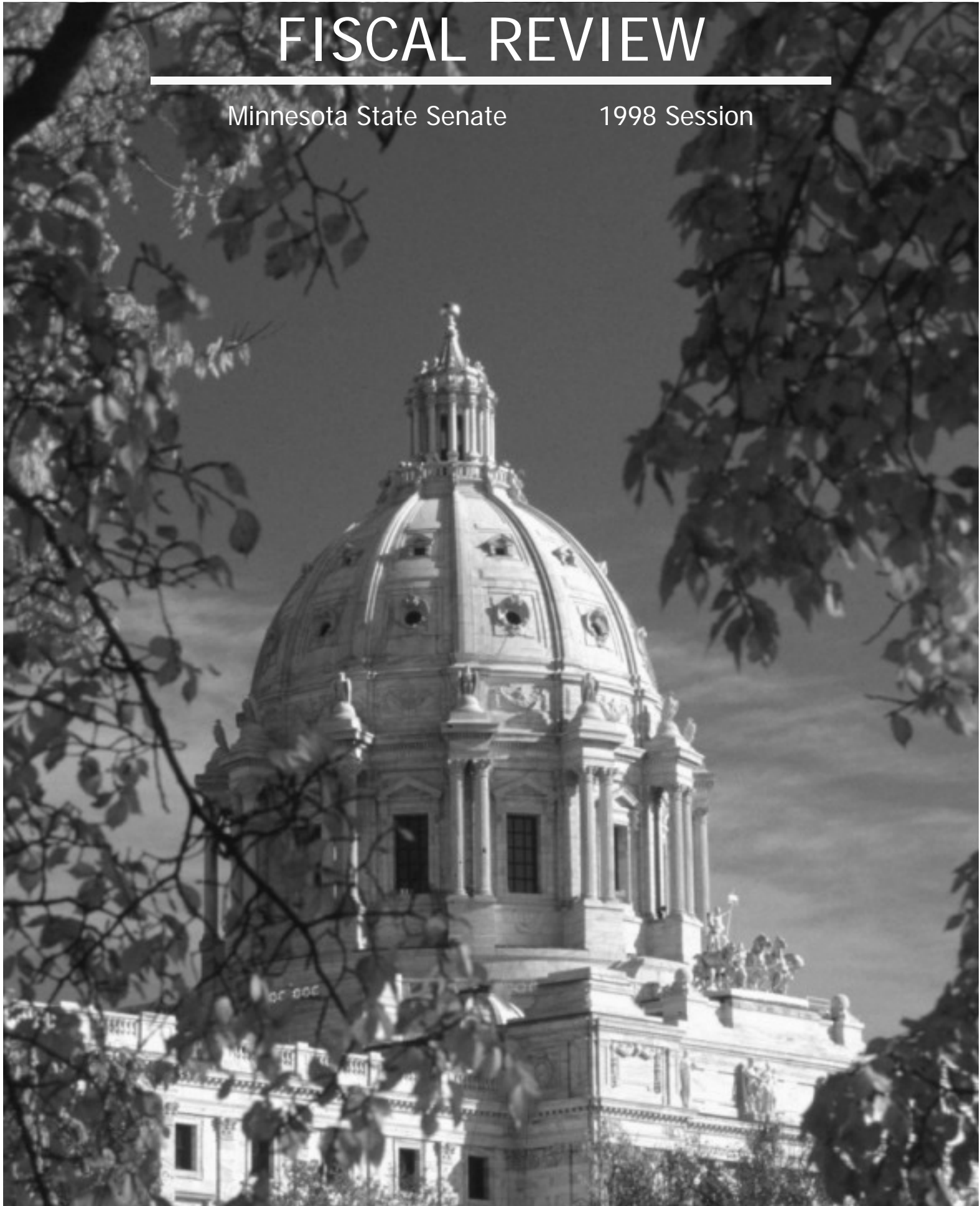


# FISCAL REVIEW

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Minnesota State Senate

1998 Session



**A**

**Fiscal Review**  
**of the**  
**1998 Legislative Session**

**Minnesota Senate**  
**Office of Senate Counsel & Research**

**Edited by Gregory C. Knopff**  
**September 1998**

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# Introduction

The Fiscal Review is a report of actions taken by the 1998 regular session and one special session of the Minnesota Legislature. These reports have been issued annually since 1975. The 1998 appropriations amend the biennial budget in the 1997 session. Some changes involve updated estimates of open and standing appropriations, while other changes are the result of the passage of new laws.

The Fiscal Review is not an accounting of all legislative actions. It covers those with significant fiscal impact and other significant actions of the Legislature.

The tables in the Fiscal Review are all-inclusive and can be reconciled with fund statements prepared by the Department of Finance.

The report is on appropriations, not actual spending. Spending is affected by many factors, including accounting practices, program participation, etc. Appropriations are basically authorizations for expenditures.

Some appropriations are open-ended and determined by formula or participation rates

specified by statute. These are called open and standing appropriations. The Review uses the estimates of open and standing appropriations made through the Department of Finance at the time the budget was enacted.

Direct appropriations essentially are the limits on spending put into the session laws.

The report handles open and standing appropriations as direct appropriations when the appropriation amount is specified in the session law. (For example, education aids are based on open and standing authority to comply with the funding formulas, but the Legislature actually uses the estimate of the cost in the session law.)

This report is organized by functional groupings of appropriations which are most comprehensive on Table C of the statistical section.

There are also tables of appropriations by fund (Table A); a table of appropriations by fund and law (chapter) (Table D); a General Fund balance statement (Table B); and a listing of open and standing appropriations (Table E).

# Highlights

The 1998 session of the Legislature appropriated over \$1.1 billion in new money. Most of the increase was in the General Fund. Included in this amount is over \$500 million in direct appropriations for capital projects.

## Taxes

The Legislature enacted a property tax rebate program equal to 20 percent of property taxes paid in 1998 up to \$1,500 per taxpayer. For renters, the rebate is based on 19 percent of rent paid. For agricultural homesteads, the rebate is limited to the property tax paid on the house, garage, and 320 acres of farm land. The cost of the rebate is estimated to be \$469.3 million in the 1997-1999 biennium and \$25.2 million in the 1999-2001 biennium.

The Legislature also enacted property tax reform, including property tax class rate compression, increased education funding, and an increase in the education homestead credit. For the 1999-2001 biennium, the increase in education funding will cost \$146 million, and the increase in the education homestead credit will cost \$271.7 million.

The sales tax rate for sales of new farm machinery and aquaculture production equipment was reduced from 2.5 percent to 2 percent for sales after June 30, 1998, to 1 percent for sales after June 30, 1999, and exempt from the sales tax after June 30, 2000. The cost of this rate reduction and exemption is estimated to be \$1.7 million in the 1997-1999 biennium and \$15 million in the 1999-2001 biennium.

## Budget Reserve

The amount of the budget reserve was increased from \$522 million to \$622 million. If the Commissioner of Finance forecasts that additional surplus revenues will be available for the biennium, the first \$200 million of the additional revenue after the budget reserve increase will be deposited in the tax reform and reduction account.

## K-12 Education

The Legislature appropriated approximately \$215 million for K-12 education. \$70.8 million of this amount is to help districts implement the new state graduation standards through staff development, technology improvements, class size reduction, and programs for gifted and talented students. \$90.1 million of the total was used to buy back the remaining 7 percent of the general education levy recognition shift.

## Higher Education

The Legislature appropriated \$73 million to higher education: \$36 million to the University of Minnesota, \$36 million to the Minnesota State Colleges and Universities (MnSCU), and \$1 million for student financial aid.

## Capital Budget

The Legislature adopted a Capital Budget Bill totaling approximately \$1 billion, and chose to pay cash for approximately \$500 million worth of projects. Among the larger projects were: \$87.1 million for the expansion of the Minneapolis Convention Center; \$65 million for a loan to the

city of St. Paul to demolish the existing RiverCentre Arena, and to design, construct, furnish, and equip a new arena; \$206.8 million for the construction and repair of facilities at University of Minnesota campuses and agricultural experiment stations; \$143.1 million for the construction and repair of facilities at state universities, community colleges, and technical colleges statewide; \$10.8 million for recreation and community center grants statewide; \$30 million for flood hazard mitigation grants; \$40.4 million for the improvement of parks, trails, and recreation areas statewide; and \$40 million for the construction of light rail transit from downtown Minneapolis through the Minneapolis-St. Paul International Airport and ending in southern Hennepin or northern Dakota county.

## **Human Services**

The Legislature reduced General Fund appropriations for the Department of Human Services by almost \$321.8 million and reduced health care access fund appropriations by almost \$17.6 million. The General Fund reduction was the net result of forecast reductions of almost \$374.2 million offset by new spending of over \$37.7 million and transfers to the state Temporary Assistance for Needy Families (TANF) reserve account of almost \$14.7 million.

## **Tornado Relief**

The Legislature appropriated an additional \$27.6 million from the General Fund for tornado

relief due to damage from the March 29, 1998, tornadoes.

## **Feedlots**

The 1998 Legislature enacted various provisions relating to feedlots. Included in the enacted provisions were:

- (1) An appropriation of \$1.2 million to the Office of Strategic and Long-Range Planning to provide funding for the Environmental Quality Board (EQB) to begin preparation of a generic environmental impact statement (GEIS) on feedlots;
- (2) Requirements for the Pollution Control Agency (PCA) to issue a federal National Pollutant Discharge Elimination System (NPDES) permit for feedlots over 1,000 animal units; and
- (3) An appropriation of \$11 million for financial assistance for the upgrade of existing feedlots.

## **Crisis Agriculture Counties**

The Legislature appropriated \$8.8 million from the General Fund for reimbursement of 1997 federal crop insurance premiums and administrative fees paid on wheat and barley in crisis counties. The crisis counties are Beltrami, Clay, Clearwater, Kittson, Lake of the Woods, Lincoln, Lyon, Mahnomon, Marshall, Norman, Pennington, Pipestone, Polk, Red Lake, Roseau, and Wilkin.

# Revenues

## State Taxes

### Income Tax

Federal law changes enacted through December 31, 1997, were adopted for Minnesota income tax purposes. There were a number of significant federal provisions concerning IRAs and capital gains which affect the taxable income of Minnesota taxpayers.

The income limits for phasing out the traditional IRA deduction are increased over ten years from the current phase-out beginning at \$40,000 (on joint returns) for tax year 1997 to a phase-out beginning at \$80,000 in tax year 2007. Two new IRA programs, the Education IRA and the Roth IRA, were added effective for 1998 tax returns. Contributions to the Education and Roth IRAs are not deductible, but distributions from these IRA accounts are tax-exempt if the following requirements are met: for the Education IRA, \$500 may be contributed per beneficiary; the contribution must be made before the beneficiary turns 18, and the distributions must be made for higher education expenses. For the Roth IRA, \$2,000 per year may be contributed, less any contribution to a regular IRA (subject to the regular IRA phase-out). Distributions from the Roth IRA are not taxable after five years if the distribution is made after the taxpayer reaches age 59½, dies, becomes disabled, or uses the distribution for a first-time home purchase.

The exclusion of capital gain on the sale of a principal residence was broadened significantly. Under prior law, a taxpayer was allowed a one-time exclusion of up to \$125,000 of gain on the sale of a principal residence after the taxpayer

had reached age 55. The new rules allow taxpayers to exclude up to \$250,000 of gain on the sale of a home after owning and using the home as a principal residence for two years. The age restriction was dropped.

The update to federal law changes is estimated to cost \$14.6 million in the 1997-1999 biennium and \$29 million in the 1999-2001 biennium.

The Minnesota Working Family Credit for taxpayers with children was restructured. Under prior law, the Working Family Credit was equal to 25 percent of the federal Earned Income Credit. Under the new provisions, the Working Family Credit will be calculated independently from the federal Earned Income Credit, providing additional credit to families earning between \$6 and \$8 per hour. This increase in the Working Family Credit is estimated to cost \$4.4 million in the 1997-1999 biennium and \$10.1 million in the 1999-2001 biennium.

The property tax rebate enacted by the 1997 Legislature was authorized again for property taxes payable in 1998. The rebate for homeowners and renters is once again equal to 20 percent of property taxes paid. A new provision was added that limits the amount of the rebate to \$1,500 per taxpayer. The rebate is a refundable income tax credit which will be claimed on the taxpayer's 1998 individual income tax return. The cost of the rebate is estimated to be \$469.3 million in the 1997-1999 biennium and \$25.2 million in the 1999-2001 biennium.



## **Sales and Excise Taxes**

The sales tax rate for sales of new farm machinery and aquaculture production equipment was reduced from 2.5 percent to 2 percent for sales after June 30, 1998, and to 1 percent for sales after June 30, 1999. Sales of new farm machinery and aquaculture production equipment are exempt from the sales tax beginning with sales after June 30, 2000. The cost of this rate reduction and exemption is estimated to be \$1.7 million in the 1997-1999 biennium and \$15 million in the 1999-2001 biennium.

A sales tax exemption was enacted for construction materials used in constructing or improving the Duluth Entertainment Convention Center, the Minneapolis Convention Center, and the St. Paul RiverCentre. The cost of these exemptions is estimated to be \$1.8 million in the 1997-1999 biennium and \$4.5 million in the 1999-2001 biennium.

Local option sales taxes were authorized for the cities of Bemidji, Detroit Lakes, Fergus Falls, Hutchinson, Owatonna, Rochester, St. Cloud, St. Joseph, Sartell, Sauk Rapids, Two Harbors, Waite Park, and Winona. The local option sales taxes will be an additional one-half percent in

addition to the state sales tax rate and an additional tax of \$20 on motor vehicle sales occurring within the city. These local option taxes must be approved by referendum.

The tax rates on lawful gambling were reduced by 5 percent beginning July 1, 1998. The cost of these rate reductions is estimated to be \$2.7 million in the 1997-1999 biennium and \$5.8 million in the 1999-2001 biennium.

## **Budget Reserve**

The amount of the budget reserve was increased from \$522 million to \$622 million. If the Commissioner of Finance forecasts that additional surplus revenues will be available for the biennium, the first \$200 million of the additional revenue after the budget reserve increase will be deposited in the tax reform and reduction account. The next \$400 million of additional revenue will be used to pay for projects authorized using bond proceeds in the 1998 Capital Budget Bill, reducing the need for state borrowing. Any remaining additional revenue will be an undesignated balance in the General Fund.

# Local Property Tax Aids and Credits

The property tax rebate enacted by the 1997 Legislature was authorized again for property taxes payable in 1998. The rebate for homeowners and renters is once again equal to 20 percent of property taxes paid. A new provision was added that limits the amount of the rebate to \$1,500 per taxpayer. For renters, the rebate is based on the 19 percent of rent which is deemed to be used to pay property taxes on the rental unit. For agricultural homesteads, the rebate is limited to the property tax paid on the house, garage, and 320 acres of farm land. The rebate is a refundable income tax credit which will be claimed on the taxpayer's 1998 individual income tax return. The cost of the rebate is estimated to be \$469.3 million in the 1997-1999 biennium and \$25.2 million in the 1999-2001 biennium.

The education homestead credit enacted in 1997 was increased from 32 percent of the general education tax on a homestead to 68 percent for taxes payable in 1999, and 69 percent for taxes payable in 2000 and thereafter. The maximum credit is increased from \$225 to \$320 for taxes payable in 1999 and to \$335 for taxes payable in 2000 and thereafter. The percentage of the credit may be adjusted by the Commissioner of Revenue to account for increases in the general education levy. The additional cost of the credit is estimated to be \$271.7 million in the 1999-2001 biennium.

The statewide general education levy was reduced by \$57 million annually beginning with state FY 2000. Referendum equalization aid was increased by \$7 million annually, and

alternative facilities aid was increased by \$3 million annually. Desegregation aid was increased by \$7 million in FY 2000, and by \$13 million in FY 2001. After accounting for the metering of school aid payments, the cost of these education aid increases is \$146 million in the 1999-2001 biennium.

Family Preservation Aid (FPA) was increased by \$30 million annually beginning with aid payable in FY 2001. Of the \$30 million FPA increase, \$10 million was a transfer from county Homestead and Agricultural Credit Aid (HACA). The net cost of the FPA increase is \$20 million in the 1999-2001 biennium.

HACA was increased to reflect the reduction in the Fiscal Disparities areawide contribution pool resulting from the reduction in commercial-industrial class rates from 4.0 percent to 3.5 percent. The increase in Fiscal Disparities HACA is estimated to be \$13.2 million in the 1999-2001 biennium.

The percentage of rent which is deemed to be used to pay property taxes was increased from 18 percent to 19 percent. This change is estimated to increase the cost of the property tax refund by \$16.2 million in the 1999-2001 biennium.

Property tax class rates were reduced for a number of property types effective for taxes payable in 1999. The following table shows the class rates under prior law, and the newly enacted class rates.

## PROPERTY TAX CLASS RATES

|  | Prior<br>Law<br>Payable<br>1999 | Current<br>Law<br>Payable<br>1999 |
|--|---------------------------------|-----------------------------------|
| Residential homestead:<br>Less than \$75,000<br>More than \$75,000   | 1.0<br>1.85                     | 1.0<br>1.7                        |
| Residential non-homestead:<br>Single unit:<br>Less than \$75,000<br>More than \$75,000<br>2 or 3 units (& undeveloped<br>land)                             | 1.9<br>2.1<br>2.1               | 1.25<br>1.7<br>1.7                |
| Apartments:<br>Regular<br>Low-income<br>Small Cities   | 2.9<br>1.0<br>2.3               | 2.5<br>1.0<br>2.15                |
| Agricultural land & buildings:<br>Homestead < \$115,000<br>Homestead > \$115,000,<br>< 320 acres<br>Homestead > \$115,000,<br>> 320 acres<br>Non-homestead | 0.4<br>0.9<br>1.4<br>1.4        | 0.35<br>0.8<br>1.25<br>1.25       |
| Seasonal recreational residential<br>(cabins):<br>Less than \$75,000<br>More than \$75,000   | 1.4<br>2.5                      | 1.25<br>2.2                       |
| Commercial seasonal recreational:<br>Homestead resorts (1c)<br>Seasonal resorts (4c)   | 1.0<br>2.1                      | 1.0<br>1.8                        |
| Disabled homestead:<br>Less than \$32,000  | 0.45                            | 0.45                              |
| Commercial/Industrial:<br>Less than \$150,000<br>More than \$150,000   | 2.7<br>4.0                      | 2.45<br>3.5                       |
| Public utility:<br>Land and buildings<br>Attached machinery<br>Public utility personal property  | 4.0<br>4.0<br>4.0               | 3.5<br>3.5<br>3.5                 |

# Functions of State Government

## Elementary and Secondary Education

The 1998 Supplemental K-12 Education Bill appropriated approximately \$215 million for a variety of education purposes. The majority of the funding went to districts for additional staff development to implement the new graduation standards and to buy off the remaining portion of the general education levy recognition shift. The fiscal changes made this year authorize an additional \$126 million in spending for the next biennium.

**Graduation Standards Implementation Revenue.** The 1998 Legislature created a new categorical aid to help districts implement the new state graduation standards through staff development, technology improvements, class size reduction, and programs for gifted and talented students. Districts that implement the full graduation standards during the 1998-99 school year will receive \$66 per pupil, and districts that choose to phase in the implementation of the graduation standards will receive \$52 per pupil. For the 1999-2000 school year and later, all districts will receive \$43 per pupil for ongoing graduation standards programs. Certain low property wealth districts will receive an additional \$25 per pupil for graduation standards implementation. The statewide cost for this new categorical aid is about \$70.8 million for FY 1999, and about \$107 million for the next biennium.

**Shift Eliminated.** \$90.1 million was needed to buy back the remaining 7 percent of the general education levy recognition shift. The property tax recognition shift is the amount of anticipated property tax revenue school districts are required to recognize in the current year.

**Transitional Compensatory Revenue.** The Legislature appropriated \$14.7 million to certain

school districts who received less than a 35 percent increase in last year's new compensatory revenue formula to help offset budgetary problems encountered when districts had to allocate all of the compensatory revenue to school sites, as required by last year's funding changes.

**Facilities and Flood Losses.** The state will begin to house some students in at least three new residential academies through a \$12 million appropriation. These residential academies will house and educate certain at-risk children. The 1998 Legislature also appropriated almost \$11 million to aid districts that incurred excessive flood and storm-related damages.

**Special Education.** The Supplemental K-12 Education Bill contained a number of special education provisions which comply with federal changes in special education regulations and address some of the rising costs of special education. About \$800,000 was appropriated to help districts access federal health care money through a statewide data management system and staff training. The Omnibus Bill also contained \$500,000 to help districts with their litigation costs associated with special education.

**Reporting the Cost of Education.** In order for future Legislatures to better understand the funding needs of school districts, the 1998 Legislature required school districts to provide additional fiscal information to the state. Beginning in 1999, school districts must report the expenditures required for different percentages of students to pass the basic skills test. Superintendents must also report how much the district is cross-subsidizing programs

with special education, compensatory, and general education revenue.

**Other Education Appropriations.** The Legislature also provided:

- \$1.5 million to the First Grade Preparedness/All-Day Kindergarten program;
- \$2 million for a Clearinghouse of Best Education Practices which will promote successful teaching methods and staff development;
- \$3.5 million for Graduation Rule Resource Grants which will go to public or private entities to help develop curriculum packages for the new graduation standards; and
- \$900,000 to increase funding for the Department of Children, Families, and Learning for costs associated with educational adequacy litigation.

## Higher Education

The Legislature appropriated \$73 million to higher education: \$36 million to the University of Minnesota, \$36 million to the Minnesota State Colleges and Universities (MnSCU), and \$1 million for student financial aid.

The \$36 million to the University of Minnesota was for the following purposes:

- \$31.85 million for strategic academic initiatives in digital technology, molecular and cellular biology, and design; an equipment base adjustment; a faculty setup and equipment fund; a rapid agricultural response fund to conduct research to solve problems including, but not limited to, those affecting spring wheat, barley, canola, potatoes, and respiratory diseases affecting turkey; and faculty and staff compensation;
- \$3.65 million for agricultural research and outreach; and
- \$250,000 for the law clinics program in the law school, and \$250,000 for Project Outreach. The Governor vetoed the appropriations for these two initiatives.
- \$10 million for activities to enhance partnerships between colleges and business and industry. \$450,000 of this appropriation is to review aviation maintenance program needs and for equipment to upgrade the aviation maintenance programs at Minneapolis Community and Technical College, Northland Community and Technical College, and Winona/Red Wing Technical College. The MnSCU board is directed to: (1) review avionics programs at other campuses to determine equipment and program needs; and (2) review current and prospective aviation maintenance programs to ensure that programs are coordinated across campuses, and that courses offered are not duplicative. This appropriation also contains money to increase the number of student internships;
- \$20 million to reduce the funding variance in state appropriation per full-time equivalent student. Factors to be considered in making allocations include type of institution, campus size, type and cost of programs, and instructional/program level. Allocations may be used for an equipment base adjustment and training in instructional technology for students, faculty, and staff; and

The \$36 million to MnSCU was for the following purposes:

- \$3 million for the acquisition of library materials and equipment, and \$3 million for colleges of education to redesign their curricula to prepare teachers to work with the graduation rule, and to integrate the use of computers and technology into their teaching methods.

By reinvesting an estimated \$13.5 million in savings from changes in federal student financial aid and providing \$1 million in new money for the work-study program, the Legislature continued its commitment to help families pay for their children's college education.

Under Minnesota's student financial aid policy, students are currently responsible for 50 percent of the recognized price of attending college. The Legislature reduced the proportion of the cost the student must pay from 50 percent to 47 percent. This will decrease a student's share of

the recognized price of attending college by approximately \$212 at MnSCU two-year institutions, \$234 at MnSCU four-year institutions, \$286 at the University of Minnesota, \$327 at private two-year institutions, and \$388 at private four-year institutions. Typical dependent undergraduate students with parental adjusted gross incomes under \$20,000 will see significant increases in their combined state grant and federal Pell grant awards: \$610 at MnSCU two-year institutions, \$659 at MnSCU four-year institutions, \$755 at the University of Minnesota, \$945 at private four-year colleges, and \$958 at private two-year colleges.

The Legislature included \$1 million for the work-study program to further assist students in paying for their education. This money will provide jobs for about an additional 1,000 students.

## Family and Early Childhood Education

The 1998 Family and Early Childhood Education Supplemental Budget Bill was vetoed by the Governor. The bill appropriated \$21.8 million in General Fund expenditures for basic sliding fee child care, Head Start, transitional housing, emergency services grants, and child care development. Tax credits for child care were expanded and made available to a larger group of qualifying parents. The veto message from the Governor cited historic expansions in these programs in earlier sessions as a reason for vetoing this bill.

The 1998 Special Session included appropriations for some of the programs in this vetoed bill. A one-time appropriation of \$3.25 million was approved for the basic sliding fee child care program. Emergency services grants (for homeless shelters) received \$300,000 for FY 1999. Transitional housing programs also received \$300,000 for FY 1999. Lead hazard reduction received \$100,000. Head Start programs for children ages 0 to 3 received \$250,000, for programs jointly operated with other early childhood programs.

## Human Services

The Health and Family Security Supplemental Budget Bill (Chapter 407) reduced General Fund appropriations for the Department of Human Services (DHS) by almost \$321.8 million and reduced health care access fund appropriations

by almost \$17.6 million. The General Fund reduction was the net result of forecast reductions of almost \$374.2 million, offset by new spending of over \$37.7 million and transfers to the state Temporary Assistance for Needy

Families (TANF) reserve account of almost \$14.7 million. The health care access fund total reduction includes almost \$13.2 million in forecast reductions and over \$4.4 million in other net spending reductions.

### General Fund Forecast Reductions

As a result largely of the booming economy, forecasted General Fund spending in the various health care and income maintenance programs administered by the department was reduced by almost \$374.2 million below the amount appropriated in 1997 for the 1997-1999 biennium. The forecast reductions were as follows:

| 1998 Forecast Reductions                          |                         |
|---|-------------------------|
| Program   | Forecast Change         |
| Medical Assistance (MA) for Families and Children | (\$ 90,923,000)         |
| MA for the Elderly and Disabled                   | (71,526,000)            |
| General Assistance Medical Care (GAMC)            | (67,821,000)            |
| MA Long-Term Care Waivers and Home Care           | (13,346,000)            |
| MA Long-Term Care Facilities                      | (39,069,000)            |
| Group Residential Housing                         | (17,478,000)            |
| Chemical Dependency Treatment Fund Entitlement    | (7,893,000)             |
| Assistance to Families Grants                     | (34,351,000)            |
| General Assistance                                | (30,111,000)            |
| Minnesota Supplemental Aid                        | <u>(1,636,000)</u>      |
| <b>Total</b>                                      | <b>(\$ 374,154,000)</b> |

### Health Care Access Fund -- Forecast Reductions and Other Changes

Appropriations out of the health care access fund were reduced by almost \$17.6 million overall. MinnesotaCare program funding was reduced by over \$20.9 million. A major component of that reduction was a forecast drop in program spending of about \$13.2 million. A savings of over \$8 million was estimated from delaying the shift, first approved in 1997, of

certain GAMC clients to MinnesotaCare until January 1, 2000, in order to allow more time to prepare for a smooth transition. The MinnesotaCare asset test for children was eliminated at a cost of \$222,000. However, this expenditure is more than offset by the elimination of the MA asset test for pregnant women and children, which made some current MinnesotaCare recipients eligible for MA, saving \$437,000 in the MinnesotaCare program. The elimination of the asset test for children in both programs was necessary in order to comply with federal requirements attached to the federal block grant for a children's health insurance program. The Legislature directed the department to seek a waiver in order to retain the asset test for children in both programs.

Effective January 1, 1999, families on MinnesotaCare whose incomes increase above 275 percent of federal poverty guidelines, and individuals whose incomes increase above 175 percent of poverty guidelines, are no longer eligible for the MinnesotaCare program. This provision does not apply if the annual premium for a policy with a \$500 deductible available through the Minnesota Comprehensive Health Association (MCHA) exceeds 10 percent of the income of the family or individual. In addition, families and individuals who are no longer eligible for MinnesotaCare due to this provision are provided with an 18-month notice period before disenrollment. This delays the fiscal impact of this provision until FY 2001.

Beginning July 1, 1999, the state cost of MinnesotaCare services provided to pregnant women and children under age two will be paid out of the General Fund. However, for the period July 1, 1999, to June 30, 2001, a transfer will be made from the health care access fund to the General Fund to reimburse these costs. (These costs have traditionally been paid from the General Fund, but in the budget forecast prepared for the 1998 legislative session, the administration recommended the transfer of the source of payment for these costs to the health care access fund.)

About \$3.3 million was appropriated out of the access fund for health care management costs, including over \$2.6 million for information systems costs in the MinnesotaCare program. A number of other small spending and reduction decisions contributed to the net \$17.6 million reduction.

### **Cost of Living Allowances (COLAs)**

The Legislature appropriated about \$11.2 million out of the General Fund and \$367,000 out of the health care access fund in FY 1999 to provide a 3 percent COLA, effective July 1, 1998, for a variety of providers of community-based waived services, home care services, mental health services, and other services. The Supplemental Budget Bill states the Legislature's intention that this money be used to increase the compensation package of employees by 3 percent. Capitation rates in the prepaid programs managed by DHS will be increased on January 1, 1999, to reflect these increases. In addition, the Legislature provided over \$8.4 million in FY 1999 for a 3 percent COLA for nursing home employees and over \$1.4 million to provide the same COLA for workers in intermediate care facilities for persons with mental retardation (ICFs/MR).

### **Children's Grants**

In addition to the \$10.3 million provided for children's services out of the federal TANF reserve (described below), the Legislature provided over \$1.6 million out of the General Fund for children's services, including \$800,000 in FY 1999 for adoption assistance costs to help families who adopt children with special needs. The Legislature also approved a new method to pay for children's mental health case management costs, but delayed the effective date of the changes until July 1, 1999, so there is no impact on the current biennial budget. Under the new method, base year state funding for MA and GAMC case management costs will

be converted into grants to counties, and the counties will assume the nonfederal share of future costs. The new method is designed to increase direct services to clients, simplify county administration, and increase federal payments. In order to ensure that counties do not suffer a financial penalty, the Legislature mandated that, beginning in 2001, each county's share of MA and GAMC base-year costs be adjusted according to county caseload growth.

### **Basic Health Care Grants**

The Legislature reduced General Fund spending on basic health care grants by over \$223.4 million, due largely to reduced spending forecasts. Excluding the forecast changes, General Fund spending in this area was increased by over \$6.8 million. In order to ensure Minnesota's eligibility for some share of the federal Children's Health Insurance Plan block grant, the Legislature expanded eligibility for MA for children to 280 percent of poverty, from the previous level of 275 percent. The FY 1999 cost of this change is \$13,000. In order to qualify for federal matching funds, it was necessary to remove the asset test for pregnant women and children, which was reinstated in 1997. The FY 1999 cost of this change was \$978,000. However, the Commissioner of Human Services was directed to seek a federal waiver to retain the asset test for children.

In order to comply with the federal Balanced Budget Act, the Legislature established a new MA eligibility category for children who lost federal Supplemental Security Income (SSI) benefits in 1996 due to federal law changes that tightened childhood disability criteria. This change, retroactive to July 1, 1997, cost \$877,000. The Legislature amended the Health Maintenance Organization (HMO) surcharge by excluding certain Medicare revenue from the taxable base, as required by the federal Balanced Budget Act, retroactive to August 1, 1997. This will result in a revenue loss of about \$3.4 million for the biennium. The Legislature



also authorized a delay in the implementation of county-based purchasing of prepaid MA services in counties that are in the process of implementing this purchasing strategy. The delay results in a savings of over \$7.9 million in MA and almost \$3 million in GAMC in FY 1999, which was placed in a reserve account for future prepaid costs. The Legislature increased the income eligibility standard for elderly and disabled applicants for MA and GAMC to 133 $\frac{1}{3}$  percent of the income standard under the former Aid to Families with Dependent Children (AFDC) program. The cost of this revision was almost \$3.4 million in MA and \$898,000 in GAMC. Delaying the shift of certain GAMC recipients into the MinnesotaCare program until January 1, 2000, costs the GAMC program almost \$9.7 million.

## **Continuing Care and Community Support**

The Legislature made a net General Fund reduction in this area of almost \$46.2 million. Excluding forecast reductions, General Fund spending was increased by almost \$31.6 million. This budget area includes state-operated facilities and services, mental health grants, long-term care, waived services, and home care programs.

The only sizable expenditure approved for the regional treatment centers was \$650,000 for additional staff to accommodate the growing population at the Minnesota Sexual Psychopathic Personality Treatment Center. The treatment center operates at facilities in Moose Lake and St. Peter.

The Legislature approved about \$1.9 million in additional mental health spending. Of this total, \$800,000 was to continue providing needed mental health services in the portions of northwestern Minnesota affected by major spring floods in 1997. Most of the additional spending was for provider COLAs (described above).

Spending on long-term care facilities was reduced by about \$41.2 million. This is the net result of forecast reductions, COLAs, and a variety of adjustments in rates for nursing homes and ICFs/MR. Total spending on a variety of items not related to COLAs or the forecast was under \$1.6 million, including about \$1.5 million for nursing homes and \$65,000 for ICFs/MR.

The Legislature provided almost \$22.7 million to pay the additional alternative care costs that result from delaying for one year, until July 1, 1999, the expansion of the elderly waiver program, which will result in shifting many alternative care clients into the waiver. This cost is partially offset by a corresponding savings in the elderly waiver program of about \$14.1 million.

In the chemical dependency treatment fund entitlement area, the Legislature canceled \$3 million out of the FY 1998 reserve.

## **Economic Support**

The Legislature reduced General Fund support in this area by \$2.1 million in FY 1999. The base funding level for TANF work grants was reduced by \$1 million, and the base for child support enforcement was reduced by \$1.1 million, but the agency was allowed to carry forward \$1.1 million in unspent appropriations from 1998 to 1999 to offset the reduction.

## **TANF Reserve Accounts**

The Legislature also appropriated money out of the federal and state TANF reserve accounts, which were created in 1997 in response to federal welfare reform legislation adopted by Congress in 1996 that established a federal TANF block grant. The federal reserve account consists of funds provided to Minnesota in a block grant by the federal government under a formula basis but not needed yet because of the reduction in welfare caseloads. The state

reserve account consists of savings in state funds that result from federal welfare-related actions. The 1997 Legislature established the state account. Any savings that result from federal action in the welfare area are to be "reserved" in this account. The February 1998 forecast estimated \$14.7 million in savings due to federal changes that occurred after the adjournment of the 1997 Legislature. These changes included the restoration of federal SSI benefits to a number of noncitizens who were barred from the program under the 1996 federal legislation.

The forecast for biennial spending out of the federal TANF reserve account was reduced by over \$54 million, from over \$542.5 million to about \$488.5 million. The Legislature appropriated \$38.8 million out of the federal reserve account for a variety of purposes. The Legislature transferred \$10.3 million from the federal account to the Title XX social services block grant to be used for family preservation services (\$10 million), Indian child welfare services (\$100,000), and home visiting (\$200,000). Chapter 406 further delineates how the \$10 million is to be used to enhance family preservation efforts. (See miscellaneous legislation below for further explanation.)

Almost \$20.5 million was appropriated from the federal account to delay for one year, until July 1, 1999, the policy enacted in 1997 to count the first \$100 of any housing subsidy received by recipients of TANF benefits as income, thus reducing TANF grants for public housing residents. Over \$7.4 million was appropriated for a variety of food-related benefits for TANF recipients. An appropriation of \$791,000 was approved to provide child care benefits for participants in the Minnesota Family Investment Program field trials during a transitional period after the field trials end.

The \$14.7 million "reserved" in the state TANF account was offset against the forecast reductions in General Fund spending. Out of the state TANF reserve, the Legislature

appropriated about \$5.4 million, including almost \$5 million to provide food benefits to legal immigrants who are not TANF recipients and do not qualify for the federal Food Stamp program because of their immigrant status.

## **Miscellaneous**

Chapter 406 allocated the \$10 million transferred in Chapter 407 from the federal TANF reserve account to the family preservation program. Of that amount, \$9.3 million was allocated to counties under the existing distribution formula for concurrent permanency planning, and \$700,000 went to the Commissioner of Human Services for the following activities: mediation training for relative care conferencing (\$200,000); an independent evaluation of the concurrent permanency planning program (\$200,000); and administrative costs associated with developing the concurrent permanency planning program and providing training, and for conducting external reviews of county child protection practices (\$300,000).

Concurrent permanency planning, required under Chapter 406, is a process through which counties must develop an alternative permanency plan for children in out-of-home placement while also making reasonable efforts to reunify the child with the family.

## **Health**

The Omnibus Health and Human Services Appropriations Bill (Chapter 407) appropriated about \$19.8 million out of the General Fund, \$259,000 out of the health care access fund, and \$108,000 out of the state government special revenue fund for the Minnesota Department of Health for FY 1999.

## **Health Systems and Special Populations**

The Legislature provided \$15.2 million in General Fund revenue and \$259,000 from the access fund for this activity. Of the General Fund appropriation, \$5 million was for a comprehensive statewide initiative to prevent alcohol-related birth defects and develop strategies for serving persons afflicted with fetal alcohol syndrome (FAS) and fetal alcohol effect (FAE). The appropriation includes \$200,000 to be transferred to the Commissioner of Children, Families, and Learning for school-based pilot programs to identify and implement effective educational strategies for individuals with FAS/FAE; \$800,000 for a public awareness campaign; \$400,000 to develop a statewide network of regional diagnostic clinics; \$150,000 for professional training about FAS; \$350,000 for the fetal alcohol coordinating board; \$800,000 to be transferred to the Commissioner of Human Services to expand the maternal and child health social services programs; \$200,000 to study the extent of FAS; \$400,000 to be transferred to the Commissioner of Human Services for the intervention and advocacy program; \$850,000 for the FAS community grant program; and \$850,000 to be transferred to the Commissioner of Human Services to expand treatment services and halfway houses for pregnant women and women with children who abuse alcohol during pregnancy.

The Legislature also provided \$10 million out of the General Fund for the Medical Education and Research Trust Fund which makes grants to educational and research programs. The trust fund is designed to replace money that has historically been raised through patient fees to support educational and research activities but is no longer readily available, largely because of the current competitive nature of health care and the unwillingness of purchasers to pay additional amounts for these purposes. Of the appropriation, \$5 million per year becomes part of base-level funding for future bienniums.

The Legislature provided \$50,000 to the Commissioner of Health to reimburse members of the Consumer Advisory Board for travel, food, and lodging expenses incurred in the course of conducting board duties. The board's purpose is to advise the Commissioners of Health and Commerce and the Legislature on the needs and concerns of health care consumers and on consumer protection issues in the self-insured market. The Legislature also provided \$100,000 for a new Office of Consumer Assistance, Advocacy, and Information within the Minnesota Department of Health. The office is charged with assisting patients and enrollees in understanding and asserting their contractual and legal rights, assisting enrollees in obtaining referrals, assisting patients and enrollees in accessing the services of other patient protection services that are already available, educating and training enrollees about their health care coverage, and other duties. The office has no regulatory power or authority and may not provide legal representation in court. The office must be separated from all regulatory functions within the department.

The \$259,000 health care access fund appropriation was for the rural physician loan forgiveness program which encourages physicians to locate in rural and urban underserved areas in return for forgiveness of medical school loans. The program is experiencing increasing obligations because of recent expansion, and the appropriation will provide a stable funding base for the program.

## **Health Protection**

The Legislature provided about \$4.6 million from the General Fund and \$108,000 from the state government special revenue fund for this activity. Of this amount, \$2.5 million from the General Fund and the \$108,000 from the special revenue fund were for a food safety leadership initiative to support the development of a redesigned system for protecting food safety. The initiative will encourage the participation of

producers, distributors, food service workers, consumers, and health care providers to help control food-borne disease and will expedite the development of early warning systems to protect the food supply and to stop the ongoing transmission of these infectious diseases.

This appropriation also included about \$2 million for a variety of disease prevention and control activities, as follows: almost \$1.3 million for breast and cervical cancer control; \$200,000 for an institutional infection control program; \$250,000 to design an occupational respiratory disease information system; and \$300,000 for activities designed to reduce the incidence of sexually-transmitted diseases.

## Housing

The 1998 Legislature appropriated approximately \$20 million for housing programs. Upon receiving a veto by the Governor, the Legislature finally passed a total of \$13.6 million in appropriations for housing programs. These appropriations were:

- \$10 million for preservation of federally assisted rental housing;
- \$3.3 million to be divided between: (1) the affordable rental assistance program which

provides funding for production of rental housing and for rental assistance; and (2) the community rehabilitation program which provides funding for projects designed to rejuvenate neighborhoods and communities. The division of this appropriation was left to the discretion of the Housing Finance Agency, with certain prescribed limits; and

- \$300,000 for the family homeless prevention program.

## Economic Development

The 1998 Legislature appropriated over \$9 million for economic development projects, but that appropriation bill was vetoed by the Governor. The Legislature then, in special session, passed a much smaller package (just under \$1.5 million) for economic development. These appropriations included:

- \$80,000 to the Neighborhood Development Center for expanding and improving its neighborhood and ethnic-based entrepreneur training, lending, and support programs in the poorest communities of St. Paul and Minneapolis;
- \$500,000 to the Granite Falls economic development authority to be used to “manage the development, seek financing and equity

participation, reimburse costs of third-party due diligence exercises, and perform environmental review and permitting” of the alfalfa biomass generation facility;

- \$155,000 to retire certain debts of the Minnesota World Trade Center Corporation;
- \$646,000 to the Minnesota Historical Society, of which \$571,000 is for salary adjustments and \$75,000 is for start-up costs of a Hmong history and culture archival project; and
- \$100,000 for the community justice system collaboration team in the judicial branch of the Minnesota government.

# Transportation

The 1998 Legislature appropriated approximately \$52 million in additional funds for FY 1999 and \$200,000 for FY 1998 for transportation purposes. Most of this amount, approximately \$51.1 million, was from the trunk highway fund to the Department of Transportation and the Department of Public Safety as described below. When added to the appropriations from the 1997 session, total transportation spending for the 1997-1999 biennium will be nearly \$3 billion.

## Department of Transportation

The Legislature appropriated an additional \$46.9 million for FY 1999 to the Department of Transportation, including \$40 million for state road construction, \$6.8 million for design and construction engineering, and \$61,000 for aeronautics. Total state road construction spending for FY 1999 is now expected to be over \$485 million, the highest annual road construction program ever in the state.

In addition to the supplemental appropriations, the Transportation Supplemental Budget Bill (Chapter 372) also changed the 5 percent set-aside formula. Article 14 of the Minnesota Constitution allows 5 percent of the net highway user tax distribution fund revenues to be set aside and apportioned under a formula determined by the Legislature no more frequently than once every six years. The formula was last changed in 1989. Under the new formula, 30.5 percent of the revenues will be distributed to the town road account, 16 percent to the town bridge account, and 53.5 percent to a newly created flexible highway account. The flexible highway account revenues will be used to restore former trunk highways that have been turned back to either the county state aid highway system or the municipal state aid highway system. Money in the account not

needed for county and municipal turnbacks will be used for state road construction and engineering.

## Department of Public Safety

The Legislature appropriated an additional \$200,000 for FY 1998 and \$4.5 million for FY 1999 to the Department of Public Safety. Most of the FY 1999 amount was appropriated to the state patrol for the following purposes:

- \$2.697 million from the trunk highway fund for 29 additional state troopers and seven support staff;
- \$50,000 from the highway user tax distribution fund for a vehicle registration and insurance study;
- \$294,000 from the General Fund for additional capitol complex security staff;
- \$200,000 from the trunk highway fund for additional state patrol helicopter flight time; and
- \$694,000 from the trunk highway fund for the replacement and maintenance of state patrol communications equipment.

Driver and vehicle services received the remaining amount of the Department of Public Safety's supplemental appropriations including \$200,000 in FY 1998 and \$235,000 in FY 1999 for the increased costs of producing Minnesota drivers' licenses and identification cards; \$295,000 in FY 1999 to establish youth-oriented driver improvement clinics and a graduated driver licensing system; and \$7,700 in FY 1999 to make a firearms safety designation available on drivers' licenses.

The Transportation Supplemental Budget Bill also required the state patrol to assign four troopers to a dealer licensing and motor vehicle registration enforcement task force. This task force will investigate activity by persons in violation of the dealer licensing and vehicle registration laws. The Commissioner of the Department of Public Safety was directed to undertake a study using this task force to determine the incidence of private passenger vehicles domiciled in this state but registered in another state and the potential revenue loss, and the number of uninsured motorists in this state.

Chapter 388 contained the appropriations for the driver improvement clinics and the graduated driver licensing system. Youth-oriented driver improvement clinics are designed to assist traffic violators age 18 and under in correcting improper driving practices. The graduated licensing system requires drivers age 16 and 17 to hold a provisional license for 12 months before obtaining a full driver's license. In order to obtain the full license, the provisional license holder must avoid crash-related and alcohol-related violations and must drive at least 10 hours under supervision of a licensed driver 21 years of age or older.

## Agriculture

### Department of Agriculture

The Environment, Natural Resources, and Agriculture Supplemental Budget Bill (Chapter 401) appropriated almost \$2.3 million from the General Fund to the Department of Agriculture.

The table below shows the specific supplemental budget appropriations from the General Fund to the Department of Agriculture.

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**1998 DEPARTMENT OF AGRICULTURE  
General Fund Appropriations --  
Supplemental Budget**

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|  |                     |
|--|---------------------|
| Gypsy Moth Response                    | \$ 360,000          |
| State Meat Inspection                  | 350,000             |
| Farmer's Market Nutrition Program      | 75,000              |
| Livestock Depredation Payments         | 25,000              |
| Beaver Damage Control Grants           | 50,000              |
| Milk Market Order Litigation           | 100,000             |
| Dairy Diagnostics Teams                | 500,000             |
| MN Grown Food Programs                 | 267,000             |
| Co-op Grant Program                    | 160,000             |
| Passing on the Farm                    | 25,000              |
| Manure Digester                        | 200,000             |
| Cider Technology                       | 50,000              |
| Wolf Depredation Study                 | 25,000              |
| Commercial Manure Applicator Licensing | <u>107,000</u>      |
| <b>Total</b>                           | <b>\$ 2,294,000</b> |

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Not included in the General Fund appropriations for the Department of Agriculture are \$125,000 for a grant to Market Champ, Inc., and \$60,000 for assisting local governments in adoption of feedlot ordinances that were vetoed by the Governor.

The 1998 Legislature also appropriated \$500,000 from the General Fund to the department in the Capital Budget Bill (Chapter 404) for a grant to a political subdivision that is chosen for a soybean oilseed processing and refining facility.

### Crisis Agriculture Counties

Chapter 395 appropriated \$8.8 million from the General Fund to the Commissioner of Agriculture for reimbursement of 1997 federal crop insurance premiums and administrative fees paid on wheat and barley in crisis counties. If a farmer in a crisis county experienced a 50 percent or greater yield loss or collected an indemnity or disaster payment on wheat or barley in any year between 1993 and 1997, the state will reimburse the farmer for 1997 wheat and barley crop insurance costs up to \$4,000.

The crisis counties are Beltrami, Clay, Clearwater, Kittson, Lake of the Woods, Lincoln, Lyon, Mahnomen, Marshall, Norman, Pennington, Pipestone, Polk, Red Lake, Roseau, and Wilkin.

## **Ethanol Development**

Chapter 401 provides that the Commissioner of Agriculture may approve ethanol producer payments for a new ethanol plant for up to 12 million gallons of production per year at 20 cents per gallon. The additional \$2.4 million per year is exempt from the overall \$34 million annual ethanol producer payment cap. The law also prohibits the Commissioner from approving any new ethanol production capacity after July 1, 1998.

## **Farm Tornado Disaster Relief**

The Tornado Disaster Relief Bill (Chapter 383) appropriated \$4 million from the General Fund to the Rural Finance Authority for loan programs to farmers for farm building repair and working capital operating loans.

## **Board of Animal Health**

Chapter 401 appropriated \$190,000 to the Board of Animal Health for control of paratuberculosis ("Johne's disease").

## **Feedlots**

The 1998 Legislature enacted provisions relating to feedlots, including funding for an overall study of feedlot environmental issues, regulation of large feedlots, and financial assistance for the upgrade of existing feedlots. Provisions relating to feedlots were contained in the State Government Supplemental Budget Bill (Chapter 366), the Environment, Natural Resources and Agriculture Supplemental Budget Bill (Chapter 401), and the Capital Budget Bill (Chapter 404).

### **Generic Environmental Impact Statement (GEIS) on Feedlots**

Chapter 366 appropriated \$1.2 million to the Office of Strategic and Long-Range Planning to provide funding for the Environmental Quality Board (EQB) to begin preparation of the GEIS on feedlots. The GEIS must be prepared, under the direction of the EQB, to examine the long-term effects of the livestock industry on the economy, environment, and way of life of

Minnesota and its citizens. To advise the EQB on the scope and content of the GEIS, the EQB must establish the livestock industry environmental steering committee consisting of representatives of the livestock industry, environmental interests, and other stakeholders.

### **County Feedlot Grants**

Chapter 401 appropriated \$350,000 from the General Fund in FY 1999 for grants to counties that accept delegation of the state feedlot permit program. This is in addition to \$855,000 appropriated by the 1997 Legislature for the same purpose in FY 1999.

### **Cost-Share Contracts for Water Quality Management on Feedlots**

In Chapters 401 and 404, the 1998 Legislature appropriated a total of \$2 million from the General Fund to the Board of Water and Soil

Resources for water quality cost-sharing contracts on feedlots. Priority must be given to feedlot operators who have received a notice of violation and for feedlots in counties that are conducting level two or level three feedlot inventories.

## **Agriculture Best Management Practices Loans**

Chapter 404 appropriated \$9 million to the Public Facilities Authority for deposit in the State Revolving Fund for use in the agricultural best management practices loan program. The agricultural best management practices loan program provides low-interest loans to farmers for practices that prevent or mitigate nonpoint sources of pollution. One of the purposes for which the loans may be used is waste management system improvement on feedlots.

## **NPDES Permit Requirements**

Chapter 401 established standards for when the Pollution Control Agency (PCA) must issue a federal National Pollutant Discharge Elimination System (NPDES) permit for feedlots over 1,000 animal units according to the following schedule:

- (1) For applications received beginning on April 22, 1998, the PCA must issue individual NPDES permits for newly constructed or expanded feedlot facilities with 2,000 or more animal units;
- (2) For applications received beginning on January 1, 1999, the PCA must issue individual NPDES permits for newly constructed or expanded feedlot facilities with between 1,000 and 2,000 animal units that are identified as a priority by the Commissioner of the PCA;

- (3) By October 1, 1999, the PCA must issue a general NPDES permit for newly constructed or expanded feedlot facilities with between 1,000 and 2,000 animal units that are not identified as a priority; and
- (4) By January 1, 2001, all existing feedlots with 1,000 animal units or more must be issued an individual or general NPDES permit.

Chapter 401 also appropriated \$300,000 from the General Fund in FY 1999 to the PCA for issuing NPDES permits.

## **Animal Waste Technicians**

After March 1, 2000, a person who manages or applies animal waste for hire must have a commercial animal waste technician license. Persons managing waste on land owned by the person's employer or persons managing or applying animal waste under the supervision of a licensed animal waste technician are exempt from the licensing requirements.

By January 20, 1999, the Commissioner of Agriculture, in consultation with the Commissioner of the PCA and statewide farm organizations, must submit a report to the House and Senate policy committees with jurisdiction over agriculture and the environment with recommendations on noncommercial manure applicator training and certification.

Chapter 401 also appropriated \$107,000 from the General Fund for development of the commercial animal waste technician license program.

## **Bad Actor Provision**

The PCA was granted authority to refuse to issue or authorize the transfer of an animal feedlot permit if the PCA determines that the permit applicant does not possess sufficient expertise and competence to operate the facility



in conformance with applicable laws. The PCA may take into account past experience of the applicant, the expertise of the applicant, the past record of the applicant, and the past record of criminal convictions of the applicant. Prior to refusing to issue or transfer a permit, the PCA must provide the applicant the opportunity to respond to the findings. If the PCA denies a permit, the applicant may request a hearing under the Administrative Procedures Act.

### **Liquid Manure Storage Structure Plans**

Until new rules are adopted by the PCA that provide for plans for manure storage structures, all plans for liquid manure storage structures must be prepared or approved by a registered professional engineer or a USDA Natural Resource Conservation Service employee. This provision extends the current requirement in PCA rule for manure structures of 500,000 gallons or more to liquid manure storage structures that hold less than 500,000 gallons.

### **Feedlot Inventory Requirements**

A state agency or local government unit conducting an animal feedlot inventory must publicize the inventory in a newspaper of general circulation and in other media as appropriate. Prior to beginning an inventory, a local government unit must hold at least one public meeting within its boundaries. A state agency must hold at least four public meetings prior to beginning a feedlot inventory. The notices and public meetings must provide information on the dates the inventory will be

conducted, the inventory procedure to be used, and how the information will be provided to the public.

### **Open-Air Swine Lagoon Prohibition**

Until June 30, 2000, the PCA and counties are prohibited from issuing a feedlot permit for the construction of an open-air, earthen, or flexible membrane-lined swine waste lagoon. This prohibition does not apply to repair or modification related to environmental improvement of an existing lagoon.

### **Other Provisions**

Chapter 401 also: (1) requires updates in the feedlot permit rules and environmental review rules relating to feedlots; (2) requires counties and towns that have adopted animal feedlot ordinances to supply copies of the ordinances to the Commissioner of Agriculture; (3) requires reports on hydrogen sulfide exposure standards in livestock confinement facilities and on animal waste liability; (4) allows for manure testing laboratory certification; (5) changes the standard for animal burial; (6) provides \$200,000 in General Fund loan financing for demonstration projects using farm manure digester technology; and (7) appropriates \$292,000 to the University of Minnesota for alternative and sustainable hog production facilities and programs.

## Natural Resources

### Department of Natural Resources (DNR)

The Environment, Natural Resources, and Agriculture Supplemental Budget Bill (Chapter 401) appropriated over \$10.1 million from the General Fund to the DNR. The following table shows the specific supplemental budget appropriations from the General Fund to the DNR.

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**1998 DEPARTMENT OF NATURAL RESOURCES  
General Fund Appropriations --  
Supplemental Budget**

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|  |                      |
|--|----------------------|
| Flood Hazard Mitigation                        | \$ 1,504,000         |
| Well Sealing on DNR-Managed Lands              | 476,000              |
| State Park Building Operations                 | 430,000              |
| RIM Critical Habitat Match                     | 250,000              |
| White Pine Management                          | 300,000              |
| State Forest Recreation Areas                  | 600,000              |
| RIM Wildlife Development/Habitat Improvement   | 250,000              |
| SNAs and Prairie Banks                         | 720,000              |
| Metropolitan Greenways                         | 340,000              |
| Trail Acquisition/Development/Betterment       | 300,000              |
| North St. Paul Trail Grant                     | 250,000              |
| Stream Protection/Restoration                  | 500,000              |
| Minerals Co-op Research                        | 53,000               |
| Forest Land Repair                             | 75,000               |
| Accelerated Wildlife Habitat Mgmt. & Inventory | 1,175,000            |
| Swan Lake Wildlife Management Area             | 100,000              |
| Whitewater Trail                               | 100,000              |
| Conservation Partners                          | 200,000              |
| Customer Service Data Access                   | 465,000              |
| Mississippi River Sediment                     | 350,000              |
| Forestry Information Management                | 203,000              |
| Outdoor Skills                                 | 150,000              |
| Ecosystem Based Workshop                       | 50,000               |
| Aquatic Plant Restoration                      | 200,000              |
| Local Initiative Grants Administration         | 125,000              |
| Lake Ecosystem Monitoring                      | 150,000              |
| Lake Classification System                     | 100,000              |
| Lake Watershed Boundaries                      | 200,000              |
| Development Effects on Lakes                   | 150,000              |
| Swede Hollow Grant                             | 100,000              |
| Brownfields                                    | 100,000              |
| Forest Resources Council                       | 150,000              |
| RIM License Plate Promotion                    | 25,000               |
| <b>Total</b>                                   | <b>\$ 10,141,000</b> |

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Not included in the DNR supplemental budget appropriations is \$100,000 for a water drainage system for the town of Linwood in Anoka county that was vetoed by the Governor.

### Department of Natural Resources Capital Budget

The Capital Budget Bill (Chapter 404) appropriated almost \$130.3 million from the General Fund for capital items in the DNR. Major components of the capital appropriations are \$30 million for flood hazard mitigation projects, over \$17 million for state parks and recreation areas, over \$10.2 million for state trails, \$14.4 million for metropolitan parks, \$5 million for metropolitan trails, and \$4 million for the metropolitan greenways initiative. The table in the capital budget section shows the specific appropriation amounts for all DNR capital budget items.

### Personal Watercraft

In Chapter 401 the Legislature enacted a \$50 surcharge on a personal watercraft license beginning January 1, 1999. The surcharge will be paid when personal watercraft licenses are issued or updated every three years. A portion of the revenue from the fee is for use by the Commissioner of Natural Resources for personal watercraft enforcement and safety education. The remaining revenue is for grants to counties proportional to the use of personal watercraft in each county. Based on revenue estimates from the surcharge, the Legislature appropriated \$450,000 from the watercraft account in the natural resources fund for enforcement of personal watercraft laws.

In Chapter 400, the 1998 Legislature also made changes to laws governing the use of personal watercraft. The changes provide for

additional youth safety education; increase the number of hours when personal watercraft are prohibited from operation; increase the distance requirements for operating personal watercraft at greater than slow no-wake speed; increase the age of adults required for supervision from 18 to 21 years old; prohibit riding a personal watercraft while facing backward; prohibit riding personal watercraft without a rules decal; exempt launching or landing a person on water skis from the distance restrictions; exempt emergency, safety, and enforcement watercraft from restrictions; and provide additional requirements regarding notification and records for dealers and rental operations.

### Snowmobile Traction Devices

The 1998 Legislature provided a ban on the use of snowmobiles with metal traction devices on public lands, roads, trails or on public road or trail rights-of-way after July 1, 1999. Until July 1, 1999: (1) the existing ban on snowmobiles with metal traction devices applies to all paved public trails; (2) a peace officer may seize a snowmobile for a second or subsequent violation of the use ban on paved public trails; and (3) snowmobiles with a track equipped with metal traction devices may not be operated anywhere in Minnesota, unless a metal traction device sticker is affixed to the snowmobile. The cost of the sticker is \$50 and the proceeds from the fee are dedicated for repair of paved public trails.

### Constitutional Amendments

Two constitutional amendments relating to natural resources were proposed by the 1998 Legislature. Both constitutional amendments will be on the November 3, 1998, general election ballot. They are: (1) to affirm that hunting and fishing are a valued part of our heritage and shall forever be preserved for the people of

Minnesota; and (2) to continue the constitutional dedication of 40 percent of the net lottery proceeds to the Environment and Natural Resources Trust Fund until 2025 and to maximize the long-term total return to the Fund.

### Board of Water and Soil Resources

The Environment, Natural Resources, and Agriculture Supplemental Budget Bill (Chapter 401) appropriated \$1.4 million from the General Fund to the Board of Water and Soil Resources (BOWSR). The Capital Budget Bill (Chapter 404) appropriated \$19.8 million from the General Fund to BOWSR. The following table shows the combined General Fund amounts from both the Supplemental and Capital Budget Bills.

| <b>BOARD OF WATER AND SOIL RESOURCES</b>   |                           |                                |                               |
|--|---------------------------|--------------------------------|-------------------------------|
| <b>General Fund Appropriations</b>         |                           |                                |                               |
| <b>Supplemental and Capital Budgets</b>    |                           |                                |                               |
|  | <b>Capital<br/>Budget</b> | <b>Supplemental<br/>Budget</b> | <b>Total<br/>General Fund</b> |
| RIM and PWP Conservation Easements         | \$ 15,000,000             |                                | \$ 15,000,000                 |
| Local Government Wetlands Replacement      | 2,750,000                 |                                | 2,750,000                     |
| Quad Lakes Restoration                     | 300,000                   | \$ 200,000                     | 500,000                       |
| Lakeshore Easements                        | 250,000                   |                                | 250,000                       |
| Area II Minnesota River Basin Grant-in-Aid | 500,000                   |                                | 500,000                       |
| Feedlot Water Quality Grants               | 1,000,000                 | 1,000,000                      | 2,000,000                     |
| MN Extension Guidance                      |                           | 100,000                        | 100,000                       |
| Living Snow Fences                         |                           | 100,000                        | 100,000                       |
| <b>Totals</b>                              | <b>\$ 19,800,000</b>      | <b>\$ 1,400,000</b>            | <b>\$ 21,200,000</b>          |

# Environment

## Pollution Control Agency (PCA)

The Environment, Natural Resources, and Agriculture Supplemental Budget Bill (Chapter 401) appropriated almost \$1.4 million from the General Fund to the PCA. The table below shows the specific supplemental budget appropriations from the General Fund to the PCA.

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### 1998 POLLUTION CONTROL AGENCY General Fund Appropriations -- Supplemental Budget

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|  |                     |
|--|---------------------|
| County Feedlot Grants                          | \$ 350,000          |
| Fish Research Grant                            | 50,000              |
| Wastewater Infrastructure (WIF) Administration | 180,000             |
| Cost-Benefit Analysis of Rules                 | 50,000              |
| Frog Investigation                             | 375,000             |
| Federal Clean Water NPDES Permits              | 300,000             |
| Benton County                                  | <u>85,000</u>       |
| <b>Total</b>                                   | <b>\$ 1,390,000</b> |

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## Office of Environmental Assistance (OEA)

The Capital Budget Bill (Chapter 404) appropriated \$3.5 million to the OEA from the General Fund for the Solid Waste Capital Assistance Grants program.

## Public Facilities Authority (PFA)

Chapter 404 appropriated almost \$44.1 million for wastewater treatment and water system funding; \$10.1 million is from the General Fund, and just under \$34 million is from the Bond Proceeds Fund. Major components of the capital appropriations to the PFA are \$15 million to match federal grants for the water pollution control revolving fund and the state drinking water revolving fund, \$15.3 million for the wastewater infrastructure program, and \$9 million for the agriculture best management practices loan program. The table in the capital budget section shows the specific appropriation amounts for all PFA capital budget items.

## Minnesota Zoological Garden

Chapter 401 appropriated \$1.5 million to the Minnesota Zoological Board as a one-time supplemental appropriation for zoo operations. The 1998 Legislature also appropriated almost \$1.8 million from the Bond Proceeds Fund to the Minnesota Zoological Board in Chapter 404 for design, repair, and reconstruction of roadways, pathways, parking lots, outdoor lighting, and public areas.

# Economic Opportunity and Workforce Protection

## Economic Opportunity

In Chapter 374, which the Governor vetoed, the 1998 Legislature appropriated over \$9 million for workforce training and economic opportunity programs. In the special session, the Legislature responded by passing just over

\$2.3 million for these programs. These appropriations included:

- \$1 million to the Department of Economic Security to fund its Vocational Rehabilitation Program;

- \$1 million for summer youth employment programs;
- \$126,000 to Advocating Change Together, Inc., for training and empowering individuals with developmental and other mental health disabilities; and
- \$200,000 for displaced homemaker empowerment programs.

## **Workers' Compensation**

Chapter 339 made several technical changes for employers who self-insure or who have self-insured for workers' compensation. These changes included provisions that:

- Require employers that no longer are self-insured to withdraw from the self-insurers security fund by making a lump sum payment sufficient to cover 120 percent of the employers' estimated liabilities, as determined by an actuary, multiplied by the higher of two ways of estimating the future annual assessment rate;
- Permit commercial self-insurance groups to invest their assets in a broader range of investments than is presently permitted; and
- Allow commercial self-insurance groups in existence for five years the same funding

requirement permitted for the older type of self-insurance groups.

## **Reemployment Insurance**

The 1998 Legislature enacted legislation providing that reemployment insurance benefit overpayments that are the result of administrative or employer mistakes are exempt from the requirement that most debts of the state be turned over to the Minnesota collections enterprise when they are 120 days past due.

In addition, the Legislature also passed legislation changing maximum benefit amounts, penalties, procedures, and other provisions of the reemployment insurance statutes. Among the changes, the legislation: (1) provides for two methods of computing the weekly benefit amount, depending on whether the employee's pay is evenly distributed over the year; (2) provides a maximum experience rating and eliminates the maximum tax rate; (3) changes the circumstances in which an experience rating is transferred when a business is sold; (4) makes those working more than 32 hours per week ineligible, rather than those working full-time; (5) changes the penalties available when a claimant fraudulently causes overpayment of benefits; and (6) provides an administrative penalty when an employer provides false information to avoid payment of benefits to a claimant or to avoid having the benefits charged to the employer's account.

# Regulated Industries

## Energy

Much of the energy legislation that passed in the 1998 legislative session involved an alfalfa biomass generation facility in Granite Falls. The facility is being constructed by the Minnesota Valley Alfalfa Producers (MNVAP) under an agreement with Northern States Power (NSP) in partial satisfaction of the biomass energy mandate which was included in the 1994 Prairie Island legislation.

This session's provisions relating to the facility were:

- A \$500,000 grant to the Granite Falls economic development authority to be used to "manage the development, seek financing and equity participation, reimburse costs of third-party due diligence exercises, and perform environmental review and permitting" of the alfalfa biomass generation facility;
- Authorization to use non-biomass fuel for more than 25 percent of the facility's fuel if biomass fuels are not reasonably available due to flood, fire, drought, disease, etc.;
- Authorization to the Minnesota Environmental Quality Board to waive fees associated with environmental review and permitting; and
- Clarification of 1997 legislation specifying that NSP may recover its investment in the biomass facility from ratepayers, provided the Minnesota Public Utilities Commission approves the MNVAP/NSP agreement and the investment in the biomass facility is not offset by revenues generated by the facility.

In addition, the 1998 Legislature passed legislation regarding the Gopher One-Call

system clarifying responsibilities for locating underground facilities and increasing fees for violations of the one-call duties.

## Telecommunications

The 1998 Legislature passed a telecommunications consumer protection law which:

- Tightens the state's anti-slamming laws ("slamming" refers to an unauthorized change in a consumer's telephone service provider);
- Requires prior disclosure of terms and prices by long-distance telecommunications providers when soliciting business; and
- Requires telecommunications providers to offer international toll blocking of non-domestic area codes that are part of the North American numbering plan. This is an extension of a 1994 law regarding "information services" (i.e., 1-900 numbers, etc.).

This legislation also included a provision which changes the method by which regulatory expenses for a telecommunications proceeding are assessed. Prior to this legislation, the telephone company was assessed for all such expenses, but current law now provides that all parties to the proceedings (except nonprofit organizations, government agencies, and others) be assessed a portion of those expenses.

In addition, the Legislature passed, but the Governor vetoed, legislation extending the state's Telephone Assistance Plan to all eligible low-income customers. Current law restricts assistance only to low-income households with senior citizens or disabled residents.

## Public Safety and Judiciary

The 1998 Crime Prevention Supplemental Budget Bill (Chapter 367) appropriated an additional \$7.9 million from the General Fund for these activities, while raising approximately \$3 million in new revenue. In addition, Chapter 383 appropriated \$8.8 million to the Commissioner of Public Safety for tornado disaster relief. Finally, First Special Session Chapter 1 appropriated \$100,000 to the criminal justice budget, for an increase in the 1997-1999 biennial budget of \$16.8 million.

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### 1998 CRIME PREVENTION Supplemental Budget Bill Appropriations by Department

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|                              |                     |
|------------------------------|---------------------|
| Supreme Court                | \$ 1,270,000        |
| Court of Appeals             | 207,000             |
| District Courts              | 1,060,000           |
| Board on Judicial Standards  | 30,000              |
| Public Defense               | 1,000,000           |
| Corrections                  | 2,115,000           |
| Ombudsman for Corrections    | 20,000              |
| Public Safety                | 1,605,000           |
| POST Board                   | 148,000             |
| Human Rights                 | 100,000             |
| Legislative Audit Commission | 75,000              |
| MnSCU                        | 200,000             |
| Administration               | 100,000             |
| <b>Total</b>                 | <b>\$ 7,930,000</b> |

### Courts

The Legislature appropriated approximately \$1.4 million in supplemental funds to the Supreme Court. This appropriation includes \$400,000 to establish community court pilot projects in Hennepin and Ramsey counties, a \$375,000 subsidy increase for civil legal services, \$300,000 for a criminal justice system collaboration team, and \$120,000 for two additional court administrative positions. In addition, the Supreme Court received funding for a parental cooperation task force and a misdemeanor crime data collection study. The Legislature appropriated \$90,000 to the Court of

Appeals to establish a sixth appeals panel, and \$60,000 and \$57,000, respectively, for a workers' compensation deficiency and salary increases for appellate law clerks. The District Courts received \$360,000 for eight new law clerks and \$700,000 for salary increases for existing law clerks. Finally, the Board of Judicial Standards received \$30,000 for public hearing costs.

### Public Defense

The Legislature appropriated \$1 million to the Board of Public Defense. Of this amount, \$30,000 is for increased retirement costs, and \$970,000 is for salary increases for public defenders in the 2nd and 4th judicial districts (Ramsey and Hennepin counties).

### Public Safety

The Legislature appropriated \$10.4 million in supplemental funds to the Commissioner of Public Safety. An \$8.8 million tornado disaster relief appropriation comprises most of this amount. In addition, \$148,000 is for an Emergency Management Center and coordinator, and \$229,000 is to fund the consolidation of crime victim service providers under Executive Order 180. The Bureau of Criminal Apprehension received \$233,000 for two additional forensic scientists, the creation of a conditional release database, and additional funds for the crime victim and witness protection fund. The Fire Marshal received \$170,000 to create an arson investigative database. Finally, the Legislature funded four grant programs under the Department of Public Safety: \$200,000 for weed and seed projects, \$450,000 to local law enforcement agencies for automatic external defibrillators, and \$50,000 each for a crosswalk safety grant and a truancy center in Anoka county.

## Corrections

The Legislature transferred \$1.2 million from the Department of Corrections institutions division to its community services division, and appropriated an additional \$2.1 million in supplemental funds to the Commissioner of Corrections. Major initiatives include \$1 million for probation caseload reduction, \$765,000 for the electronic alcohol monitoring program, and \$700,000 for a prison industry project constructing low-income housing with inmate labor. Other appropriations included the state assumption of adult misdemeanor and juvenile probation services in Winona and Benton counties, \$222,000 to the city of St. Paul in Break the Cycle of Violence grants, \$150,000 for the child guide program in Willmar, \$123,000 for juvenile mentoring programs, \$100,000 for restorative justice grants, and \$63,000 for a substance abuse intervention program in Minneapolis.

## Other Appropriations

The Legislature appropriated \$200,000 to establish a law enforcement policy analysis capacity at Metro State University, \$148,000 to the Peace Officers Standards and Training Board for legal costs incurred in FY 1998, \$100,000 to the Department of Administration to conduct a pretrial release study, and \$75,000 to the Legislative Auditor to conduct a comprehensive cost of crime study.

## Revenues

The 1998 Legislature restructured the criminal fine system (effective January 1, 1999), resulting in an estimated annual fine revenue increase of \$3 million. In addition, it raised DWI license plate reinstatement and surcharge fees by an estimated \$1.3 million annually. Finally, the state will receive \$525,000 from Benton and Winona counties for assuming their adult misdemeanor and juvenile probation services.

## Pensions and Retirement

The 1998 Omnibus Pension Bill consisted largely of technical and administrative changes, along with provisions governing service credit for individuals and small groups of public employees. One change with wider implications, however, affected the method used to determine the actuarial value of prior service in a retirement plan.

Each year, many public employees seek special legislation enabling them to purchase credit in their retirement plans for prior service in public employment for which, for varying reasons, they are not credited for purposes of determining retirement benefits. At one time, those employees were sometimes permitted to buy credit simply by paying the employer and employee contributions for the period of prior

service, based on their salaries during the period, plus a small amount of interest. Since the addition of the prior service was usually early in the employees' careers, when their salaries were relatively low, the amounts they were required to pay were also relatively low.

The increase in their retirement benefits as a result of the additional service, however, was usually substantial. That meant that their retirement plans – and, ultimately, public employers and other public employees – had to cover the difference between the amount paid and the increased benefits.

To avoid that result, for the last several years the Legislature has required purchasers of prior service to pay the actuarial cost of their



projected increase in benefits. Recently, however, there has been some question as to the adequacy of the method used to determine actuarial cost. This year's Omnibus Bill will, for the next three years, require purchasers to pay the higher of: (1) an amount equal to the sum of all employer and employee contributions for the length of service to be purchased, based on current salary levels and contribution rates; or (2) the difference between the present value of the purchasers' retirement annuities with and without the purchase.

In addition, the retirement plans may charge prospective purchasers a processing fee for computing purchase amounts. This new system sunsets on July 1, 2001. It will be reviewed by the Legislative Commission on Pensions and Retirement, the commission actuary, and plan administrators before then to determine whether the new formula should be retained, amended, or abandoned.

Another 1998 change establishes an enhanced on-duty disability benefit, similar to that covering state correctional employees, for certain local correctional service employees. Those covered are essential employees working at county or regional jails or other correction facilities certified by their employers as having

direct contact with inmates at least 75 percent of their work time.

Finally, two provisions relate to short-term legislators and constitutional officers who opt to transfer from the Legislators Retirement Plan or the Elective State Officers Retirement Plan into the Minnesota State Retirement System unclassified retirement plan. Voluntary transfers for short-term officials were authorized by legislation last year, which also put new legislators and constitutional officers into the unclassified plan.

One of this year's provisions enables transferring officials to transfer, as well, their past member contributions, plus 8.5 percent interest, along with an equivalent amount representing what would have been employer contributions. The second provision appropriated \$700,000 to cover the cost of the employer contributions. The appropriation was necessary because no employer contributions were actually made to the plans covering legislators and constitutional officers. Instead, when an official retired, a one-time appropriation to cover benefit costs was made from the General Fund. A disadvantage of that method was that the retirement plans did not benefit from earnings on employer contributions.

## RiverCentre Arena

In the 1998 Bonding Bill, the Legislature appropriated \$65 million from the General Fund for a loan to the city of St. Paul for the RiverCentre Arena. This loan must be used for the construction of a hockey arena for the expansion National Hockey League team, the Minnesota Wild, at RiverCentre.

The loan is to the city of St. Paul, but repayment is tied to the Minnesota Wild hockey team. \$48 million of this interest-free loan to the

city of St. Paul is to be paid back, in full, by the Minnesota Wild over a 20-year period. \$17 million of the loan will be forgiven if the team agrees to host amateur sports events in the new arena, charging the amateur sports teams only for expenses.

The team, which is repaying the \$48 million loan to the city, is also repaying a second loan for \$65 million which is being taken out by the city itself. These repayments are coming from

team revenues generated by the arena, including projected ticket surcharge revenues and parking revenues.

The arena will be a 19,000-seat hockey arena attached to the RiverCentre convention hall and will be available for convention events and

entertainment bookings. The RiverCentre project is described by the city of St. Paul as a combination of riverfront and community development, designed to bring conventions, sports, and tourism downtown and to link this development with river development.

## Tornado Relief

In Chapter 383, the Legislature appropriated an additional \$27.6 million from the General Fund for tornado relief due to damage from the March 29, 1998, tornadoes.

The following table provides details on the appropriations for tornado relief.

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### TORNADO RELIEF LEGISLATION

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|  |  |
|--|--|
| <p><b>Department of Public Safety</b></p> <p>To fund 100% of the state and local match obligations for federal assistance \$ 8,000,000</p> <p>To provide the cost of increases in services 300,000</p> <p>Grants to counties for costs related to burial and removal of debris from rural residences and farms 500,000</p> <p><b>Housing Finance Agency</b></p> <p>Community Rehabilitation Fund Program 3,500,000</p> <p>Affordable Rental Investment fund 500,000</p> <p><b>Trade and Economic Development</b></p> <p>Minnesota Investment fund 4,800,000</p> <p>Public Infrastructure 1,000,000</p> <p>Technical Assistance 150,000</p> | <p><b>Department of Agriculture</b></p> <p>Loans to farmers for repairs to buildings and working capital loans 4,000,000</p> <p><b>Department of Revenue</b></p> <p>Local government assistance to counties suffering significant loss in property taxes due to the tornado 500,000</p> <p><b>Human Services</b></p> <p>Social services and farm advocacy outreach 400,000</p> <p><b>Children, Families, and Learning</b></p> <p>After school and expanded day care services 250,000</p> <p><b>Minnesota Historical Society</b></p> <p>Historic preservation loans and grants 1,000,000</p> <p><b>Department of Finance</b></p> <p>Contingency appropriation <u>2,700,000</u></p> <p><b>TOTAL</b> <b>\$ 27,600,000</b></p> |
|--|--|

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# Vetoos

The Governor vetoed 11 bills passed by the 1998 Legislature, including two supplemental appropriation bills, and exercised line-item veto authority in four supplemental appropriation bills. In total the Governor vetoed over \$60 million in General Fund appropriations. \$22 million of the amount vetoed was enacted and signed by the Governor in the tax bill and Chapter 1 from the April Special Session.

**Family and Early Childhood Education -- Chapter 365.** The Governor vetoed \$21.8 million in General Fund expenditures for family and early childhood education programs. In the 1998 First Special Session, the Legislature appropriated, and the Governor signed, \$4.2 million for family and early childhood education programs.

**Omnibus Jobs, Housing, and Economic Development -- Chapter 374.** The Governor vetoed over \$39.1 million in General Fund appropriations for jobs, housing, and economic development programs. In the tax bill and 1998 First Special Session, the Legislature appropriated, and the Governor signed, just over \$17.8 million in jobs, housing and economic development programs.

**Line-Item Vetoos.** The Governor vetoed just over \$2 million in General Fund appropriations through the exercise of the line-item veto. The line-item appropriation vetoos were:

- \$1.1 million to the Attorney General's Office to pay for assistance to counties (\$250,000), gaming enforcement (\$250,000), legal services to state agencies (\$500,000), and telemarketing fraud education (\$100,000);
- \$500,000 to the University of Minnesota to pay for law clinics (\$250,000) and Project Inform which provides outreach and information to K-12 students and their families (\$250,000);

- \$185,000 to the Department of Agriculture for Market Champ, Inc. to provide access to hog genetics for family farmers (\$125,000) and for assistance to local governments adopting feedlot ordinances (\$60,000);
- \$100,000 to the Department of Natural Resources for a grant to Linwood Township to control water pollution; and
- \$125,000 to the Department of Human Services for the Metropolitan Area Agency on Aging (\$100,000) and for a study of day training and habilitation capital needs (\$25,000).

**Nonappropriation Bills.** The following is a list of nonappropriation bills that were passed by the Legislature and vetoed by the Governor:

- Automobile insurance reduction for completion of an accident prevention course – Chapter 287;
- Modification of real estate document filing and recording fees – Chapter 311;
- Nonprofit health care trust agreement or transaction regulation – Chapter 330;
- Voter record address change updates – Chapter 346;
- Ramsey county open absentee ballot system pilot program extension – Chapter 347;
- Absentee voting eligibility expansion – Chapter 352;
- Minneapolis absentee voting pilot project – Chapter 370;
- Telephone assistance plan modifications – Chapter 378; and
- Industrial hemp use study – Chapter 394.

# State Debt and Capital Expenditures

## Capital Expenditures

The 1998 Legislature adopted a Capital Budget Bill totaling approximately \$1 billion and chose to pay cash for approximately \$500 million worth of projects. Notable projects include:

- \$87.1 million for the expansion of the Minneapolis Convention Center.
- \$65 million for a loan to the city of St. Paul to demolish the existing RiverCentre Arena, and to design, construct, furnish, and equip a new arena;
- \$206.8 million for the construction and repair of facilities at University of Minnesota campuses and agricultural experiment stations. (This total consists of \$138.3 million in projects bonded by the state and \$68.5 million in projects bonded by the University.);
- \$143.1 million for the construction and repair of facilities at state universities, community colleges, and technical colleges statewide;
- \$10.8 million for recreation and community center grants statewide;
- \$30 million for flood hazard mitigation grants;
- \$40.4 million for the improvement of parks, trails, and recreation areas statewide; and
- \$40 million for the construction of light rail transit from downtown Minneapolis through the Minneapolis-St. Paul International Airport and ending in southern Hennepin or northern Dakota county.

The following table delineates project amounts for bond authorization and direct appropriations.

### CAPITAL EXPENDITURES AUTHORIZED BY THE 1998 LEGISLATURE

| Item  | Project      | Total                |
|---|--------------|----------------------|
| <b>BONDING AUTHORITY</b>  |              |                      |
| <b>DEPARTMENT OF CORRECTIONS</b>  |              | <b>\$9,485,000</b>   |
| Health care improvements, Oak Park Heights  | \$ 3,000,000 |                      |
| Inmate bed expansion - Shakopee   | 4,645,000    |                      |
| Intake Center, St. Cloud  | 1,500,000    |                      |
| Minnesota Administrative Segregation Unit - Lino Lakes  | 340,000      |                      |
| <b>DEPARTMENT OF HUMAN SERVICES</b>   |              | <b>\$13,700,000</b>  |
| Building renovations, Moose Lake Sexual Psychopathic Personality Center                                       | 8,000,000    |                      |
| Building renovations, Willmar Regional Treatment Center   | 3,000,000    |                      |
| Crisis and respite residential capacity   | 1,200,000    |                      |
| Minnesota Extended Treatment Option Program, Cambridge regional human services center campus-site improvement | 1,500,000    |                      |
| <b>DEPARTMENT OF TRADE AND ECONOMIC DEVELOPMENT</b>   |              | <b>\$131,910,000</b> |

|  |            |                     |
|--|------------|---------------------|
| Brooklyn Center Earle Brown Heritage Center Restoration  | 2,500,000  |                     |
| Duluth Entertainment and Convention Center   | 12,000,000 |                     |
| Fergus Falls Convention Center   | 1,500,000  |                     |
| Headwaters Science Center  | 200,000    |                     |
| Humboldt Avenue Greenway Project   | 7,000,000  |                     |
| Hutchinson Community Civic Center  | 1,000,000  |                     |
| Mayo Civic Center in Rochester   | 2,800,000  |                     |
| Minneapolis Convention Center  | 87,145,000 |                     |
| Minnesota African-American Performing Arts Center  | 2,250,000  |                     |
| Montevideo Downtown Revitalization   | 1,500,000  |                     |
| Paramount Arts District Regional Arts Center   | 750,000    |                     |
| Phalen Corridor  | 3,850,000  |                     |
| Prairieland Expo   | 3,000,000  |                     |
| St. Cloud Community Event Center   | 6,100,000  |                     |
| Veterans Memorial Performing Arts Amphitheater   | 315,000    |                     |
| <b>DEPARTMENT OF TRANSPORTATION</b>  |            | <b>\$85,000,000</b> |
| Local bridge replacement and rehabilitation  | 34,000,000 |                     |
| Port development assistance  | 4,500,000  |                     |
| Transitways  | 46,500,000 |                     |
| <b>INDIAN AFFAIRS COUNCIL</b>  |            | <b>\$1,700,000</b>  |
| For construction of the Battle Point Cultural and Education Center                             | 1,700,000  |                     |
| <b>MINNESOTA HISTORICAL SOCIETY</b>  |            | <b>\$6,500,000</b>  |
| Humphrey Museum and Learning Center, Waverly   | 1,000,000  |                     |
| Northwest Company Fur Post Interpretative Center   | 1,500,000  |                     |
| St. Anthony Falls Heritage Education Center  | 4,000,000  |                     |
| <b>MINNESOTA STATE COLLEGES AND UNIVERSITIES</b>   |            | <b>\$92,680,000</b> |
| Anoka Hennepin Technical College and Century Community College                                 | 800,000    |                     |
| Bemidji State University and Northwest Technical College                                       | 1,000,000  |                     |
| Century Community and Technical College  | 3,200,000  |                     |
| Fond du Lac Community and Tribal College   |            |                     |
| Authorizes the design of a classroom addition using money from nonstate sources                |            |                     |
| Hibbing Community and Technical College  | 16,000,000 |                     |
| Inver Hills Community College  | 11,000,000 |                     |
| Mankato State University   | 11,000,000 |                     |
| Mesabi Community and Technical College   | 500,000    |                     |
| Metropolitan State University  | 1,000,000  |                     |
| Minneapolis Community College  | 500,000    |                     |
| Normandale Community College   | 240,000    |                     |
| North Hennepin Community College   | 10,400,000 |                     |
| Northland Community and Technical College  | 4,000,000  |                     |
| Pine Technical College   | 1,700,000  |                     |
| Red Wing/Winona Technical College  | 1,500,000  |                     |
| Ridgewater Community and Technical College   | 7,600,000  |                     |
| Riverland Community and Technical College  | 1,000,000  |                     |
| Rochester Regional Recreation and Sports Center  | 5,000,000  |                     |
| St. Cloud State University   |            |                     |
| Authorizes the design and construction of a building to house a bookstore and student services |            |                     |
| St. Cloud Technical College  | 1,000,000  |                     |

|   |            |                          |
|---|------------|--------------------------|
| St. Paul Technical College  | 10,000,000 |                          |
| Southwest State University  | 40,000     |                          |
| Winona State University   | 200,000    |                          |
| Land acquisition  | 5,000,000  |                          |
| <b>MINNESOTA ZOOLOGICAL GARDENS</b>   |            | <b>\$1,750,000</b>       |
| For design, repair, and reconstruction of roadways, pathways,<br>parking lots, outdoor lighting, and public plaza areas                                       | 1,750,000  |                          |
| <b>PUBLIC FACILITIES AUTHORITY</b>  |            | <b>\$33,950,000</b>      |
| Bayport sewer reconstruction  | 650,000    |                          |
| Construction of a wastewater facility, St. Peter  | 3,000,000  |                          |
| State matching money for federal grants to capitalize the water pollution<br>control fund and the drinking water revolving fund                               | 15,000,000 |                          |
| Wastewater Infrastructure Program   | 15,300,000 |                          |
| <b>UNIVERSITY OF MINNESOTA</b>  |            | <b>\$ 131,970,000</b>    |
| Crookston   | 3,980,000  |                          |
| Duluth  | 22,500,000 |                          |
| Morris  | 28,200,000 |                          |
| Twin Cities   | 72,890,000 |                          |
| Agricultural Experiment Stations  | 4,400,000  |                          |
| <b>BOND SALE EXPENSES</b>   |            | <b><u>\$ 500,000</u></b> |
| <b><u>TOTAL BONDING AUTHORITY</u></b>   |            | <b>\$509,145,000</b>     |
| <b><u>DIRECT APPROPRIATIONS</u></b>   |            |                          |
| <b>AMATEUR SPORTS COMMISSION</b>  |            | <b>\$11,020,000</b>      |
| Giants Ridge Facility   | 690,000    |                          |
| Ice centers   | 2,000,000  |                          |
| Minneapolis Urban Sports Center   | 600,000    |                          |
| Mt. Itasca Ski Area   | 130,000    |                          |
| National Sports Center- \$1,700,000 to purchase and<br>develop land for use as athletic fields; \$3,100,000 to develop<br>the National Children's Golf Course | 4,800,000  |                          |
| Richfield athletic fields   | 2,000,000  |                          |
| Tennis facility   | 800,000    |                          |
| <b>BOARD OF WATER AND SOIL RESOURCES</b>  |            | <b>\$19,800,000</b>      |
| Area II Minnesota River Basin Grant-in-Aid Program  | 500,000    |                          |
| Feedlot water quality   | 1,000,000  |                          |
| Lakeshore easements   | 250,000    |                          |
| Local government road replacement   | 2,750,000  |                          |
| Quad-Lakes restoration  | 300,000    |                          |
| RIM and PWP conservation easements  | 15,000,000 |                          |
| <b>CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD</b>  |            | <b>\$9,544,000</b>       |
| Capitol building accessibility  | 1,500,000  |                          |

|  |            |                      |
|--|------------|----------------------|
| Capitol building structural stabilization  | 6,600,000  |                      |
| Capitol mall memorials   | 440,000    |                      |
| Security lighting  | 734,000    |                      |
| Statuary restoration   | 120,000    |                      |
| Women's Suffrage Memorial Garden   | 150,000    |                      |
| <b>CENTER FOR ARTS EDUCATION</b>   |            | <b>\$1,395,000</b>   |
| Administrative/classroom building renovation   | 780,000    |                      |
| Asset preservation   | 465,000    |                      |
| GAIA building renovation   | 150,000    |                      |
| <b>DEPARTMENT OF ADMINISTRATION</b>  |            | <b>\$ 46,250,000</b> |
| Agency relocation  | 2,490,000  |                      |
| Bureau of Criminal Apprehension facility design and site acquisition                                   | 3,815,000  |                      |
| Capital asset preservation and replacement   | 15,000,000 |                      |
| Capitol Security and Plant Management facility predesign   | 45,000     |                      |
| Capitol Square Building  | 3,100,000  |                      |
| Dahl House relocation  | 100,000    |                      |
| Department of Revenue relocation   | 5,350,000  |                      |
| Electrical utility infrastructure  | 5,350,000  |                      |
| Ely Revenue Building   | 2,200,000  |                      |
| Labor Interpretive Center  | 6,000,000  |                      |
| Real property acquisition  | 2,800,000  |                      |
| <b>DEPARTMENT OF AGRICULTURE</b>   |            | <b>\$500,000</b>     |
| Grant to a political subdivision chosen as site for a soybean oilseed processing and refining facility | 500,000    |                      |
| <b>DEPARTMENT OF CHILDREN, FAMILIES, AND LEARNING</b>  |            | <b>\$62,405,000</b>  |
| Community Schools Partnership, St. Paul  | 14,030,000 |                      |
| Early Childhood Learning Facilities  | 5,000,000  |                      |
| Fridley Middle School boiler and windows   | 90,000     |                      |
| Library accessibility grants   | 1,500,000  |                      |
| Little Falls Carnegie Library ADA Grant  | 500,000    |                      |
| McLeod West Interdistrict Cooperative  | 500,000    |                      |
| Metropolitan Magnet Schools  | 22,200,000 |                      |
| Minnesota Lake   | 385,000    |                      |
| Mississippi Education Center   | 1,400,000  |                      |
| Recreation and Community Center Grants   | 10,800,000 |                      |
| Dawson-Boyd Educational and Community Center- 1,000,000  |            |                      |
| Detroit Lakes Community Center- 1,500,000  |            |                      |
| Granite Falls Area Multipurpose Community Recreation and Education Center- 1,000,000                   |            |                      |
| Hallett Community Center, city of Crosby- 300,000  |            |                      |
| Hastings Municipal Water Park- 500,000   |            |                      |
| Hermantown Community Indoor Sports and Physical Education Complex- 1,000,000                           |            |                      |
| Isle Community Center- 1,000,000   |            |                      |
| Lake Crystal Area Recreation Center- 1,500,000   |            |                      |
| Proctor Community Activity Center- 1,000,000   |            |                      |
| Redwood Valley Multipurpose Education and Community Center- 1,000,000                                  |            |                      |
| Windom Area Multipurpose Center- 1,000,000   |            |                      |
| School building accessibility  | 1,000,000  |                      |
| Youth enrichment   | 5,000,000  |                      |

|   |            |                      |
|---|------------|----------------------|
| <b>DEPARTMENT OF CORRECTIONS</b>  |            | <b>\$4,700,000</b>   |
| Asset preservation  | 3,500,000  |                      |
| Security fence, Red Wing  | 1,200,000  |                      |
| <b>DEPARTMENT OF HUMAN SERVICES</b>   |            | <b>\$6,275,000</b>   |
| Asset preservation  | 4,000,000  |                      |
| Capital roof repairs and replacement  | 1,900,000  |                      |
| People, Inc. North Side Community Support Program   | 375,000    |                      |
| <b>DEPARTMENT OF MILITARY AFFAIRS</b>   |            | <b>\$1,230,000</b>   |
| Asset preservation  | 250,000    |                      |
| Kitchen renovation  | 880,000    |                      |
| Military Affairs/Emergency Management facility predesign                                      | 100,000    |                      |
| <b>DEPARTMENT OF NATURAL RESOURCES</b>  |            | <b>\$130,251,000</b> |
| Accelerated wildlife habitat management   | 500,000    |                      |
| Bald Eagle Center   | 500,000    |                      |
| Dam improvements  | 1,300,000  |                      |
| Environmental Learning Centers  | 2,350,000  |                      |
| Flood hazard mitigation grants  | 30,000,000 |                      |
| Forest road and bridge projects   | 2,000,000  |                      |
| Forestry land acquisition   | 800,000    |                      |
| Forestry recreation facilities  | 750,000    |                      |
| Hartley Nature Center   | 1,500,000  |                      |
| International Wolf Center   | 350,000    |                      |
| Lake Superior Safe Harbors  | 5,000,000  |                      |
| Lake Superior Zoo   | 1,300,000  |                      |
| Local initiative grants   | 8,000,000  |                      |
| Metro greenways and natural areas   | 4,000,000  |                      |
| Metro regional park acquisition and betterment  | 14,400,000 |                      |
| Metro regional trails   | 5,000,000  |                      |
| Office facility consolidation   | 7,391,000  |                      |
| RIM fish hatchery rehabilitation  | 1,000,000  |                      |
| RIM wildlife, habitat improvements  | 2,500,000  |                      |
| RIM wildlife management areas, critical habitat, and North American Waterfowl Management Plan | 7,000,000  |                      |
| Sand Dunes State Forest Center  | 150,000    |                      |
| Savage Water Supply System  | 800,000    |                      |
| Scientific and natural area and prairie bank acquisition                                      | 3,000,000  |                      |
| State park and recreation area acquisition  | 2,250,000  |                      |
| State park and recreation area betterment and rehabilitation                                  | 2,750,000  |                      |
| State park and recreation area building development   | 5,535,000  |                      |
| Statewide asset preservation and state park and recreation area building renovation           | 6,500,000  |                      |
| Stream protection and restoration   | 1,000,000  |                      |
| Trail acquisition and development   | 10,250,000 |                      |
| Water access acquisition and development  | 2,000,000  |                      |
| White pine management   | 300,000    |                      |
| Willernie erosion control   | 75,000     |                      |
| <b>DEPARTMENT OF PUBLIC SAFETY</b>  |            | <b>\$2,230,000</b>   |
| Fire and public safety training   | 150,000    |                      |
| Regional Emergency Response and Industrial Training Center                                    | 880,000    |                      |



|  |            |                     |
|--|------------|---------------------|
| State Patrol Camp Ripley Training Facility   | 1,200,000  |                     |
| <b>DEPARTMENT OF TRADE AND ECONOMIC DEVELOPMENT</b>  |            | <b>\$93,770,000</b> |
| Direct reduction iron processing facilities  | 10,000,000 |                     |
| Itasca County School-to-Work Technology Center   | 2,000,000  |                     |
| Little Falls Conference and Retreat Center   | 100,000    |                     |
| Mankato Technology Center  | 4,500,000  |                     |
| Minneapolis Convention Center Circulator   | 220,000    |                     |
| Minnesota Agricultural Interpretive Center (FarmAmerica)   | 1,500,000  |                     |
| Owatonna infrastructure  | 500,000    |                     |
| Phillips Neighborhood Job Creation, Green Institute  | 1,500,000  |                     |
| Redevelopment Grant Program  | 4,000,000  |                     |
| Red Lake Educational and Training Facility   | 2,600,000  |                     |
| Sewer and water to Cambridge Community College   | 500,000    |                     |
| St. Paul RiverCentre Arena   | 65,000,000 |                     |
| Taconite mining grants   | 500,000    |                     |
| United States Hockey Hall of Fame  | 250,000    |                     |
| Valley Technology Park   | 600,000    |                     |
| <b>DEPARTMENT OF TRANSPORTATION</b>  |            | <b>\$8,300,000</b>  |
| Forest Highway 11 and CSAH No. 90  | 3,050,000  |                     |
| Rural transit assistance   | 5,000,000  |                     |
| Seaway Port Authority  | 250,000    |                     |
| <b>HOUSING FINANCE AGENCY</b>  |            | <b>\$6,000,000</b>  |
| \$4,000,000 is for making loans or grants for temporary or transitional housing; \$2,000,000 is for loans for permanent housing  |            |                     |
| <b>MINNESOTA HISTORICAL SOCIETY</b>  |            | <b>\$6,610,000</b>  |
| Bemidji Historic Railroad Depot  | 650,000    |                     |
| County and local preservation projects   | 1,150,000  |                     |
| Herman monument in New Ulm   | 400,000    |                     |
| Historic Fort Snelling   | 600,000    |                     |
| Historic site preservation and repair  | 1,500,000  |                     |
| Montevideo Railroad  | 130,000    |                     |
| Red River Valley Center  | 1,000,000  |                     |
| Split Rock Lighthouse Visitor Center improvements  | 780,000    |                     |
| Treaty Site History Center   | 400,000    |                     |
| <b>MINNESOTA STATE COLLEGES AND UNIVERSITIES</b>   |            | <b>\$50,400,000</b> |
| Higher Education Asset Preservation and Replacement  | 43,000,000 |                     |
| Master facilities plan   | 1,400,000  |                     |
| Rochester Center   | 6,000,000  |                     |
| <b>OFFICE OF ENVIRONMENTAL ASSISTANCE</b>  |            | <b>\$3,500,000</b>  |
| For the solid waste capital assistance program. \$375,000 of this appropriation is for a grant to the Prairieland Compost Facility Board for an air emissions project at the Prairieland Compost Facility located in Martin county |            |                     |
| <b>PUBLIC FACILITIES AUTHORITY</b>   |            | <b>\$10,100,000</b> |
| Planning grants under Wastewater Infrastructure Program  | 100,000    |                     |

|  |           |                           |
|--|-----------|---------------------------|
| State revolving fund supplemental  | 9,000,000 |                           |
| Storm sewer matching fund  | 1,000,000 |                           |
| <b>RESIDENTIAL ACADEMIES AT FARIBAULT</b>  |           | <b>\$9,225,000</b>        |
| Asset preservation   | 725,000   |                           |
| Lysen expansion and renovation   | 4,500,000 |                           |
| Tate Hall renovation   | 4,000,000 |                           |
| <b>UNIVERSITY OF MINNESOTA</b>   |           | <b>\$6,330,000</b>        |
| Higher Education Asset Preservation and Replacement  | 4,000,000 |                           |
| Art Building   | 730,000   |                           |
| Glensheen Mansion  | 600,000   |                           |
| Replace and upgrade information technology infrastructure<br>serving Mall District buildings on Minneapolis campus | 1,000,000 |                           |
| <b>VETERANS HOME</b>   |           | <b>\$12,055,000</b>       |
| Hastings Veterans Home   | 5,715,000 |                           |
| Minneapolis Veterans Home  | 6,340,000 |                           |
| <b><u>DIRECT APPROPRIATIONS</u></b>  |           | <b>\$501,890,000</b>      |
| <b><u>BONDING AUTHORITY</u></b>  |           | <b><u>509,145,000</u></b> |
| <b><u>TOTAL BONDING AUTHORITY AND DIRECT APPROPRIATIONS</u></b>  |           | <b>\$1,011,035,000</b>    |
| <b><u>CANCELLATIONS</u></b>  |           | <b>(11,993,000)</b>       |
| <b><u>NET BONDING AUTHORITY AND TOTAL DIRECT APPROPRIATIONS</u></b>  |           | <b>\$999,042,000</b>      |

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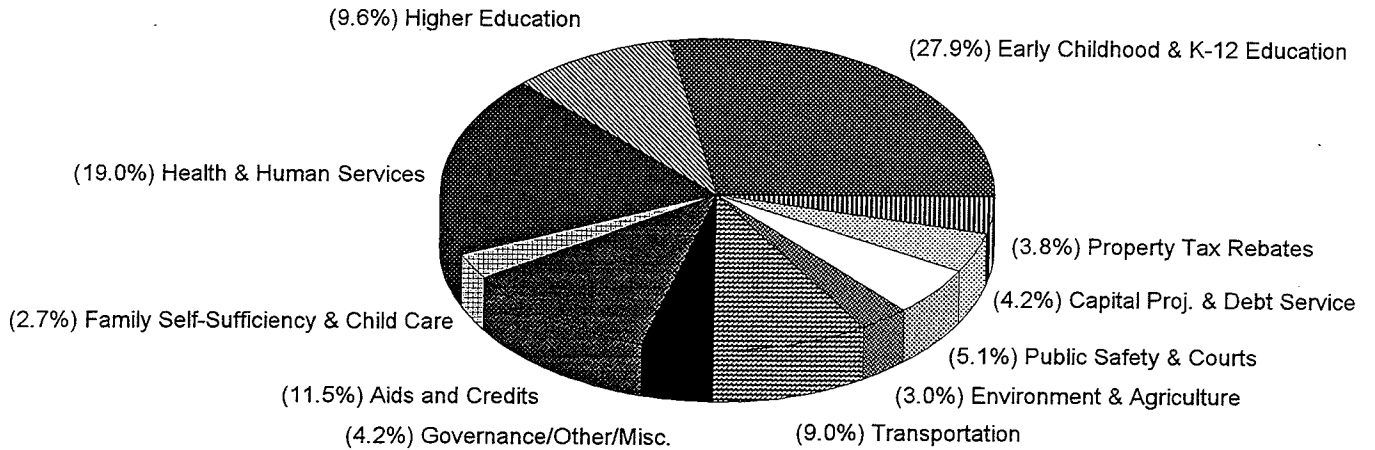
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## State Appropriations by Functional Area 1997-1999 Biennium Total Appropriations (1): \$25,444,724,000



**Note:**

(1) Total does not include dedicated general fund appropriations and cancellations.

**Table A**

**Summary of Biennial Appropriations by Fund  
1997 & 1998 Legislative Sessions**

| <b>Fund</b>                            | <b>1997-1999<br/>Biennium</b> | <b>1998<br/>Changes</b> | <b>New<br/>Total</b>     |
|--|-------------------------------|-------------------------|--------------------------|
| County-State Aid Highway               | \$ 645,801,000                | \$ 0                    | \$ 645,801,000           |
| Environmental                          | 42,399,000                    | 0                       | 42,399,000               |
| Environmental Trust Fund               | 22,270,000                    | 0                       | 22,270,000               |
| Game and Fish                          | 110,340,000                   | 33,000                  | 110,373,000              |
| General                                | 19,210,607,000                | 1,076,780,000           | 20,287,387,000           |
| Dedicated General Fund                 | 241,557,000                   | 52,929,000              | 294,486,000              |
| Health Care Access Fund                | 300,193,000                   | (17,333,000)            | 282,860,000              |
| Highway User Tax Distribution          | 32,603,000                    | 50,000                  | 32,653,000               |
| Local Government Trust Fund            | 1,908,091,000                 | (19,660,000)            | 1,888,431,000            |
| Metro Landfill Contingency             | 663,000                       | 0                       | 663,000                  |
| Landfill Cleanup-Solid Waste           | 13,402,000                    | 0                       | 13,402,000               |
| Minnesota Future Resources             | 14,668,000                    | 0                       | 14,668,000               |
| Municipal-State Aid Street             | 195,844,000                   | 0                       | 195,844,000              |
| Natural Resources                      | 46,424,000                    | 525,000                 | 46,949,000               |
| Endowment School                       | 65,000,000                    | 0                       | 65,000,000               |
| Petroleum Tank Release Cleanup         | 9,330,000                     | 0                       | 9,330,000                |
| Special Revenue                        | 41,900,000                    | 15,000                  | 41,915,000               |
| State Airports                         | 36,094,000                    | 0                       | 36,094,000               |
| State Government Special Revenue       | 89,395,000                    | 344,000                 | 89,739,000               |
| State Lottery Fund (1)                 | 104,048,000                   | 750,000                 | 104,798,000              |
| Trunk Highway                          | 1,391,251,000                 | 68,170,000              | 1,459,421,000            |
| Workers' Compensation                  | 54,727,000                    | 0                       | 54,727,000               |
| <b>Total State Appropriations (2):</b> | <b>\$ 24,576,607,000</b>      | <b>\$ 1,162,603,000</b> | <b>\$ 25,739,210,000</b> |
| <b>Federal Funds:</b>                  | <b>\$ 7,515,039,000</b>       | <b>\$ 0</b>             | <b>\$ 7,515,039,000</b>  |
| <b>TOTAL APPROPRIATIONS:</b>           | <b>\$ 32,091,646,000</b>      | <b>\$ 1,162,603,000</b> | <b>\$ 33,254,249,000</b> |

**NOTES:**

- (1) This item represents the statutory maximum of 15 percent of lottery gross revenues that may be annually credited to the lottery operations account.
- (2) The total state appropriations figure does not include cancellations.

**Table B**  
**General Fund and Local Government Trust Fund**  
**Resources and Appropriations**  
**1997-1999 Biennium**

|  | 1997-1999<br>Biennium     |
|--|---------------------------|
| <b>I. RESOURCES</b>  |                           |
| A. Balance Forward   | \$ 1,994,720,000          |
| <b>B. Taxes &amp; Receipts (before 1998 Law Changes)</b>     |                           |
| Individual Income Taxes                                      | 11,480,500,000            |
| Corporate Franchise Tax                                      | 1,730,700,000             |
| Sales Tax  | 6,877,279,000             |
| Motor Vehicle Tax  | 817,300,000               |
| Inheritance & Estate Tax                                     | 80,812,000                |
| Liquor, Wine, Beer   | 112,933,000               |
| Cigarette and Tobacco Products Tax                           | 357,001,000               |
| Iron Ore Occupation  | 100,000                   |
| Taconite Occupation & Production                             | 5,000,000                 |
| Deed and Mortgage Tax  | 214,500,000               |
| Insurance Gross Premiums                                     | 311,500,000               |
| Telephone, Telegraph, & Other Gross                          | 110,000                   |
| Lawful Gambling Tax  | 126,107,000               |
| Health Care Provider Tax                                     | 239,355,000               |
| Controlled Substance   | 400,000                   |
| Investment Income  | 278,000,000               |
| Income Tax Reciprocity                                       | 68,840,000                |
| Other Non-Dedicated Receipts                                 | 153,050,000               |
| <b>Total Taxes &amp; Receipts (Before 1998 Law Changes):</b> | <b>\$ 22,853,487,000</b>  |
| <b>C. Revenue Refunds</b>                                    |                           |
| Individual Income Tax  | (1,265,600,000)           |
| Corporate Franchise Tax                                      | (179,600,000)             |
| Sales Tax  | (271,000,000)             |
| Other Agencies' Refunds                                      | (100,000)                 |
| Other Refunds  | (48,344,000)              |
| <b>Total Refunds:</b>  | <b>\$ (1,764,644,000)</b> |
| <b>D. Transfers from Other Funds</b>                         |                           |
| Other Special Revenue Funds                                  | 13,832,000                |
| Cambridge Bank Special Fund                                  | 387,501,000               |
| All Other Transfers  | 103,876,000               |
| New Legislation Transfers                                    | 4,608,000                 |
| <b>Total Transfers:</b>                                      | <b>\$ 509,817,000</b>     |
| <b>E. Taxes &amp; Receipts (1998 Law Changes)</b>            |                           |
| Individual Income Taxes                                      | (24,050,000)              |
| Corporate Income Taxes                                       | 2,089,000                 |
| Sales Tax  | (6,519,000)               |
| Inheritance & Estate Tax                                     | (1,030,000)               |
| Liquor, Wine, Beer   | (17,000)                  |
| Lawful Gambling Tax  | (2,690,000)               |
| Health Care Provider Tax                                     | (3,352,000)               |
| Investment Income  | 2,569,000                 |
| Miscellaneous Non-Dedicated Revenues                         | 1,125,000                 |
| <b>Total Taxes &amp; Receipts (1998 Law Changes):</b>        | <b>\$ (31,875,000)</b>    |

|   | 1997-1999<br>Biennium |                       |
|---|-----------------------|-----------------------|
| F. <u>Prior Year Adjustments</u>                    | \$                    | 20,200,000            |
| <b>TOTAL NON-DEDICATED REVENUES</b>                 | <b>\$</b>             | <b>23,581,705,000</b> |
| G. <u>Total Dedicated Revenues (Self-Canceling)</u> | \$                    | 294,486,000           |
| <b>II. APPROPRIATIONS</b>                           |                       |                       |
| <b>A. Major Spending Categories</b>                 |                       |                       |
| Elementary and Secondary Education                  |                       | 7,263,093,000         |
| Higher Education                                    |                       | 2,444,419,000         |
| Human Services, Health, Criminal Justice            |                       | 5,685,483,000         |
| Transportation and Semi-States                      |                       | 133,631,000           |
| State Departments & Property Tax Reform             |                       | 1,155,008,000         |
| Environment and Natural Resources                   |                       | 402,829,000           |
| Community Development                               |                       | 375,438,000           |
| Direct Appropriation/Capital Projects               |                       | 500,690,000           |
| <b>Total Major Spending Categories:</b>             | <b>\$</b>             | <b>17,960,591,000</b> |
| <b>B. Open and Standing Appropriations</b>          |                       |                       |
| Aids and Credits                                    |                       | 2,620,755,000         |
| Property Tax Rebate                                 |                       | 967,463,000           |
| Debt Service  |                       | 571,594,000           |
| Retirements   |                       | 170,455,000           |
| <b>Total Open and Standing Appropriations:</b>      | <b>\$</b>             | <b>4,330,267,000</b>  |
| <b>TOTAL APPROPRIATIONS</b>                         | <b>\$</b>             | <b>22,290,858,000</b> |
| <b>TOTAL REVENUES AND RECEIPTS</b>                  |                       |                       |
|   | <b>\$</b>             | <b>23,581,705,000</b> |
| <b>TOTAL APPROPRIATIONS -- GROSS</b>                |                       |                       |
|   | <b>\$</b>             | <b>22,290,858,000</b> |
| Dept. of Human Services RTC Collections (1)         |                       | (64,130,000)          |
| Indirect Cost Receipts                              |                       | (50,912,000)          |
| Less Cancellations                                  |                       | (20,643,000)          |
| <b>TOTAL APPROPRIATIONS -- NET</b>                  | <b>\$</b>             | <b>22,155,173,000</b> |
| <b>Reserves</b>                                     |                       |                       |
| Cash Flow Account                                   |                       | 350,000,000           |
| Budget Reserve                                      |                       | 613,200,000           |
| Property Tax Reserve                                |                       | 330,942,000           |
| Appropriations Carried Forward                      |                       | 97,248,000            |
| <b>Total Reserves:</b>                              | <b>\$</b>             | <b>1,391,390,000</b>  |
| <b>UNRESTRICTED BUDGETARY BALANCE</b>               | <b>\$</b>             | <b>35,142,000</b>     |

NOTES:

(1) Dept. of Human Services RTC receipts already counted in the appropriation for MA/ GAMC federal funds.

**Table C**  
**Detailed Appropriations by Function - All Funds**  
**1997-1999 Biennium with 1998 Changes**

|  | 1997-1999<br>Biennium   | Forecast &<br>Estimate Changes(1) | 1998 Law<br>Changes   | Biennium<br>Total       |
|--|-------------------------|-----------------------------------|-----------------------|-------------------------|
| <b>Aids and Credits</b>                    |                         |                                   |                       |                         |
| Homestead & Agricultural Credit Aid (HACA) |                         |                                   |                       |                         |
| School Districts                           | \$ 160,712,000          | \$ 6,153,000                      | \$ 0                  | \$ 166,865,000          |
| Cities, Towns, Counties                    | 889,373,000             | 278,000                           | 0                     | 889,651,000             |
| Tax Incremental Financing                  | 48,000                  | 0                                 | 0                     | 48,000                  |
| Subtotal HACA:                             | 1,050,133,000           | 6,431,000                         | 0                     | 1,056,564,000           |
| Property Tax Refund                        |                         |                                   |                       |                         |
| Renters                                    | 184,000,000             | 13,798,000                        | 0                     | 197,798,000             |
| Homeowners                                 | 190,300,000             | (19,831,000)                      | 0                     | 170,469,000             |
| Targeting                                  | 7,200,000               | 900,000                           | 0                     | 8,100,000               |
| Property Tax Rebate on Income Tax Form     | 500,000,000             | 0                                 | 467,463,000           | 967,463,000             |
| Political Contribution Refunds             | 5,000,000               | 2,478,000                         | 0                     | 7,478,000               |
| Supplemental Homestead                     |                         |                                   |                       |                         |
| Property Tax Relief                        | 990,000                 | (42,000)                          | 0                     | 948,000                 |
| Education Homestead Credit                 | 153,300,000             | (10,656,000)                      | 0                     | 142,644,000             |
| Aid to Local Governments                   | 728,698,000             | 652,000                           | 0                     | 729,350,000             |
| Attached Machinery Aid                     |                         |                                   |                       |                         |
| School Districts                           | 1,672,000               | 0                                 | 0                     | 1,672,000               |
| Cities, Towns, Counties                    | 4,764,000               | 0                                 | 0                     | 4,764,000               |
| Payments in Lieu of Taxes-DNR Lands        | 11,000,000              | 52,000                            | 0                     | 11,052,000              |
| Enterprise Zone Credit                     |                         |                                   |                       |                         |
| School Districts                           | 14,000                  | 2,000                             | 0                     | 16,000                  |
| Cities, Towns, Counties                    | 20,000                  | 2,000                             | 0                     | 22,000                  |
| Regional Transit Board Levy Reduction      | 2,638,000               | 1,732,000                         | 0                     | 4,370,000               |
| Region 3 Occupation Tax Distribution       | 2,422,000               | 0                                 | 0                     | 2,422,000               |
| Disparity Aid                              |                         |                                   |                       |                         |
| School Districts                           | 25,116,000              | (866,000)                         | 0                     | 24,250,000              |
| Cities, Towns, Counties                    | 31,330,000              | (1,198,000)                       | 0                     | 30,132,000              |
| Border City Disparity Credit               |                         |                                   |                       |                         |
| School Districts                           | 3,881,000               | (435,000)                         | 0                     | 3,446,000               |
| Cities, Towns, Counties                    | 6,944,000               | (461,000)                         | 0                     | 6,483,000               |
| Disaster & Flood Relief Aid                |                         |                                   |                       |                         |
| School Districts                           | 0                       | 481,000                           | 0                     | 481,000                 |
| Cities, Towns, Counties                    | 0                       | 784,000                           | 0                     | 784,000                 |
| Family Preservation Aid                    | 3,236,000               | 0                                 | 0                     | 3,236,000               |
| Local Performance Aid                      | 18,894,000              | 924,000                           | 0                     | 19,818,000              |
| <b>Total Aids and Credits:</b>             | <b>\$ 2,931,552,000</b> | <b>\$ (5,253,000)</b>             | <b>\$ 467,463,000</b> | <b>\$ 3,393,762,000</b> |



|  | 1997-1999<br>Biennium | Forecast &<br>Estimate Changes(1) | 1998 Law<br>Changes | Biennium<br>Total |
|--|-----------------------|-----------------------------------|---------------------|-------------------|
| <b>Elementary and Secondary Education</b>    |                       |                                   |                     |                   |
| General Education Aid                        | \$ 5,283,693,000      | \$ (27,475,000)                   | \$ 1,033,000        | \$ 5,257,251,000  |
| Property Tax Recognition                     | 18,700,000            | 0                                 | 90,100,000          | 108,800,000       |
| Debt Service Equalization Aid                | 73,639,000            | (4,659,000)                       | 34,000              | 69,014,000        |
| Health and Safety                            | 28,260,000            | 855,000                           | 0                   | 29,115,000        |
| Transp. Aid for Post-Sec. Enrollment Options | 204,000               | 0                                 | 0                   | 204,000           |
| School Bus Safety                            | 2,888,000             | (15,000)                          | 0                   | 2,873,000         |
| Rural Computerized Routing                   | 70,000                | 0                                 | 0                   | 70,000            |
| Wide Area Transp. Service                    | 150,000               | 0                                 | 0                   | 150,000           |
| Inter-District Desegregation                 | 1,770,000             | 0                                 | 0                   | 1,770,000         |
| Transportation Targeted Needs                | 100,498,000           | (680,000)                         | 0                   | 99,818,000        |
| Endowment Fund                               | 65,000,000            | 0                                 | 0                   | 65,000,000        |
| Additional Alternative Facilities Aid        | 15,300,000            | (583,000)                         | 0                   | 14,717,000        |
| Compensatory Grants                          | 0                     | 0                                 | 14,700,000          | 14,700,000        |
| Graduation Rule Implementation Aid           | 0                     | 0                                 | 70,704,000          | 70,704,000        |
| Pension Savings                              | 0                     | (54,369,000)                      | 0                   | (54,369,000)      |
| Subtotal General Education:                  | 5,590,172,000         | (86,926,000)                      | 176,571,000         | 5,679,817,000     |
| <b>Special Programs</b>                      |                       |                                   |                     |                   |
| Special Education Aid                        | 737,430,000           | (31,241,000)                      | 135,000             | 706,324,000       |
| Special Programs Equalization Aid            | 16,975,000            | (1,267,000)                       | 0                   | 15,708,000        |
| Targeted Needs Aid                           | 76,248,000            | 503,000                           | 0                   | 76,751,000        |
| Indian Education Programs                    | 6,826,000             | 0                                 | 525,000             | 7,351,000         |
| Tribal Contract Schools                      | 5,220,000             | (278,000)                         | 0                   | 4,942,000         |
| Secondary Vocational Handicapped             | 15,029,000            | (2,000)                           | 0                   | 15,027,000        |
| Magnet School Grants                         | 7,500,000             | 0                                 | 0                   | 7,500,000         |
| American Sign Language Education             | 25,000                | 0                                 | 0                   | 25,000            |
| Mexican Origin Ed. Grants                    | 75,000                | 0                                 | 0                   | 75,000            |
| Lay Advocates                                | 10,000                | 0                                 | 0                   | 10,000            |
| Options Plus Pilot Grants                    | 150,000               | 0                                 | 0                   | 150,000           |
| Integration Grants                           | 2,000,000             | 0                                 | 0                   | 2,000,000         |
| Grants to School Districts                   | 960,000               | 0                                 | 0                   | 960,000           |
| Low-Income Concentration Grants              | 1,000,000             | 0                                 | 0                   | 1,000,000         |
| First Grade Preparedness Program             | 10,000,000            | (71,000)                          | 1,500,000           | 11,429,000        |
| Education Performance Imprvmnt. Grants       | 1,100,000             | 0                                 | 0                   | 1,100,000         |
| Grants to Nett Lake                          | 264,000               | 0                                 | 34,000              | 298,000           |
| Homeless Student Programs                    | 780,000               | 0                                 | 700,000             | 1,480,000         |
| Center for Torture Victims                   | 120,000               | 0                                 | 0                   | 120,000           |
| Learn & Earn Program                         | 2,000,000             | 0                                 | 0                   | 2,000,000         |
| Third Party Billing Assistance               | 0                     | 0                                 | 250,000             | 250,000           |
| Litigation Costs                             | 0                     | 0                                 | 500,000             | 500,000           |
| Court Placement Revenue                      | 0                     | 0                                 | 350,000             | 350,000           |
| Interagency Special Ed. Grants               | 0                     | 0                                 | 250,000             | 250,000           |
| In-School Behavior Intervention Grants       | 0                     | 0                                 | 300,000             | 300,000           |
| Subtotal Special Programs:                   | 883,712,000           | (32,356,000)                      | 4,544,000           | 855,900,000       |
| <b>Lifework Development</b>                  |                       |                                   |                     |                   |
| Secondary Vocational Education Aid           | 23,213,000            | 2,370,000                         | 0                   | 25,583,000        |
| Youthworks Program                           | 3,676,000             | 0                                 | 0                   | 3,676,000         |
| Education Employment Transition              | 9,600,000             | 0                                 | 100,000             | 9,700,000         |
| MN School-to-Work Student Organizations      | 750,000               | 0                                 | 0                   | 750,000           |
| Southwest Star Concept School                | 193,000               | 0                                 | 0                   | 193,000           |
| Lifework Learning Sites                      | 1,000,000             | 0                                 | 450,000             | 1,450,000         |
| Subtotal Lifework Development:               | 38,432,000            | 2,370,000                         | 550,000             | 41,352,000        |

|   | 1997-1999<br>Biennium | Forecast &<br>Estimate Changes(1) | 1998 Law<br>Changes | Biennium<br>Total |
|---|-----------------------|-----------------------------------|---------------------|-------------------|
| <b>Reorganization &amp; Cooperation, &amp; Facilities</b> |                       |                                   |                     |                   |
| Cooperation and Combination Aid                           | \$ 604,000            | \$ (43,000)                       | \$ 0                | \$ 561,000        |
| Consolidation Transition Aid                              | 2,405,000             | (882,000)                         | 0                   | 1,523,000         |
| District Cooperation Revenue                              | 18,546,000            | (1,593,000)                       | 0                   | 16,953,000        |
| Special Consolidation Aid                                 | 3,000                 | 0                                 | 0                   | 3,000             |
| Historic Building Aid                                     | 346,000               | 67,000                            | 0                   | 413,000           |
| Local Legislation & Grants                                | 350,000               | 0                                 | 1,636,000           | 1,986,000         |
| Grants for Flood Loss                                     | 4,700,000             | 0                                 | 10,825,000          | 15,525,000        |
| Tornado Relief  | 0                     | 0                                 | 250,000             | 250,000           |
| Subtotal Reorg. & Cooperation, & Facilities:              | 26,954,000            | (2,451,000)                       | 12,711,000          | 37,214,000        |
| <b>Education Excellence</b>                               |                       |                                   |                     |                   |
| Advanced Placement/IB                                     | 3,750,000             | 0                                 | 0                   | 3,750,000         |
| Teacher Education Improvement                             | 900,000               | 0                                 | 0                   | 900,000           |
| National Science Foundation Science & Math                | 2,704,000             | 0                                 | 0                   | 2,704,000         |
| Year Round/Extended Week Pilot Project                    | 1,800,000             | 0                                 | 455,000             | 2,255,000         |
| School Enrichment Partnership                             | 500,000               | 0                                 | 0                   | 500,000           |
| Community-Based Charter School Grant                      | 3,300,000             | 0                                 | 0                   | 3,300,000         |
| West St. Paul Grant                                       | 167,000               | 0                                 | 0                   | 167,000           |
| Statewide Testing   | 5,000,000             | 0                                 | 0                   | 5,000,000         |
| Laboratory Schools  | 2,500,000             | 0                                 | 0                   | 2,500,000         |
| Homework Helpline   | 200,000               | 0                                 | 0                   | 200,000           |
| Gifted & Talented Grants                                  | 3,000,000             | 0                                 | 0                   | 3,000,000         |
| Urban Educator Program                                    | 895,000               | 0                                 | 500,000             | 1,395,000         |
| Charter School Building Lease Aid                         | 2,655,000             | 491,000                           | 0                   | 3,146,000         |
| Charter School Startup Grants                             | 1,500,000             | 483,000                           | 0                   | 1,983,000         |
| Graduation Rule Implementation                            | 10,000,000            | 0                                 | 0                   | 10,000,000        |
| Professional Teaching Standards                           | 400,000               | 0                                 | 0                   | 400,000           |
| Early Intervention Reading Grants                         | 500,000               | 0                                 | 0                   | 500,000           |
| Clearinghouse of Best Practices                           | 0                     | 0                                 | 2,000,000           | 2,000,000         |
| Graduation Rule Resource Grants                           | 0                     | 0                                 | 3,500,000           | 3,500,000         |
| Residential Academies                                     | 0                     | 0                                 | 12,000,000          | 12,000,000        |
| Subtotal Education Excellence:                            | 39,771,000            | 974,000                           | 18,455,000          | 59,200,000        |
| <b>Nutrition &amp; Other Education Programs</b>           |                       |                                   |                     |                   |
| Abatement Aid   | 27,273,000            | 427,000                           | 0                   | 27,700,000        |
| Nonpublic Pupil Aid                                       | 19,118,000            | 0                                 | 0                   | 19,118,000        |
| School Lunch and Milk Aid                                 | 14,508,000            | 0                                 | 516,000             | 15,024,000        |
| Summer Food Service                                       | 330,000               | 0                                 | 0                   | 330,000           |
| School Breakfast Aid                                      | 942,000               | 0                                 | 0                   | 942,000           |
| Targeted Breakfast Grants                                 | 1,037,000             | 0                                 | 0                   | 1,037,000         |
| Family Connections Aid                                    | 500,000               | 0                                 | 0                   | 500,000           |
| Enrollment Options Replacement Aid                        | 12,000                | 0                                 | 0                   | 12,000            |
| Local Fund Transfers                                      | 63,000                | 0                                 | 0                   | 63,000            |
| HIV Training Sites  | 200,000               | 0                                 | 0                   | 200,000           |
| Partners for Quality School Improvement                   | 500,000               | 0                                 | 0                   | 500,000           |
| Preventing Violence Through Plays                         | 150,000               | 0                                 | 0                   | 150,000           |
| Minnesota International Center                            | 160,000               | 0                                 | 0                   | 160,000           |
| Subtotal Nutrition & Other Programs:                      | 64,793,000            | 427,000                           | 516,000             | 65,736,000        |

|  | 1997-1999<br>Biennium | Forecast &<br>Estimate Changes(1) | 1998 Law<br>Changes | Biennium<br>Total |
|--|-----------------------|-----------------------------------|---------------------|-------------------|
| <b>Libraries</b>   |                       |                                   |                     |                   |
| Library Grants   | \$ 15,638,000         | \$ 0                              | \$ 250,000          | \$ 15,888,000     |
| Librarians of Color  | 110,000               | 0                                 | 0                   | 110,000           |
| Children's Library Services Grant  | 300,000               | 0                                 | 0                   | 300,000           |
| Multicounty, Mutitype Library Grants   | 1,768,000             | 0                                 | 0                   | 1,768,000         |
| Library Outreach Programs  | 500,000               | 0                                 | 0                   | 500,000           |
| Library Pilot Program  | 25,000                | 0                                 | 0                   | 25,000            |
| On-Line Catalog for the Blind  | 0                     | 0                                 | 60,000              | 60,000            |
| Subtotal Libraries:  | 18,341,000            | 0                                 | 310,000             | 18,651,000        |
| <b>Technology</b>  |                       |                                   |                     |                   |
| Telecommunication Access Grants  | 23,000,000            | 0                                 | 0                   | 23,000,000        |
| Technology Site-Based Grants   | 14,000,000            | 0                                 | 0                   | 14,000,000        |
| Electronic Curriculum  | 4,000,000             | 0                                 | 0                   | 4,000,000         |
| Interactive Television Levy Aid  | 8,082,000             | 2,516,000                         | 0                   | 10,598,000        |
| Instructional Transformation - Technology  | 1,000,000             | 0                                 | 0                   | 1,000,000         |
| Technology Clearinghouse   | 250,000               | 0                                 | 0                   | 250,000           |
| Library Site Technology Grants   | 3,500,000             | 0                                 | 0                   | 3,500,000         |
| Computer Refurbishing Program  | 5,750,000             | 0                                 | 0                   | 5,750,000         |
| Curriculum Through U of MN Bell Museum   | 1,000,000             | 0                                 | 0                   | 1,000,000         |
| Additional Technology Aid  | 25,000,000            | 0                                 | 0                   | 25,000,000        |
| Learning Academy   | 2,000,000             | 0                                 | 0                   | 2,000,000         |
| Technology Grant for Residential Academies   | 1,000,000             | 0                                 | 0                   | 1,000,000         |
| Regional Management Information Center   | 978,000               | 0                                 | 0                   | 978,000           |
| Subtotal Technology:   | 89,560,000            | 2,516,000                         | 0                   | 92,076,000        |
| <b>Department of Children, Families, &amp; Learning</b>  |                       |                                   |                     |                   |
| Academic Excellence Foundation   | 1,249,000             | 0                                 | 0                   | 1,249,000         |
| State Board of Education   | 417,000               | 0                                 | 0                   | 417,000           |
| Board of Teaching  | 464,000               | 0                                 | 0                   | 464,000           |
| Litigation Costs   | 1,700,000             | 0                                 | 900,000             | 2,600,000         |
| Discontinued & Appropriations Carried Forward  | 0                     | 700,000                           | 0                   | 700,000           |
| Family & Early Childhood Administration  | 1,058,000             | 3,194,000                         | 0                   | 4,252,000         |
| Subtotal Dept. of Children, Families, & Learning:  | 49,396,000            | 3,780,000                         | 900,000             | 54,076,000        |
| Lola & Rudy Perpich Center for Arts Education  | 11,595,000            | (41,000)                          | 84,000              | 11,638,000        |
| Faribault Academies  | 17,818,000            | (85,000)                          | 117,000             | 17,850,000        |
| Appropriations Carried Forward   | 0                     | 36,000                            | 0                   | 36,000            |
| Subtotal Faribault Academies:  | 17,818,000            | (49,000)                          | 117,000             | 17,886,000        |
| <b>State Appropriations: \$ 6,830,544,000 \$ (111,756,000) \$ 214,758,000 \$ 6,933,546,000</b>                       |                       |                                   |                     |                   |
| <b>Federal Appropriations: \$ 679,026,000 \$ 0 \$ 0 \$ 679,026,000</b>   |                       |                                   |                     |                   |
| <b>Total Elementary &amp; Secondary Education: \$ 7,509,570,000 \$ (111,756,000) \$ 214,758,000 \$ 7,612,572,000</b> |                       |                                   |                     |                   |

|  | 1997-1999<br>Biennium | Forecast &<br>Estimate Changes(1) | 1998 Law<br>Changes | Biennium<br>Total     |
|--|-----------------------|-----------------------------------|---------------------|-----------------------|
| <b>Early Childhood &amp; Family Education</b>        |                       |                                   |                     |                       |
| <b>Early Childhood Programs</b>                      |                       |                                   |                     |                       |
| Learning Readiness                                   | \$ 20,721,000         | \$ (20,000)                       | \$ 0                | \$ 20,701,000         |
| Early Childhood Family Education (ECFE)              | 29,722,000            | 157,000                           | 0                   | 29,879,000            |
| Health & Developmental Screening Aid                 | 3,100,000             | 0                                 | 0                   | 3,100,000             |
| Way to Grow - Early Childhood Grants                 | 950,000               | 0                                 | 0                   | 950,000               |
| Part H - Early Childhood Program                     | 400,000               | 0                                 | 0                   | 400,000               |
| Head Start   | 37,500,000            | (750,000)                         | 0                   | 36,750,000            |
| ECFE Infant Development                              | 2,000,000             | (40,000)                          | 250,000             | 2,210,000             |
| Subtotal Early Childhood Programs:                   | 94,393,000            | (653,000)                         | 250,000             | 93,990,000            |
| <b>Community and Prevention Programs</b>             |                       |                                   |                     |                       |
| Family Collaborative                                 | 14,500,000            | (363,000)                         | 0                   | 14,137,000            |
| Community Education Aid                              | 3,447,000             | (274,000)                         | 0                   | 3,173,000             |
| Adult Handicapped Program Aid                        | 1,560,000             | 0                                 | 0                   | 1,560,000             |
| Violence Prevention Education Grants                 | 3,000,000             | (100,000)                         | 0                   | 2,900,000             |
| Male Responsibility Grants                           | 500,000               | 0                                 | 0                   | 500,000               |
| Abused Children Programs                             | 2,127,000             | (268,000)                         | 0                   | 1,859,000             |
| Drug Policy & Violence Prevention Programs           | 6,000,000             | (610,000)                         | 0                   | 5,390,000             |
| Children's Trust Fund                                | 494,000               | (44,000)                          | 0                   | 450,000               |
| After School Enrichment Grants                       | 9,814,000             | (294,000)                         | 0                   | 9,520,000             |
| Alcohol-Impaired Driver Education                    | 400,000               | 0                                 | 0                   | 400,000               |
| Extended Day Aid                                     | 651,000               | 10,000                            | 0                   | 661,000               |
| Adult Education Programs                             | 30,297,000            | 87,000                            | 0                   | 30,384,000            |
| Adolescent Parenting Grants                          | 1,300,000             | (20,000)                          | 0                   | 1,280,000             |
| Lead Hazard Reduction                                | 200,000               | 0                                 | 100,000             | 300,000               |
| Citizenship Promotion Program                        | 1,000,000             | (25,000)                          | 0                   | 975,000               |
| Child Guide Prevention Program                       | 250,000               | 0                                 | 0                   | 250,000               |
| Meadowbrook Collaborative                            | 50,000                | 0                                 | 0                   | 50,000                |
| Subtotal Community Prevention Programs:              | 75,590,000            | (1,901,000)                       | 100,000             | 73,789,000            |
| <b>Self-Sufficiency and Child Care</b>               |                       |                                   |                     |                       |
| MN Economic Opportunity Grants                       | 18,000,000            | (972,000)                         | 0                   | 17,028,000            |
| Transitional Housing Programs                        | 3,456,000             | (172,000)                         | 300,000             | 3,584,000             |
| Food Bank Program                                    | 2,500,000             | (46,000)                          | 0                   | 2,454,000             |
| Emergency Food Assistance                            | 194,000               | 0                                 | 0                   | 194,000               |
| Energy Assistance & Weatherization                   | 1,000,000             | 0                                 | 0                   | 1,000,000             |
| Child Care - Basic Sliding Fee                       | 92,502,000            | 0                                 | 3,250,000           | 95,752,000            |
| TANF Child Care                                      | 99,169,000            | 0                                 | 0                   | 99,169,000            |
| Child Care Development                               | 7,730,000             | 0                                 | 0                   | 7,730,000             |
| Emergency Services Grants                            | 0                     | 0                                 | 300,000             | 300,000               |
| Subtotal Self-Sufficiency & Child Care:              | 224,551,000           | (1,190,000)                       | 3,850,000           | 227,211,000           |
| <b>State Appropriations:</b>                         | <b>\$ 394,534,000</b> | <b>\$ (3,744,000)</b>             | <b>\$ 4,200,000</b> | <b>\$ 394,990,000</b> |
| <b>Federal Appropriations:</b>                       | <b>\$ 237,378,000</b> | <b>\$ 0</b>                       | <b>\$ 0</b>         | <b>\$ 237,378,000</b> |
| <b>Total Early Childhood &amp; Family Education:</b> | <b>\$ 631,912,000</b> | <b>\$ (3,744,000)</b>             | <b>\$ 4,200,000</b> | <b>\$ 632,368,000</b> |

|  | 1997-1999<br>Biennium   | Forecast &<br>Estimate Changes(1) | 1998 Law<br>Changes  | Biennium<br>Total       |
|--|-------------------------|-----------------------------------|----------------------|-------------------------|
| <b>Higher Education</b>                      |                         |                                   |                      |                         |
| Higher Education Services Office             |                         |                                   |                      |                         |
| Agency Administration                        | \$ 5,456,000            | \$ (6,000)                        | \$ 0                 | \$ 5,450,000            |
| State Scholarships and Grants                | 214,117,000             | (200,000)                         | 0                    | 213,917,000             |
| Interstate Tuition                           | 8,000,000               | 0                                 | 0                    | 8,000,000               |
| State Work-Study                             | 18,888,000              | 0                                 | 1,000,000            | 19,888,000              |
| Minitex Library Program                      | 5,216,000               | 0                                 | 0                    | 5,216,000               |
| Learning Network of MN                       | 10,792,000              | 0                                 | 0                    | 10,792,000              |
| Library Information Network                  | 12,000,000              | 0                                 | 0                    | 12,000,000              |
| Edvest                                       | 3,039,000               | 0                                 | 0                    | 3,039,000               |
| Appropriations Carried Forward               | 200,000                 | 273,000                           | 0                    | 473,000                 |
| Subtotal Higher Education Services Office:   | 277,708,000             | 67,000                            | 1,000,000            | 278,775,000             |
| MN State Colleges & Universities             |                         |                                   |                      |                         |
| Criminal Justice Study                       | 0                       | 0                                 | 200,000              | 200,000                 |
| Appropriations Carried Forward               | 3,616,000               | 91,000                            | 0                    | 3,707,000               |
| Subtotal MN State Colleges and Universities: | 1,019,252,000           | 2,619,000                         | 36,200,000           | 1,058,071,000           |
| University of Minnesota                      |                         |                                   |                      |                         |
| Operations and Maintenance                   | 939,360,000             | (148,000)                         | 31,850,000           | 971,062,000             |
| Health Sciences                              | 17,132,000              | 0                                 | 0                    | 17,132,000              |
| Institute of Technology                      | 3,104,000               | 0                                 | 0                    | 3,104,000               |
| System Specials                              | 14,358,000              | 0                                 | 0                    | 14,358,000              |
| Agriculture and Extension Service            | 102,094,000             | 0                                 | 3,650,000            | 105,744,000             |
| Workers' Comp. Safety Pilot Project          | 0                       | 0                                 | 292,000              | 292,000                 |
| Subtotal University of Minnesota:            | 1,076,048,000           | (148,000)                         | 35,792,000           | 1,111,692,000           |
| Mayo Medical Foundation                      | 2,431,000               | 0                                 | 0                    | 2,431,000               |
| <b>State Appropriations:</b>                 | <b>\$ 2,375,439,000</b> | <b>\$ 2,538,000</b>               | <b>\$ 72,992,000</b> | <b>\$ 2,450,969,000</b> |
| <b>Federal Appropriations:</b>               | <b>\$ 63,200,000</b>    | <b>\$ 0</b>                       | <b>\$ 0</b>          | <b>\$ 63,200,000</b>    |
| <b>Total Higher Education:</b>               | <b>\$ 2,438,639,000</b> | <b>\$ 2,538,000</b>               | <b>\$ 72,992,000</b> | <b>\$ 2,514,169,000</b> |

### Human Services

#### Department of Human Services

|  |               |               |             |               |
|--|---------------|---------------|-------------|---------------|
| Financial & Management Administration      | 50,432,000    | (680,000)     | 0           | 49,752,000    |
| Social Services                            | 83,917,000    | 0             | 1,618,000   | 85,535,000    |
| Community Social Services Aid              | 111,282,000   | 0             | 976,000     | 112,258,000   |
| Compulsive Gambling Treatment              | 2,450,000     | 0             | 750,000     | 3,200,000     |
| Family Self-Sufficiency Programs & Admin.  |               |               |             |               |
| Assistance to Families Grants / MFIP       | 231,382,000   | (34,351,000)  | 3,242,000   | 200,273,000   |
| General Assistance Grants                  | 105,054,000   | (30,111,000)  | 16,857,000  | 91,800,000    |
| Work Grants                                | 27,858,000    | 0             | (1,000,000) | 26,858,000    |
| Minnesota Supplemental Aid                 | 53,231,000    | (1,636,000)   | (5,424,000) | 46,171,000    |
| Child Support Enforcement                  | 10,218,000    | 0             | (1,100,000) | 9,118,000     |
| Administration                             | 76,051,000    | 0             | 0           | 76,051,000    |
| Refugee Service                            | 3,210,000     | 0             | 0           | 3,210,000     |
| Health Care Programs                       |               |               |             |               |
| MA Grants                                  | 3,158,713,000 | (214,864,000) | 3,373,000   | 2,947,222,000 |
| GAMC Grants                                | 343,839,000   | (67,821,000)  | 8,288,000   | 284,306,000   |
| Health Care Administration                 | 86,607,000    | 0             | 25,000      | 86,632,000    |
| Group Residential Housing Grants           | 135,536,000   | (17,478,000)  | 288,000     | 118,346,000   |
| Alternative Care & Other Community Support | 102,923,000   | 0             | 23,209,000  | 126,132,000   |
| Chemical Dependency Treatment              | 85,375,000    | (7,893,000)   | 400,000     | 77,882,000    |

|   | 1997-1999<br>Biennium    | Forecast &<br>Estimate Changes(1) | 1998 Law<br>Changes  | Biennium<br>Total       |
|---|--------------------------|-----------------------------------|----------------------|-------------------------|
| Special Education Reform                  | \$ 0                     | \$ 0                              | \$ 483,000           | \$ 483,000              |
| Mental Health                             | 98,692,000               | 0                                 | 1,903,000            | 100,595,000             |
| State Operated Facilities & Services      | 410,603,000              | 0                                 | (254,000)            | 410,349,000             |
| Claims Against the State                  | 0                        | 0                                 | 3,000                | 3,000                   |
| Tornado Relief                            | 0                        | 0                                 | 400,000              | 400,000                 |
| Federal Reimbursement                     | (40,362,000)             | (4,474,000)                       | 0                    | (44,836,000)            |
| Appropriations Carried Forward (1)        | 0                        | 738,000                           | 0                    | 738,000                 |
| Subtotal Department of Human Services:    | 5,137,011,000            | (378,570,000)                     | 54,037,000           | 4,812,478,000           |
| Ombudsman for Mental Health & Retardation | 2,697,000                | (4,000)                           | 0                    | 2,693,000               |
| Appropriations Carried Forward (1)        | 0                        | 18,000                            | 0                    | 18,000                  |
|   | 2,697,000                | 14,000                            | 0                    | 2,711,000               |
| Ombudsman for Families                    | 318,000                  | 0                                 | 0                    | 318,000                 |
| MinnesotaCare/Health Care Access Fund     |                          |                                   |                      |                         |
| Department of Commerce                    | 30,100,000               | 0                                 | 0                    | 30,100,000              |
| Department of Health                      | 22,959,000               | 0                                 | 259,000              | 23,218,000              |
| Department of Human Services              | 236,297,000              | (13,159,000)                      | (4,433,000)          | 218,705,000             |
| Department of Revenue                     | 4,789,000                | 0                                 | 0                    | 4,789,000               |
| University of Minnesota                   | 5,074,000                | 0                                 | 0                    | 5,074,000               |
| Legislative Coordinating Commission       | 300,000                  | 0                                 | 0                    | 300,000                 |
| Special Education Reform                  | 0                        | 0                                 | 93,000               | 93,000                  |
| Transfer from Health Care Access Fund     | 8,216,000                | 0                                 | 0                    | 8,216,000               |
| Subtotal MinnesotaCare:                   | 307,735,000              | (13,159,000)                      | (4,081,000)          | 290,495,000             |
| <b>State Appropriations:</b>              | <b>\$ 5,447,761,000</b>  | <b>\$ (391,715,000)</b>           | <b>\$ 49,956,000</b> | <b>\$ 5,106,002,000</b> |
| <b>Federal Appropriations:</b>            | <b>\$ 4,850,898,000</b>  | <b>\$ 0</b>                       | <b>\$ 0</b>          | <b>\$ 4,850,898,000</b> |
| <b>Total Human Services:</b>              | <b>\$ 10,298,659,000</b> | <b>\$ (391,715,000)</b>           | <b>\$ 49,956,000</b> | <b>\$ 9,956,900,000</b> |
| <b>Health</b>                             |                          |                                   |                      |                         |
| Department of Health                      |                          |                                   |                      |                         |
| Health Protection                         | 41,463,000               | 0                                 | 4,688,000            | 46,151,000              |
| Health Systems                            | 97,250,000               | (29,000)                          | 15,200,000           | 112,421,000             |
| Health Management & Support Services      | 6,425,000                | 0                                 | 0                    | 6,425,000               |
| Appropriations Carried Forward (1)        | 0                        | 106,000                           | 0                    | 106,000                 |
| Subtotal Department of Health:            | 145,138,000              | 77,000                            | 19,888,000           | 165,103,000             |
| Health-Related Boards                     | 24,818,000               | 0                                 | 314,000              | 25,132,000              |
| Council on People with Disabilities       | 1,247,000                | (2,000)                           | 0                    | 1,245,000               |
| <b>State Appropriations:</b>              | <b>\$ 171,203,000</b>    | <b>\$ 75,000</b>                  | <b>\$ 20,202,000</b> | <b>\$ 191,480,000</b>   |
| <b>Federal Appropriations:</b>            | <b>\$ 216,692,000</b>    | <b>\$ 0</b>                       | <b>\$ 0</b>          | <b>\$ 216,692,000</b>   |
| <b>Total Health:</b>                      | <b>\$ 387,895,000</b>    | <b>\$ 75,000</b>                  | <b>\$ 20,202,000</b> | <b>\$ 408,172,000</b>   |

|  | 1997-1999<br>Biennium   | Forecast &<br>Estimate Changes(1) | 1998 Law<br>Changes  | Biennium<br>Total       |
|--|-------------------------|-----------------------------------|----------------------|-------------------------|
| <b>Veterans</b>  |                         |                                   |                      |                         |
| Veterans Affairs   | \$ 8,828,000            | \$ (4,000)                        | \$ 0                 | \$ 8,824,000            |
| Gulf War Bonus Payments  | 17,090,000              | 0                                 | 0                    | 17,090,000              |
| Appropriations Carried Forward (1)   | 0                       | 803,000                           | 0                    | 803,000                 |
| Veterans Nursing Homes Board   | 43,761,000              | 0                                 | 0                    | 43,761,000              |
| Veterans Homes Improvement   | 1,270,000               | 0                                 | 0                    | 1,270,000               |
|  | 70,949,000              | 799,000                           | 0                    | 71,748,000              |
| Veterans of Foreign Wars   | 82,000                  | 0                                 | 0                    | 82,000                  |
| Disabled American Veterans   | 26,000                  | 0                                 | 0                    | 26,000                  |
| <u>Military Order of the Purple Heart</u>  | 40,000                  | 0                                 | 0                    | 40,000                  |
| <b>Total Veterans:</b>   | <b>\$ 71,097,000</b>    | <b>\$ 799,000</b>                 | <b>\$ 0</b>          | <b>\$ 71,896,000</b>    |
| <b>Transportation</b>  |                         |                                   |                      |                         |
| <b>State Roads</b>   |                         |                                   |                      |                         |
| Construction   | 441,660,000             | 0                                 | 40,000,000           | 481,660,000             |
| Highway Debt Service   | 28,700,000              | 0                                 | 0                    | 28,700,000              |
| Operations   | 407,934,000             | 0                                 | 0                    | 407,934,000             |
| Central Engineering Services   | 113,977,000             | 0                                 | 0                    | 113,977,000             |
| Research & Investment Management   | 23,397,000              | 0                                 | 0                    | 23,397,000              |
| Design & Engineering   | 140,324,000             | 0                                 | 6,800,000            | 147,124,000             |
| Electronic Communications  | 19,034,000              | 0                                 | 0                    | 19,034,000              |
| Subtotal Highway Develop. & Operations:  | 1,175,026,000           | 0                                 | 46,800,000           | 1,221,826,000           |
| <b>Local Roads</b>   |                         |                                   |                      |                         |
| County State Aids  | 645,801,000             | 0                                 | 0                    | 645,801,000             |
| Municipal State Aids   | 195,844,000             | 0                                 | 0                    | 195,844,000             |
| Subtotal Transp. Aids to Local Gov.:   | 841,645,000             | 0                                 | 0                    | 841,645,000             |
| <b>Public Transit: Metro &amp; Greater MN</b>  |                         |                                   |                      |                         |
| Greater Minnesota Transit Assistance   | 29,585,000              | 0                                 | 0                    | 29,585,000              |
| Met Council Transit  | 100,702,000             | 0                                 | 1,500,000            | 102,202,000             |
| Subtotal Public Transit: Metro & Greater MN:   | 130,287,000             | 0                                 | 1,500,000            | 131,787,000             |
| <b>General Support &amp; Management</b>  |                         |                                   |                      |                         |
| General Management   | 51,523,000              | (2,000)                           | 0                    | 51,521,000              |
| General Services   | 26,455,000              | 0                                 | 0                    | 26,455,000              |
| Motor Carrier Regulation   | 4,924,000               | 0                                 | 0                    | 4,924,000               |
| Railroads and Waterways  | 3,936,000               | 0                                 | 0                    | 3,936,000               |
| Buildings & Equipment  | 12,271,000              | 0                                 | 0                    | 12,271,000              |
| Subtotal General Support & Management:   | 99,109,000              | (2,000)                           | 0                    | 99,107,000              |
| <b>Aeronautics</b>   |                         |                                   |                      |                         |
| Aviation Support   | 9,691,000               | 0                                 | 0                    | 9,691,000               |
| Airport Development and Assistance   | 25,896,000              | 0                                 | 0                    | 25,896,000              |
| Air Transportation Services  | 537,000                 | 0                                 | 61,000               | 598,000                 |
| Civil Air Patrol   | 130,000                 | 0                                 | 0                    | 130,000                 |
| Subtotal Aeronautics:  | 36,254,000              | 0                                 | 61,000               | 36,315,000              |
| <b>Federal Funds Included in Highway Operations,<br/>Technical Services &amp; Program Management</b> |                         |                                   |                      |                         |
|  | (40,426,000)            | 0                                 | 0                    | (40,426,000)            |
| <b>State Appropriations:</b>   | <b>\$ 2,241,895,000</b> | <b>\$ (2,000)</b>                 | <b>\$ 48,361,000</b> | <b>\$ 2,290,254,000</b> |
| <b>Federal Appropriations:</b>   | <b>\$ 776,664,000</b>   | <b>\$ 0</b>                       | <b>\$ 0</b>          | <b>\$ 776,664,000</b>   |
| <b>Total Transportation:</b>   | <b>\$ 3,018,559,000</b> | <b>\$ (2,000)</b>                 | <b>\$ 48,361,000</b> | <b>\$ 3,066,918,000</b> |

|   | 1997-1999<br>Biennium | Forecast &<br>Estimate Changes(1) | 1998 Law<br>Changes  | Biennium<br>Total     |
|---|-----------------------|-----------------------------------|----------------------|-----------------------|
| <b>Agriculture</b>                          |                       |                                   |                      |                       |
| Department of Agriculture                   |                       |                                   |                      |                       |
| Protection Service                          | \$ 35,759,000         | \$ 0                              | \$ 1,367,000         | \$ 37,126,000         |
| Agricultural Marketing and Development      | 6,685,000             | 0                                 | 360,000              | 7,045,000             |
| Administration and Financial Assistance     | 12,429,000            | (30,000)                          | 567,000              | 12,966,000            |
| Individual Sewage Treatment Systems         | 4,000,000             | 0                                 | 0                    | 4,000,000             |
| Crop Insurance                              | 0                     | 0                                 | 8,800,000            | 8,800,000             |
| Tornado Relief                              | 0                     | 0                                 | 4,000,000            | 4,000,000             |
| Subtotal Department of Agriculture:         | 58,873,000            | (30,000)                          | 15,094,000           | 73,937,000            |
| Agricultural Utilization Research Institute | 8,750,000             | 0                                 | 0                    | 8,750,000             |
| Board of Water & Soil Resources             | 30,927,000            | (8,000)                           | 1,400,000            | 32,319,000            |
| Appropriations Carried Forward (1)          | 0                     | 505,000                           | 0                    | 505,000               |
|   | 30,927,000            | 497,000                           | 1,400,000            | 32,824,000            |
| Board of Animal Health                      | 4,731,000             | (6,000)                           | 190,000              | 4,915,000             |
| Ethanol Producer Payments                   | 49,651,000            | 0                                 | 0                    | 49,651,000            |
| Minnesota Horticultural Society             | 164,000               | 0                                 | 0                    | 164,000               |
| <b>State Appropriations:</b>                | <b>\$ 153,096,000</b> | <b>\$ 461,000</b>                 | <b>\$ 16,684,000</b> | <b>\$ 170,241,000</b> |
| <b>Federal Appropriations:</b>              | <b>\$ 4,507,000</b>   | <b>\$ 0</b>                       | <b>\$ 0</b>          | <b>\$ 4,507,000</b>   |
| <b>Total Agriculture:</b>                   | <b>\$ 157,603,000</b> | <b>\$ 461,000</b>                 | <b>\$ 16,684,000</b> | <b>\$ 174,748,000</b> |

### Economic Development

|  |                       |                     |                     |                       |
|--|-----------------------|---------------------|---------------------|-----------------------|
| Department of Trade & Economic Development |                       |                     |                     |                       |
| Tourism                                    | 16,830,000            | 0                   | 0                   | 16,830,000            |
| Administration                             | 5,999,000             | (25,000)            | 0                   | 5,974,000             |
| Business & Community Development           | 57,568,000            | 0                   | 580,000             | 58,148,000            |
| Minnesota Trade Office                     | 4,788,000             | 0                   | 0                   | 4,788,000             |
| Information & Analysis                     | 2,845,000             | 0                   | 0                   | 2,845,000             |
| Contaminated Site Cleanup                  | 8,600,000             | 0                   | 0                   | 8,600,000             |
| Emergency Flood Relief                     | 8,200,000             | 0                   | 0                   | 8,200,000             |
| Tornado Relief                             | 0                     | 0                   | 5,950,000           | 5,950,000             |
| Appropriations Carried Forward (1)         | 0                     | 3,646,000           | 0                   | 3,646,000             |
| Subtotal Dept. of Trade & Economic Dev.:   | 104,830,000           | 3,621,000           | 6,530,000           | 114,981,000           |
| World Trade Center Corporation             | 78,000                | 0                   | 155,000             | 233,000               |
| Minnesota Technology Incorporated          | 19,574,000            | 0                   | 0                   | 19,574,000            |
| Amateur Sports Commission                  | 2,144,000             | 0                   | 100,000             | 2,244,000             |
| Ice Arenas                                 | 5,000,000             | 0                   | 0                   | 5,000,000             |
| Sports Facility Financing                  | 1,500,000             | 0                   | 0                   | 1,500,000             |
| Subtotal Amateur Sports Commission:        | 8,644,000             | 0                   | 100,000             | 8,744,000             |
| Labor Interpretive Center                  | 421,000               | 0                   | 0                   | 421,000               |
| <b>State Appropriations:</b>               | <b>\$ 133,547,000</b> | <b>\$ 3,621,000</b> | <b>\$ 6,785,000</b> | <b>\$ 143,953,000</b> |
| <b>Federal Appropriations:</b>             | <b>\$ 168,682,000</b> | <b>\$ 0</b>         | <b>\$ 0</b>         | <b>\$ 168,682,000</b> |
| <b>Total Economic Development:</b>         | <b>\$ 302,229,000</b> | <b>\$ 3,621,000</b> | <b>\$ 6,785,000</b> | <b>\$ 312,635,000</b> |



|  | 1997-1999<br>Biennium | Forecast &<br>Estimate Changes(1) | 1998 Law<br>Changes  | Biennium<br>Total     |
|--|-----------------------|-----------------------------------|----------------------|-----------------------|
| <b>Housing</b>                             |                       |                                   |                      |                       |
| Housing Finance Agency                     | \$ 58,356,000         | \$ 0                              | \$ 3,850,000         | \$ 62,206,000         |
| Implement Property Tax Reform              | 450,000               | 0                                 | 0                    | 450,000               |
| Affordable Rental Investment Fund          | 0                     | 0                                 | 10,000,000           | 10,000,000            |
| Tornado Relief                             | 0                     | 0                                 | 4,000,000            | 4,000,000             |
| Emergency Flood Relief                     | 6,500,000             | 0                                 | 0                    | 6,500,000             |
| <b>Total Housing:</b>                      | <b>\$ 65,306,000</b>  | <b>\$ 0</b>                       | <b>\$ 17,850,000</b> | <b>\$ 83,156,000</b>  |
| <b>Natural Resources</b>                   |                       |                                   |                      |                       |
| Department of Natural Resources            |                       |                                   |                      |                       |
| Operations Support                         | 60,258,000            | (199,000)                         | 890,000              | 60,949,000            |
| Water Resources Management                 | 20,562,000            | 0                                 | 2,330,000            | 22,892,000            |
| Mineral Resources Management               | 10,182,000            | 0                                 | 53,000               | 10,235,000            |
| Forest Management                          | 68,536,000            | 0                                 | 1,328,000            | 69,864,000            |
| Fish and Wildlife Management               | 82,257,000            | 0                                 | 4,360,000            | 86,617,000            |
| Parks and Recreation Management            | 53,903,000            | 0                                 | 430,000              | 54,333,000            |
| Enforcement                                | 39,056,000            | 0                                 | 450,000              | 39,506,000            |
| Trails and Waterways                       | 33,889,000            | 0                                 | 750,000              | 34,639,000            |
| Leech Lake and White Earth Reservation     | 3,624,000             | 213,000                           | 0                    | 3,837,000             |
| 1854 Indian Treaty Settlement              | 8,087,000             | (386,000)                         | 0                    | 7,701,000             |
| Wildlife Management Lands in Lieu of Taxes | 2,600,000             | 250,000                           | 0                    | 2,850,000             |
| DNR Firefighting                           | 1,072,000             | 7,021,000                         | 0                    | 8,093,000             |
| Emergency Flood Relief                     | 900,000               | 0                                 | 0                    | 900,000               |
| Appropriations Carried Forward (1)         | 0                     | 43,000                            | 0                    | 43,000                |
| Subtotal Dept. of Natural Resources:       | 384,926,000           | 6,942,000                         | 10,591,000           | 402,459,000           |
| Zoological Board                           | 10,903,000            | (10,000)                          | 1,500,000            | 12,393,000            |
| Appropriations Carried Forward (1)         | 0                     | 1,000                             | 0                    | 1,000                 |
| Subtotal Zoological Board:                 | 10,903,000            | (9,000)                           | 1,500,000            | 12,394,000            |
| Minn.-Wisc. Boundary Area Commission       | 349,000               | 0                                 | 0                    | 349,000               |
| Voyageurs National Park Citizens Committee | 127,000               | 0                                 | 0                    | 127,000               |
| Minnesota Resources                        |                       |                                   |                      |                       |
| LCMR Administration                        | 776,000               | 0                                 | 0                    | 776,000               |
| Recreation                                 | 10,000,000            | 0                                 | 0                    | 10,000,000            |
| Historic Sites                             | 1,388,000             | 0                                 | 0                    | 1,388,000             |
| Water Resources                            | 2,170,000             | 0                                 | 0                    | 2,170,000             |
| Agricultural Practices                     | 1,685,000             | 0                                 | 0                    | 1,685,000             |
| Pollution Prevention                       | 265,000               | 0                                 | 0                    | 265,000               |
| Impacts on Natural Resources               | 1,985,000             | 0                                 | 0                    | 1,985,000             |
| Decision-Making Tools                      | 1,410,000             | 0                                 | 0                    | 1,410,000             |
| Public Access to Natural Resources Data    | 850,000               | 0                                 | 0                    | 850,000               |
| Sustainable Development Activities         | 1,698,000             | 0                                 | 0                    | 1,698,000             |
| Environmental Education                    | 2,478,000             | 0                                 | 0                    | 2,478,000             |
| Benchmarks and Indicators                  | 1,715,000             | 0                                 | 0                    | 1,715,000             |
| Native Fisheries                           | 336,000               | 0                                 | 0                    | 336,000               |
| Land Acquisition in High Growth Areas      | 850,000               | 0                                 | 0                    | 850,000               |
| Critical Lands or Habitats                 | 7,432,000             | 0                                 | 0                    | 7,432,000             |
| Wildlife or Trail Corridors                | 1,000,000             | 0                                 | 0                    | 1,000,000             |
| Native Species Planting                    | 670,000               | 0                                 | 0                    | 670,000               |
| Exotic Species                             | 500,000               | 0                                 | 0                    | 500,000               |
| Subtotal Minnesota Resources:              | 37,208,000            | 0                                 | 0                    | 37,208,000            |
| State Appropriations:                      | \$ 433,513,000        | \$ 6,933,000                      | \$ 12,091,000        | \$ 452,537,000        |
| Federal Appropriations:                    | \$ 16,146,000         | \$ 0                              | \$ 0                 | \$ 16,146,000         |
| <b>Total Natural Resources:</b>            | <b>\$ 449,659,000</b> | <b>\$ 6,933,000</b>               | <b>\$ 12,091,000</b> | <b>\$ 468,683,000</b> |

|                                    | 1997-1999<br>Biennium | Forecast &<br>Estimate Changes(1) | 1998 Law<br>Changes | Biennium<br>Total     |
|------------------------------------|-----------------------|-----------------------------------|---------------------|-----------------------|
| <b>Pollution Control</b>           |                       |                                   |                     |                       |
| Pollution Control Agency           |                       |                                   |                     |                       |
| Protection of the Water            | \$ 25,427,000         | \$ 0                              | \$ 1,255,000        | \$ 26,682,000         |
| Protection of the Air              | 15,984,000            | 0                                 | 0                   | 15,984,000            |
| Protection of the Land             | 31,456,000            | 0                                 | 85,000              | 31,541,000            |
| General Support                    | 13,831,000            | (20,000)                          | 50,000              | 13,861,000            |
| Sewage Treatment Grants            | 1,000,000             | 0                                 | 0                   | 1,000,000             |
| Subtotal Pollution Control Agency: | 87,698,000            | (20,000)                          | 1,390,000           | 89,068,000            |
| Office of Environmental Assistance | 13,076,000            | (8,000)                           | 0                   | 13,068,000            |
| SCORE County Block Grants          | 28,016,000            | 0                                 | 0                   | 28,016,000            |
| <b>State Appropriations:</b>       | <b>\$ 128,790,000</b> | <b>\$ (28,000)</b>                | <b>\$ 1,390,000</b> | <b>\$ 130,152,000</b> |
| <b>Federal Appropriations:</b>     | <b>\$ 33,507,000</b>  | <b>\$ 0</b>                       | <b>\$ 0</b>         | <b>\$ 33,507,000</b>  |
| <b>Total Pollution Control:</b>    | <b>\$ 162,297,000</b> | <b>\$ (28,000)</b>                | <b>\$ 1,390,000</b> | <b>\$ 163,659,000</b> |

### Protection of Workers

|   |                       |                  |                     |                       |
|---|-----------------------|------------------|---------------------|-----------------------|
| Department of Labor & Industry            |                       |                  |                     |                       |
| Workers' Comp. Regulation & Enforcement   | 24,312,000            | (8,000)          | 0                   | 24,304,000            |
| Workplace Services                        | 13,106,000            | 0                | 0                   | 13,106,000            |
| General Support                           | 12,860,000            | 0                | 0                   | 12,860,000            |
| Claims Against the State                  | 0                     | 0                | 24,000              | 24,000                |
| Subtotal Department of Labor & Industry:  | 50,278,000            | (8,000)          | 24,000              | 50,294,000            |
| Workers' Compensation Court of Appeals    | 2,962,000             | 0                | 0                   | 2,962,000             |
| Bureau of Mediation Services              | 4,135,000             | (4,000)          | 0                   | 4,131,000             |
| Department of Economic Security           |                       |                  |                     |                       |
| Employment Training & Youth Employment    | 25,873,000            | (12,000)         | 1,326,000           | 27,187,000            |
| Youthbuild                                | 1,400,000             | 0                | 0                   | 1,400,000             |
| Rehabilitation Services                   | 39,625,000            | 0                | 1,000,000           | 40,625,000            |
| Services for the Blind                    | 7,551,000             | 0                | 0                   | 7,551,000             |
| Workforce Exchange                        | 3,000,000             | 0                | 0                   | 3,000,000             |
| Curfew Program                            | 1,300,000             | 0                | 0                   | 1,300,000             |
| Appropriations Carried Forward (1)        | 0                     | 49,000           | 0                   | 49,000                |
| Subtotal Department of Economic Security: | 78,749,000            | 37,000           | 2,326,000           | 81,112,000            |
| <b>State Appropriations:</b>              | <b>\$ 136,124,000</b> | <b>\$ 25,000</b> | <b>\$ 2,350,000</b> | <b>\$ 138,499,000</b> |
| <b>Federal Appropriations:</b>            | <b>\$ 318,526,000</b> | <b>\$ 0</b>      | <b>\$ 0</b>         | <b>\$ 318,526,000</b> |
| <b>Total Protection of Workers:</b>       | <b>\$ 454,650,000</b> | <b>\$ 25,000</b> | <b>\$ 2,350,000</b> | <b>\$ 457,025,000</b> |

### Public Employees

|                                       |            |         |         |            |
|---------------------------------------|------------|---------|---------|------------|
| Department of Employee Relations      |            |         |         |            |
| Administration                        | 14,175,000 | 454,000 | 750,000 | 15,379,000 |
| Employee Insurance                    | 1,558,000  | 0       | 0       | 1,558,000  |
| Subtotal Dept. of Employee Relations: | 15,733,000 | 454,000 | 750,000 | 16,937,000 |

|   | 1997-1999<br>Biennium | Forecast &<br>Estimate Changes(1) | 1998 Law<br>Changes | Biennium<br>Total     |
|---|-----------------------|-----------------------------------|---------------------|-----------------------|
| <b>Retirement</b>                           |                       |                                   |                     |                       |
| Minneapolis Employees' Retirement Fund      | \$ 19,455,000         | \$ 0                              | \$ 0                | \$ 19,455,000         |
| Pre-1973 Retirement Adjustment              | 1,100,000             | 0                                 | 0                   | 1,100,000             |
| Local Police and Fire Amortization Aid      | 9,850,000             | (393,000)                         | 0                   | 9,457,000             |
| Police & Fire Supplemental Amortization Aid | 2,000,000             | (480,000)                         | 0                   | 1,520,000             |
| Aid to Police and Fire Departments          | 130,746,000           | (6,184,000)                       | 0                   | 124,562,000           |
| Legislators' Retirement                     | 4,290,000             | 1,000,000                         | 0                   | 5,290,000             |
| Judges' Retirement                          | 2,970,000             | 0                                 | 0                   | 2,970,000             |
| Teachers' Retirement                        | 6,676,000             | (1,676,000)                       | 0                   | 5,000,000             |
| Firefighters' Relief Surcharge              | 753,000               | (7,000)                           | 0                   | 746,000               |
| Constitutional Officers' Retirement         | 355,000               | 0                                 | 0                   | 355,000               |
| Pension Uniformity                          | (7,321,000)           | 46,855,000                        | 0                   | 39,534,000            |
| PERA/MSRS Changes                           | 0                     | 22,425,000                        | 710,000             | 23,135,000            |
| Subtotal Retirement:                        | 170,874,000           | 61,540,000                        | 710,000             | 233,124,000           |
| <b>Total Public Employees:</b>              | <b>\$ 186,607,000</b> | <b>\$ 61,994,000</b>              | <b>\$ 1,460,000</b> | <b>\$ 250,061,000</b> |

### Industry Regulation

|  |                       |                   |                   |                       |
|--|-----------------------|-------------------|-------------------|-----------------------|
| <b>Department of Commerce</b>          |                       |                   |                   |                       |
| Financial Examinations                 | 7,685,000             | 0                 | 0                 | 7,685,000             |
| Registration and Analysis              | 9,069,000             | 0                 | 0                 | 9,069,000             |
| Administrative Services                | 5,715,000             | (38,000)          | 0                 | 5,677,000             |
| Enforcement and Licensing              | 7,976,000             | 0                 | 0                 | 7,976,000             |
| Petroleum Tank Release Cleanup Board   | 1,926,000             | 0                 | 0                 | 1,926,000             |
| Workers' Comp. Regulation              | 0                     | 0                 | 0                 | 0                     |
| Subtotal Department of Commerce:       | 32,371,000            | (38,000)          | 0                 | 32,333,000            |
| Non-Health-Related Boards              | 2,980,000             | 0                 | 0                 | 2,980,000             |
| Public Utilities Commission            | 6,726,000             | (8,000)           | 393,000           | 7,111,000             |
| Appropriations Carried Forward (1)     | 0                     | 328,000           | 0                 | 328,000               |
| Subtotal Public Utilities Commission:  | 6,726,000             | 320,000           | 393,000           | 7,439,000             |
| Department of Public Service           | 18,124,000            | (19,000)          | 0                 | 18,105,000            |
| Hydro/Wind Power Regulation            | 1,813,000             | 0                 | 0                 | 1,813,000             |
| Subtotal Department of Public Service: | 19,937,000            | (19,000)          | 0                 | 19,918,000            |
| State Lottery Board                    | 101,598,000           | 0                 | 0                 | 101,598,000           |
| Lawful Gambling Control Board          | 4,454,000             | (6,000)           | 0                 | 4,448,000             |
| Racing Commission                      | 750,000               | 0                 | 0                 | 750,000               |
| <b>State Appropriations:</b>           | <b>\$ 168,816,000</b> | <b>\$ 257,000</b> | <b>\$ 393,000</b> | <b>\$ 169,466,000</b> |
| <b>Federal Appropriations:</b>         | <b>\$ 1,629,000</b>   | <b>\$ 0</b>       | <b>\$ 0</b>       | <b>\$ 1,629,000</b>   |
| <b>Total Industry Regulation:</b>      | <b>\$ 170,445,000</b> | <b>\$ 257,000</b> | <b>\$ 393,000</b> | <b>\$ 171,095,000</b> |

### Public Safety

|                                     |             |          |           |             |
|-------------------------------------|-------------|----------|-----------|-------------|
| <b>Department of Public Safety</b>  |             |          |           |             |
| Administration and Related Services | 19,261,000  | (40,000) | 0         | 19,221,000  |
| Emergency Management                | 6,853,000   | 0        | 148,000   | 7,001,000   |
| Criminal Apprehension               | 52,139,000  | 0        | 233,000   | 52,372,000  |
| Fire Marshal                        | 5,948,000   | 0        | 170,000   | 6,118,000   |
| State Patrol                        | 102,932,000 | 0        | 3,935,000 | 106,867,000 |
| Driver and Vehicle Services         | 69,857,000  | 0        | 435,000   | 70,292,000  |
| Alcohol & Gambling Enforcement      | 3,398,000   | 0        | 0         | 3,398,000   |
| Law Enforcement & Community Grants  | 6,005,000   | 0        | 750,000   | 6,755,000   |
| Pipeline Safety                     | 1,839,000   | 0        | 0         | 1,839,000   |

|  | 1997-1999<br>Biennium   | Forecast &<br>Estimate Changes(1) | 1998 Law<br>Changes  | Biennium<br>Total       |
|--|-------------------------|-----------------------------------|----------------------|-------------------------|
| <b>Department of Public Safety - Continued</b> |                         |                                   |                      |                         |
| Crime Victims Services                         | \$ 4,302,000            | \$ 0                              | \$ 0                 | \$ 4,302,000            |
| Crime Victims Ombudsman                        | 749,000                 | 0                                 | 304,000              | 1,053,000               |
| Priv. Detective & Protective Agen. Lic. Board  | 262,000                 | 0                                 | 0                    | 262,000                 |
| Transfer to Trunk Highway Fund                 | 3,681,000               | 0                                 | 0                    | 3,681,000               |
| Traffic Safety                                 | 708,000                 | 0                                 | 0                    | 708,000                 |
| Special DWI Enforcement                        | 103,000                 | 0                                 | 0                    | 103,000                 |
| Tornado Relief                                 | 0                       | 0                                 | 8,800,000            | 8,800,000               |
| Youth Drivers License                          | 0                       | 0                                 | 303,000              | 303,000                 |
| Appropriations Carried Forward (1)             | 0                       | 1,388,000                         | 0                    | 1,388,000               |
| Subtotal Department of Public Safety:          | 278,037,000             | 1,348,000                         | 15,078,000           | 294,463,000             |
| <b>Department of Corrections</b>               |                         |                                   |                      |                         |
| Management Services                            | 39,248,000              | 1,604,000                         | 0                    | 40,852,000              |
| Community Services                             | 165,211,000             | 0                                 | 2,115,000            | 167,326,000             |
| Correctional Institutions                      | 369,788,000             | 0                                 | 0                    | 369,788,000             |
| Corrections Aid                                | 56,163,000              | 188,000                           | 0                    | 56,351,000              |
| Juvenile Services                              | 34,860,000              | 0                                 | 0                    | 34,860,000              |
| Appropriations Carried Forward (1)             | 0                       | 2,333,000                         | 0                    | 2,333,000               |
| Claims Against the State                       | 0                       | 0                                 | 61,000               | 61,000                  |
| Subtotal Department of Corrections:            | 665,270,000             | 4,125,000                         | 2,176,000            | 671,571,000             |
| Sentencing Guidelines Commission               | 880,000                 | 0                                 | 0                    | 880,000                 |
| Corrections Ombudsman                          | 1,145,000               | (2,000)                           | 20,000               | 1,163,000               |
| Board of Peace Officers Standards and Training | 7,382,000               | 0                                 | 148,000              | 7,530,000               |
| Automobile Theft Prevention Board              | 3,734,000               | 0                                 | 0                    | 3,734,000               |
| Minnesota Safety Council                       | 134,000                 | 0                                 | 0                    | 134,000                 |
| <b>Military Affairs</b>                        |                         |                                   |                      |                         |
| Maintenance of Training Facilities             | 12,185,000              | 0                                 | 0                    | 12,185,000              |
| General Support                                | 4,153,000               | (12,000)                          | 0                    | 4,141,000               |
| Appropriations Carried Forward (1)             | 0                       | 809,000                           | 0                    | 809,000                 |
| Enlistment Incentives                          | 4,705,000               | 0                                 | 0                    | 4,705,000               |
| Subtotal Department of Military Affairs:       | 21,043,000              | 797,000                           | 0                    | 21,840,000              |
| <b>State Appropriations:</b>                   | <b>\$ 977,625,000</b>   | <b>\$ 6,268,000</b>               | <b>\$ 17,422,000</b> | <b>\$ 1,001,315,000</b> |
| <b>Federal Appropriations:</b>                 | <b>\$ 133,617,000</b>   | <b>\$ 0</b>                       | <b>\$ 0</b>          | <b>\$ 133,617,000</b>   |
| <b>Total Public Safety:</b>                    | <b>\$ 1,111,242,000</b> | <b>\$ 6,268,000</b>               | <b>\$ 17,422,000</b> | <b>\$ 1,134,932,000</b> |

## Governance

### LEGISLATURE

|                                     |                       |                     |                   |                       |
|-------------------------------------|-----------------------|---------------------|-------------------|-----------------------|
| Senate                              | 36,717,000            | 0                   | 0                 | 36,717,000            |
| House                               | 49,917,000            | 0                   | 0                 | 49,917,000            |
| Legislative Coordinating Commission | 25,015,000            | (14,000)            | 200,000           | 25,201,000            |
| Appropriations Carried Forward (1)  | 0                     | 6,178,000           | 0                 | 6,178,000             |
| <b>TOTAL LEGISLATURE:</b>           | <b>\$ 111,649,000</b> | <b>\$ 6,164,000</b> | <b>\$ 200,000</b> | <b>\$ 118,013,000</b> |

|  | 1997-1999<br>Biennium | Forecast &<br>Estimate Changes(1) | 1998 Law<br>Changes  | Biennium<br>Total     |
|--|-----------------------|-----------------------------------|----------------------|-----------------------|
| <b>COURTS</b>                            |                       |                                   |                      |                       |
| Supreme Court                            |                       |                                   |                      |                       |
| Operations                               | \$ 8,193,000          | \$ (20,000)                       | \$ 495,000           | \$ 8,668,000          |
| State Court Administrator                | 18,184,000            | 0                                 | 775,000              | 18,959,000            |
| State Law Library                        | 3,467,000             | 0                                 | 0                    | 3,467,000             |
| Low Income & Family Farm Leg. Assistance | 11,214,000            | 0                                 | 0                    | 11,214,000            |
| Family Law Legal Assistance              | 1,754,000             | 0                                 | 0                    | 1,754,000             |
| Community Dispute Resolution             | 220,000               | 0                                 | 100,000              | 320,000               |
| Victim Offender Mediation Grants         | 340,000               | 0                                 | 0                    | 340,000               |
| Subtotal Supreme Court:                  | 43,372,000            | (20,000)                          | 1,370,000            | 44,722,000            |
| Court of Appeals                         | 12,268,000            | (8,000)                           | 207,000              | 12,467,000            |
| District Courts                          | 143,222,000           | (36,000)                          | 1,060,000            | 144,246,000           |
| Board on Judicial Standards              | 531,000               | 0                                 | 30,000               | 561,000               |
| Board of Public Defense                  | 1,815,000             | (43,000)                          | 1,000,000            | 2,772,000             |
| State Public Defender                    | 6,565,000             | 0                                 | 0                    | 6,565,000             |
| District Public Defense                  | 75,250,000            | 0                                 | 0                    | 75,250,000            |
| Appropriations Carried Forward (1)       | 0                     | 77,000                            | 0                    | 77,000                |
| Tax Court                                | 1,619,000             | 0                                 | 0                    | 1,619,000             |
| Subtotal District Courts:                | 229,002,000           | (2,000)                           | 2,090,000            | 231,090,000           |
| <b>TOTAL COURTS:</b>                     | <b>\$ 284,642,000</b> | <b>\$ (30,000)</b>                | <b>\$ 3,667,000</b>  | <b>\$ 288,279,000</b> |
| <b>CONSTITUTIONAL OFFICERS</b>           |                       |                                   |                      |                       |
| Governor and Lieutenant Governor         | 7,700,000             | 0                                 | 0                    | 7,700,000             |
| Secretary of State                       | 11,851,000            | (8,000)                           | 100,000              | 11,943,000            |
| State Auditor                            | 15,634,000            | (18,000)                          | 0                    | 15,616,000            |
| Appropriations Carried Forward (1)       | 0                     | 25,000                            | 0                    | 25,000                |
| Subtotal State Auditor:                  | 15,634,000            | 7,000                             | 0                    | 15,641,000            |
| State Treasurer                          | 4,204,000             | (2,000)                           | 0                    | 4,202,000             |
| Appropriations Carried Forward (1)       | 0                     | 502,000                           | 0                    | 502,000               |
| Subtotal State Treasurer:                | 4,204,000             | 500,000                           | 0                    | 4,704,000             |
| Attorney General                         | 30,188,000            | (14,000)                          | 23,000,000           | 53,174,000            |
| Special DWI Enforcement                  | 57,000                | 0                                 | 0                    | 57,000                |
| DARE Advisory Council                    | 250,000               | 0                                 | 0                    | 250,000               |
| Subtotal Attorney General:               | 30,495,000            | (14,000)                          | 23,000,000           | 53,481,000            |
| Investment Board                         | 4,410,000             | 0                                 | 0                    | 4,410,000             |
| Board of Public Disclosure               | 1,076,000             | 0                                 | 0                    | 1,076,000             |
| <b>TOTAL CONSTITUTIONAL OFFICERS:</b>    | <b>\$ 75,370,000</b>  | <b>\$ 485,000</b>                 | <b>\$ 23,100,000</b> | <b>\$ 98,955,000</b>  |
| <b>State Appropriations:</b>             | <b>\$ 471,661,000</b> | <b>\$ 6,619,000</b>               | <b>\$ 26,967,000</b> | <b>\$ 505,247,000</b> |
| <b>Federal Appropriations:</b>           | <b>\$ 2,451,000</b>   | <b>\$ 0</b>                       | <b>\$ 0</b>          | <b>\$ 2,451,000</b>   |
| <b>Total Governance:</b>                 | <b>\$ 474,112,000</b> | <b>\$ 6,619,000</b>               | <b>\$ 26,967,000</b> | <b>\$ 507,698,000</b> |

|   | 1997-1999<br>Biennium | Forecast &<br>Estimate Changes(1) | 1998 Law<br>Changes | Biennium<br>Total |
|---|-----------------------|-----------------------------------|---------------------|-------------------|
| <b>Other Departments, Boards, and Commissions</b> |                       |                                   |                     |                   |
| Office of Administrative Hearings                 | \$ 8,302,000          | \$ 0                              | \$ 0                | \$ 8,302,000      |
| Department of Administration                      |                       |                                   |                     |                   |
| Operations Management                             | 7,420,000             | (30,000)                          | 170,000             | 7,560,000         |
| Technology Management                             | 48,429,000            | 0                                 | 4,715,000           | 53,144,000        |
| Facilities Management                             | 12,500,000            | 0                                 | 0                   | 12,500,000        |
| Administrative Management                         | 5,292,000             | 0                                 | 0                   | 5,292,000         |
| Management Analysis                               | 1,242,000             | 0                                 | 0                   | 1,242,000         |
| Public Broadcasting                               | 9,046,000             | 0                                 | 315,000             | 9,361,000         |
| Children's Museum                                 | 320,000               | 0                                 | 0                   | 320,000           |
| Voyager Center                                    | 250,000               | 0                                 | 0                   | 250,000           |
| Hockey Hall of Fame                               | 200,000               | 0                                 | 0                   | 200,000           |
| American Bald Eagle Center                        | 450,000               | 0                                 | 0                   | 450,000           |
| Legislative Rent                                  | 10,436,000            | 0                                 | 0                   | 10,436,000        |
| Water Recreation/Gas Tax Study                    | 0                     | 0                                 | 50,000              | 50,000            |
| Corrections Study                                 | 0                     | 0                                 | 100,000             | 100,000           |
| Complete Transportation Building Renovation       | 0                     | 0                                 | 15,775,000          | 15,775,000        |
| Appropriations Carried Forward (1)                | 0                     | 457,000                           | 0                   | 457,000           |
| Subtotal Department of Administration:            | 95,585,000            | 427,000                           | 21,125,000          | 117,137,000       |
| Capitol Area Architectural and Planning Board     | 595,000               | 0                                 | 0                   | 595,000           |
| Appropriations Carried Forward (1)                | 0                     | 280,000                           | 0                   | 280,000           |
| Subtotal CAA & PB:                                | 595,000               | 280,000                           | 0                   | 875,000           |
| Department of Finance                             |                       |                                   |                     |                   |
| Accounts Receivable Project                       | 42,282,000            | (31,000)                          | 0                   | 42,251,000        |
| Tornado Relief Coningency                         | 2,989,000             | 0                                 | 0                   | 2,989,000         |
| Appropriations Carried Forward (1)                | 0                     | 0                                 | 2,700,000           | 2,700,000         |
| Appropriations Carried Forward (1)                | 0                     | 9,000                             | 0                   | 9,000             |
| Subtotal Department of Finance:                   | 45,271,000            | (22,000)                          | 2,700,000           | 47,949,000        |
| Department of Revenue                             |                       |                                   |                     |                   |
| Income Tax  | 28,846,000            | 0                                 | 0                   | 28,846,000        |
| Business Excise and Consumption                   | 27,629,000            | 0                                 | 0                   | 27,629,000        |
| Property Tax & State Aids                         | 5,895,000             | 0                                 | 0                   | 5,895,000         |
| Tax Operations                                    | 55,921,000            | 0                                 | 0                   | 55,921,000        |
| Legal and Research                                | 7,662,000             | 0                                 | 0                   | 7,662,000         |
| Administrative Support                            | 32,714,000            | (178,000)                         | 0                   | 32,536,000        |
| Accounts Receivable Operations                    | 4,284,000             | 0                                 | 731,000             | 5,015,000         |
| Outstanding Collections/Property                  | 2,800,000             | 0                                 | 0                   | 2,800,000         |
| Administration & New Tax Law Changes              | 4,565,000             | 0                                 | 3,458,000           | 8,023,000         |
| Emergency Flood Relief                            | 600,000               | 0                                 | 10,000,000          | 10,600,000        |
| Disaster Abatement Aid                            | 0                     | 0                                 | 500,000             | 500,000           |
| Dept. of Revenue - State Claims                   | 0                     | 0                                 | 20,000              | 20,000            |
| Subtotal Department of Revenue:                   | 170,916,000           | (178,000)                         | 14,709,000          | 185,447,000       |
| Office of Technology                              |                       |                                   |                     |                   |
| Secure Links                                      | 7,938,000             | 0                                 | 0                   | 7,938,000         |
| Subtotal Office of Technology:                    | 500,000               | 0                                 | 0                   | 500,000           |
| Office of Strategic & Long-Range Planning         | 8,438,000             | 0                                 | 0                   | 8,438,000         |
| Office of Strategic & Long-Range Planning         | 10,390,000            | (10,000)                          | 1,300,000           | 11,680,000        |
| Brd. of Government Innovation and Cooperation     | 2,321,000             | 0                                 | 0                   | 2,321,000         |
| Human Rights                                      | 7,553,000             | (8,000)                           | 100,000             | 7,645,000         |
| Indian Affairs Council                            | 1,058,000             | 0                                 | 0                   | 1,058,000         |

|   | 1997-1999<br>Biennium | Forecast &<br>Estimate Changes(1) | 1998 Law<br>Changes  | Biennium<br>Total     |
|---|-----------------------|-----------------------------------|----------------------|-----------------------|
| Council on Chicano-Latino Affairs               | \$ 605,000            | \$ 0                              | \$ 0                 | \$ 605,000            |
| Council on Black Minnesotans                    | 642,000               | 0                                 | 0                    | 642,000               |
| Council on Asian-Pacific Minnesotans            | 541,000               | 0                                 | 0                    | 541,000               |
| Minnesota Municipal Board                       | 622,000               | 0                                 | 0                    | 622,000               |
| Uniform Laws Commission                         | 71,000                | 0                                 | 0                    | 71,000                |
| Minnesota Historical Society                    | 46,791,000            | 0                                 | 646,000              | 47,437,000            |
| Tornado Relief                                  | 0                     | 0                                 | 1,000,000            | 1,000,000             |
|   | 46,791,000            | 0                                 | 1,646,000            | 48,437,000            |
| Board of the Arts                               | 26,054,000            | (2,000)                           | 0                    | 26,052,000            |
| Minnesota Humanities Commission                 | 1,772,000             | 0                                 | 0                    | 1,772,000             |
| Minnesota Academy of Science                    | 82,000                | 0                                 | 0                    | 82,000                |
| Science Museum of Minnesota                     | 2,300,000             | 0                                 | 0                    | 2,300,000             |
| <b>State Appropriations:</b>                    | <b>\$ 429,909,000</b> | <b>\$ 487,000</b>                 | <b>\$ 41,580,000</b> | <b>\$ 471,976,000</b> |
| <b>Federal Appropriations:</b>                  | <b>\$ 12,116,000</b>  | <b>\$ 0</b>                       | <b>\$ 0</b>          | <b>\$ 12,116,000</b>  |
| <b>Total Depts., Boards, &amp; Commissions:</b> | <b>\$ 442,025,000</b> | <b>\$ 487,000</b>                 | <b>\$ 41,580,000</b> | <b>\$ 484,092,000</b> |

#### Debt Service & Borrowing

|  |                       |                       |                       |                       |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| Debt Service                               | 565,759,000           | (7,644,000)           | (3,121,000)           | 554,994,000           |
| Cambridge Bank Payment-Debt Service        | 16,600,000            | 0                     | 0                     | 16,600,000            |
| <b>Total Debt Service &amp; Borrowing:</b> | <b>\$ 582,359,000</b> | <b>\$ (7,644,000)</b> | <b>\$ (3,121,000)</b> | <b>\$ 571,594,000</b> |

#### Miscellaneous

##### General Contingent Accounts

|  |                  |          |          |                  |
|--|------------------|----------|----------|------------------|
| General Fund                                 | 200,000          | 0        | 0        | 200,000          |
| Trunk Highway Fund                           | 400,000          | 0        | 0        | 400,000          |
| Highway User Tax Distribution Fund           | 250,000          | 0        | 0        | 250,000          |
| State Govt. Special Revenue                  | 800,000          | 0        | 0        | 800,000          |
| Airport Fund                                 | 100,000          | 0        | 0        | 100,000          |
| Workers' Compensation                        | 200,000          | 0        | 0        | 200,000          |
| <b>Subtotal General Contingent Accounts:</b> | <b>1,950,000</b> | <b>0</b> | <b>0</b> | <b>1,950,000</b> |

##### Capital Projects - Direct Appropriations

|                                   |   |   |             |             |
|-----------------------------------|---|---|-------------|-------------|
| Children, Families & Learning     | 0 | 0 | 62,405,000  | 62,405,000  |
| Perpich Center for Arts Education | 0 | 0 | 1,395,000   | 1,395,000   |
| Faribault Academies               | 0 | 0 | 9,225,000   | 9,225,000   |
| MN State Colleges & Universities  | 0 | 0 | 50,400,000  | 50,400,000  |
| University of Minnesota           | 0 | 0 | 6,330,000   | 6,330,000   |
| Human Services                    | 0 | 0 | 6,275,000   | 6,275,000   |
| Veterans Home Board               | 0 | 0 | 12,055,000  | 12,055,000  |
| Transportation                    | 0 | 0 | 8,300,000   | 8,300,000   |
| Agriculture                       | 0 | 0 | 500,000     | 500,000     |
| Board of Water & Soil Resources   | 0 | 0 | 19,800,000  | 19,800,000  |
| Trade & Economic Development      | 0 | 0 | 93,770,000  | 93,770,000  |
| Amateur Sports Commission         | 0 | 0 | 11,020,000  | 11,020,000  |
| Housing Finance Agency            | 0 | 0 | 6,000,000   | 6,000,000   |
| Natural Resources                 | 0 | 0 | 130,251,000 | 130,251,000 |

|   | 1997-1999<br>Biennium    | Forecast &<br>Estimate Changes(1) | 1998 Law<br>Changes     | Biennium<br>Total        |
|---|--------------------------|-----------------------------------|-------------------------|--------------------------|
| <b>Capital Projects - Direct Appropriations (Continued)</b> |                          |                                   |                         |                          |
| Office of Environmental Assistance                          | \$ 0                     | \$ 0                              | \$ 3,500,000            | \$ 3,500,000             |
| Public Safety   | 0                        | 0                                 | 2,230,000               | 2,230,000                |
| Corrections   | 0                        | 0                                 | 4,700,000               | 4,700,000                |
| Military Affairs  | 0                        | 0                                 | 1,230,000               | 1,230,000                |
| Administration  | 0                        | 0                                 | 46,250,000              | 46,250,000               |
| Capitol Area Arch. & Planning                               | 0                        | 0                                 | 9,544,000               | 9,544,000                |
| Public Facilities Authority                                 | 0                        | 0                                 | 10,100,000              | 10,100,000               |
| Minnesota Historical Society                                | 0                        | 0                                 | 6,610,000               | 6,610,000                |
| Subtotal Capital Projects - Direct Appropriations:          | 0                        | 0                                 | 501,890,000             | 501,890,000              |
| Dedicated General Fund Appropriations                       | 241,557,000              | 52,521,000                        | 408,000                 | 294,486,000              |
| Tort Claims   | 1,750,000                | 0                                 | 0                       | 1,750,000                |
| Campaign Fund Check-Off                                     | 4,513,000                | 0                                 | 0                       | 4,513,000                |
| Loans to Revolving Fund                                     | 23,700,000               | (4,700,000)                       | 0                       | 19,000,000               |
| Tax Refund Interest   | 6,931,000                | 19,209,000                        | 0                       | 26,140,000               |
| Property Tax Reform/Aid Payments                            | 92,500,000               | (10,000,000)                      | 0                       | 82,500,000               |
| Appropriations Carried Forward (1)                          | 0                        | 492,000                           | 0                       | 492,000                  |
| Insurance Premium Supplement                                | 0                        | 0                                 | 435,000                 | 435,000                  |
| <b>Total Miscellaneous:</b>                                 | <b>\$ 372,901,000</b>    | <b>\$ 57,522,000</b>              | <b>\$ 502,733,000</b>   | <b>\$ 933,156,000</b>    |
| <b>TOTALS</b>   |                          |                                   |                         |                          |
| <b>State Appropriations - Gross</b>                         | <b>\$ 24,704,279,000</b> | <b>\$ (372,543,000)</b>           | <b>\$ 1,522,516,000</b> | <b>\$ 25,854,252,000</b> |
| Dept. of Human Services RTC Collections (2)                 | (83,808,000)             | 19,743,000                        | (65,000)                | (64,130,000)             |
| Indirect Cost Receipts                                      | (43,864,000)             | (7,048,000)                       | 0                       | (50,912,000)             |
| Cancellations   | (20,000,000)             | 0                                 | (643,000)               | (20,643,000)             |
| <b>State Appropriations - Net:</b>                          | <b>\$ 24,556,607,000</b> | <b>\$ (359,848,000)</b>           | <b>\$ 1,521,808,000</b> | <b>\$ 25,718,567,000</b> |
| <b>Federal Funds Appropriations:</b>                        | <b>\$ 7,515,039,000</b>  | <b>\$ 0</b>                       | <b>\$ 0</b>             | <b>\$ 7,515,039,000</b>  |
| <b>Total Appropriations:</b>                                | <b>\$ 32,071,646,000</b> | <b>\$ (359,848,000)</b>           | <b>\$ 1,521,808,000</b> | <b>\$ 33,233,606,000</b> |
| Cash Flow Account   | \$ 350,000,000           | \$ 0                              | \$ 0                    | \$ 350,000,000           |
| Budget Reserves   | 522,000,000              | 0                                 | 91,200,000              | 613,200,000              |
| Property Tax Reserve  | 46,000,000               | 826,000,000                       | (541,058,000)           | 330,942,000              |
| Dedicated Reserves  | 72,000,000               | 25,248,000                        | 0                       | 97,248,000               |
|   | <b>\$ 990,000,000</b>    | <b>\$ 851,248,000</b>             | <b>\$ (449,858,000)</b> | <b>\$ 1,391,390,000</b>  |

**NOTES:**

- (1) Forecast & Estimate Changes includes departmental adjustments due to the 1997 Pension Uniformity Bill.
- (2) Appropriations carried forward are unused funds appropriated in a previous biennium that did not cancel but were carried forward into the next biennium.
- (3) Dept. of Human Services RTC receipts already counted in the appropriation for MA and GAMC federal funds.



**Table D**  
**1998 Direct Appropriations**  
**by Fund, by Chapter**

|   |   | FY 1998                | FY 1999                | 1997-1999<br>Biennium  |
|---|---|------------------------|------------------------|------------------------|
| <b>Game and Fish Fund</b>                     |   |                        |                        |                        |
| Chpt. 366                                     | State Government and Departments              | \$ 0                   | \$ 33,000              | \$ 33,000              |
| <b>Total Game and Fish Fund:</b>              |   | <b>\$ 0</b>            | <b>\$ 33,000</b>       | <b>\$ 33,000</b>       |
| <b>General Fund</b>                           |   |                        |                        |                        |
| Chpt. 362                                     | Claims Against the State                      | \$ 108,000             | \$ 0                   | \$ 108,000             |
| Chpt. 366                                     | State Government and Departments              | 1,965,000              | 29,958,000             | 31,923,000             |
| Chpt. 367                                     | Crime and Crime Prevention                    | 822,000                | 7,108,000              | 7,930,000              |
| Chpt. 372                                     | Transportation                                | 0                      | 344,000                | 344,000                |
| Chpt. 383                                     | Tornado Relief                                | 27,600,000             | 0                      | 27,600,000             |
| Chpt. 384                                     | Higher Education                              | 0                      | 72,500,000             | 72,500,000             |
| Chpt. 389                                     | Omnibus Tax Bill & Property Tax Reform        | 0                      | 25,308,000             | 25,308,000             |
| Chpt. 395                                     | Federal Crop Insurance Assistance             | 8,800,000              | 0                      | 8,800,000              |
| Chpt. 398                                     | K-12 Education                                | 1,514,000              | 213,570,000            | 215,084,000            |
| Chpt. 401                                     | Natural Resources, Environment, & Agriculture | 5,194,000              | 12,313,000             | 17,507,000             |
| Chpt. 404                                     | Capital Improvements/Bonding                  | 0                      | 500,690,000            | 500,690,000            |
| Chpt. 407                                     | Health and Human Services                     | (139,959,000)          | (166,410,000)          | (306,369,000)          |
| Chpt. SS1-1                                   | Early Childhood Ed. / Economic Development    | 359,000                | 11,641,000             | 12,000,000             |
| <b>Total General Fund:</b>                    |   | <b>\$ (93,597,000)</b> | <b>\$ 707,022,000</b>  | <b>\$ 613,425,000</b>  |
| <b>Health Care Access Fund</b>                |   |                        |                        |                        |
| Chpt. 407                                     | Health and Human Services                     | \$ (3,130,000)         | \$ (14,203,000)        | \$ (17,333,000)        |
| <b>Total Health Care Access Fund:</b>         |   | <b>\$ (3,130,000)</b>  | <b>\$ (14,203,000)</b> | <b>\$ (17,333,000)</b> |
| <b>Highway User Tax Distribution Fund</b>     |   |                        |                        |                        |
| Chpt. 372                                     | Transportation                                | \$ 0                   | \$ 50,000              | \$ 50,000              |
| <b>Total Hwy. User Tax Distribution Fund:</b> |   | <b>\$ 0</b>            | <b>\$ 50,000</b>       | <b>\$ 50,000</b>       |

|   |   | FY 1998                | FY 1999               | 1997-1999<br>Biennium |
|---|---|------------------------|-----------------------|-----------------------|
| <b>Natural Resources Fund</b>                       |   |                        |                       |                       |
| Chpt. 366   | State Government and Departments              | \$ 0                   | \$ 25,000             | \$ 25,000             |
| Chpt. 401   | Natural Resources, Environment, & Agriculture | 0                      | 500,000               | 500,000               |
| <b>Total Natural Resources Fund:</b>                |   | <b>\$ 0</b>            | <b>\$ 525,000</b>     | <b>\$ 525,000</b>     |
| <b>Special Revenue Fund</b>                         |   |                        |                       |                       |
| Chpt. 366   | State Government and Departments              | \$ 0                   | \$ 15,000             | \$ 15,000             |
| <b>Total Special Revenue Fund:</b>                  |   | <b>\$ 0</b>            | <b>\$ 15,000</b>      | <b>\$ 15,000</b>      |
| <b>State Government Special Revenue Fund</b>        |   |                        |                       |                       |
| Chpt. 407   | Health and Human Services                     | 113,000                | \$ 231,000            | \$ 344,000            |
| <b>Total State Government Special Revenue Fund:</b> |   | <b>\$ 113,000</b>      | <b>\$ 231,000</b>     | <b>\$ 344,000</b>     |
| <b>State Lottery Fund</b>                           |   |                        |                       |                       |
| Chpt. 366   | State Government and Departments              | \$ 0                   | \$ 750,000            | \$ 750,000            |
| <b>Total State Lottery Fund:</b>                    |   | <b>\$ 0</b>            | <b>\$ 750,000</b>     | <b>\$ 750,000</b>     |
| <b>Trunk Highway Fund</b>                           |   |                        |                       |                       |
| Chpt. 366   | State Government and Departments              | \$ 0                   | \$ 55,000             | \$ 55,000             |
| Chpt. 372   | Transportation                                | 200,000                | 50,637,000            | 50,837,000            |
| Chpt. 388   | Youth-Oriented Driver's License               | 0                      | 303,000               | 303,000               |
| Chpt. 404   | Capital Improvements/Bonding                  | 0                      | 1,200,000             | 1,200,000             |
| Chpt. 405   | Complete Transportation Building Renovation   | 15,775,000             | 0                     | 15,775,000            |
| <b>Total Trunk Highway Fund:</b>                    |   | <b>\$ 15,975,000</b>   | <b>\$ 52,195,000</b>  | <b>\$ 68,170,000</b>  |
| <b>Grand Total Direct Appropriations:</b>           |   | <b>\$ (80,639,000)</b> | <b>\$ 746,618,000</b> | <b>\$ 665,979,000</b> |

**Table E**  
**Open and Standing Appropriations**  
**Fiscal Years 1998 and 1999**

|   | FY 1998                 | FY 1999                 | 1998<br>Biennium        |
|---|-------------------------|-------------------------|-------------------------|
| <b>Aids and Credits</b>                           |                         |                         |                         |
| Property Tax Refund                               |                         |                         |                         |
| - Homeowners                                      | \$ 84,350,000           | \$ 86,119,000           | \$ 170,469,000          |
| - Renters   | 85,562,000              | 112,236,000             | 197,798,000             |
| - Targeting                                       | 3,800,000               | 4,300,000               | 8,100,000               |
| Property Tax Rebate on Income Tax Form            | 475,000,000             | 492,463,000             | 967,463,000             |
| Homestead Credit and Agricultural Credit          |                         |                         |                         |
| - Schools   | 96,712,000              | 70,153,000              | 166,865,000             |
| - Cities & Counties                               | 440,171,000             | 449,480,000             | 889,651,000             |
| - Tax Increment Financing                         | 24,000                  | 24,000                  | 48,000                  |
| Political Contribution Refunds                    | 3,269,000               | 4,209,000               | 7,478,000               |
| Disparity Aid                                     | 28,194,000              | 26,188,000              | 54,382,000              |
| Border City Disparity Credit                      | 5,422,000               | 4,507,000               | 9,929,000               |
| Disaster & Flood Relief Aid                       | 18,000                  | 1,247,000               | 1,265,000               |
| Local Government Aid                              | 360,201,000             | 369,149,000             | 729,350,000             |
| Attached Machinery Aid                            | 3,218,000               | 3,218,000               | 6,436,000               |
| Suppl. Homestead Prop. Tax Relief                 | 474,000                 | 474,000                 | 948,000                 |
| Education Homestead Credit                        | 0                       | 142,644,000             | 142,644,000             |
| In Lieu of Taxes Payments on DNR Lands            | 5,502,000               | 5,550,000               | 11,052,000              |
| Enterprise Zone Credit                            | 19,000                  | 19,000                  | 38,000                  |
| Regional Transit Board Levy Reduction             | 2,170,000               | 2,200,000               | 4,370,000               |
| Region 3 - Occupation Tax                         | 1,211,000               | 1,211,000               | 2,422,000               |
| Local Performance Aid                             | 9,293,000               | 10,525,000              | 19,818,000              |
| Family Preservation Aid                           | 1,598,000               | 1,638,000               | 3,236,000               |
| <b>Total Aids and Credits:</b>                    | <b>\$ 1,606,208,000</b> | <b>\$ 1,787,554,000</b> | <b>\$ 3,393,762,000</b> |
| <b>Other Open and Standing Appropriations</b>     |                         |                         |                         |
| State Lottery Board                               | \$ 50,799,000           | \$ 50,799,000           | \$ 101,598,000          |
| Corrections Aid                                   | 27,902,000              | 28,449,000              | 56,351,000              |
| Minneapolis Employees' Retirement Fund            | 10,455,000              | 9,000,000               | 19,455,000              |
| Pre-1973 Retirement Adjustment                    | 550,000                 | 550,000                 | 1,100,000               |
| Local Police & Fire Amortization Aid              | 4,532,000               | 4,925,000               | 9,457,000               |
| Local Police & Fire Suppl. Amortization Aid       | 520,000                 | 1,000,000               | 1,520,000               |
| Aid to Police & Fire Departments                  | 59,964,000              | 64,598,000              | 124,562,000             |
| Judges' Retirement                                | 1,485,000               | 1,485,000               | 2,970,000               |
| Legislators & Constitutional Officers' Retirement | 3,266,000               | 2,379,000               | 5,645,000               |
| Teachers' Retirement                              | 2,500,000               | 2,500,000               | 5,000,000               |
| Firefighters' Relief Surcharge                    | 372,000                 | 374,000                 | 746,000                 |
| Ethanol Producer Payments                         | 23,829,000              | 25,822,000              | 49,651,000              |
| 1854 Indian Treaty Settlement                     | 3,792,000               | 3,909,000               | 7,701,000               |
| DNR Firefighting                                  | 3,926,000               | 4,167,000               | 8,093,000               |
| Debt Service and Borrowing                        | 255,077,000             | 316,517,000             | 571,594,000             |
| Other Open and Standing                           | 33,996,000              | 38,664,000              | 72,660,000              |
| <b>Total Other Open &amp; Standing Approps.:</b>  | <b>\$ 482,965,000</b>   | <b>\$ 555,138,000</b>   | <b>\$ 1,038,103,000</b> |
| <b>Total Open and Standing Appropriations:</b>    | <b>\$ 2,089,173,000</b> | <b>\$ 2,342,692,000</b> | <b>\$ 4,431,865,000</b> |

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