

Subject Budget forecast
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Date February 20, 2020

Summary

This bill would require Minnesota Management and Budget (MMB) to include inflation when estimating future state expenditures in the agency's biannual budget forecasts.

Although the bill does not specify what inflation measure(s) MMB would use, it would require MMB to consult the chairs and ranking minority members of certain legislative committees and legislative fiscal staff when determining both (1) the inflation rate, and (2) how inflation is incorporated into the agency's expenditure estimates.

In 2002, the legislature overrode Governor Jesse Ventura's veto of a budget-balancing act that—among other things—prohibited MMB's predecessor agency, the Department of Finance, from including an inflation allowance in forecast expenditures (Laws 2002, ch. 220, art. 13, §§ 1-2).