



March 14, 2013

TO: Representative Paul Thissen, Speaker of the House
Senator Tom Bakk, Senate Majority Leader
Representative Kurt Daudt, House Minority Leader
Senator David Hann, Senate Minority Leader

FROM: Jim Schowalter 
Commissioner

SUBJECT: Supplemental Budget Update #1

The purpose of this letter is to officially transmit changes to Governor Dayton's proposed FY 2014-15 budget that was originally released on January 22, 2013. The changes submitted today incorporate the impact of the February forecast and adjust the Governor's FY 2014-15 budget plan.

The Governor's revised general fund recommendations are based upon the February 2013 forecast that reflected increased available revenues projected for the current biennium and the next. The adjustments reflect the fact that the projected budget shortfall for FY 2014-15 has been reduced from \$1.1 billion to \$627 million due to changes in the underlying revenue and expenditure forecast.

The general fund impact of both the February forecast changes and revised Governor's budget plan is summarized below. After changes, the available balance of \$8 million remains for the FY 2014-15 revised budget.

FY 2014-15 General Fund Recommendations
(\$ in millions)

	January Budget	March Budget	\$ Change
Beginning Balance	\$1,011	\$1,008	\$(3)
Forecast Revenues	35,793	36,116	323
<i>Recommended Tax Changes</i>	2,139	1,841	(298)
<i>Recommended Non-tax Changes</i>	(12)	(10)	2
Total Revenues	37,920	37,946	26
Forecast Expenditures	36,861	36,744	(117)
<i>Recommended Spending Changes</i>	1,031	1,196	165
Total Expenditures	37,892	37,939	47
Reserves	1,033	1,006	(27)
Ending Balance	\$6	\$ 8	\$2

The February forecast reduced the budget shortfall for the FY 2014-15 biennium by \$463 million. This improvement allowed the Governor to make several significant changes to his budget:

- \$296 million reduction in proposed revenue. The Governor's supplemental budget is based on income, corporate and cigarette tax changes.
- \$165 million increase in expenditures focused on the renter's credit, federal tax conformity, debt service for a \$750 million bonding bill and transitioning to a new MinnesotaCare program.

The attachment to this letter provides a listing of the changes to the Governor's January recommendations. The changes include new recommendations (proposals that were not in the earlier budget submission), revised recommendations (due to the forecast or other changes), and corrected recommendations (where an error in an earlier recommendation is being corrected). The report provides revenue and expenditure impacts by fiscal year for both the 2014-15 biennium, as well as the following biennium. Two general fund summary tables are also included: the first shows the Governor's proposed recommended general fund revenues and expenditures compared to the February forecast; the second displays the Governor's initial January recommended budget compared to the revised March budget submission.

Revised budget documents, with updated fiscal and change item pages, along with other supporting documents will be available on the MMB web site early next week. Individual agency staffs, along with MMB executive budget officers, are prepared to answer any questions you may have on the recommendations.

cc: Senator Richard Cohen, Senate Finance Chair
Representative Lyndon Carlson Sr., House Ways and Means Chair
Bill Marx, Chief House Fiscal Analyst
Eric Nauman, Chief Senate Fiscal Analyst

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By Omnibus Bill and Agency

(Dollars in Thousands)

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Agriculture Bill Area

Agriculture

Clean Water Legacy - Agriculture Best Management Practice (AgBMP) Loan Program - Corrected

This proposal is revised to correct an error in the Governor's original budget that omitted the impact of issuing loans from the Special Revenue Fund. The revision reflects the number of loans projected to be awarded by the Minnesota Department of Agriculture.

Other Funds	Expenditure	258	260	518	200	300	500
Other Funds	Transfers In	1,442	1,440	2,882	0	0	0
Other Funds	Transfers Out	1,442	1,440	2,882	0	0	0
	Net Change	258	260	518	200	300	500

Debt Service

MMB Debt Service

Additional Costs for a \$750 Million Bonding Bill - Revised

The Governor recommends additional debt service costs sufficient to support a \$750 million bonding bill.

General Fund	Expenditure	7,509	46,942	54,451	46,350	49,684	96,034
	Net Change	7,509	46,942	54,451	46,350	49,684	96,034

E-12 Education

Education

Basic Formula Simplification and Investment - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Expenditure	49,769	63,250	113,019	66,941	68,192	135,133
	Net Change	49,769	63,250	113,019	66,941	68,192	135,133

Optional All Day Kindergarten - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Expenditure	0	48,130	48,130	55,129	54,633	109,762
	Net Change	0	48,130	48,130	55,129	54,633	109,762

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Special Education Funding - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Expenditure	0	127,232	127,232	155,849	162,326	318,175
	Net Change	0	127,232	127,232	155,849	162,326	318,175

Teacher Growth and Evaluation - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Expenditure	1,433	8,801	10,234	9,930	9,705	19,635
	Net Change	1,433	8,801	10,234	9,930	9,705	19,635

English Language Learners 5 to 7 Years - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Expenditure	6,650	7,911	14,561	7,955	7,960	15,915
	Net Change	6,650	7,911	14,561	7,955	7,960	15,915

Integration Aid - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Expenditure	(2,688)	(3,019)	(5,707)	(2,236)	(1,338)	(3,574)
	Net Change	(2,688)	(3,019)	(5,707)	(2,236)	(1,338)	(3,574)

Literacy Incentive Aid - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Expenditure	0	(21)	(21)	(699)	(1,235)	(1,934)
	Net Change	0	(21)	(21)	(699)	(1,235)	(1,934)

Clarification of Kindergarten Early Entrance Requirements - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Expenditure	(1,331)	(1,540)	(2,871)	(1,540)	(1,540)	(3,080)
	Net Change	(1,331)	(1,540)	(2,871)	(1,540)	(1,540)	(3,080)

Amend Charter School Lease Aid - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Expenditure	0	(1,952)	(1,952)	(2,271)	(2,284)	(4,555)
	Net Change	0	(1,952)	(1,952)	(2,271)	(2,284)	(4,555)

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Post-Secondary Scholarships - Early Graduation - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Expenditure	(150)	(265)	(415)	(402)	(605)	(1,007)
	Net Change	(150)	(265)	(415)	(402)	(605)	(1,007)

Education Shift Buyback - Revised

The Governor withdraws his recommendation to repay the school shift in the FY 2016-17 biennium. The shift will continue to be repaid per M.S. 16A.152, subdivision 2.

General Fund	Expenditure	0	0	0	0	0	0
	Net Change	0	0	0	0	0	0

Economic Development

Mediation Services, Board of

Case and Document Management System Replacement - Correction

This proposal is revised to correct an error in the Governor's original budget that allocated the total technology costs incorrectly between the two years of the biennium. The biennial total is the same as the Governor's original budget.

General Fund	Expenditure	100	0	100	25	25	50
	Net Change	100	0	100	25	25	50

Environment, Energy, and Natural Resources

Natural Resources

Investments in Forest Management - Revised

The Governor recommends an additional investment of \$4 million each biennium in forestry activities to address the backlog of forest management activities and make long-term investments in the health and productivity of forests. This investment is in addition to the \$4 million biennial investment in forestry activities in the Governor's original budget.

General Fund	Expenditure	4,000	4,000	8,000	4,000	4,000	8,000
	Net Change	4,000	4,000	8,000	4,000	4,000	8,000

Water Use and Application Fee Structure Changes - New

The Governor recommends changes to the water use and application fee structure to charge both existing and new users that consume 100+ million gallons of water to pay for groundwater level monitoring.

Other Funds	Expenditure	2,500	6,360	8,860	7,000	7,760	14,760
Other Funds	Revenue	0	7,897	7,897	8,055	8,216	16,271
	Net Change	2,500	(1,537)	963	(1,055)	(456)	(1,511)

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Pollution Control

Clean Water Legacy - Multiple Activities - Corrected

This proposal is revised to correct an error in the Governor's original budget that omitted the administration costs for the Clean Water Council.

Other Funds	Expenditure	29,494	29,494	58,988	0	0	0
	Net Change	29,494	29,494	58,988	0	0	0

Environmental Health Risk - Corrected

This proposal is revised to correct an error in the Governor's original budget that reflected the incorrect transfer amount from the Pollution Control Agency (MPCA) to the Department of Health (MDH).

Other Funds	Expenditure	101	101	202	101	101	202
Other Funds	Transfers Out	499	499	998	499	499	998
	Net Change	600	600	1,200	600	600	1,200

Environmental Quality Board - Corrected

This proposal is revised to correct an error in the Governor's original budget that overstated the environmental quality board by \$151,000 annually.

General Fund	Expenditure	312	312	624	312	312	624
Other Funds	Expenditure	188	188	375	188	188	375
	Net Change	500	500	999	500	500	999

Sanitary District Formation - Corrected

This proposal is revised to correct an error in the Governor's original budget that overstated revenues in FY 2014 by \$25,000.

Other Funds	Revenue	50	50	100	50	50	100
Other Funds	Transfers Out	75	50	125	50	50	100
	Net Change	25	0	25	0	0	0

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Silica Sand Mining Technical Assistance Team - New

The Governor recommends an investment of \$3.4 million, of which \$1.9 million is to support an interagency team including the Environmental Quality Board, the Pollution Control Agency, the Department of Natural Resources, the Department of Transportation, the Department of Health and the Department of Revenue. Members of this team will provide technical assistance to local units of government related to silica sand mining. Expenditures for this purpose will be supported by new fees imposed on extraction and processing activity to be deposited in a special revenue account. Of the revenue generated by the new fees, 25% will be paid to the counties in which extraction and washing of silica sand takes place.

Other Funds	Expenditure	851	1,451	2,303	1,491	1,531	3,023
Other Funds	Revenue	1,700	4,100	5,800	4,200	4,400	8,600
Other Funds	Transfers Out	654	445	1,099	445	445	890
	Net Change	(195)	(2,204)	(2,398)	(2,264)	(2,424)	(4,687)

Health and Human Services

Health

Home Health Care Licensing Reform - Revised

This proposal has been revised to reflect an increase in anticipated licensing revenue and to accurately reflect program expenditures.

Other Funds	Expenditure	2,589	2,508	5,097	2,508	2,508	5,016
Other Funds	Revenue	1,639	2,415	4,054	2,571	2,728	5,299
	Net Change	950	93	1,043	(63)	(220)	(283)

Modify Mortuary Science Regulations - Revised

This proposal has been revised to reflect a decrease in anticipated program activity.

Other Funds	Expenditure	6	4	10	4	2	6
Other Funds	Revenue	6	4	10	4	2	6
	Net Change	0	0	0	0	0	0

Environmental Health Risk - Revised

This proposal is revised to correct the allocation of resources between the Minnesota Pollution Control Agency (MPCA) and the Department of Health.

Other Funds	Expenditure	499	499	998	499	499	998
Other Funds	Transfers In	499	499	998	499	499	998
	Net Change	0	0	0	0	0	0

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PMAP MERC Investment - Corrected

This proposal has been revised to correct an error that omitted the transfer of funds and increased federal match generated by the investment in PMAC MERC funding which was not included in the Department of Health's budget.

Other Funds	Expenditure	12,808	12,808	25,616	12,808	12,808	25,616
Other Funds	Revenue	12,808	12,808	25,616	12,808	12,808	25,616
	Net Change	0	0	0	0	0	0

Health Insurance Exchange

Health Insurance Exchange Financing - Revised

This proposal is revised to reflect additional revenue received from DHS to fund the portion of the Health Insurance Exchange's costs related to the New MinnesotaCare program. This results in a shift of revenue from the premium withhold based on projected enrollment in the New MinnesotaCare. The additional revenue is \$6.97 million in FY 2014 and \$8.74 million in FY 2015.

Other Funds	Expenditure	23,431	68,249	91,680	111,178	128,557	239,735
Other Funds	Revenue	33,675	83,359	117,034	108,536	128,908	237,444
	Net Change	(10,244)	(15,110)	(25,354)	2,642	(351)	2,291

Human Services

ACA: MA Eligibility and Enrollment Changes - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes and to more accurately reflect the proposal's implementation timeline.

General Fund	Expenditure	18,460	119,804	138,264	148,014	161,256	309,270
	Net Change	18,460	119,804	138,264	148,014	161,256	309,270

ACA: Expand MA to Maintain Coverage for Children and Pregnant Women up to 275% FPG - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Expenditure	45,032	133,724	178,756	176,339	182,269	358,608
Other Funds	Expenditure	(27,670)	(76,060)	(103,730)	(84,364)	(89,189)	(173,553)
	Net Change	17,362	57,664	75,026	91,975	93,080	185,055

Continued EMA Coverage for Cancer and Dialysis - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Expenditure	1,429	1,710	3,139	1,710	2,910	4,620
	Net Change	1,429	1,710	3,139	1,710	2,910	4,620

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Managed Care Organization Contract Savings - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Expenditure	0	0	0	0	0	0
Other Funds	Expenditure	0	0	0	0	0	0
	Net Change	0	0	0	0	0	0

MA Rate Increase for Targeted Service Categories - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes. It has also been adjusted to include an increase in the MA payment rate provided for clinic-based family planning services.

General Fund	Expenditure	6,628	21,805	28,433	23,127	24,576	47,703
	Net Change	6,628	21,805	28,433	23,127	24,576	47,703

ACA: Admin and Systems resources for all health care coverage expansions - New

The Governor recommends increased funding to support additional agency administrative costs related to the implementation of the Affordable Care Act in Minnesota.

General Fund	Expenditure	423	785	1,208	930	930	1,860
Other Funds	Expenditure	1,171	2,204	3,375	2,374	2,463	4,837
	Net Change	1,594	2,989	4,583	3,304	3,393	6,697

Reform 2020: Alternative Care and Essential Community Supports FFP - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Expenditure	(10,450)	(11,142)	(21,592)	(12,178)	(15,006)	(27,184)
	Net Change	(10,450)	(11,142)	(21,592)	(12,178)	(15,006)	(27,184)

Reform 2020: First Contact- Simplification, Access and Transitions Support - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Expenditure	2,536	(2,091)	445	(5,096)	(7,948)	(13,044)
	Net Change	2,536	(2,091)	445	(5,096)	(7,948)	(13,044)

Reform 2020: Individual Community Living Support (ICLS) Added to AC and EW - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Expenditure	(78)	(3,510)	(3,588)	(7,363)	(7,975)	(15,338)
	Net Change	(78)	(3,510)	(3,588)	(7,363)	(7,975)	(15,338)

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Reform 2020: Community First Services and Supports - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Expenditure	(1,093)	130	(963)	(463)	(2,311)	(2,774)
	Net Change	(1,093)	130	(963)	(463)	(2,311)	(2,774)

Reform 2020: Intensive Services for Children with Autism Spectrum Disorder - Corrected

This item has been adjusted to correct a technical error in FY 2016-17 estimates.

General Fund	Expenditure	1,418	11,326	12,744	14,868	15,667	30,535
	Net Change	1,418	11,326	12,744	14,868	15,667	30,535

Transition Initiatives for Certain Populations - Revised

The cost of this item has been decreased from the Governor's original recommendation to accurately reflect the anticipated administrative costs.

General Fund	Expenditure	3,330	4,884	8,214	5,426	5,285	10,711
	Net Change	3,330	4,884	8,214	5,426	5,285	10,711

Nursing Facility Rate Increase and Quality Add-On - Corrected

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes and to correct a technical error in initial planning assumptions.

General Fund	Expenditure	5,632	13,980	19,612	22,046	30,347	52,393
	Net Change	5,632	13,980	19,612	22,046	30,347	52,393

Suspend APS Operating Rate Inflation for Nursing Facilities - Corrected

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes and to accurately reflect a four year rate suspension.

General Fund	Expenditure	(5,133)	(12,170)	(17,303)	(19,305)	(27,002)	(46,307)
	Net Change	(5,133)	(12,170)	(17,303)	(19,305)	(27,002)	(46,307)

Suspend APS Property Rate Inflation for Nursing Facilities - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes and to accurately reflect a four year rate suspension.

General Fund	Expenditure	(675)	(1,599)	(2,274)	(2,535)	(3,545)	(6,080)
	Net Change	(675)	(1,599)	(2,274)	(2,535)	(3,545)	(6,080)

HCBS Pay for Performance Initiative - Corrected

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes. This item has also been decreased to correct technical errors in FY2016-17 estimates.

General Fund	Expenditure	2,377	4,177	6,554	27,145	50,393	77,538
	Net Change	2,377	4,177	6,554	27,145	50,393	77,538

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Quality Initiative: Positive Practice and Behavior Safeguards and Supports - Revised

The cost of this item has been increased relative to the Governor's original recommendation to accurately reflect the anticipated administrative cost of the proposal.

General Fund	Expenditure	494	467	961	467	467	934
	Net Change	494	467	961	467	467	934

Quality Initiative: Waiver Provider Standards Phase II - Revised

The cost of this item has been decreased relative to the Governor's original recommendation to accurately reflect the anticipated administrative cost of the proposal.

General Fund	Expenditure	747	971	1,718	971	971	1,942
	Net Change	747	971	1,718	971	971	1,942

Enhance Audit Activity Resources for Nursing Facilities - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Expenditure	(12)	(133)	(145)	(307)	(474)	(781)
	Net Change	(12)	(133)	(145)	(307)	(474)	(781)

Restore Planned Closure Rate Adjustment Authority - Corrected

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes and to correct a technical error in initial planning estimates.

General Fund	Expenditure	(491)	(1,435)	(1,926)	(2,215)	(2,827)	(5,042)
General Fund	Revenue	(397)	(1,194)	(1,591)	(1,790)	(2,187)	(3,977)
	Net Change	(94)	(241)	(335)	(425)	(640)	(1,065)

Reform 2020: Housing Stability Services Demonstration - Corrected

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes and to correct technical errors in FY 2016-17 cost estimates.

General Fund	Expenditure	(458)	(3,216)	(3,674)	(3,799)	(4,821)	(8,620)
	Net Change	(458)	(3,216)	(3,674)	(3,799)	(4,821)	(8,620)

Increase Access to Quality Care for Children with High Needs - Corrected

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes and to correct technical errors in FY 2016-17 cost estimates.

General Fund	Expenditure	7,577	15,364	22,941	17,295	17,660	34,955
	Net Change	7,577	15,364	22,941	17,295	17,660	34,955

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Northstar Care for Children - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Expenditure	554	2,014	2,568	4,989	8,242	13,231
	Net Change	554	2,014	2,568	4,989	8,242	13,231

Rebuilding an Effective MFIP Program - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

Federal Funds	Expenditure	0	0	0	2,000	2,000	4,000
General Fund	Expenditure	6,705	6,928	13,633	2,044	1,720	3,764
	Net Change	6,705	6,928	13,633	4,044	3,720	7,764

Adjust Adult Rehabilitative Mental Health Services Payment Rate and Provisions of Services - Revised

The cost of this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Expenditure	0	0	0	0	1,084	1,084
	Net Change	0	0	0	0	1,084	1,084

Mental Health Transitions Services - Revised

The Governor recommends a reduction to the original funding level of this proposal. The savings from this adjustment will be used to fund the continued operations of the MSHS-Willmar site.

General Fund	Expenditure	(400)	(400)	(800)	(400)	(400)	(800)
General Fund	Transfers Out	400	400	800	400	400	800
Other Funds	Expenditure	1,000	1,000	2,000	1,000	1,000	2,000
Other Funds	Revenue	600	600	1,200	600	600	1,200
Other Funds	Transfers In	400	400	800	400	400	800
	Net Change	0	0	0	0	0	0

Child Care Licensing Changes - Corrected

The cost of this item has been increased in FY 2014-15 to accurately reflect the anticipated costs.

General Fund	Expenditure	1,053	1,298	2,351	1,298	1,298	2,596
	Net Change	1,053	1,298	2,351	1,298	1,298	2,596

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Child Care Provider Investigations & Data Analytics - Revised

The cost of this item has been adjusted to accurately reflect the anticipated administrative costs in FY 2014 and child care provider recoveries revenue in FY 2017.

General Fund	Expenditure	597	535	1,132	535	535	1,070
General Fund	Revenue	279	470	749	636	663	1,299
	Net Change	318	65	383	(101)	(128)	(229)

Expansion of Internal Audits Capacity - Corrected

The cost of this item has been revised from the Governor's original budget to correct a technical error in cost estimates of the proposal.

General Fund	Expenditure	346	323	669	323	323	646
	Net Change	346	323	669	323	323	646

Background Studies Scope Expanded - Revised

The Governor's original proposal included expanding background study requirements to include mental health centers and clinics. That portion of the proposal has been withdrawn, and the remaining expansion of the scope of DHS background studies to include routine access to the state Department of Public Safety Predatory Offender Registry does not have a financial impact for the agency.

Other Funds	Expenditure	0	0	0	0	0	0
Other Funds	Revenue	0	0	0	0	0	0
	Net Change	0	0	0	0	0	0

Modernization of DHS Technology Systems - Revised

The cost of this item has been decreased to accurately reflect FY 2016-17 costs related to the Health Care Exchange implementation costs. The portion of this item that is contingent on approval of the Reform 2020 waiver has also been reduced due to underlying forecast changes in the Reform 2020 proposal.

General Fund	Expenditure	11,169	17,960	29,129	9,143	4,829	13,972
	Net Change	11,169	17,960	29,129	9,143	4,829	13,972

County Performance Management System - Revised

The cost of this item has been increased from the Governor's original recommendation to accurately reflect the anticipated administrative costs in FY 2016-17.

General Fund	Expenditure	796	704	1,500	704	704	1,408
	Net Change	796	704	1,500	704	704	1,408

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(Dollars in Thousands)

	FY 14	FY 15	FY 14-15 Biennium	FY 16	FY 17	FY 16-17 Biennium
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Family Assets for Independence (FAIM) Minnesota - New

The Governor recommends funding for the Family Assets for Independence - Minnesota program. The program provides matched savings to low-wage workers to help them build assets. Participants save earned income each month that is matched at a 3:1 ratio by public and private resources. In addition to the matched savings accrued through this initiative, participants receive general financial management training as well as training tailored to their particular savings goal. Matched funds may be used for home ownership, post-secondary education or small business development.

General Fund	Expenditure	250	250	500	250	250	500
	Net Change	250	250	500	250	250	500

All-Day Kindergarten impact on MFIP Child Care - New

The Governor's proposal to increase spending on all-day kindergarten will result in lowered usage of MFIP Child Care, generating savings in the general fund.

General Fund	Expenditure	0	(1,368)	(1,368)	(1,399)	(1,408)	(2,807)
	Net Change	0	(1,368)	(1,368)	(1,399)	(1,408)	(2,807)

Mental Health Care Treatment Permitted in Foster Care - New

The Governor recommends updating service delivery requirements to allow child mental health treatment services to be delivered in any foster care home.

General Fund	Expenditure	(146)	(85)	(231)	(161)	322	161
	Net Change	(146)	(85)	(231)	(161)	322	161

Youth Homelessness Prevention Program - New

The Governor recommends funding for a youth homelessness prevention program to provide support for unaccompanied homeless youth. These additional resources will be used to work with communities to develop additional capacity to meet the unmet service needs in their area. With additional resources DHS will be better able to fund the full continuum of homeless youth programming from prevention to permanent housing.

General Fund	Expenditure	2,500	2,500	5,000	2,500	2,500	5,000
	Net Change	2,500	2,500	5,000	2,500	2,500	5,000

1.67% LTC Rate Reduction Buyback - New

The Governor recommends eliminating the 1.67% rate reduction scheduled to go into effect on July 1, 2013 for the first six months of FY2014.

General Fund	Expenditure	12,835	0	12,835	0	0	0
	Net Change	12,835	0	12,835	0	0	0

MA Coverage of Electronic Tablets as Augmentative Communication Devices - New

The Governor recommends allowing electronic tablets and related software and equipment to be covered by MA as durable medical equipment when such devices are used by recipients as augmentative communication devices.

General Fund	Expenditure	(7)	(15)	(22)	(21)	(21)	(42)
	Net Change	(7)	(15)	(22)	(21)	(21)	(42)

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(Dollars in Thousands)

		FY 14	FY 15	FY 14-15 Biennium	FY 16	FY 17	FY 16-17 Biennium
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Adjust Transfers Between the HCAF and GF - Revised

The Governor recommends adjusting a current law transfer between the health care access fund and the general fund by \$48 million. The transfer is reduced by \$48 million in FY 2014 and increased by \$48 million in FY 2015. The Governor's original budget recommended adjusting the transfer by \$44.986 million.

General Fund	Transfers In	(48,000)	48,000	0	0	0	0
General Fund	Transfers Out	0	0	0	0	0	0
Other Funds	Transfers Out	(48,000)	48,000	0	0	0	0
	Net Change	0	0	0	0	0	0

ACA: Primary Care Rate Bump - New

The Governor recommends funding the administrative costs associated with increasing Medicaid payment rates for certain primary care providers for the 2013 and 2014 calendar years, which are 100% federally funded, as required in the Affordable Care Act.

General Fund	Expenditure	8	0	8	0	0	0
	Net Change	8	0	8	0	0	0

ACA: Appeals - New

The Governor recommends additional funding to address the increase in appeal activity resulting from increases in MA and New MinnesotaCare enrollment.

General Fund	Expenditure	486	783	1,269	759	759	1,518
	Net Change	486	783	1,269	759	759	1,518

Continue Operations of MSHS-Willmar site - New

The Governor recommends using resources from a dedicated State-Operated Services account to provide funding to continue the operation of the Minnesota Specialty Treatment Service - Willmar facility, a 16-bed mental health Intensive Residential Treatment program operated by State Operated Services. It also repurposes \$1 million used originally in the Governor's budget for mental health transition services to fund the proposal.

Other Funds	Expenditure	2,713	2,713	5,426	2,713	2,713	5,426
Other Funds	Revenue	2,713	2,713	5,426	2,713	2,713	5,426
	Net Change	0	0	0	0	0	0

ACA: New MinnesotaCare - New

The Governor recommends making changes to eligibility requirements and covered services under the MinnesotaCare program to comply with the requirements for Basic Health Plan (BHP) funding under the Affordable Care Act (ACA).

General Fund	Expenditure	(267,495)	(61,250)	(328,745)	(62,960)	(101,381)	(164,341)
Other Funds	Expenditure	277,522	45,747	323,269	(142,890)	(101,729)	(244,619)
	Net Change	10,027	(15,503)	(5,476)	(205,850)	(203,110)	(408,960)

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(Dollars in Thousands)

		FY 14	FY 15	FY 14-15 Biennium	FY 16	FY 17	FY 16-17 Biennium
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ACA: MinnesotaCare Share of Exchange Funding - New

The Governor recommends the use of health care access fund dollars to ensure that the new MinnesotaCare program can operate through the infrastructure of the Health Insurance Exchange beginning in CY 2014.

Other Funds	Expenditure	2,762	5,868	8,630	10,208	10,448	20,656
	Net Change	2,762	5,868	8,630	10,208	10,448	20,656

General Fund Transfer to HCAF in FY 2014

The Governor recommends making a transfer to the health care access fund in FY 2014 to cover the initial costs of the New MinnesotaCare program.

General Fund	Transfers Out	65,000	0	65,000	0	0	0
Other Funds	Transfers In	65,000	0	65,000	0	0	0
	Net Change	0	0	0	0	0	0

Higher Education

Higher Education, Office of

Interstate Tuition Reciprocity - Revised

The Governor recommends an increase of \$5.96 million in FY 2014 and \$6.37 million in FY 2015 over his original recommendation for this proposal. The recommendation would increase funding to support a projected deficit of \$2.4 million in FY 2013 and increased costs of \$9.96 in FY 2014-15 for reciprocity payments to North Dakota due to increases in the number of students participating in reciprocity.

General Fund	Expenditure	8,215	7,320	15,535	7,320	7,320	14,640
	Net Change	8,215	7,320	15,535	7,320	7,320	14,640

University Of Minnesota

Tuition Relief - Revised

The Governor recommends funding to freeze tuition for two academic years. This will allow the University to hold tuition steady for resident undergraduate students and will support the University to fund core investments on all campuses.

General Fund	Expenditure	14,200	28,400	42,600	28,400	28,400	56,800
	Net Change	14,200	28,400	42,600	28,400	28,400	56,800

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(Dollars in Thousands)

		FY 14	FY 15	FY 14-15 Biennium	FY 16	FY 17	FY 16-17 Biennium
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Minnesota Discovery, Research and Innovation Economy (MnDRIVE) Program - Revised

The Governor recommends funding for strategic investments in research and development to enable the University of Minnesota to be world-leading in four emerging fields. Funding will be used to support MnDRIVE contributing to innovation and advancement in the following areas: Supporting Robotics, Sensors, and Advanced Manufacturing; Securing the Global Food Supply; Advancing Industry, Conserving our Environment; and Advancing Discoveries and Treatments for Brain Conditions.

General Fund	Expenditure	18,000	18,000	36,000	18,000	18,000	36,000
	Net Change	18,000	18,000	36,000	18,000	18,000	36,000

Loan Forgiveness Program - Health Care Professionals - Revised

The Governor recommends the establishment of a loan forgiveness program at the University of Minnesota for health care professionals working as doctors, nurses, pharmacists, dentists, and veterinarians in underserved areas of Minnesota.

General Fund	Expenditure	0	1,400	1,400	1,400	1,400	2,800
	Net Change	0	1,400	1,400	1,400	1,400	2,800

Property Tax Aids and Credits

Tax Policy Aids and Credits

New Bracket on Top Two Percent - Revised

The revenue from this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Revenue	592,500	526,400	1,118,900	554,300	590,300	1,144,600
	Net Change	(592,500)	(526,400)	(1,118,900)	(554,300)	(590,300)	(1,144,600)

Sales and Use Tax Reform - Revised

The Governor withdraws his recommendation in this area.

General Fund	Revenue	0	0	0	0	0	0
Other Funds	Revenue	0	0	0	0	0	0
	Net Change	0	0	0	0	0	0

Sales and Use Tax Rate Reduction - Revised

The Governor withdraws his recommendation in this area.

General Fund	Revenue	0	0	0	0	0	0
Other Funds	Revenue	0	0	0	0	0	0
	Net Change	0	0	0	0	0	0

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(Dollars in Thousands)

		FY 14	FY 15	FY 14-15 Biennium	FY 16	FY 17	FY 16-17 Biennium
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Sales Tax Upfront Capital Equipment Exemption - Revised

The Governor withdraws his recommendation in this area.

General Fund	Revenue	0	0	0	0	0	0
Other Funds	Revenue	0	0	0	0	0	0
	Net Change	0	0	0	0	0	0

Corporate Tax Rate Reduction from 9.8 percent to 8.4 percent - Revised

The Governor withdraws his recommendation in this area.

General Fund	Revenue	0	0	0	0	0	0
	Net Change	0	0	0	0	0	0

Corporate Tax Reform - Revised

The revenue from this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Revenue	172,500	125,100	297,600	125,250	126,900	252,150
	Net Change	(172,500)	(125,100)	(297,600)	(125,250)	(126,900)	(252,150)

Property Tax Rebate - Revised

The Governor withdraws his recommendation in this area.

General Fund	Revenue	0	0	0	0	0	0
	Net Change	0	0	0	0	0	0

State Business Levy Reduction - Revised

The Governor withdraws his recommendation in this area.

General Fund	Revenue	0	0	0	0	0	0
	Net Change	0	0	0	0	0	0

Increase Cigarette and Tobacco Products Excise Tax - Revised

The revenue from this item has been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Revenue	184,200	180,800	365,000	180,900	180,500	361,400
General Fund	Transfers In	(23,300)	(24,800)	(48,100)	(25,000)	(24,400)	(49,400)
Other Funds	Revenue	(23,279)	(24,779)	(48,058)	(24,979)	(24,370)	(49,349)
Other Funds	Transfers Out	(23,300)	(24,800)	(48,100)	(25,000)	(24,400)	(49,400)
	Net Change	(160,921)	(156,021)	(316,942)	(155,921)	(156,130)	(312,051)

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Motor Vehicle Rental Tax - 3% Point Increase - Revised

The Governor recommends increasing the car rental tax rate to 9.2% to generate \$15 million targeted to support an appropriation increase for Explore Minnesota Tourism. This is an increase of 0.15 percentage points from the original proposal of 9.05% as a result of February forecast changes.

General Fund	Revenue	7,300	7,700	15,000	8,100	8,400	16,500
	Net Change	(7,300)	(7,700)	(15,000)	(8,100)	(8,400)	(16,500)

Levy Change Interactions: Income Tax and Property Tax Refund - Revised

The revenue and expenditures from this item have been adjusted from the Governor's original recommendation due to underlying forecast changes.

General Fund	Expenditure	0	(2,870)	(2,870)	(2,960)	(3,000)	(5,960)
General Fund	Revenue	0	2,860	2,860	2,950	3,000	5,950
	Net Change	0	(5,730)	(5,730)	(5,910)	(6,000)	(11,910)

Federal Tax Conformity - New

The Governor recommends conforming to selected provisions of the American Taxpayer Relief Act of 2012, Public Law 112-240, enacted January 2, 2013, including the higher phase-out range for the working family credit for married joint returns, and the following 13 provisions: parity for exclusion of employer provided mass transit and parking benefits; special rule for contributions to qualified conservation property; tax-free IRA distributions to certain public charities; 15-year straight line depreciation for qualified leasehold, restaurants and retail improvements; 7-year recovery period for certain motorsports racing track facilities; accelerated depreciation for business property on Indian reservations; increased Sec. 179 expensing, with 80% addback and 5-year recovery; election to expense mine safety equipment; special expensing rules for certain film and television productions; exception under Subpart F for active financing income; Increase from 50% to 100% the exclusion of gain on certain small business stock; and 50% bonus depreciation with 80% addback and 5-year recovery.

General Fund	Revenue	(20,525)	4,930	(15,595)	(19,355)	(31,685)	(51,040)
	Net Change	20,525	(4,930)	15,595	19,355	31,685	51,040

Renter Property Tax Refund Modifications - New

The Governor recommends increased funding for the renter's property tax refund (or renter's credit) to enhance tax fairness for Minnesota's low- and moderate-income renters. Changes to the formula include reducing the copayments, increasing the maximum refund, increasing the income subtraction for seniors and disabled, allowing the income subtraction for seniors and disabled to be claimed by both members of a married couple if both are seniors/disabled, and increasing the income subtraction for qualifying dependents. The Governor's recommendation will increase renter's credit refunds for approximately 93% of the 334,000 renters who currently file for a refund. The average refund will increase \$57.

General Fund	Expenditure	0	18,400	18,400	19,100	19,700	38,800
	Net Change	0	18,400	18,400	19,100	19,700	38,800

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(Dollars in Thousands)

		FY 14	FY 15	FY 14-15 Biennium	FY 16	FY 17	FY 16-17 Biennium
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Affiliate Nexus - New

The Governor recommends broadening the definition of "affiliated entity" in sales tax law in order to collect sales tax on online purchases used and consumed in Minnesota. Under current law, a large portion of the sales on internet retailers go uncollected because many internet retailers do not have a physical presence in the State. This proposal would change the legal definition of affiliated entity to include entities who refer potential customers, whether by a link on an internet web site or otherwise, to the out-of-state retailer. This item will be effective July 1, 2013.

General Fund	Revenue	4,300	5,400	9,700	5,940	6,520	12,460
Other Funds	Revenue	260	309	569	339	379	718
	Net Change	(4,560)	(5,709)	(10,269)	(6,279)	(6,899)	(13,178)

Index Minimum Fee Brackets - New

The Governor recommends indexing the minimum fee brackets and tax amounts for inflation since 1990. The minimum fee was established in 1990 and has not been adjusted since that time. As adopted in 1990, the minimum fee is based on the sum of property, payroll and sales in Minnesota and is paid annually by S-corporations, partnerships, and C-corporations. Indexing the minimum fee brackets will prevent taxpayers from being subject to the next higher bracket based solely on economic changes while updating the brackets and amounts since 1990 will ensure that corporations benefiting from sales to the Minnesota market place will pay a minimum tax to support the public investments that sustain that marketplace. The indexing method used to compute the fee and factor brackets is the same method used to index tax brackets for the individual income tax. This provision is effective for tax year 2013.

General Fund	Revenue	9,300	9,400	18,700	9,600	9,800	19,400
	Net Change	(9,300)	(9,400)	(18,700)	(9,600)	(9,800)	(19,400)

Public Safety

Public Safety - Public Safety

ARMER Maintenance - Corrected

This item corrects an error in the Governor's original budget that omitted the ARMER transfer from Public Safety to the Department of Transportation.

Other Funds	Transfers Out	600	1,000	1,600	1,000	1,000	2,000
	Net Change	600	1,000	1,600	1,000	1,000	2,000

Data Analysis and Analytics Services - New

The Governor recommends additional funds to support the work of the BCA to leverage existing criminal justice data information systems to improve information sharing and analytics among law enforcement agencies. This will provide analytical tools that will assist law enforcement agencies and help protect critical infrastructure entities by correlating seemingly disparate hazard, incident and crime information that will include emerging patterns, trends and locations.

General Fund	Expenditure	2,500	1,000	3,500	550	550	1,100
	Net Change	2,500	1,000	3,500	550	550	1,100

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Crime Victim Assistance Grants - New

The Governor recommends \$3 million each biennium to restore FY 2010-11 reductions to the Crime Victim Assistance grant program.

General Fund	Expenditure	1,500	1,500	3,000	1,500	1,500	3,000
	Net Change	1,500	1,500	3,000	1,500	1,500	3,000

Uniform Laws Commission

Past Dues, Current Dues and Conference Expenses - New

The Governor recommends one-time funding of \$63,000 to pay back dues accrued from 2004-2012 and an ongoing increase of \$70,000 each biennium to fully pay anticipated costs for dues and annual conference expenses

General Fund	Expenditure	98	35	133	35	35	70
	Net Change	98	35	133	35	35	70

State Government

Administrative Hearings, Office of

Campaign Violations Deficiency Request - New

The Governor recommends \$60,000 to cover a deficiency at the Office of Administrative Hearings due to the costs of campaign violation cases exceeding the current appropriation. This is a one-time increase in funding.

General Fund	Expenditure	60	0	60	0	0	0
	Net Change	60	0	60	0	0	0

Campaign Finance and Public Disclosure Board

Strategic Investments for Operations - Revised

The Governor recommends \$622,000 in general fund dollars as an alternative to the original recommendation of a registration fee to provide staff support for client services, investigations, and audits.

General Fund	Expenditure	311	311	622	311	311	622
	Net Change	311	311	622	311	311	622

MMB Non-Operating

Transitory Reduction to Budget Reserve - Revised

As a result of the Governor's supplemental budget changes a temporary reduction to the budget reserve of \$325 million in FY 2014 is not necessary. Under the Governor's original budget, the budget reserve was restored in FY 2015.

General Fund	Expenditure	0	0	0	0	0	0
	Net Change	0	0	0	0	0	0

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(Dollars in Thousands)

		FY 14	FY 15	FY 14-15 Biennium	FY 16	FY 17	FY 16-17 Biennium
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State Auditor: Staff Retention--New

The Governor recommends an additional investment in FY 2014-17 for compensation related cost increases to retain the current level of staff at the State Auditor's Office.

General Fund	Expenditure	7	76	83	107	107	214
General Fund	Revenue	0	0	0	0	0	0
	Net Change	7	76	83	107	107	214

Veterans Affairs

Veteran Lottery Ticket - Corrected

This proposal is revised to correct an error in the Governor's original budget that miscalculated the costs of the proposal to the general fund. Grants provided to grassroots veterans support organizations will result in a cost of \$840,000 to the general fund in FY 2014.

General Fund	Transfers Out	840	0	840	0	0	0
Other Funds	Expenditure	840	0	840	0	0	0
Other Funds	Transfers In	840	0	840	0	0	0
	Net Change	840	0	840	0	0	0

Eliminate Minnesota Ambulance Association Grant - Corrected

This proposal is revised to correct an error in the Governor's original budget that mischaracterized a \$110,000 cancellation as a \$110,000 one-time reduction to MDVA's general fund appropriation. This correction restores \$110,000 to MDVA's base budget for FY 2014 and applies the \$110,000 cancellation.

General Fund	Expenditure	0	0	0	0	0	0
	Net Change	0	0	0	0	0	0

Transportation Bill Area

Metropolitan Council

Transportation Financing Advisory Committee (TFAC) - Revised

The Governor has revised the recommendation for a quarter cent local sales tax increase in the seven county metro area to a half cent local sales tax increase as a result of sales tax changes. These figures show the corresponding reduction in general funds as transit system costs are shifted to the local sales tax in his supplemental budget.

General Fund	Expenditure	(23,400)	(23,400)	(46,800)	(1,350)	(1,350)	(2,700)
	Net Change	(23,400)	(23,400)	(46,800)	(1,350)	(1,350)	(2,700)

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(Dollars in Thousands)

	FY 14	FY 15	FY 14-15 Biennium	FY 16	FY 17	FY 16-17 Biennium
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Public Safety - Transportation: Capitol Area Security - Revised

The Governor recommends an additional \$1 million per year to support the recommendations of the Capitol Security Taskforce.

General Fund	Expenditure	1,500	1,500	3,000	1,500	1,500	3,000
	Net Change	1,500	1,500	3,000	1,500	1,500	3,000

Veterans License Plates - Corrected

This proposal is revised to correct an error that omitted the the revenue generated at the Department of Public Safety as a result of the new Veterans license plates proposal included in the Governor's original budget. This revenue will be transferred to Veteran's Affairs.

Other Funds	Revenue	250	500	750	500	500	1,000
Other Funds	Transfers Out	250	500	750	500	500	1,000
	Net Change	0	0	0	0	0	0

Transportation

State Road Construction Infrastructure Investments - Revised

This proposal has been adjusted from the Governor's original budget recommendation due to underlying forecast changes.

Other Funds	Expenditure	95,000	0	95,000	0	0	0
	Net Change	95,000	0	95,000	0	0	0

State Airport Fund Revenue/Expenditure Alignment - Revised

This proposal has been adjusted from the Governor's original budget recommendation due to underlying forecast changes.

Other Funds	Expenditure	(650)	(650)	(1,300)	0	0	0
	Net Change	(650)	(650)	(1,300)	0	0	0

Page & Hill Superfund Site - New

The Governor recommends a one time general fund appropriation for the purposes of cleaning up 15 acres of abandoned railroad property that has soil and groundwater contaminated with wood treating chemicals and petroleum product.

General Fund	Expenditure	1,000	0	1,000	0	0	0
	Net Change	1,000	0	1,000	0	0	0

March 2013 Governor's Supplemental Recommendations
General Fund - Comparison to February Forecast
2014-15 Biennium
(\$ in thousands)

	2-13 Fcst FY 2014-15	3-13 Gov Rec FY 2014-15	\$ Difference
<u>Actual & Estimated Resources</u>			
Balance Forward From Prior Year	1,007,778	1,007,778	0
Current Resources:			
Tax Revenues	34,018,682	34,018,682	0
Non-Tax Revenues	1,413,840	1,413,840	0
Subtotal - Non-Dedicated Revenue	35,432,522	35,432,522	0
Dedicated Revenue	190	190	0
Transfers In	632,953	632,953	0
Prior Year Adjustments	50,000	50,000	0
Subtotal - Other Revenue	683,143	683,143	0
Budget Changes - Taxes	0	1,840,574	1,840,574
Budget Changes - Non-Taxes	0	(10,199)	(10,199)
Subtotal-Current Resources	36,115,665	37,946,040	1,830,375
Total Resources Available	37,123,443	38,953,818	1,830,375
<u>Actual & Estimated Spending</u>			
K-12 Education	15,177,280	15,532,202	354,922
Higher Education	2,565,262	2,827,961	262,699
Property Tax Aids & Credits	2,710,851	2,846,381	135,530
Health & Human Services	11,362,473	11,572,787	210,314
Public Safety	1,825,379	1,918,142	92,763
Transportation	180,050	157,434	(22,616)
Environment, Energy & Natural Resources	265,933	287,247	21,314
Agriculture	77,560	78,230	670
Economic Development	165,272	235,340	70,068
State Government	912,818	928,511	15,693
Debt Service	1,287,517	1,341,968	54,451
Capital Projects & Grants	233,073	233,073	0
Estimated Cancellations	(20,000)	(20,000)	0
Subtotal Expenditures & Transfers	36,743,468	37,939,276	1,195,808
Dedicated Expenditures	190	190	0
Total Expenditures & Transfers	36,743,658	37,939,466	1,195,808
Balance Before Reserves	379,785	1,014,352	634,567
Cash Flow Account	350,000	350,000	0
Budget Reserve	656,471	656,471	0
Stadium Reserve	0	0	0
Budgetary Balance	(626,686)	7,881	634,567

March 2013 Governor's Supplemental Recommendations
General Fund - Comparison to January Governor's Recommendations
2014-15 Biennium
(\$ in thousands)

	1-13 Gov Rec FY 2014-15	3-13 Gov Rec FY 2014-15	\$ Difference
<u>Actual & Estimated Resources</u>			
Balance Forward From Prior Year	1,010,716	1,007,778	(2,938)
Current Resources:			
Tax Revenues	33,778,206	34,018,682	240,476
Non-Tax Revenues	1,389,814	1,413,840	24,026
Subtotal - Non-Dedicated Revenue	35,168,020	35,432,522	264,502
Dedicated Revenue	190	190	0
Transfers In	574,817	632,953	58,136
Prior Year Adjustments	50,000	50,000	0
Subtotal - Other Revenue	625,007	683,143	58,136
Budget Changes - Taxes	2,139,379	1,840,574	(298,805)
Budget Changes - Non-Taxes	(12,099)	(10,199)	1,900
Subtotal-Current Resources	37,920,307	37,946,040	25,733
Total Resources Available	38,931,023	38,953,818	22,795
<u>Actual & Estimated Spending</u>			
K-12 Education	15,523,562	15,532,202	8,640
Higher Education	2,815,626	2,827,961	12,335
Property Tax Aids & Credits	2,845,920	2,846,381	461
Health & Human Services	11,571,180	11,572,787	1,607
Public Safety	1,911,509	1,918,142	6,633
Transportation	154,434	157,434	3,000
Environment, Energy & Natural Resources	283,616	287,247	3,631
Agriculture	78,230	78,230	0
Economic Development	235,340	235,340	0
State Government	929,310	928,511	(799)
Debt Service	1,319,967	1,341,968	22,001
Capital Projects & Grants	243,140	233,073	(10,067)
Estimated Cancellations	(20,000)	(20,000)	0
Subtotal Expenditures & Transfers	37,891,834	37,939,276	47,442
Dedicated Expenditures	190	190	0
Total Expenditures & Transfers	37,892,024	37,939,466	47,442
Balance Before Reserves	1,038,999	1,014,352	(24,647)
Cash Flow Account	350,000	350,000	0
Budget Reserve	644,262	656,471	12,209
Stadium Reserve	38,777	0	(38,777)
Budgetary Balance	5,960	7,881	1,921