

Governor's FY 2020 - 21 Supplemental Budget Recommendations

All Funds by Agency

(Dollars in Thousands)

FY 2020 FY 2021 FY 2022 FY 2023

Education

Supporting Student Well-Being

The Governor recommends providing aid to districts to hire additional licensed mental health and support professionals across the state. Funds are based on student enrollment and can be used to hire counselors, school psychologists, social workers, nurses, and chemical dependency counselors to support student mental health and well-being. The Minnesota Student Survey indicates students are coping with stress through vaping and this proposal would fund the staff needed to promote healthy alternative strategies. Finally, this funds cultural competency training for current and new mental health and support staff.

General	Expenditures	\$0	\$20,630	\$25,329	\$26,808
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Expanded Data Integration and IT Program

The Governor recommends increasing funds for an expanded data collection and integration system called "Ed-Fi". "Ed-Fi" helps the Department of Education comply with the "All Kids Count Act" which requires the department to report graduation rates, results of the Minnesota Comprehensive Assessments, and more, by detailed ethnicity for students of color and American Indian students. Currently this work is funded through a federal grant. However, additional resources are required to increase the number of programs and districts using this system for data collection. There are currently 120 districts and charter schools utilizing "Ed-Fi" and with increased funding 371 additional districts and charters will be added.

General	Expenditures	\$0	\$1,457	\$1,457	\$1,457
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Reestablish Full-Service Community School Grants

The Governor recommends reestablishing the Full Service Community Schools grant program. This program establishes planning and implementation grants to racially isolated or low-performing schools to provide wraparound services chosen by the school community. Services may include onsite health and dental clinics, mental health services, legal services, family resource centers, college access information, out-of-school activities, or other family support services.

General	Expenditures	\$0	\$2,000	\$2,000	\$2,000
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Establish Equity Coaches

The Governor recommends establishing an equity coaches grant program, a model of one-on-one coaching to support teachers in critically reflecting on their own racialconsciousness and practices in their classrooms and a taskforce to identify best practices. Districts and charters may apply for planning and implementation grants and will be expected to identify long-term funding strategies to support the program.

General	Expenditures	\$0	\$1,000	\$1,000	\$1,000
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Indigenous Education for All

The Governor recommends programming, staff, and services to support a new standard requiring all students to learn about the cultural heritage and contributions of tribal nations. This includes instructional model recommendations, curricular resource support and development, programmatic staff at the Department of Education to manage implementation, and funding for the Tribal Nations Education Committee to consult with schools to protect, strengthen, and advance the educational experience of indigenous students.

General	Expenditures	\$0	\$880	\$430	\$430
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Education

Restore Head Start Tribal Allocation Amount

The Governor recommends restoring state tribal Head Start program funding to FY 2018 levels through a hold harmless provision. Since FY 2018, all but two tribal programs had a reduction of federal funding and thus state allocations. This proposal would create more reliable funding streams for these programs. Additionally, the Governor recommends a policy change that allows Head Start funds for all local agencies to be used for infrastructure as well as operations. Head Start is one of few programs that offer comprehensive services and serves children and families who are at 100% poverty.

General	Expenditures	\$0	\$377	\$377	\$377
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Expanded Use of Regional Library Telecommunications Aid

The Governor recommends expanding the ability of the Regional Library Telecommunications Aid program (RTLTA) to use surplus funds towards the purchase of telecommunications equipment to benefit up to 338 participating public libraries, primarily in underserved areas. This proposal would allow libraries to purchase software and hardware to increase internet access and security.

General	Expenditures	\$0	\$0	\$0	\$0
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Quality Compensation Use of Funds

The Governor recommends requiring school districts to reserve unspent funds related to the Alternative Teacher Professional Pay System (Q Comp). Under this requirement districts would need to ensure that annual unspent Q Comp funds are only used for Q Comp programs in the future. These changes would allow for better monitoring and local budget development.

General	Expenditures	\$0	\$0	\$0	\$0
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Technical Correction - Alternative Referendum Cap

The Governor recommends a technical correction to the alternative referendum cap calculation, changing the base year from FY 2015 to FY 2021. As part of the referendum simplification enacted in 2019, the base year for calculating future inflation adjustments to the referendum cap was reset from 2015 to 2021. However, the base year for the alternative referendum cap, to which the inflation adjustment is applied, was inadvertently not reset. This recommendation would increase the levy amount for six districts.

General	Expenditures	\$0	\$0	\$0	\$0
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Technical Correction - Referendum Aid Guarantee

The Governor recommends a technical correction to the referendum aid guarantee to clarify that the annual adjustment to the guarantee is based on the sum of the local optional revenue and the referendum revenue for a district, not just the referendum revenue. When local optional revenue was extended at \$424 to all districts during the 2014 session, the referendum aid guarantee language was inadvertently not updated to reflect that part of the referendum that had been replaced with Local Optional Revenue. Current administrative practice reflects this change and as such there is no fiscal impact.

General	Expenditures	\$0	\$0	\$0	\$0
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Education

Technical Correction - Grow Your Own

The Governor recommends correcting a typographical error that misstated the fiscal years for the Grow Your Own program in the 2019 education budget bill.

General	Expenditures	\$0	\$0	\$0	\$0
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Technical Correction - Pension Contribution Base Adjustment

The Governor recommends correcting the base appropriation for FY 2024 and on to reflect the additional funding for employer increases for the Teacher's Retirement Association members pensions that were appropriated in 2018 and inadvertently left out of 2019 legislation.

General	Expenditures	\$0	\$0	\$0	\$0
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Technical Correction - Basic Skills and Safe Schools Revenue

The Governor recommends clarifications for use and reporting requirements for basic skills and safe school revenue. These changes have no fiscal impact but provide administrative clarity and increased transparency in how these revenues are used.

General	Expenditures	\$0	\$0	\$0	\$0
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Total Education

General	Expenditures	\$0	\$26,344	\$30,593	\$32,072
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Higher Education, Office of

Increased Oversight and Student Support in Higher Education

The Governor recommends maintaining and expanding the work of the Office of Higher Education's Licensing and Registration division by establishing new fees for higher education institutions. This division maintains regulatory oversight of schools, monitors at-risk schools, and supports students when schools close. Since 2016, 33 college campuses for 14 colleges have closed, more than the previous five years combined. During closures, the agency retrieves student records, communicates with students, facilitates "teach-out" agreements, creates transfer agreements, and provides other services to students.

Restrict Misc Special Revenue	Revenues	\$0	\$206	\$206	\$206
Restrict Misc Special Revenue	Expenditures	\$0	\$206	\$206	\$206

Total Higher Education, Office of

Restrict Misc Special Revenue	Revenues	\$0	\$206	\$206	\$206
Restrict Misc Special Revenue	Expenditures	\$0	\$206	\$206	\$206

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Tax Aids, Credits and Refunds

Vapor Products and Devices Gross Receipts Tax

The Governor recommends a gross receipts tax of 35 percent on the retail sales of all nicotine solutions and devices and taxing electronic delivery devices at 95 percent of the wholesale sales price. Currently, the nicotine solution consumed through devices are subject to this tax, but the devices themselves are not subject to tax when sold separately from the solution. Lastly, the Governor recommends online retailers of tobacco products collect and remit Minnesota's tobacco product excise tax and vapor gross receipts excise tax. The goal of this proposal is to deter usage of vaping products, particularly among youth.

General	Revenues	\$0	\$3,660	\$8,920	\$9,110
General	Expenditures	\$0	\$960	\$790	\$790
Outdoor Heritage	Revenues	\$0	(\$10)	(\$26)	(\$26)
Arts & Cultural Heritage	Revenues	\$0	(\$6)	(\$16)	(\$16)
Clean Water	Revenues	\$0	(\$10)	(\$26)	(\$26)
Parks and Trails	Revenues	\$0	(\$4)	(\$12)	(\$12)

Total Tax Aids, Credits and Refunds

General	Revenues	\$0	\$3,660	\$8,920	\$9,110
General	Expenditures	\$0	\$960	\$790	\$790
Outdoor Heritage	Revenues	\$0	(\$10)	(\$26)	(\$26)
Arts & Cultural Heritage	Revenues	\$0	(\$6)	(\$16)	(\$16)
Clean Water	Revenues	\$0	(\$10)	(\$26)	(\$26)
Parks and Trails	Revenues	\$0	(\$4)	(\$12)	(\$12)

Human Services

Invest in Child Care Assistance Program (CCAP) Rates

The Governor recommends increasing Child Care Assistance Program (CCAP) rates to help families afford the cost of childcare. CCAP serves approximately 15,000 families and 30,000 children each month. This recommendation would increase maximum rates to the 30th percentile every three years with each new market survey. At least 80 percent of families and their providers would see an increase in their CCAP rates as a result of this recommendation. Additionally, this recommendation updates CCAP requirements for unlicensed child care providers. If this recommendation is not funded, Minnesota will continue to be out of compliance with Child Care Development Block Grant requirements and could face a penalty of up to 5 percent of the federal funding.

General	Expenditures	\$0	\$137	\$15,059	\$69,156
Federal	Expenditures	[\$0]	[\$25,659]	[\$39,577]	[\$3]

Maintain Food Support Benefits

The Governor recommends providing state-funded food benefits for individuals that will lose SNAP eligibility as a result of recent changes to federal rule. This recommendation provides a monthly food benefit to approximately 8,000 individuals for one year.

General	Expenditures	\$0	\$18,164	\$0	\$0
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Human Services

Direct Care and Treatment (DCT) Operating Adjustment

The Governor recommends one-time resources to ensure continuity of services in Direct Care and Treatment (DCT) programs. DCT faces a budget shortfall in FY 2021 due to growth in costs and lower than expected revenues. DCT must maintain certain staffing levels in order to promote patient care and safety, limiting its ability to absorb cost pressures, such as salary increases and higher benefit costs. 85 percent of DCT's budget goes toward personnel costs, making the program particularly sensitive to growth in labor costs. In addition, the Minnesota State Operated Community Services Program faces a shortfall, due in part to recent changes in rates for many MSOCS clients. Ongoing funding needs will be addressed in the future as part of a continuing evaluation of service needs and resource availability.

General	Revenues	\$0	\$4,162	\$0	\$0
General	Expenditures	\$0	\$38,110	\$0	\$0

Repayment of Medication Assisted Treatment Overpayments

The Governor recommends reimbursing the cost of repaying the federal government for overpayments made to tribes for Medication Assisted Treatment (MAT) through Indian Health services (IHS). Coverage for services provided by IHS are paid by the federal government. Minnesota has until August 2020 to refund the overpayment.

General	Expenditures	\$0	\$28,909	\$0	\$0
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Reimburse County Share of IMD Payments

The Governor recommends reimbursing counties for the increased county share of costs for substance use disorder services provided in facilities which were ineligible for federal funding. From 2014 through 2019, DHS incorrectly claimed federal funding on some services provided in Institutions for Mental Diseases. The process of correcting this error results in unanticipated increased costs to counties, who bear a share of the treatment costs. This recommendation holds counties harmless for their increased share of costs.

General	Expenditures	\$0	\$8,812	\$0	\$0
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Expand Emergency Services Program Funding

The Governor recommends additional funds for the Emergency Services Program (ESP). ESP provides grants to local agencies to address homelessness. These grants will fund street outreach, day shelter, motel vouchers, and emergency shelter for Minnesotans experiencing homelessness.

General	Expenditures	\$0	\$2,100	\$2,100	\$2,100
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Invest in Capital Improvements for Emergency Services

The Governor recommends onetime funding for capital improvements to emergency homeless shelter facilities. These funds will focus on renovating existing facilities, improving the safety and habitability of existing shelters, and adding additional bed capacity when possible.

General	Expenditures	\$0	\$7,000	\$0	\$0
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Human Services

Addressing African American Child Welfare Overrepresentation

The Governor recommends strategic investments to reduce racial disparities and disproportionalities in Minnesota's child welfare system, specifically as they impact the state's African American community. This recommendation funds grants to community-based organizations that primarily serve African American children and families, expands the Homeless Youth Pilot Program, and provides mental health rapid consultation for mandated reporters.

General	Expenditures	\$0	\$4,872	\$9,435	\$9,435
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Expand Tribal Membership for Opioid Epidemic Response Advisory Council

The Governor recommends expanding tribal membership on the Opioid Emergency Response Advisory Council to all recognized tribes within the state. Currently, there are only two tribal members on the council. This proposal was developed following tribal engagement and ensures each of Minnesota's 11 tribal nations are included in strategies to combat opioid addiction. This proposal funds reimbursement for expenses for new council members from of the Opiate Epidemic Response Fund. This increase would be offset by lower grant spending within the fund.

Opiate Epidemic Response	Expenditures	(\$0)	(\$60)	(\$60)	(\$60)
Opiate Epidemic Response	Expenditures	\$0	\$60	\$60	\$60

Allowing Tribal Access To Housing Support Cost-Neutral Allocation

The Governor recommends amending state law to allow tribes to access cost-neutral, lump-sum allocations of housing support funding, which are currently available only to counties. Cost-neutral allocations reduce burdensome administrative delays with the current system and help tribes and the Housing Support vendors they are working with focus on resolving housing crises instead of paperwork. This proposal also promotes equitable treatment between county and tribal governments.

General	Expenditures	\$0	\$0	\$0	\$0
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Technical Corrections to 2019 Legislation

The Governor recommends technical changes to correct drafting errors made at the end of the 2019 session. The changes include correcting effective dates to match legislative intent, relocating appropriation rider language, and restoring the Department's ability to count state expenditures for the maintenance of effort for the Temporary Assistance for Needy Families (TANF) block grant. This recommendation is budget neutral.

General	Expenditures	\$0	\$0	\$0	\$0
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Substance Use Disorder (SUD) Reform

The Governor recommends technical and conforming updates to state law passed in the 2019 legislative session that authorized the substance use disorder (SUD) waiver. The changes clarify payment provisions and ensure patient access to services. One change clarifies existing authority to adjust managed care rates to reflect higher payments for providers participating in the demonstration project. These changes are intended to preserve federal funding for the SUD waiver and align with current forecast assumptions.

General	Expenditures	\$0	\$0	\$0	\$0
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Human Services				

Total Human Services

General	Revenues	\$0	\$4,162	\$0	\$0
General	Expenditures	\$0	\$108,104	\$26,594	\$80,691
Opiate Epidemic Response	Expenditures	\$0	\$0	\$0	\$0
Federal	Expenditures	[\$0]	[\$25,659]	[\$39,577]	[\$3]

Health

Public Health Response Contingency Account

The Governor recommends funding to prepare and respond to COVID-19. This funding would cover staffing expertise, laboratory supplies and personal protective equipment, resources to local public health, and related response costs.

General	Transfers Out	\$20,889	\$0	\$0	\$0
Other Misc Special Revenue	Transfers In	\$20,889	\$0	\$0	\$0
Other Misc Special Revenue	Expenditures	\$20,889	\$0	\$0	\$0

Tobacco and Vaping Prevention and Cessation

The Governor recommends funding for tobacco and vaping prevention and cessation in Minnesota youth. Funding will allow the Department of Health to launch a counter-marketing and education campaign and provide community and youth engagement grants, all based on a guide by the Centers for Disease Control and Prevention, Best Practices for Comprehensive Tobacco Control Programs. A tobacco counter-marketing campaign is a tool to change youth attitudes, perceptions, and behaviors to prevent initiation and promote cessation of tobacco and tobacco-related products. Community grants will be given to youth organizations and tribal nations to prevent and reduce youth tobacco, nicotine, and e-cigarette use. This proposal is estimated to reach 657,000 Minnesota youth between the ages of 10-18 years old.

General	Expenditures	\$0	\$7,697	\$7,698	\$7,697
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Strengthen Child Mortality Review Panels

The Governor recommends re-establishing the Fetal and Infant Mortality Review Committee to review infant and child mortality cases. The Department of Health will create panels that will review fetal, infant, and child deaths that are classified as accidental, natural, or due to sudden unexpected infant death and recommend health and safety strategies to prevent future deaths and injury.

General	Expenditures	\$0	\$659	\$659	\$659
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Create Cannabis Seed-to-Sale Tracking System

The Governor recommends creating a statewide electronic tracking cannabis seed-to-sale database. The database will monitor medical cannabis manufacturing through its cultivation, processing, testing, and distribution phases. The medical cannabis program serves approximately 18,000 patients and has oversight of two manufacturers with a total of 16 retail dispensaries. The system will facilitate tracking of medical cannabis inventory in real time.

State Government Special Rev	Expenditures	\$0	\$1,153	\$489	\$489
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Health

Realign Medical Cannabis Appropriation

The Governor recommends additional funding to add staffing to administer the medical cannabis program, given additional eligible enrollment driven by newly added qualifying conditions. The Department of Health recently added a new eligible condition of chronic pain to the medical cannabis patient registry. As a result of this new eligible medical condition, approximately 6,500 more patients will join the registry in fiscal year 2021.

State Government Special Rev	Expenditures	\$0	\$715	\$390	\$390
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Expand Use of the Minnesota All Payers Claims Database

The Governor recommends expanding use of the Minnesota All Payer Claims Database (APCD) for research projects of public benefit for Minnesotans. The database is a repository of de-identified health care claims that serves as a critical tool for informing health care planning and public policy decisions across a broad spectrum of issues. This proposal would expand access to external, highly-qualified researchers for projects that can help advance key policy issues such as health care cost and use, quality of care, and access. Additionally, the expansion would integrate dental claims data, allow for more timely data submission, and ensure more intentional engagement with tribal nations to identify and develop projects of shared interest.

Health Care Access	Expenditures	\$0	\$901	\$986	\$986
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Reinstate Advisory Council on Water Supply Systems and Wastewater Treatment Facilities

The Governor recommends reinstating the Water Supply Systems and Wastewater Treatment Facilities Advisory Council that expired in June 2019. The Council provides external review to the water supply and wastewater treatment programs at Department of Health and the Minnesota Pollution Control Agency.

State Government Special Rev	Expenditures	\$0	\$0	\$0	\$0
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Total Health

General	Transfers Out	\$20,889	\$0	\$0	\$0
General	Expenditures	\$0	\$8,356	\$8,357	\$8,356
State Government Special Rev	Expenditures	\$0	\$1,868	\$879	\$879
Other Misc Special Revenue	Transfers In	\$20,889	\$0	\$0	\$0
Other Misc Special Revenue	Expenditures	\$20,889	\$0	\$0	\$0
Health Care Access	Expenditures	\$0	\$901	\$986	\$986

Corrections

Corrections Overtime and Staffing

The Governor recommends funding for additional compensation costs, including overtime. Difficulties filling and maintaining correctional officer positions result in wage pressures as well as safety and security concerns in the facilities where correctional officers work.

General	Expenditures	\$1,003	\$11,742	\$14,192	\$14,192
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Corrections

Correctional Facility Safety - OLA Recommendations

The Governor recommends funding to address safety concerns in state correctional facilities in response to recommendations in the Legislative Auditor's report on prison safety. This includes transforming agency data collection processes to provide necessary data for evaluation and safety improvements, purchasing and installing security scanners to accurately monitor the location of staff and offenders, purchasing and maintaining body cameras for use by correctional officers, expanding employee support initiatives to ensure their mental and physical health needs are met, and enhancing leadership training throughout the agency.

General	Expenditures	\$0	\$5,800	\$7,900	\$4,600
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Community Supervision Partnership Investments

The Governor recommends additional funds for community supervision by community partners, including the Community Corrections Act (CCA) counties and the County Probation Officer (CPO) jurisdictions. This recommendation also provides funding for programming, including treatment and housing in supportive facilities. Finally, the proposal includes funding for the department to provide supervision services to counties that opt into utilizing those services. Resources for this purpose are offset by revenue to the general fund under current law.

General	Revenues	\$205	\$430	\$430	\$430
General	Expenditures	\$205	\$5,596	\$7,387	\$4,918

Total Corrections

General	Revenues	\$205	\$430	\$430	\$430
General	Expenditures	\$1,208	\$23,138	\$29,479	\$23,710

Public Safety - Public Safety

Disaster Assistance Contingency Account Deficiency

The Governor recommends replenishing the Disaster Assistance Contingency Account, which is used to pay the state's share of costs for state and federally-declared natural disasters. The account has been depleted and there are no funds remaining to address future disasters. This recommendation is anticipated to provide sufficient funding to respond to disasters that occur during the next 12-18 months.

General	Transfers Out	\$30,000	\$0	\$0	\$0
Other Misc Special Revenue	Transfers In	\$30,000	\$0	\$0	\$0

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Public Safety - Public Safety				

Coordinated Crime and Threat Reporting

The Governor recommends funding for threat reporting and monitoring tools for the Bureau of Criminal Apprehension. This recommendation will allow for 24/7 staffing in the Criminal Information and Operations Section to provide real-time information sharing between law enforcement partners across jurisdictions, and a new smartphone app that allows the public to report suspicious activity and law enforcement to communicate information as appropriate to schools, faith-based groups, and the community.

General	Expenditures	\$0	\$1,750	\$1,750	\$1,750
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Storage, Tracking, and Testing for Sexual Assault Examination Kits

The Governor recommends creating a centralized storage, tracking, and testing system at the Bureau of Criminal Apprehension (BCA) for all sexual assault examination kits in the state of Minnesota. This funding will improve access to information for victims, address the current backlog of kits that have not been submitted to BCA for testing, and better coordinate all future testing.

General	Expenditures	\$0	\$3,096	\$2,067	\$2,067
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Investing in the Crime Lab

The Governor recommends additional funding for the BCA Crime Lab. This funding will add resources for DNA testing and utilization of the National Integrated Ballistics Information Network a Federal Bureau of Alcohol, Tobacco, Firearms system administered by the BCA.

General	Expenditures	\$0	\$1,386	\$844	\$844
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Violence Prevention Grants

The Governor recommends one-time funding for violence prevention grants that focus on strategies to interrupt and respond to violence by working with perpetrators, victims, and survivors, and support the development of regional gun violence strategies. This recommendation will also add a violence prevention coordinator at the Department of Public Safety (DPS) to administer the program and coordinate with other DPS Office of Justice Programs, state agencies, and organizations.

General	Expenditures	\$0	\$2,000	\$0	\$0
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Background Check for Contractors at Non-Criminal Justice Agencies

The Governor recommends requiring federal fingerprint-based background checks for contractors at non-criminal justice agencies that have access to criminal justice information such as licensing, housing, employment, and other benefits. This recommendation addresses a 2018 FBI report that identified a gap in background check authority, and complies with requirements of the National Crime Prevention and Privacy Compact Council.

General	Expenditures	\$0	\$0	\$0	\$0
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Public Safety - Public Safety				

Total Public Safety - Public Safety

General	Transfers Out	\$30,000	\$0	\$0	\$0
General	Expenditures	\$0	\$8,232	\$4,661	\$4,661
Other Misc Special Revenue	Transfers In	\$30,000	\$0	\$0	\$0

Transportation

Repaying TIFIA Loan

The Governor recommends dedicating trunk highway fund revenue to fund loan administration and repayment costs associated with the state's application to the Transportation Infrastructure Finance and Innovation Act (TIFIA) program for the Highway 14 expansion project.

Restrict Misc Special Revenue	Revenues	\$0	\$4,127	\$4,127	\$4,127
Restrict Misc Special Revenue	Expenditures	\$0	\$1,787	\$1,287	\$1,287
Trunk Highway	Revenues	\$0	(\$4,127)	(\$4,127)	(\$4,127)

Increasing Funding for Rail Safety

The Governor recommends additional funding for the rail grade crossing safety account for rail safety improvements, like sign replacements, crossing closures, roadway enhancements, and signal circuitry upgrades at railroad crossings on the trunk highway and local road systems.

Restrict Misc Special Revenue	Revenues	\$0	\$1,500	\$1,500	\$1,500
Restrict Misc Special Revenue	Expenditures	\$0	\$1,500	\$1,500	\$1,500
Trunk Highway	Revenues	\$0	(\$1,500)	(\$1,500)	(\$1,500)

State Rail Inspector Program

The Governor recommends technical updates to statute for the State Rail Safety Inspector Program and adding two additional rail inspectors. This program ensures compliance with federal and state safety regulations. Statute allows up to four inspectors, and they currently inspect railroad track, hazardous materials, and train equipment. The additional inspectors would add program capacity to inspect train operating practices, crossing signal systems, and track signal systems.

Restrict Misc Special Revenue	Revenues	\$0	\$360	\$360	\$360
Restrict Misc Special Revenue	Expenditures	\$0	\$360	\$360	\$360

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Transportation

Updating Stand-Alone Tower Regulations

The Governor recommends establishing new visibility regulations for all current and future stand-alone towers, such as cell phone or meteorological towers, with a height between 50 and 200 feet. These towers are not visible to pilots operating at a low altitude, like air medical helicopters and agricultural aircraft. These regulations will allow MnDOT and others to provide advance knowledge of tower locations to aviators and comply with federal requirements.

State Airports	Revenues	\$0	\$5	\$1	\$1
State Airports	Expenditures	\$0	\$18	\$7	\$7

Eliminating Overweight Permit Fees for Harvest Season Permit

The Governor recommends eliminating the \$60 fee for the harvest season overweight vehicle permit. This permit allows vehicles to exceed road weight limits by 10% when sugar beets, carrots, and potatoes are transported from the field of harvest to the point of first unloading.

Trunk Highway	Revenues	\$0	(\$150)	(\$150)	(\$150)
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Unmanned Aircraft Systems Enforcement & Regulations

The Governor recommends decreasing the fee to register small, commercial unmanned aircraft systems (drones) in Minnesota from \$100 to \$25 annually, which is anticipated to result in greater compliance with state statutes. This recommendation also includes technical updates, such as requiring MnDOT to review all local drone ordinances to ensure compliance with state law, and expanding insurance options for registered drones.

State Airports	Revenues	\$0	(\$26)	(\$32)	(\$51)
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Sale of Surplus, Excess and Unsold Land at 80 Percent of Value

The Governor recommends expanding the range of acceptable sale prices when MnDOT sells surplus, excess, and unsold land. Expanding the range of acceptable prices to 80% of the certified appraised value from the current limit of 90% will make it easier to sell unneeded parcels of land.

Trunk Highway	Revenues	\$0	\$0	\$0	\$0
Trunk Highway	Expenditures	\$0	(\$6)	(\$6)	(\$6)

Sale of Excess Land to Adjacent Owner

The Governor recommends allowing MnDOT to sell some excess lands directly to adjacent landowners at fair market value. Many of these excess parcels are very small, have no legal road access, and are not able to be developed.

Trunk Highway	Revenues	\$0	\$0	\$0	\$0
Trunk Highway	Expenditures	\$0	(\$6)	(\$6)	(\$6)

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Transportation

Air Transportation Service Charge

The Governor recommends technical updates to MS 360.024, which allows MnDOT to include aircraft acquisition, replacement, or leasing costs in the rate charged to passengers on state airplanes. This recommendation would bring the statute in compliance with federal air charter regulations by exempting certain travelers like members of the media from those charges.

Air Transportation Revolving	Revenues	\$0	\$0	\$0	\$0
Air Transportation Revolving	Expenditures	\$0	\$0	\$0	\$0

Total Transportation

Restrict Misc Special Revenue	Revenues	\$0	\$5,987	\$5,987	\$5,987
Restrict Misc Special Revenue	Expenditures	\$0	\$3,647	\$3,147	\$3,147
Trunk Highway	Revenues	\$0	(\$5,777)	(\$5,777)	(\$5,777)
Trunk Highway	Expenditures	\$0	(\$12)	(\$12)	(\$12)
State Airports	Revenues	\$0	(\$21)	(\$31)	(\$50)
State Airports	Expenditures	\$0	\$18	\$7	\$7
Air Transportation Revolving	Revenues	\$0	\$0	\$0	\$0
Air Transportation Revolving	Expenditures	\$0	\$0	\$0	\$0

Metropolitan Council - Transportation

Improving Transit Safety

The Governor recommends new funding for additional safety measures for Metro Transit. This recommendation would create an administrative citations program to improve fare compliance, add police officers and support staff to enhance officer presence and improve response times, and allow personnel to monitor live video on light rail to more promptly identify and respond to incidents.

General	Expenditures	\$0	\$3,703	\$4,897	\$6,978
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Total Metropolitan Council - Transportation

General	Expenditures	\$0	\$3,703	\$4,897	\$6,978
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Public Safety - Transportation

State Patrol Operating Adjustment

The Governor recommends additional funding for State Patrol equipment and compensation costs. This recommendation will allow the State Patrol to maintain current service and staffing levels, offer a State Patrol Trooper Training Academy for approximately 40 trainees, and complete necessary equipment renewals for items such as computers, tasers, squad car videos, radios, and uniforms.

General	Expenditures	\$0	\$1,278	\$1,278	\$1,278
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Governor's FY 2020 - 21 Supplemental Budget Recommendations

All Funds by Agency

(Dollars in Thousands)

		FY 2020	FY 2021	FY 2022	FY 2023
Public Safety - Transportation					
Trunk Highway	Expenditures	\$1,500	\$6,316	\$6,316	\$6,316

Real ID Temporary Staffing

The Governor recommends funding for temporary staff in the Driver and Vehicle Services (DVS) unit to reduce the current and expected future backlog of driver license applications. Minnesotans must be REAL ID (federal security standard) compliant starting October 1, 2020 in order to board commercial aircraft, access federal facilities, and enter nuclear power plants. DVS has a growing driver license backlog, and without additional staffing, applicants will not receive their REAL ID by the October deadline.

General	Expenditures	\$2,400	\$0	\$0	\$0
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Pipeline Safety One-Call Law Revisions and Penalties Increased

The Governor recommends increases to civil penalties for violations of state pipeline safety laws in order to comply with federal minimum penalty amounts. This recommendation also creates a new data reporting process, and makes technical updates to state excavation laws for the MN Office of Pipeline Safety.

Restrict Misc Special Revenue	Revenues	\$0	\$20	\$20	\$20
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Technical Correction: VTRS Statute Updates

The Governor recommends clarifying the department's authority to charge fees for single tax-exempt license plates and duplicate and replacement dealer plates. This recommendation also includes technical changes to statute to clarify business practices for the new vehicle title and registration system (MN Drive). These changes are recommended in order to coincide with the launch of the new MN Drive system over the next 18 months.

Restrict Misc Special Revenue	Expenditures	\$0	\$0	\$0	\$0
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Eliminate Citizen Crash Report Requirement

The Governor recommends eliminating the requirement that citizens provide crash reports to the Department of Public Safety (DPS) when a collision results in bodily injury, death, or property damage of \$1 thousand or more. This data is the same information that law enforcement currently provides to DPS, and the citizen crash report data is no longer used for statistical purposes.

Restrict Misc Special Revenue	Revenues	\$0	\$0	\$0	\$0
Restrict Misc Special Revenue	Expenditures	\$0	\$0	\$0	\$0

Total Public Safety - Transportation

General	Expenditures	\$2,400	\$1,278	\$1,278	\$1,278
Restrict Misc Special Revenue	Revenues	\$0	\$20	\$20	\$20
Restrict Misc Special Revenue	Expenditures	\$0	\$0	\$0	\$0
Trunk Highway	Expenditures	\$1,500	\$6,316	\$6,316	\$6,316

Governor's FY 2020 - 21 Supplemental Budget Recommendations

All Funds by Agency

(Dollars in Thousands)

FY 2020 FY 2021 FY 2022 FY 2023

Pollution Control

Responding to Emerging Air and Water Quality Threats

The Governor recommends additional funding to build capacity in MPCA's air regulatory program to improve air permitting, compliance, and enforcement activities. MPCA will work with regulated facilities and impacted communities to increase the timeliness of permit issuance and availability, resolution of regulatory matters, and technical assistance to permittees.

General	Expenditures	\$0	\$726	\$726	\$726
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Use of Closed Landfill Investment Fund

The Governor recommends an open appropriation from the closed landfill investment fund to provide long-term care and maintenance of closed landfills.

Closed Landfill Investment	Expenditures	\$0	\$2,000	\$4,000	\$4,000
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Reinstate Advisory Council on Water and Wastewater Operator Certification Requirements

The Governor recommends reinstating the Water Supply Systems and Wastewater Treatment Facilities Advisory Council that expired in June 2019. The Council provides external review to the water supply and wastewater treatment programs at the Minnesota Department of Health and MPCA.

Environmental	Expenditures	\$0	\$0	\$0	\$0
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Total Pollution Control

General	Expenditures	\$0	\$726	\$726	\$726
Environmental	Expenditures	\$0	\$0	\$0	\$0
Closed Landfill Investment	Expenditures	\$0	\$2,000	\$4,000	\$4,000

Natural Resources

Expanding Chronic Wasting Disease Response

The Governor recommends additional funding for the surveillance of and response to chronic wasting disease in white-tailed deer. This includes testing, carcass disposal, enforcement, and public outreach. The funding will address both ongoing and emerging CWD response needs, including the existing disease in Crow Wing, Fillmore, Houston, and Winona Counties, as well as the recent discovery of disease in Douglas and Pine Counties. The federal government will partially reimburse the state's game and fish fund for these expenditures.

General	Expenditures	\$0	\$1,500	\$0	\$0
Game and Fish (Operations)	Revenues	\$0	\$975	\$0	\$0

Governor's FY 2020 - 21 Supplemental Budget Recommendations

All Funds by Agency

(Dollars in Thousands)

FY 2020 FY 2021 FY 2022 FY 2023

Natural Resources

Preventing the Spread of Aquatic Invasive Species (AIS)

The Governor recommends additional onetime funding to prevent the spread of Aquatic Invasive Species (AIS). This expansion of DNR's existing program will focus on upgrading public access infrastructure at heavily used sites and increasing enforcement and education efforts. It also creates a community partnership grant program that pilots innovative tools for AIS prevention, response, and education.

General	Expenditures	\$0	\$5,000	\$0	\$0
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Legal Costs

The Governor recommends additional funding for legal costs associated with defending DNR and MPCA decisions in legal proceedings. Of this amount, \$2 million is for the DNR and \$2 million is for a transfer to the MPCA. The costs include in-house legal counsel, outside legal counsel, records management, services from the Attorney General's Office, and other legal services.

General	Transfers Out	\$500	\$1,500	\$0	\$0
General	Expenditures	\$0	\$2,000	\$0	\$0

Deer Research to Inform Chronic Wasting Disease Response

The Governor recommends additional funding for deer research to enhance the state's response to chronic wasting disease (CWD) affecting white-tailed deer. This enhanced understanding is critical to informing the DNR's efforts to maintain a healthy deer population. Costs associated with this proposal include a combination of four temporary, seasonal technicians to help collect data, supplies and services, including radio collars and helicopter use, employee travel, and genetic analysis. The federal government will partially reimburse the state's game and fish fund for these expenditures.

Game and Fish (Operations)	Revenues	\$0	\$504	\$504	\$409
Game and Fish (Operations)	Expenditures	\$0	\$672	\$672	\$546

Streamlining Free Admission to State Parks for Tribal Members

The Governor recommends providing free state park vehicle permits to members of Minnesota's 11 federally recognized American Indian Tribal Nations. Numerous Minnesota state parks are home to sacred sites and lands that have significant cultural and spiritual importance to indigenous people. Providing free park vehicle permits will streamline the existing process of granting park access to tribal members for cultural and spiritual practices.

State Park	Revenues	\$0	(\$20)	(\$20)	(\$20)
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Reduce Cost of Nonresident Bonus Deer License

The Governor recommends reducing the fee for nonresident bonus deer licenses from \$91 to \$18 to encourage additional hunting and advance Minnesota's deer population management goals. The current cost of a resident bonus deer license is also \$18.

Game and Fish (Operations)	Revenues	\$0	(\$9)	(\$9)	(\$9)
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Governor's FY 2020 - 21 Supplemental Budget Recommendations

All Funds by Agency

(Dollars in Thousands)

FY 2020 FY 2021 FY 2022 FY 2023

Natural Resources

Lands Bill

The Governor recommends authorizing the DNR to purchase and sell specific parcels of state land and to adjust the boundaries of specific state parks and recreation areas.

Land Acquisition	Revenues	\$0	\$34	\$0	\$0
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Creating Ecosystem Services Opportunities on School Trust Lands

The Governor recommends authorizing the State to engage in ecosystem services projects on school trust lands. Although future revenues associated with this recommendation cannot be quantified at this time, any funds generated through these ecosystem services projects, such as mitigation markets or wetland banking, would be deposited into the permanent school fund that provides financial support to Minnesota's schools.

Permanent School	Revenues	\$0	\$0	\$0	\$0
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Total Natural Resources

General	Transfers Out	\$500	\$1,500	\$0	\$0
General	Expenditures	\$0	\$8,500	\$0	\$0
State Park	Revenues	\$0	(\$20)	(\$20)	(\$20)
Land Acquisition	Revenues	\$0	\$34	\$0	\$0
Game and Fish (Operations)	Revenues	\$0	\$1,470	\$495	\$400
Game and Fish (Operations)	Expenditures	\$0	\$672	\$672	\$546
Permanent School	Revenues	\$0	\$0	\$0	\$0

Agriculture

Enhancing Farm Safety

The Governor recommends grant funding for farm safety to retrofit tractor roll-over protection systems and create a grain bin safety reimbursement program. Additionally, this recommendation will fund a farm safety outreach campaign.

General	Expenditures	\$0	\$250	\$0	\$0
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Enhancing Farm and Rural Mental Health Support

The Governor recommends funding to continue to enhance farm and rural mental health support programming. Minnesota farmers have continued to experience high levels of stress due to persistent farm production challenges and declining farm income. Funding will allow the Department of Agriculture to conduct ten safeTALK workshops where 250-300 participants will be taught skills on recognizing signs of suicide. Additionally, this proposal will allow the department to create an instructional video visualizing safeTALK workshop skills in agricultural settings as well as a Coping with Stress workshop and an essay contest to promote mental health awareness among farm and rural adolescents.

General	Expenditures	\$0	\$50	\$0	\$0
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Governor's FY 2020 - 21 Supplemental Budget Recommendations

All Funds by Agency

(Dollars in Thousands)

FY 2020 FY 2021 FY 2022 FY 2023

Agriculture

Remove Licensing Requirements for Wholesale Produce Dealers

The Governor recommends removing the licensing requirement for wholesale produce dealers. Current law requires licensed buyers to hold a bond in case they default on their purchase of the seller's perishable agricultural products. The seller can then file a claim for payments out of the bond held by the buyer. Many agreements between wholesale produce sellers and buyers are verbal, thereby lacking the written documentation needed to file a claim. There is little demand from producers for protection of the transactions via bonding, and enforcement would place a substantial financial burden on the industry. This proposal would result in a loss of revenue from eliminating the licensing requirement.

Agriculture	Revenues	\$0	(\$140)	(\$140)	(\$140)
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Agricultural Microloan Program Expansion

The Governor recommends raising the lending limit for the Pilot Agricultural Microloan Program from \$10,000 to \$20,000. This program finances the production of specialty crops and certain livestock such as beef or dairy cattle and poultry. This proposal would increase eligibility for the program to allow more farmers to participate but does not change current funding. Loans in this program have a repayment period of 1-10 years depending on the item being financed.

Rural Finance Administration	Expenditures	\$0	\$0	\$0	\$0
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Simplifying Licenses for Water Sources for Food Sales

The Governor recommends eliminating the statutory requirement for small businesses to have a suitable water source. Current statute requires all businesses to have a suitable water supply, including small businesses whose operations do not relate to water services and that do not have direct contact with food such as those that sell prepackaged food and produce in a gift shop of an apple orchard or boutique. This proposal would allow these small businesses to apply for a food handling license resulting in an estimated 50 new license applications at \$57/each. This is expected to phase in a small amount of revenue into the general fund with trackable revenue in FY 2022-23.

General	Revenues	\$0	\$0	\$1	\$2
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Total Agriculture

General	Revenues	\$0	\$0	\$1	\$2
General	Expenditures	\$0	\$300	\$0	\$0
Agriculture	Revenues	\$0	(\$140)	(\$140)	(\$140)
Rural Finance Administration	Expenditures	\$0	\$0	\$0	\$0

Governor's FY 2020 - 21 Supplemental Budget Recommendations

All Funds by Agency

(Dollars in Thousands)

FY 2020 FY 2021 FY 2022 FY 2023

Commerce

Clean Energy and Jobs Renewable Development Account

The Governor recommends funding for 5 renewable energy generation projects from the Renewable Development Account (RDA) in fiscal years 2021-23. The fund has a projected balance of \$139 million in FY 2023. This proposal recommends funding for the Prairie Island Net Zero Community Project, Solar Rewards Incentives, Solar for Schools, an electric vehicle fast-charging network, and energy research. Additional funding would also be set aside for projects identified by the RDA Advisory Board and the Public Utilities Commission (PUC). In addition, the Governor recommends that the Department assumes management and administration over the fund.

Renewable Development	Expenditures	\$0	\$56,605	\$47,605	\$28,605
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Appraisal Management Company National Registry Fee

The Governor recommends implementation of a federally- required fee to support the national Appraisal Management Company (AMC) registry. The Dodd-Frank Act required that the federal Appraisal Subcommittee (ASC) collect this fee annually from states that license and regulate AMCs. Failure to implement the fee could prevent AMCs and Minnesota-licensed appraisers from working on federally-related real estate transactions.

Restrict Misc Special Revenue	Revenues	\$0	\$25	\$25	\$25
Restrict Misc Special Revenue	Expenditures	\$0	\$25	\$25	\$25

Petrofund Modernization

The Governor recommends statutory changes to (1) expand the eligibility criteria of the Petrofund Abandoned Underground Storage Tank Removal program to include abandoned tanks on properties that have been taken over by the State due to tax forfeiture; and (2) repeal the Petroleum Tank Fund (Petrofund) sunset date (June 30, 2022). The Petrofund helps to ameliorate petroleum storage tank leaks. Sites with petroleum storage tanks are difficult to sell for development by private parties, and this issue particularly affects Greater Minnesota.

Petroleum Tank Release Cleanup	Revenues	\$0	\$0	\$0	\$7,442
Petroleum Tank Release Cleanup	Expenditures	\$0	\$0	\$0	\$7,442

Consumer Protection: Licensing for Debt Buyers

The Governor recommends a statutory change to provide protection to consumers from unscrupulous debt buyers. This proposal recommends including debt buyers in the definition of a collection agency, thereby giving the State the ability to regulate and license those in the industry. In broadening the definition, the department expects to collect the \$500 license fee from approximately 100 debt buying agencies that operate in Minnesota.

General	Revenues	\$0	\$50	\$50	\$50
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Financial Institutions Fee Equity

The Governor recommends a statutory change to allow the department to levy assessments against all regulated financial institutions. The number of non-depository institutions in the state is growing rapidly, and many of them cannot be assessed by the Department of Commerce, but still must be regulated by the department. This change realigns the industry assessment to equitably assess all financial institutions without increasing the total assessment charged.

Restrict Misc Special Revenue	Revenues	\$0	\$0	\$0	\$0
Restrict Misc Special Revenue	Expenditures	\$0	\$0	\$0	\$0

Governor's FY 2020 - 21 Supplemental Budget Recommendations

All Funds by Agency

(Dollars in Thousands)

	FY 2020	FY 2021	FY 2022	FY 2023
Commerce				

Total Commerce

General	Revenues	\$0	\$50	\$50	\$50
Restrict Misc Special Revenue	Revenues	\$0	\$25	\$25	\$25
Restrict Misc Special Revenue	Expenditures	\$0	\$25	\$25	\$25
Renewable Development	Expenditures	\$0	\$56,605	\$47,605	\$28,605
Petroleum Tank Release Cleanup	Revenues	\$0	\$0	\$0	\$7,442
Petroleum Tank Release Cleanup	Expenditures	\$0	\$0	\$0	\$7,442

Employment and Economic Development

Increase Child Care Grants

The Governor recommends funding for the Childcare Economic Development Grant program. The program awards funding to communities to increase the supply of child care providers and support regional economic development. It is estimated that with this additional investment, over \$10 million in local matching funds will be leveraged with 4,000-6,000 more children throughout the state receiving child care.

General	Expenditures	\$0	\$2,000	\$0	\$0
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Total Employment and Economic Development

General	Expenditures	\$0	\$2,000	\$0	\$0
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Labor and Industry

Conform OSHA Federal Penalty

The Governor recommends a statutory change to conform with federal workplace safety standards. In 2015, Congress passed legislation to increase maximum penalties for workplace safety standard violations. Since Minnesota has been given authority by the federal government to administer a state OSHA plan, it must be as effective as federal OSHA laws, but currently Minnesota OSHA is below the acceptable range in all penalty categories. Without this change, Minnesota is non-compliant and risks losing its state-plan distinction and federal OSHA funding.

Workers Compensation	Revenues	\$0	\$115	\$117	\$120
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Governor's FY 2020 - 21 Supplemental Budget Recommendations

All Funds by Agency

(Dollars in Thousands)

FY 2020 FY 2021 FY 2022 FY 2023

Labor and Industry

Supporting Homeowners Who Suffer a Financial Loss at the Hands of Dishonest Contractors

The Governor recommends a statutory change to assist homeowners who have been defrauded by licensed residential building contractors. Homeowners who have suffered a financial loss may seek damages from the Contractor Recovery Fund. This proposal will allow payments to be made twice per year instead of once to reduce the time homeowners have to wait to receive compensation. It also raises the maximum payout per licensed residential building contractor from \$300,000 to \$800,000. This will ensure that multiple homeowners who file against the same contractor receive a more fair financial benefit.

Restrict Misc Special Revenue	Revenues	\$0	\$0	\$0	\$0
Restrict Misc Special Revenue	Expenditures	\$0	\$246	\$246	\$246

Total Labor and Industry

Restrict Misc Special Revenue	Revenues	\$0	\$0	\$0	\$0
Restrict Misc Special Revenue	Expenditures	\$0	\$246	\$246	\$246
Workers Compensation	Revenues	\$0	\$115	\$117	\$120

MN.IT Services

Enhancing Ransomware Security and Recovery

The Governor recommends funding to protect Minnesota information technology systems and infrastructure from ransomware attacks. This funding would be provided to MN.IT Services for the development and implementation of a cloud-focused recovery roadmap to enhance security resiliency and bolster recovery capabilities. The funding further enhances security resilience through targeted application modernization.

General	Expenditures	\$0	\$3,000	\$2,000	\$2,000
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Total MN.IT Services

General	Expenditures	\$0	\$3,000	\$2,000	\$2,000
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Administration

Increasing Grants Administration Oversight

The Governor recommends amending Minnesota statutes 16B.97 and 16B.98 to allow agencies to retain up to 5% of grant funds for legislatively named grants and up to 10% of grant funds for competitive grants in order to ensure adequate oversight and compliance with Office of Grants Management policies. This change applies to newly enacted grant programs, and not existing ones.

General	Expenditures	\$0	\$0	\$0	\$0
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Governor's FY 2020 - 21 Supplemental Budget Recommendations

All Funds by Agency

(Dollars in Thousands)

FY 2020 FY 2021 FY 2022 FY 2023

Administration

Expanding ADA Accommodation Fund Access

The Governor recommends reducing the minimum expense eligibility threshold for agency reimbursement from the Accommodation Fund for one-time accommodations for applicants and state employees with disabilities from \$1,000 to \$500. Employees and applicants who need periodic or ongoing accommodations currently have no minimum threshold, and this change will provide more similar treatment for those who need one-time accommodations.

General	Expenditures	\$0	\$0	\$0	\$0
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Total Administration

General	Expenditures	\$0	\$0	\$0	\$0
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Revenue

Federal Tax Information Background Check Requirement Changes

The Governor recommends aligning state background check requirements with federal guidelines for all state employees, county employees, and contractors who have access to federal tax information (FTI). In 2016, the IRS updated their guidance, called Publication 1075, by requiring that all US government agencies and their agents undergo fingerprinting as part of their minimum background check requirements. Conforming to federal standards ensures Minnesota continues to protect sensitive data from unauthorized use, access, and disclosure. Across the impacted agencies, \$150,000 is estimated to be absorbed in FY 2021. These agencies are the Minnesota Department of Revenue, the Minnesota Department of Human Services, Minnesota IT Services, Minnesota Department of Employment and Economic Development, Minnesota Department of Public Safety, and MNSure.

Veterans Affairs

Preventing Veteran Suicide

The Governor recommends creating a Veteran Suicide Prevention Office within the Department of Veterans Affairs to address the ongoing problem of Veteran suicide in Minnesota. The new office will work with partners from other state, local, and federal entities on suicide prevention efforts and engage in research and education. The office will focus on reducing the incidence of Veteran suicide by aligning resources for Veterans in need and those who care for them.

General	Expenditures	\$0	\$1,000	\$650	\$550
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Governor's FY 2020 - 21 Supplemental Budget Recommendations

All Funds by Agency

(Dollars in Thousands)

	FY 2020	FY 2021	FY 2022	FY 2023
Veterans Affairs				

Prevent and End Veteran Homelessness

To support the goal of ending Veterans homelessness in Minnesota, the Governor recommends providing 150 rental housing vouchers annually for Veterans - who are not eligible for federal VA services - experiencing homelessness and their families. In addition to housing vouchers, Veterans in need would also be provided with mental health and other wrap-around services to support independent living.

General	Expenditures	\$0	\$3,165	\$3,165	\$3,165
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Total Veterans Affairs

General	Expenditures	\$0	\$4,165	\$3,815	\$3,715
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MMB Non-operating

Replenish Budget Reserve

The Governor recommends maintaining the current budget reserve amount in FY 2022-23. At the end of the 2019 legislative session, a law was passed to reduce the budget reserve balance by \$491.369 million on the first day of FY 2022 to ensure a positive projected budgetary balance for the FY 2022-23 planning estimates. The use of the budget reserve is no longer necessary to maintain a projected budgetary balance in FY 2022-23.

General	Reserves	\$0	\$0	\$491,369	\$0
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Governor's 2020 Capital Budget Debt Service and Cash Capital Costs

The Governor recommends the cash capital, debt service, and other costs associated with the recommendations in the Governor's 2020 revised capital budget.

General	Transfers Out	\$0	\$24,844	\$66,229	\$111,621
General	Expenditures	\$0	\$64,335	\$450	\$450
Trunk Highway	Transfers Out	\$0	\$2,001	\$8,354	\$13,896
Maximum Effort School Loan	Revenues	\$0	\$1	(\$8)	(\$23)
Maximum Effort School Loan	Transfers Out	\$0	\$0	\$1	(\$8)

Public Defender Payment Distribution Changes

The Governor recommends the responsibility for distributing public defender expense reimbursements be transferred from Minnesota Management and Budget to the Minnesota Board of Public Defense. Public defender expense reimbursements are paid using a portion of the county program aid appropriation. This proposal ensures that the Board of Public Defense, which approves the expenses under current law, is also the entity that processes the expense payments. The Governor also recommends removing the requirement that certain public defender costs must be authorized by court order.

General	Transfers In	\$0	(\$500)	(\$500)	(\$500)
General	Expenditures	\$0	(\$500)	(\$500)	(\$500)

Governor's FY 2020 - 21 Supplemental Budget Recommendations

All Funds by Agency

(Dollars in Thousands)

FY 2020 FY 2021 FY 2022 FY 2023

MMB Non-operating

Total MMB Non-operating

General	Transfers In	\$0	(\$500)	(\$500)	(\$500)
General	Transfers Out	\$0	\$24,844	\$66,229	\$111,621
General	Expenditures	\$0	\$63,835	(\$50)	(\$50)
Trunk Highway	Transfers Out	\$0	\$2,001	\$8,354	\$13,896
Maximum Effort School Loan	Revenues	\$0	\$1	(\$8)	(\$23)
Maximum Effort School Loan	Transfers Out	\$0	\$0	\$1	(\$8)

State Auditor

School Finance Accountability Team

The Governor recommends funding for the Office of the State Auditor to hire additional staff to conduct school district audits at no charge for four years, and then charge school districts for the audit work beginning in FY 2025.

General	Expenditures	\$0	\$688	\$690	\$690
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Total State Auditor

General	Expenditures	\$0	\$688	\$690	\$690
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Attorney General

Continued IT Litigation Support Modernization

The Governor recommends funding for the Office of the Attorney General to make information technology investments, including e-discovery software enhancements, a new case management system, and cloud-based and hardware storage for an increasing volume of data and disaster recovery preparedness.

General	Expenditures	\$0	\$899	\$254	\$254
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Maintain and Stabilize Experienced Attorney Staff

The Governor recommends funding for the Office of the Attorney General to retain current staff by competitively compensating staff attorneys and legal support staff.

General	Expenditures	\$0	\$300	\$300	\$300
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Enhanced Criminal Enforcement – Assistance to Rural Counties and Prosecution of Economic Crimes

The Governor recommends funding for the Office of the Attorney General to hire additional staff to respond to county requests to prosecute complex crimes, such as violent, white collar, or cross-county crimes.

General	Expenditures	\$0	\$1,651	\$1,651	\$1,651
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Governor's FY 2020 - 21 Supplemental Budget Recommendations

All Funds by Agency

(Dollars in Thousands)

		FY 2020	FY 2021	FY 2022	FY 2023
Attorney General					
Total Attorney General					
General	Expenditures	\$0	\$2,850	\$2,205	\$2,205

Secretary of State

Help America Vote Act (HAVA) State Match and Spending Authority

The Governor recommends funding for the Office of the Secretary of State to meet the 20% state match requirement in the federal Consolidated Appropriations Act of 2020, which will allow the Office to use \$7,389,506 in federal Help America Vote Act (HAVA) funds to secure and improve Minnesota’s election systems. The Governor also recommends authorizing the expenditure of the 2020 HAVA funds beginning in FY 2020. Consistent with the spending plan for the 2018 HAVA funds, the Office will spend the 2020 HAVA funds in three primary ways: (1) expanding the Cyber Navigator Program to provide cyber security expertise to local governments, (2) investing in the election security of local jurisdictions, and (3) responding to cyber security recommendations of the United States Department of Homeland Security.

General	Transfers Out	\$1,478	\$0	\$0	\$0
Restrict Misc Special Revenue	Revenues	\$7,390	\$0	\$0	\$0
Restrict Misc Special Revenue	Transfers In	\$1,478	\$0	\$0	\$0
Restrict Misc Special Revenue	Expenditures	\$8,868	\$0	\$0	\$0

Total Secretary of State

General	Transfers Out	\$1,478	\$0	\$0	\$0
Restrict Misc Special Revenue	Revenues	\$7,390	\$0	\$0	\$0
Restrict Misc Special Revenue	Transfers In	\$1,478	\$0	\$0	\$0
Restrict Misc Special Revenue	Expenditures	\$8,868	\$0	\$0	\$0

Supreme Court

Competitive Grant Program for Courthouse Safety and Security

The Governor recommends funding for a competitive grant program for courthouse safety and security improvements, upon their request. Counties would be able to apply for one-time matching grants to fund courthouse security assessments, equipment technology, or training needs.

General	Expenditures	\$0	\$1,000	\$0	\$0
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Cyber Security for the State's Court System

The Governor recommends funding for cyber security for the courts upon their request to mitigate the risk of data breaches, data corruption, system outages, document/data loss, and cyberattacks.

General	Expenditures	\$0	\$3,500	\$1,750	\$1,750
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Governor's FY 2020 - 21 Supplemental Budget Recommendations

All Funds by Agency

(Dollars in Thousands)

		FY 2020	FY 2021	FY 2022	FY 2023
Supreme Court					
Total Supreme Court					
General	Expenditures	\$0	\$4,500	\$1,750	\$1,750

Public Defense, Board of

Public Defender Payment Distribution Changes

The Governor recommends the responsibility for distributing public defender expense reimbursements be transferred from Minnesota Management and Budget to the Minnesota Board of Public Defense. Public defender expense reimbursements are paid using a portion of the county program aid appropriation. This proposal ensures that the Board of Public Defense, which approves the expenses under current law, is also the entity that processes the expense payments. The Governor also recommends removing the requirement that certain public defender costs must be authorized by court order.

General	Transfers In	\$0	\$500	\$500	\$500
General	Expenditures	\$0	\$500	\$500	\$500

Total Public Defense, Board of

General	Transfers In	\$0	\$500	\$500	\$500
General	Expenditures	\$0	\$500	\$500	\$500

Prof Educator Licensing Std Bd

Modernizing Educator's Online Licensing System

The Governor recommends a general fund appropriation increase and fee increase to fund ongoing MNIT costs to develop the Educators Online Licensing System. This system processes approximately 19,000 licensure renewal applications and approximately 7,000 new applications each year. The current system will be eliminated when the Department of Education's mainframe is taken offline in the summer of 2020.

General	Revenues	\$0	\$195	\$195	\$195
General	Expenditures	\$0	\$767	\$240	\$162

Total Prof Educator Licensing Std Bd

General	Revenues	\$0	\$195	\$195	\$195
General	Expenditures	\$0	\$767	\$240	\$162

Governor's FY 2020 - 21 Supplemental Budget Recommendations

All Funds by Agency

(Dollars in Thousands)

FY 2020 FY 2021 FY 2022 FY 2023

Nursing Home Administrators, Board of

Establish Assisted Living Director License Fees and Operating

The Governor recommends adding a fee structure and funding for the Assisted Living Director's licensure that was inadvertently excluded from the Assisted Living Licensure bill that passed during the 2019 legislative session. Assisted living directors administer, manage, and supervise assisted living facilities and are licensed by the Board of Executives for Long Term Services and Supports, formerly known as the Board of Examiners for Nursing Home Administrators.

Health Related Boards	Revenues	\$0	\$836	\$440	\$377
Health Related Boards	Expenditures	\$0	\$467	\$431	\$451

Total Nursing Home Administrators, Board of

Health Related Boards	Revenues	\$0	\$836	\$440	\$377
Health Related Boards	Expenditures	\$0	\$467	\$431	\$451

Sentencing Guidelines Commission

Operating Deficit

The Governor recommends operating funding to maintain five current staff at the Commission.

General	Expenditures	\$8	\$36	\$36	\$36
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Total Sentencing Guidelines Commission

General	Expenditures	\$8	\$36	\$36	\$36
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Water and Soil Resources, Board of

Technical Correction: Riparian Aid Distribution Language

The Governor recommends updating riparian aid language in statute to prevent unintentional underpayments or overpayments to counties and watershed districts.

General	Expenditures	\$0	\$0	\$0	\$0
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SWCD Capacity Longterm Strategy

The Governor recommends creating a soil and water conservation account for future appropriations to fund the operating expenses of Soil and Water Conservation Districts.

General	Expenditures	\$0	\$0	\$0	\$0
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Governor's FY 2020 - 21 Supplemental Budget Recommendations

All Funds by Agency

(Dollars in Thousands)

		FY 2020	FY 2021	FY 2022	FY 2023
Water and Soil Resources, Board of					
Total Water and Soil Resources, Board of					
General	Expenditures	\$0	\$0	\$0	\$0

Gambling Control Board

Operating Costs

The Governor recommends resources for the Gambling Control Board to maintain existing staff, fund retirement costs, and other immediate operating needs.

Restrict Misc Special Revenue	Expenditures	\$227	\$111	\$111	\$111
Total Gambling Control Board					
Restrict Misc Special Revenue	Expenditures	\$227	\$111	\$111	\$111