

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 2851

(SENATE AUTHORS: XIONG)

DATE
03/20/2025

D-PG

Introduction and first reading
Referred to State and Local Government

OFFICIAL STATUS

- 1.1 A bill for an act
- 1.2 relating to state government; changing the date of the report on the budget reserve
- 1.3 percentage; amending Minnesota Statutes 2024, section 16A.152, subdivision 8.
- 1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.5 Section 1. Minnesota Statutes 2024, section 16A.152, subdivision 8, is amended to read:
- 1.6 Subd. 8. **Report on budget reserve percentage.** (a) The commissioner of management
- 1.7 and budget shall develop and annually review a methodology for evaluating the adequacy
- 1.8 of the budget reserve based on the volatility of Minnesota's general fund tax structure. The
- 1.9 review must take into consideration relevant statistical and economic literature. After
- 1.10 completing the review, the commissioner may revise the methodology if necessary. The
- 1.11 commissioner must use the methodology to annually estimate the percentage of the current
- 1.12 biennium's general fund nondedicated revenues recommended as a budget reserve.
- 1.13 (b) By ~~September~~ October 30 of each year, the commissioner shall report the percentage
- 1.14 of the current biennium's general fund nondedicated revenue that is recommended as a
- 1.15 budget reserve to the chairs and ranking minority members of the senate Committee on
- 1.16 Finance, the house of representatives Committee on Ways and Means, and the senate and
- 1.17 house of representatives Committees on Taxes. The report must also specify:
- 1.18 (1) whether the commissioner revised the recommendation as a result of significant
- 1.19 changes in the mix of general fund taxes or the base of one or more general fund taxes;
- 1.20 (2) whether the commissioner revised the recommendation as a result of a revision to
- 1.21 the methodology; and
- 1.22 (3) any additional appropriate information.