction in the appropriation). Provides that to the extent possible, reductions must be applied to contracts for which the work would be performed outside of Minnesota.
- **3 Requirements during projected deficits.** Provides that when there is a projected general fund budget deficit that exceeds the amount of the budget reserve:
 - an executive appointing authority may not authorize state paid travel unless it is essential to carry out the agency's statutory mission or is necessary for state emergency preparedness or response; and
 - the governor must ensure that the aggregate number of FTE managerial positions in all executive branch state agencies is not increased, unless authorized by a law enacted after the deficit is projected.
- 4 **Professional and technical contracts.** Requires that by July 1, 2010, the commissioner of Management and Budget allocate a reduction of \$4 million in fiscal year 2011 appropriations to executive branch state agencies. Provides that to the extent possible,

without hiring permanent staff replacements, this reduction must be achieved through reductions in professional and technical service contracts, and in particular contracts for which work would be performed outside of Minnesota. Provides that reductions that cannot be achieved through savings in these contracts must be allocated proportionally across executive branch state agency budgets. Provides that these reductions are also base reductions for the next biennium. This section does not apply to MnSCU. Requires reports to the legislature.

5 Elimination of positions. Requires the governor to eliminate 25 percent of deputy and assistant commissioner positions. Requires elimination of other specified positions.