

Governor's Revised 2026-27 Biennial Budget Recommendations, General Fund

\$ in thousands

#	Agency Proposal	FY 2025	FY 2026-27	FY 2028-29
1	E-12 Education	-	(240,252)	(445,572)
2	Education			
3	Fraud Detection and Prevention		1,100	1,100
4	Compensatory Revenue Modification		55,731	
5	Additional Unemployment Insurance Aid for Hourly Workers		8,463	(2,922)
6	Tribal Contract Schools Eligible for Grant Funding Revisor Instruction		-	
7	Clarify Minnesota Indian Teacher Training Program Fund Uses		-	
8	Service to Success Initiative		-	-
9	Literacy Incentive Aid Formula Change		-	
10	Transfer Collaborative Urban and Greater Minnesota Educators of Color Grant		10,880	10,880
11	Transfer Teacher Mentorship and Retention Grants to Minnesota Department of Education		9,000	9,000
12	Student Support Personnel Aid Allowable Uses Modified		-	
13	Clarify Lease Levy Authority		-	
14	Modify the Achievement and Integration Program and Administration		-	-
15	Modify Allowable Uses for Nonprofit Food Service Expenditures	-	-	-
16	Repurpose Summer Food Service Program	-	-	-
17	Legal Services Costs		6,000	-
18	Operating Adjustment		2,042	2,730
19	Technical Administrative Changes to Department of Children, Youth and Families	-	15,900	15,900
20	Reduce Special Education Transportation Reimbursement		(53,880)	(60,170)
21	Eliminate Alternative Teacher Compensation Revenue		(79,064)	(173,925)
22	Eliminate Nonpublic Pupil Education Aid		(52,509)	(57,665)
23	Eliminate Nonpublic Pupil Transportation Aid		(58,025)	(62,670)
24	Reduce Community Education Equalization Aid		(14,999)	(15,000)
25	Reduce School Library Aid		(7,500)	(15,000)
26	Reduce Telecommunications Equity Aid		(750)	(750)
27	Eliminate Long Term Facilities Maintenance for Charters		(19,994)	(22,194)
28	Eliminate Special Education Charter Adjustment		(20,932)	(25,710)
29	Eliminate Compensatory Pilot Program		(6,593)	(14,650)
30	Reduce Grow Your Own Grant Program		(16,000)	(16,000)
31	Eliminate Computer Science Advancement Program		(1,000)	(1,000)
32	Prof Educator Licensing and Standards Board			
33	Operating Adjustment		213	286
34	Transfer Teacher Mentorship and Retention Grants to Minnesota Department of Education		(9,000)	(9,000)
35	Transfer Collaborative Urban and Greater Minnesota Educators of Color Grant		(10,880)	(10,880)
36	State Academies			
37	Operating Adjustment		1,010	1,352
38	Perpich Center for Arts Education			
39	Operating Adjustment		535	716
40	Higher Education	-	14,090	14,256
41	Higher Education, Office of			
42	State Grant Expansion		15,000	15,000
43	Operating Adjustment		490	656
44	Licensing and Registration Proposal		-	-
45	EAPS Modification	-	-	-
46	North Star Promise	-	-	-
47	Eliminate Summer Academic Enrichment Program		(500)	(500)
48	Eliminate Appropriations for Loan Repayment Programs		(900)	(900)
49	Property Tax Aids and Credits		(182,537)	(303,326)
50	Tax Aids, Credits and Refunds			
51	Lower Statewide Sales Tax Rate and Expand to Professional Services		(191,660)	(245,590)
52	Expand Research and Development Credit		45,500	39,600
53	Clarifying Definition of Attachments and Appurtenances		40	80
54	Personal Property Exemption for Low-Income Housing Tenants		(20)	(2,250)
55	Landlord Penalty for Failure to Submit a Certificate of Rent Paid			(120)
56	New Corporate Franchise Tax Division Pass-through Audit Unit		(1,141)	(7,392)
57	Reduce Sustainable Forest Incentive Payments		(5,240)	(11,290)
58	Repeal Local Government Cannabis Aid		(28,742)	(40,900)
59	Reduce Aquatic Invasive Species Prevention Aid		(4,810)	(9,620)
60	Sustainable Aviation Fuel Policy and Funding Package		10,600	4,200
61	Support State Parks and Recreation Areas		(364)	(364)
62	Eliminate Political Contribution Refund (PCR)		(4,300)	(8,600)
63	Reduce Payment in Lieu of Taxes (PILT)		670	1,370
64	Eliminate Alternative Teacher Compensation Revenue		(3,070)	(6,090)
65	Delay Passenger Rail Transfer until FY 2030			(16,360)
66	Health and Human Services	(15,294)	(532,980)	(1,415,784)
67	Human Services			
68	Operating Adjustment		10,010	13,400
69	Extend Access to Audio-Only Telehealth		16,463	1,565
70	Maintain Funding to End HIV in MN		6,000	-
71	Sustainable Funding for Accessing Federal Data Sources		7,216	10,062
72	Strengthening Housing Stabilization Services		561	600
73	Detecting, Preventing, and Addressing Fraud, Waste, and Abuse in Human Services		7,240	9,508

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#	Agency Proposal	FY 2025	FY 2026-27	FY 2028-29
74	Program Integrity Investigative and Analytics Infrastructure		11,321	9,085
75	EIDBI Provisional Licensure and Program Integrity		11,644	11,466
76	Substance Use Disorder Treatment Service Changes		(3,516)	(18,976)
77	Improving Supportive Recovery Housing Options		2,758	(1,149)
78	New Background Study Disqualifications to Address Fraud, Waste, and Abuse		512	508
79	Drug Formulary Committee (DFC) Sunset			(37,890)
80	Pharmacy Carve-Out		(3,743)	(15,006)
81	Uniform Administration of Non-Emergency Medical Transportation		(22,780)	(104,778)
82	Increase HMO Surcharge		(142,616)	(138,790)
83	MHCP Benefit Reductions - Chiropractic Care		(7,781)	(12,300)
84	Nursing Home Facility Payment System Changes		(68,978)	(151,780)
85	Investments in Community First Services and Supports		70,220	55,208
86	Nursing Home Workforce Standards Board Rules		6	14,684
87	Reduce Disability Waiver Growth: DWRS Rate Exceptions and Input Monitoring		(50,956)	(82,663)
88	Reduce Disability Waiver Growth: Residential Services		(97,161)	(314,999)
89	Reduce Disability Waiver Growth: Day and Unit Based Services		(46,120)	(113,838)
90	Reduce Disability Waiver Growth: Cap inflationary adjustments		(169,643)	(475,202)
91	Grant and Administrative Reductions		(698)	(698)
92	Behavioral Health Fund Reforms		(10,688)	(19,345)
93	Background Study Federal Compliance		219	192
94	Budget Technical Changes		-	-
95	Increasing the Health Care Access Fund Share of Medical Assistance		(50,000)	(50,000)
96	Child Welfare IT Modernization	(10,000)		
97	Cancel Funding for Mille Lacs Band of Ojibwe to join the American Indian Child Welfare Initiative	(5,294)		
98	Reinstating Parental Fees		(7,801)	(14,521)
99	Direct Care and Treatment			
100	Operating Adjustment		69,977	90,482
101	Inpatient Competency Examination Liability and Data Sharing		(16,760)	(16,760)
102	Increase County Cost of Care for Minnesota Sex Offender Program		(39,600)	(39,600)
103	Children, Youth and Families			
104	Operating Adjustment		6,176	8,268
105	Child Care Assistance Program Improvements - Federal Compliance		193	64
106	Electronic Statewide Attendance Tracking		4,893	2,229
107	Child Welfare IT Modernization	-	10,000	
108	Increase Capacity of Compliance Team		489	532
109	Department of Children, Youth, and Families Transition Account Reallocation		4,080	
110	Cancel Funding for Mille Lacs Band of Ojibwe to join the American Indian Child Welfare Initiative		(15,786)	(15,786)
111	Reduce Restorative Practices Initiatives Grant Program		(3,000)	(3,000)
112	Great Start Compensation Support Payment Program Updates	-	-	-
113	Modification of Indian Child Welfare Act Grant Reporting Requirements and Funding Limits	-	-	-
114	Supporting Relative Foster Care and Permanency Placements	-	-	-
115	T.E.A.C.H. Higher Education Scholarship Updates	-	-	-
116	Technical Administrative Changes to Department of Children, Youth and Families		(15,900)	(15,900)
117	Licensing Information Federal Compliance		200	
118	Health			
119	Infectious Disease Prevention, Early Detection, and Outbreak Response		2,600	2,600
120	Operating Adjustment		3,031	4,058
121	State Trauma Advisory Council		-	-
122	PFAS Biomonitoring in Firefighters	-	-	-
123	American Indian Health Special Emphasis Grants		-	-
124	Maternal and Child Health Advisory Task Force		-	-
125	Restoring Funding to Local Public Health Cannabis Grants		-	-
126	Reduce Cannabis Poison Control Grants		(143)	(142)
127	Reduce Cannabis Prenatal Funding			(2,226)
128	Reduce Cannabis Youth Grants		(234)	(220)
129	Reduce Emergency Preparedness and Response Sustainability Grants		(850)	(846)
130	Reduce HCBS Scholarship Grants and Loan Forgiveness Program		(500)	(500)
131	Reduce Public Health Infrastructure Pilot Projects Grants		(4,000)	(4,000)
132	Pharmacy, Board of			
133	PhARMA vs. Williams Legal Costs		-	
134	Emergency Medical Services Office			
135	Operating Adjustment		105	140
136	Overdose Data Linkage		-	-
137	Rare Disease Advisory Council			
138	Operating Adjustment		17	22
139	Disability Council			
140	Operating Adjustment		72	96
141	Ombudsman for Mental Health and Developmental			
142	Operating Adjustment		175	234
143	Foster Youth Ombudsperson			
144	Operating Adjustment		39	52
145	Ombudsperson for Families			
146	Operating Adjustment		46	62

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147	Ombudsperson for American Indian Families			
148	Operating Adjustment		11	14
149	Public Safety and Judiciary	9,091	173,983	202,672
150	Civil Legal Aid, State Board of			
151	Operating Adjustment		3,518	4,710
152	Supreme Court			
153	Operating Adjustment		2,837	3,798
154	Court of Appeals			
155	Operating Adjustment		1,011	1,354
156	District Courts			
157	Operating Adjustment		24,469	32,760
158	Competency Attainment Board			
159	Operating Adjustment		786	1,052
160	Guardian ad Litem Board			
161	Operating Adjustment		1,661	2,224
162	Tax Court			
163	Operating Adjustment		123	164
164	Judicial Standards Board			
165	Operating Adjustment		31	42
166	Public Defense Board			
167	Operating Adjustment		10,202	13,658
168	Human Rights			
169	Operating Adjustment		469	628
170	Private Detectives & Protective Agents Board			
171	Operating Adjustment		25	34
172	Peace Officer Standards and Training Board			
173	Operating Adjustment		140	188
174	Philando Castile Memorial Training Fund		2,000	
175	Corrections			
176	Operating Deficiency	9,091		
177	Operating Adjustment		110,107	133,708
178	Finance Technical Changes		-	-
179	Interstate Compact Unit		-	-
180	Tribal Supervision Funding Language Updates		-	-
181	Ch. 2940 - HRU Codification	-	-	-
182	Fictitious Emergency Definition Expansion	-	-	-
183	Bed Costs for Theft of Public Funds Penalty Increase		57	232
184	Community Supervision Distribution Statutory Modifications		-	-
185	Sentencing to Service Program Sunset		(3,546)	(3,546)
186	Cannabis Expungement Board			
187	Operating Adjustment		45	60
188	Ombudsperson for Corrections			
189	Operating Adjustment		55	74
190	Clemency Review Commission			
191	Operating Adjustment		28	38
192	Sentencing Guidelines Commission			
193	Operating Adjustment		60	80
194	Public Safety - Public Safety			
195	Operating Adjustment		5,785	7,794
196	State Fraud and Financial Crimes Section		3,620	3,620
197	Crime Victim Services Grants		5,000	
198	Grant Administration Authority		-	-
199	Intensive Comprehensive Peace Officer Education and Training Grant Program		4,000	
200	Long-Term Missing and Unsolved Homicide Cases System		1,500	
201	Transportation		(98,009)	(97,882)
202	Transportation			
203	Operating Adjustment		442	592
204	Landscape Partnership Appropriation Modification		-	-
205	Environmental Product Declarations Appropriation Modification		-	-
206	Amtrak Second Daily Train Appropriation Extension		-	-
207	Amtrak Federal Aid Match Appropriation Extension		-	-
208	Reconnect Rondo Appropriation Extension		-	-
209	Metropolitan Planning Organizations Greenhouse Gas Modeling Appropriation Extension		-	-
210	Highways for Habitat Appropriation Extension		-	-
211	Coordinated Drone Fleet Definition and Registration		-	-
212	Office of Sustainability and Public Health (OSPH) Grant Making Authority		-	-
213	Active Transportation Solicitation Frequency		-	-
214	Short Line Railroad Infrastructure Modernization Credit Transfer		-	-
215	Reduce Weigh Station Appropriation		(100)	(100)
216	Reduce Active Transportation Transfer		(8,000)	(8,000)
217	Reduce Greater MN Transit Appropriation		(16,400)	(16,400)
218	Metropolitan Council - Transportation			
219	Metro Mobility Certified Customer Free Rides on Buses and Trains		-	-

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220	Reduce Transit System Operations Appropriation		(64,908)	(64,908)
221	Public Safety - Transportation			
222	Operating Adjustment		248	282
223	Grant Administration Authority		-	-
224	Excessive Speed Penalty Modified		-	-
225	Seatbelt Requirement for Class II ATVs		-	-
226	Replace License Plates at Time of Vehicle Transfer		(171)	(228)
227	Reduce Advisory Council on Traffic Safety Appropriation		(2,000)	(2,000)
228	Reduce Agency Strategy and Analytics		(1,120)	(1,120)
229	Reduce Office of Traffic Safety Drug Program Funding		(6,000)	(6,000)
230	Environment and Energy	(3,915)	(7,481)	(28,668)
231	Pollution Control			
232	Operating Adjustment		482	644
233	Permitting Efficiency		2,680	1,050
234	Revolving Loan Funds	-	-	-
235	Technical Change Item		-	-
236	PFAS Biomonitoring in Firefighters	-	-	-
237	Adjustment to County Feedlot Program Appropriation		(2,000)	(2,000)
238	Natural Resources			
239	Operating Adjustment		5,376	7,198
240	Legal Costs		4,000	
241	Establish Hydrogen and Helium Permitting Program		1,320	1,320
242	Public Safety Preparedness		840	840
243	Prevent and Manage Spread of Aquatic Invasive Species		(660)	(660)
244	Protecting and Managing Groundwater		(3,360)	(3,360)
245	Return Remaining Drought-Killed Seedlings Funds	(3,915)		
246	Reduce Local Trail Connection Grants		(500)	(500)
247	Reduce Payment in Lieu of Taxes (PILT)		(17,160)	(35,210)
248	Water and Soil Resources, Board of			
249	Operating Adjustment		463	620
250	Metropolitan Council - Environment			
251	Expand Eligible Grantees in Community Tree Planting to Tribal Governments		-	-
252	Update Affordability Criteria for Investments in Inflow and Infiltration Grants		-	-
253	Minnesota Zoological Garden			
254	Operating Adjustment		1,038	1,390
255	Public Utilities Commission			
256	Operating Adjustment		-	-
257	Natural Gas Utility Resource Planning and Coordination		-	-
258	Technology Maintenance and Innovation		-	-
259	Tribal Liaison		-	-
260	Jobs, Commerce, Ag and Housing	(3,000)	(8,954)	(22,750)
261	Explore Minnesota			
262	Operating Adjustment		375	502
263	Agriculture			
264	Operating Adjustment		1,684	2,254
265	Livestock Investment Grant Expansion		-	-
266	AGRI Administrative Allowance		-	-
267	AGRI Biofuels Infrastructure Grant		-	-
268	AGRI Urban Agriculture Expansion		-	-
269	Good Food Access Program Update		-	-
270	Seed Tonnage Reporting Frequency Reduction		-	-
271	Agricultural Emergency Account Increase		4,000	
272	PFAS Language Alignment		-	-
273	MDA Rural Finance Authority Program Updates		-	-
274	AgBMP Program Updates		-	-
275	Reduce Green Fertilizer Grants	(3,000)		
276	Reduce Soil Health Financial Assistance Grants		(640)	(640)
277	Technical Changes to Department of Agriculture Appropriations		-	-
278	Cannabis Management Office			
279	Operating Adjustment		842	1,128
280	CanRenew Grant Program Continuity	-	-	-
281	Agricultural Utilization Research Institute			
282	Operating Adjustment		136	182
283	Animal Health, Board of			
284	Operating Adjustment		367	492
285	Commerce			
286	Operating Adjustment		3,002	3,680
287	Securities Unit Staffing		-	-
288	State's Benchmarking Plan			(7,938)
289	State Fraud and Financial Crimes Section		(2,230)	(2,230)
290	Reduce Pre-Weatherization Grants		(4,000)	(4,000)
291	Employment and Economic Development			
292	Service to Success Initiative		6,000	1,000

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#	Agency Proposal	FY 2025	FY 2026-27	FY 2028-29
293	Operating Adjustment		2,274	3,044
294	Minnesota Job Skills Partnership Modifications	-		
295	Technical Changes for Existing Programs	-	-	-
296	Reduce and Modify Business Development Public Infrastructure Program		(4,574)	(4,574)
297	Reduce Contaminated Site Cleanup and Investigation Grant Program		(1,500)	(1,500)
298	Reduce Job Creation Fund		(6,223)	(4,800)
299	Reduce Emerging Entrepreneur Loan Program		(1,000)	(1,000)
300	Reduce Host Community Economic Development Grant Program		(1,500)	(1,500)
301	Reduce Mental Illness Employment Supports		(2,000)	(2,000)
302	Reduce Small Business Assistance Partnership Grant Program		(2,000)	(2,000)
303	Reduce Pathways to Prosperity Grant Program		(2,000)	(2,000)
304	Reduce Redevelopment Grant Program		(2,000)	(2,000)
305	Labor and Industry			
306	Misclassification Enforcement Funding		477	392
307	Operating Adjustment		436	584
308	Strengthening Mandatory Break Laws		(40)	(40)
309	Grants to Certified Worker Organizations		1,000	
310	Single Egress Stairway Report Approp Extension	-		
311	Mediation Services, Bureau of			
312	Operating Adjustment		160	214
313	State Government and Veterans	(650)	161,352	110,574
314	State Auditor			
315	Operating Adjustment		-	-
316	Attorney General			
317	Expand Medicaid Fraud Division Staffing		782	782
318	Operating Adjustment		1,976	2,646
319	Secretary of State			
320	Operating Adjustment		578	774
321	2024 HAVA Election Security Funds State Match		200	
322	Campaign Finance and Public Disclosure Board			
323	Operating Adjustment		79	106
324	Investment Board			
325	Changes to SBI Cost Apportionment		(278)	(278)
326	Minnesota IT Services (MNIT)			
327	Operating Adjustment		564	756
328	Administrative Hearings, Office of			
329	Operating Adjustment		30	40
330	Administration			
331	Operating Adjustment		911	1,220
332	In Lieu of Rent		2,875	5,900
333	Insulin Safety Net Technical Corrections		-	-
334	Establish State Facilities Renewable Energy Account		-	-
335	Eliminate Unassigned Fiscal Agent Funding		(1,000)	(1,000)
336	Reduce Enterprise Translation Office's Language Access Service Account Balance		(300)	(300)
337	Capitol Area Architectural and Planning Board			
338	Operating Adjustment		24	32
339	Management and Budget			
340	Operating Adjustment		2,697	3,612
341	Enhanced Oversight Capacity	-	2,752	3,180
342	DCYF Transition Account Reallocation	(8,500)		
343	Cancel Unused Data Disaggregation Project Funding	(1,700)		
344	Revenue			
345	Operating Adjustment		12,723	17,034
346	Administering the 2025 Tax Bill		1,022	1,000
347	New Corporate Franchise Tax Division Passthrough Audit Unit		2,124	2,864
348	Repeal Tax Filing Modernization Account	(5,000)		
349	Amateur Sports Commission			
350	Operating Adjustment		28	38
351	African Heritage, Council for Minnesotans of			
352	Operating Adjustment		34	46
353	Latino Affairs, Minnesota Council on			
354	Operating Adjustment		36	48
355	Asian-Pacific Minnesotans, Council on			
356	Operating Adjustment		28	38
357	Indian Affairs Council			
358	Operating Adjustment		61	82
359	LGBTQIA2S Minnesotans, Council on			
360	Operating Adjustment		24	32
361	Historical Society			
362	Operating Adjustment		925	1,238
363	Arts Board			
364	Operating Adjustment		30	40
365	Veterans Affairs			

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366	Operating Adjustment - State Veterans Homes		39,170	51,350
367	Operating Adjustment - Veterans Programs & Services		1,189	1,592
368	Veterans Benefits Services; Disclosure Requirement Amendment	-	-	-
369	Creation of a Gold Star/Blue Star Memorial	-	-	-
370	Military Affairs			
371	Sustain State Enlistment and Retention Bonus Program to Service Members		8,000	
372	Sustain MN Cyber Coordination Cell		750	794
373	Sustain Holistic Health and Fitness		800	
374	Operating Adjustment		599	802
375	Accountancy, Board of			
376	Operating Adjustment		44	58
377	Architecture, Engineering Board			
378	Operating Adjustment		43	58
379	Cosmetologist Examiners, Board of			
380	Operating Adjustment		169	226
381	Barber Examiners, Board of			
382	Operating Adjustment		21	28
383	MMB Non-operating			
384	Repeal Unappropriated Housing Transfer	(450)	(900)	(900)
385	Expand Operating Budget Carry-Forward Authority	15,000	15,000	15,000
386	One-time 0.25 Percent Employee Pension Contribution Holiday		55,906	
387	Changes to SBI Cost Apportionment		1,636	1,636
388	Debt Service and Cash Impact for Capital Investments		10,000	
389	Repeal Local Government Cannabis Aid		-	
Grand Total		(13,768)	(720,787)	(1,986,481)