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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH
SESSION

HOUSE FILE No. **3142**

February 25, 2010
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The bill was read for the first time and referred to the Committee on Finance

1.1 A bill for an act
1.2 relating to the financing of state and local government; local government aid;
1.3 human services appropriations; amending Minnesota Statutes 2008, section
1.4 477A.0124, by adding a subdivision; 2010 S.F No. 2168, article 2, section 2, if
1.5 enacted; proposing coding for new law in Minnesota Statutes, chapter 477A.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2008, section 477A.0124, is amended by adding a
1.8 subdivision to read:

1.9 Subd. 6. Aid adjustments. For aid payable in 2010 only, each county's total
1.10 distribution amount under this section is reduced by an amount equal to 0.6845 percent of
1.11 the county's 2009 levy plus aid revenue base determined under section 477A.0133.

1.12 Each county's reduction amount is limited to the sum of the county's distributions
1.13 under this section and section 273.1384 before the reductions under this subdivision.

1.14 The aid reduction is applied first to the county's distributions under this section, and
1.15 then, if necessary, to reduce the county's reimbursements under section 273.1384.

1.16 EFFECTIVE DATE. This section is effective the day following final enactment.

1.17 Sec. 2. [477A.0133] 2010 COUNTY AID REDUCTIONS.

1.18 The commissioner of revenue shall compute an aid reduction amount for each
1.19 county for aid payable in 2010 equal to 0.6845 percent of the county's levy plus aid
1.20 revenue base for 2009.

1.21 The "levy plus aid revenue base" for a county is the sum of that county's certified
1.22 property tax levy for taxes payable in 2009, plus the sum of the amounts the county was
1.23 certified to receive in 2009 as:

2.1 (1) county program aid under section 477A.0124; and
 2.2 (2) taconite aids under sections 298.28 and 298.282, including any aid which was
 2.3 required to be placed in a special fund for expenditure in the next succeeding year.

2.4 The reduction is limited to the sum of the county's payable 2010 distributions under
 2.5 sections 273.1384 and 477A.0124.

2.6 The aid reduction is applied first to the county's distributions under section
 2.7 477A.0124, and then, if necessary, to reduce the county's reimbursements under section
 2.8 273.1384.

2.9 To the extent that sufficient information is available on each payment date in each
 2.10 year, the commissioner of revenue shall pay any remaining distribution or reimbursement
 2.11 amount that is reduced under this section in equal installments on the payment dates
 2.12 provided by law.

2.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.14 Sec. 3. 2010 S.F No. 2168, article 2, section 2, if enacted, is amended to read:

2.15 Sec. 2. **HUMAN SERVICES**

2.16 Subdivision 1. **Total Appropriation** \$ **(82,741,000)** \$ **165,372,000**

2.17	Appropriations by Fund		
2.18		2010	2011
2.19	General	(62,256,000)	(34,110,000)
2.20	Health Care Access	(68,568,000)	(185,157,000)
2.21	Special Revenue	48,053,000	384,639,000

2.22 The amounts that may be spent for each
 2.23 purpose are specified in the following
 2.24 subdivisions.

2.25 ~~Subd. 2. **Children and Economic Assistance**~~
 2.26 ~~**Grants**~~ ~~-0-~~ ~~(14,121,000)~~

2.27 ~~The commissioner shall reduce the amount~~
 2.28 ~~allocated to children and community~~
 2.29 ~~services grants by \$14,121,000. This is a~~
 2.30 ~~onetime reduction in fiscal year 2011. The~~
 2.31 ~~commissioner shall transfer \$14,121,000 in~~
 2.32 ~~fiscal year 2011 from the general fund to~~
 2.33 ~~the fund established in Minnesota Statutes,~~
 2.34 ~~section 256D.032.~~

3.1 **Subd. 3. Children and Economic Assistance**
 3.2 **Management**

3.3 **Children and Economic Assistance Operations**

3.4 Appropriations by Fund

3.5 Special Revenue 29,000 -0-

3.6 **Subd. 4. Basic Health Care Grants**

3.7 The amounts that may be spent from this
 3.8 appropriation for each purpose are as follows:

3.9 **(a) MinnesotaCare Grants** (68,128,000) (179,051,000)

3.10 Appropriations by Fund

3.11 Health Care Access (68,568,000) (185,157,000)

3.12 Special Revenue 440,000 6,106,000

3.13 **(b) Medical Assistance Basic Health Care**
 3.14 **Grants - Families and Children**

3,074,000 53,875,000

3.15 Appropriations by Fund

3.16 General -0- (4,070,000)

3.17 Special Revenue 3,074,000 57,945,000

3.18 **(c) Medical Assistance Basic Health Care**
 3.19 **Grants - Elderly and Disabled**

2,325,000 41,314,000

3.20 Appropriations by Fund

3.21 General -0- (6,470,000)

3.22 Special Revenue 2,325,000 47,784,000

3.23 **(d) General Assistance Medical Care Grants**

(20,083,000) 266,945,000

3.24 Appropriations by Fund

3.25 General (60,406,000) -0-

3.26 Special Revenue 40,323,000 266,945,000

3.27 For general assistance medical care grants
 3.28 under Minnesota Statutes, section 256D.031.
 3.29 The commissioner shall transfer \$60,406,000
 3.30 on March 1, 2010, from the general fund to
 3.31 the fund established in Minnesota Statutes,
 3.32 section 256D.032. Any unexpended amount
 3.33 not used for general assistance medical care
 3.34 expenditures incurred before March 1, 2010,
 3.35 does not cancel and shall be transferred to

4.1 the fund established in Minnesota Statutes,
4.2 section 256D.032, by January 1, 2011.

4.3 **Subd. 5. Health Care Management**

4.4 The amounts that may be spent from the
4.5 appropriation for each purpose are as follows:

4.6 **(a) Health Care Administration**

	Appropriations by Fund		
4.7			
4.8	General	(825,000)	(2,425,000)
4.9	Special Revenue	825,000	2,784,000

4.10 \$825,000 in fiscal year 2010 and \$2,475,000
 4.11 in fiscal year 2011 from the special revenue
 4.12 fund are for administration of the general
 4.13 assistance medical care program under
 4.14 Minnesota Statutes, section 256D.031. For
 4.15 purposes of consistent cost allocation and
 4.16 accounting, the commissioner may transfer
 4.17 these amounts to the general fund. The
 4.18 commissioner shall transfer \$825,000 in
 4.19 fiscal year 2010 and \$2,475,000 in fiscal
 4.20 year 2011 from the general fund to the fund
 4.21 established in Minnesota Statutes, section
 4.22 256D.032.

4.23 **(b) Health Care Operations**

	Appropriations by Fund		
4.24			
4.25	General	(1,025,000)	(3,075,000)
4.26	Special Revenue	1,067,000	3,075,000

4.27 \$1,025,000 in fiscal year 2010 and
 4.28 \$3,075,000 in fiscal year 2011 from the
 4.29 special revenue fund are for operations of
 4.30 the general assistance medical care program
 4.31 under Minnesota Statutes, section 256D.031.
 4.32 For purposes of consistent cost allocation
 4.33 and accounting, the commissioner may
 4.34 transfer these amounts to the general fund.
 4.35 The commissioner shall transfer \$1,025,000

5.1 in fiscal year 2010 and \$3,075,000 in fiscal
 5.2 year 2011 from the general fund to the fund
 5.3 established in Minnesota Statutes, section
 5.4 256D.032.

5.5 ~~Subd. 6. Continuing Care Grants~~

5.6 ~~Mental Health Grants~~ -0- (5,000,000)

5.7 ~~The commissioner shall reduce the amount~~
 5.8 ~~allocated to adult mental health grants by~~
 5.9 ~~\$5,000,000. This is a onetime reduction in~~
 5.10 ~~fiscal year 2011. The commissioner shall~~
 5.11 ~~transfer \$5,000,000 in fiscal year 2011 from~~
 5.12 ~~the general fund to the fund established in~~
 5.13 ~~Minnesota Statutes, section 256D.032.~~

5.14 Subd. 7. Continuing Care Management -0- 1,051,000

5.15 Subd. 8. Transfers

5.16 (a) From March 1, 2010, until June 30, 2011,
 5.17 the commissioner may transfer amounts
 5.18 appropriated from the account created in
 5.19 Minnesota Statutes, section 256D.032, to the
 5.20 general fund to pay the hospital rate increases
 5.21 under Minnesota Statutes, section 256.969,
 5.22 from the medical assistance account.

5.23 (b) From May 1, 2010, until June 30, 2011,
 5.24 the commissioner may transfer amounts
 5.25 appropriated from the account created in
 5.26 Minnesota Statutes, section 256D.032, to the
 5.27 general fund or the health care access fund
 5.28 to pay the managed care plan rate increases
 5.29 under Minnesota Statutes, section 256B.69,
 5.30 subdivision 5k, from the medical assistance
 5.31 account.

5.32 EFFECTIVE DATE. This section is effective March 1, 2010, and supersedes 2010
 5.33 S.F. No. 2168 regardless of order of enactment.

6.1 Sec. 4. **TRANSFER.**

6.2 The commissioner of management and budget shall transfer \$19,121,000 in fiscal
6.3 year 2011 from the general fund to the account created in Minnesota Statutes, section
6.4 256D.032.