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## **STATE of MINNESOTA**





DEPARTMENT

## TIM PAWLENTY GOVERNOR

## **EXECUTIVE ORDER 10-08**

## **RESCINDING EMERGENCY EXECUTIVE ORDER 10-07 IN RECOGNITION OF BALANCED BUDGET AGREEMENT**

I, TIM PAWLENTY, GOVERNOR OF THE STATE OF MINNESOTA, by virtue of the authority vested in me by the Constitution and the applicable statutes, including Minnesota Statutes 2009, Section 4.035, do hereby issue this Executive Order:

WHEREAS, Article XI of the Constitution of the State of Minnesota requires that the State balance its budget for each fiscal biennium; and

WHEREAS, a divided Minnesota Supreme Court ruled on May 5, 2010, that the unallotment powers found in Minnesota Statutes, Section 16A.152, could not be used by the Administration to balance the State of Minnesota's biennial budget prior to agreement with the Minnesota Legislature on a balanced budget for the fiscal biennium; and

WHEREAS, by May 7, 2010, the Minnesota Legislature had not enacted an acceptable and appropriate balanced budget for the current Fiscal Year 2010-2011 biennium addressing the existing budget deficit as well as the potential increased deficit that might have resulted from rescinding the Administration's unallotment actions in the absence of a balanced-budget agreement; and

WHEREAS, in order to address the State of Minnesota's imminent and severe cash flow crisis as a result of the potential restoration of previously-reduced allotments, I ordered on May 7, 2010, in Emergency Executive Order 10-07 that the Commissioner of Minnesota Management & Budget undertake emergency cash management planning as necessary to plan for the prioritization of core government services; and

WHEREAS, the Minnesota Legislature subsequently passed an acceptable balanced budget bill (Chapter 1, 2010 First Special Session) during a one-day special session held on Monday, May 17, 2010, immediately following the adjournment of the regular session of Minnesota Legislature; and WHEREAS, I have today signed this balanced-budget bill into law, as it meets my core priorities of cutting government spending and avoiding the imposition of counterproductive tax and surcharge increases that would negatively impact the State of Minnesota's economy as it recovers from the current historic economic downturn; and

WHEREAS, this balanced-budget agreement restores the State of Minnesota's fiscal stability, thereby resolving the issue that necessitated prompt action under Emergency Executive Order 10-07.

NOW, THEREFORE, I hereby order that the provisions of Emergency Executive Order 10-07 be rescinded.

Pursuant to Minnesota Statutes 2009, Section 4.035, Subdivision 2, this Order is upon 15 days after its publication in the fifteen (15) days after publication in the State Register and filing with the Secretary of State.

IN TESTIMONY WHEREOF, I have set my hand this 21<sup>st</sup> day of May, 2010.

TIM PAWLENTY Governor

Filed According to Law:

Mark Ritchie

MARK RITCHIE Secretary of State

