

# Summary Fiscal Review

Minnesota State Senate

2020 Session



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**A**

**Fiscal Summary**

**of the**

**2020 Legislative Sessions**

**Prepared by Minnesota State Senate  
Office of Senate Counsel, Research, and Fiscal Analysis  
Minnesota Senate Building  
95 University Ave. W., Suite 3300  
Saint Paul, MN 55155-1800  
Phone: 651-296-4791**

# **Dates of the 2020 Legislative Sessions**

**Regular Session: February 11, 2020 to May 17, 2020**

**2020 First Special Session: June 12, 2020 to June 20, 2020**

**2020 Second Special Session: July 13, 2020 to July 21, 2020**

This publication was developed by the staff of Senate Counsel, Research, and Fiscal Analysis, and was edited by Eric Nauman, Krista Boyd, and Dan Mueller. The Senate Counsel, Research, and Fiscal Analysis staff for the various budget and policy areas who contributed to the relevant report sections are: Dennis Albrecht, Tom Bottern, Krista Boyd, Andrew Erickson, Hannah Grunewald, Jenna Hofer, Dan Mueller, Casey Muhm, Eric Nauman, Chris Turner, and Jay Willms.

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[http://www.senate.leg.state.mn.us/departments/scr/freview/2020/fiscal\\_review.pdf](http://www.senate.leg.state.mn.us/departments/scr/freview/2020/fiscal_review.pdf)

## INTRODUCTION

The *Fiscal Review* is primarily an annual report of enacted budget and fiscal policy actions. This year, the report is a shorter *2020 Fiscal Summary*, as explained below. The report covers all budgetary funds (all funds), with special attention given to the General Fund. Under the Minnesota Constitution, the General Fund revenues and expenditures must be in balance at the close of each biennium. Budgetary funds reflect the operating budget for the state and exclude some state funds not budgeted for operations, such as pension funds, trust funds, and enterprise funds.

Minnesota operates on a biennial budget enacted in odd-year legislative sessions. A fiscal year begins on July 1 and ends on June 30. Biennial budget revisions and major capital investments tend to be the focus of even-year legislative sessions. While most revenue and expenditure amounts are presented as biennial amounts, in some cases annual amounts may provide a more complete understanding of the timing of revenue and appropriations. Additional detail is available by consulting legislative budget tracking sheets or by contacting the relevant Senate fiscal staff.

Detailed 2020 budget tracking sheets can be found here:

<https://www.senate.mn/departments/fiscalpol/tracking/index.html>

## COVID-19

On March 18, 2020, the Minnesota Legislature ceased traditional in-person operations for several weeks due to the COVID-19 pandemic. Beginning on April 7, 2020, the Legislature returned and implemented remote working procedures to ensure social distancing protocols for legislators, staff, and the public. Senate and House of Representatives floor sessions were conducted in person, but members were allowed to vote remotely for the first time in state history. Senate and House committee hearings were conducted using videoconferencing. The Legislature used these procedures for the remainder of the 2020 regular session and during the first two special sessions in June and July.

In the early spring, as the scale of the pandemic became known and the large-scale reduction of economic activity throughout the nation became a reality, it was clear that the assumptions used to prepare the February 2020 forecast were no longer valid. In April, the Department of Management and Budget (MMB) prepared new estimates of major revenue categories, as well as estimates of smaller sources of revenue considered sensitive to the pandemic's economic effects. Additionally, the Department of Human Services (DHS) prepared an updated estimate of forecasted programs at DHS. No other spending areas were recalculated. On May 5, 2020, MMB released a "budget projection" which was a combination of February 2020 budget estimates and updated revenue and spending using data available in April 2020. The May 2020 budget projection numbers were used as the budget baseline for the balance of the regular session and for the first and second special sessions. Given the uncertainty of the pandemic's economic effects, MMB

only released estimates for FY 2020-21 in the projection. MMB subsequently released FY 2022-23 planning estimates on July 31, 2020, to coincide with Minnesota's planned August bond sale.

Minnesota Statutes section 12.31, subdivision 2, provides the Governor with the conditional authority to declare a peacetime emergency. The Governor initially declared a peacetime emergency on March 13, 2020, to respond to the COVID-19 pandemic. By statute, the Governor's declaration may continue for up to 30 days if the Executive Council adopts a resolution approving the extension. If a peacetime emergency is continued beyond 30 days, Minnesota Statutes section 12.31, subdivision 2, provides the Legislature with authority to terminate the emergency. If the Legislature is not in session at the time when a peacetime emergency is extended, the Governor must call it into session to permit the Legislature to consider termination of the peacetime emergency. On June 12 and July 13, the Governor extended the peacetime emergency and called the Legislature into a special session.

The COVID-19 pandemic has continued throughout the summer and, as of August 2020, it is anticipated that extensions of the peacetime emergency declarations will continue for the foreseeable future. With each extension the Legislature is called into session. While in session, the Legislature has considered and enacted a number of fiscal proposals. Because the Minnesota budget will remain uncertain for well beyond the typical publication date for this document, the *Fiscal Review* is presented as the *2020 Fiscal Summary*, which provides limited fiscal information without detailed narrative for all budget areas. The detail of the FY 2020-21 budget will be included in the *2021 Fiscal Review* after full implications of the changes to the current biennium's budget are known.

This year's document presents the state's fiscal information as of August 12, 2020, and includes tables that summarize the general fiscal picture of the state and reflect the fiscal actions from the first half of calendar year 2020. By necessity, the *2020 Fiscal Summary* represents a point-in-time analysis. As of the date of publication, the FY 2020-21 General Fund budget remains out of balance by \$2.3 billion. In the coming months there will be many changes to the existing budget. This document provides a mid-summer report and the *2021 Fiscal Review* will supplement this initial analysis with a complete review.

The *2020 Fiscal Summary* uses tables and charts to display changes enacted in the three legislative sessions through July 2020. Each table and chart are preceded with a short description of its contents and purpose. The document places particular emphasis on COVID-19 and provides tables that emphasize fiscal decisions that responded to the pandemic's effects. This includes tables that display COVID-19 appropriations enacted in 2020 (Table 10), COVID-19 Minnesota Fund allocations (Table 11), Coronavirus Relief Federal Fund allocations (Table 12), and a summary of all federal funds received in Minnesota for COVID-19 response (Table 13). The *2020 Fiscal Summary* also presents traditional summary tables for the General Fund and all funds.

### **Appropriations versus Spending**

Amounts shown in the *2020 Fiscal Summary* for the current biennium (FY 2020-21) reflect appropriation levels enacted in the 2020 session, the 2020 first special session, and the 2020 second special session. Amounts shown for the next biennium, often referred to as

appropriation “tails” or planning estimates, reflect estimates of future biennial spending, assuming current law programs are carried forward for another two years. The *2020 Fiscal Summary* compares current biennial appropriations to budgeted spending in the previous biennium (FY 2018-19), as well as to the February 2020 budget forecast and the May 2020 budget projection published by MMB.

## List of Tables

The list below presents the complete list of tables included in the document:

Table 1 – General Fund Summary Fund Balance Analysis, FY 2018-2023

Table 2 – FY 2020-21 Budgetary Balance and Change Detail

Table 3 – FY 2020-21 General Fund Budget Enacted, Forecast and FY 2018-19

Table 4 – FY 2020-21 General Fund Biennial Budget by Budget Area

Table 5 – FY 2020-21 All Funds Biennial Budget by Fund

Table 6 – FY 2020-21 All Funds Biennial Budget by Budget Area

Table 7 – FY 2020-21 All Funds Biennial Revenue by Fund

Table 8 – FY 2020-21 Health Care Access Fund Summary Analysis, FY 2018-2023

Table 9 – FY 2020-21 Legacy Funds

Table 10 – FY 2020-21 COVID-19 Enactments, 2020 Regular, First Special, and Second Special Sessions

Table 11 – COVID-19 Minnesota Fund Spending Allocations

Table 12 – Coronavirus Relief Federal Fund Enactments and Allocations by Agency

Table 13 – Federal Funds Allocated to Minnesota for COVID-19

Table 14 – Session Laws Supplementing the FY 2020-21 Budget

## Contacts

For general or specific questions about the content of this report, please contact the fiscal analyst for the appropriate budget area.

Eric Nauman, Overall Budget and Finance; Pensions  
[Eric.nauman@senate.mn](mailto:Eric.nauman@senate.mn)

Jenna Hofer, E-12 Education  
[Jenna.hofer@senate.mn](mailto:Jenna.hofer@senate.mn)

Hannah Grunewald, Higher Education  
[Hannah.grunewald@senate.mn](mailto:Hannah.grunewald@senate.mn)

Jay Willms, Taxes; Property Tax; Aids and Credits  
[Jay.willms@senate.mn](mailto:Jay.willms@senate.mn)

Dennis Albrecht, Health and Human Services  
[Dennis.albrecht@senate.mn](mailto:Dennis.albrecht@senate.mn)

Daniel Mueller, Agriculture, Environment, and Natural Resources; Constitutionally Dedicated Funds  
[Daniel.mueller@senate.mn](mailto:Daniel.mueller@senate.mn)

Casey Muhm, Jobs, Commerce, and Energy; Capital Investment  
[Casey.muhm@senate.mn](mailto:Casey.muhm@senate.mn)

Chris Turner, Judiciary and Public Safety  
[Chris.turner@senate.mn](mailto:Chris.turner@senate.mn)

Andrew Erickson, State Government; Veterans and Military Affairs; Pensions  
[Andrew.erickson@senate.mn](mailto:Andrew.erickson@senate.mn)

Krista Boyd, Transportation and Public Safety  
[Krista.boyd@senate.mn](mailto:Krista.boyd@senate.mn)

## TABLE NOTES AND DETAIL

### General Fund Budget Discussion

On February 27, 2020, the Department of Management and Budget (MMB) released the February 2020 forecast which estimated a FY 2020-21 positive General Fund budgetary balance of \$1.5 billion. The forecast estimated a FY 2022-23 positive General Fund budgetary balance of \$2.3 billion. Within several weeks, as the pandemic's economic effects began to take hold throughout the nation, the assumptions of the February 2020 forecast were no longer valid. On May 5, 2020, MMB released the May 2020 budget projection. This projection estimated a significant change in the General Fund, compared to the February forecast. The FY 2020-21 budgetary balance was estimated to be -\$2.4 billion, and the FY 2022-23 billion budgetary balance was estimated to be -\$6.6 billion. The structural balance between revenues collected in FY 2022-23 and estimated spending in those years was forecasted to be -\$4.7 billion.

According to the May 2020 budget projection, the FY 2020-21 balance declined by \$3.9 billion and the FY 2022-23 balance declined by \$9 billion, compared to the February forecast. Because the FY 2022-23 budgetary balance includes carryforward balances, the decline in FY 2022-23 represented budget changes over three years. Most of the decline between the February 2020 forecast and the May 2020 budget projection resulted from estimated changes in state tax revenues. General Fund tax revenues declined by \$3.5 billion in FY 2020-21. Of that amount, individual income tax revenues decreased by \$1.7 billion and sales tax revenues decreased by \$1.4 billion. The May budget projection updated the forecast for six state tax types which were assumed to be sensitive to the COVID-19 economic slowdown. Most tax types were maintained at February forecast estimates.

The May 2020 budget projection also updated FY 2020-21 forecasted expenditures at the Department of Human Services (DHS). These FY 2020-21 projected General Fund expenditures declined by \$153.3 million, compared to the February forecast. Congress increased the federal medical assistance percentage (FMAP, discussed with Table 2), and this change in federal law reduced projected expenditures in Minnesota's medical assistance (MA) program by \$329.5 million. However, total projected General Fund expenditures for MA increased by \$147 million due to projected caseload increases assumed in the May budget projection and by \$54.2 million due to executive orders signed by the Governor. The budget projection also assumed projected caseload increases in economic assistance programs, which increased projected expenditures by \$11.9 million in FY 2020-21, compared to the February forecast.

The May 2020 budget projection increased FY 2020-21 net General Fund expenditures for nursing facilities by \$17.9 million compared to the February forecast. This change includes a \$41 million increase due to higher average costs for nursing facility services and a \$23.1 million reduction attributable to decreased demand for nursing facility services. The May projection also includes a FY 2020-21 reduction of \$42.6 million in the delivery of day services compared to the February forecast.

During the 2020 regular session and the first two special sessions in June and July, the Legislature increased FY 2020-21 General Fund spending by \$559.6 million compared to current law. Of that



amount, \$550.4 million was enacted between the February 2020 forecast and the May budget projection. Consequently, the May projection's budgetary balance includes these increased appropriations. Most of these enacted changes related to spending to assist the state's response to the COVID-19 pandemic.

## **General Fund Budget Tables**

### Table 1

Table 1 presents a General Fund budgetary balance analysis for FY 2018–FY 2023 as of the end of the 2020 second special session and shows the change from the February 2020 forecast.

### Table 2

Table 2 provides a detailed General Fund budgetary balance for the FY 2020-21 biennium and includes changes from the May 2020 budget projection, enacted budget changes, and other fiscal assumptions that were recognized in July 2020. This table also adjusts the FY 2020-21 budgetary balance from the May 2020 budget projection to isolate budget changes enacted between the February 2020 forecast and the May 2020 budget projection from the revenue and spending changes estimated in the May projection.

During the summer of 2020, several fiscal changes occurred that were not enacted by legislation but resulted from current state law and federal law. Table 2 details these changes as well.

- Under current law, the assigned risk plan provides workers' compensation coverage to employers that are unable to obtain coverage through licensed workers' compensation companies. Every summer the Commissioner of Commerce releases an audit of the assigned risk plan. If the audit of the plan shows an excess surplus in the plan, the surplus is transferred to the General Fund budget reserve. In 2020, an excess surplus of \$18.6 million was recognized and transferred to the budget reserve in July.
- The federal government's Families First Coronavirus Response Act (Public Law 116-127) enacted a 6.2 percentage point enhanced federal medical assistance percentage (FMAP). The federal government uses the FMAP to provide funding to states for Medicaid (medical assistance program in Minnesota). The enhanced FMAP for COVID-19 is available for the duration of the federal public health emergency declared by the Secretary of Health and Human Services effective January 27, 2020, and is available for each calendar quarter that includes a month during which the federal public health emergency is in effect. The May 2020 budget projection assumed that the enhanced FMAP would be in effect in calendar year 2020 through June.

To receive the enhanced FMAP, states must ensure that individuals maintain Medicaid coverage during the COVID-19 public health emergency. Under the federal requirements,

the state (1) cannot establish eligibility criteria that are more restrictive than the requirements on January 1, 2020, (2) cannot increase premiums over those that existed on January 1, 2020, (3) cannot terminate enrollment except by request of the enrollee or if the enrollee moves out of the state, (4) must provide coverage for testing and medical services related to COVID-19, and (5) cannot increase the local government share of nonfederal Medicaid expenditures.

The enhanced FMAP reduced projected General Fund expenditures for medical assistance (MA) by \$329.5 million for the last two quarters of FY 2020, but to meet the requirements to receive the enhanced FMAP, projected MA expenditures increased by \$21 million. Therefore, the net reduction in projected General Fund expenditures for MA in FY 2020 was \$308.5 million for the provisions related to the enhanced FMAP.

The Secretary of Health and Human Services extended the federal public health emergency past July 1, 2020. This extension provided the enhanced FMAP for an additional quarter, and into the first three months of FY 2021. This reduced projected General Fund expenditures for MA by an additional \$258.7 million. The estimated FY 2021 expenditures to meet the continuous coverage requirements are \$145.2 million, resulting in a net reduction in projected FY 2021 General Fund expenditures of \$113.5 million for the provisions related to the enhanced FMAP. In July 2020 MMB recognized these FY 2021 savings and costs, and Table 2 includes these changes.

- Table 2 also adds \$21.3 million in additional expenditures associated with the Governor's peacetime emergency, which was extended through August 2020.

### Table 3

Table 3 shows total General Fund revenues, spending, and reserves for the enacted FY 2020-21 budget compared to the February 2020 forecast. The enacted FY 2020-21 budget includes the May 2020 budget projection and recognizes the July 2020 fiscal changes.

### Table 4

Table 4 summarizes the FY 2020-21 General Fund budget by budget jurisdiction. The enacted budget appropriated \$48.7 billion in FY 2020-21 from the General Fund. As described in Table 5, this was \$307.9 million more than projected in the February 2020 forecast.

## All Funds Budget Tables

### Table 5

Table 5 summarizes the FY 2020-21 biennial budget for all funds. The enacted budget totaled \$89.3 billion. This includes the two-year budget for the General Fund and all other state funds from which operating budget appropriations are made. The enacted FY 2020-21 budget includes the May 2020 budget projection and the July 2020 fiscal changes.

### Table 6

Table 6 displays the state's all funds budget by major budget jurisdiction. The significant increases in the E-12 Education; Health and Human Services; Agriculture, Environment, and Natural Resources; Jobs, Commerce, and Energy; and State Government and Veterans budget jurisdictions are attributable to federal funds allocated to the state to respond to the COVID-19 pandemic. Most of these increases were allocated from the federal CARES Act (P.L. 116-136). See Table 13 for the details of all federal COVID-19 funding.

### Table 7

Table 7 shows total state revenues by fund. The display separates the General Fund and other state funds.

### Table 8

Table 8 presents a Health Care Access Fund (HCAF) budgetary balance as of the end of the 2020 second special session and shows the change from the February 2020 forecast.

The May 2020 budget projection reduced FY 2020-21 projected revenue in the HCAF by \$126.7 million and increased projected expenditures by \$34.5 million. The projection estimated a FY 2021 balance of \$402.9 million in the HCAF. This balance includes \$759,000 in appropriations from Chapter 73, the Alec Smith Insulin Affordability Act, enacted before the May projection. This appropriation provides funding to administer the program.

During the summer of 2020, several fiscal changes occurred that were not enacted by legislation but resulted from current state law and federal law. As described with Table 2, in July 2020 MMB began recognizing costs attributable to the Governor's executive orders. These costs increased FY 2020-21 HCAF expenditures by \$12.1 million for uninterrupted coverage expenses in the MinnesotaCare program during the Governor's peacetime emergency. (The changes recognized in July also reduced projected FY 2022-23 HCAF revenue by \$282.5 million and increased expenditures by \$85.1 million.) In total, these changes, combined with the laws enacted in the first half of calendar year 2020, result in a HCAF balance of \$390.8 million at the end of FY 2020-21 and a negative balance of \$128.3 million at the end of FY 2022-23. The HCAF balance is \$174.1

million lower at the end of FY 2020-21 and \$419.8 million lower at the end of FY 2022-23, compared to the February forecast.

#### Table 9

The May 2020 budget projection estimated an 11 percent reduction (-\$78.3 million) in FY 2020-21 revenues for the four Legacy Funds as a result of lower projected sales tax collections. This projected revenue reduction resulted in a FY 2021 deficit for three of the four Legacy Funds. As a result, the Governor implemented a temporary spending reduction for those funds, which will delay FY 2021 spending items and allow them to be spent in FY 2022. Table 9 shows the revenue reductions from the May budget projection and from the executive actions used to reduce expenditures to keep the Legacy Funds at a statutorily required five percent fund balance.

### **State and Federal Response to COVID-19 Tables**

#### Table 10

The 2020 Legislature enacted a number of spending bills in response to the state health emergency due to the COVID-19 pandemic. Table 10 shows the money appropriated to various state agencies by fund. This table does not include all state and federal resources that have been allocated for COVID-19, but only spending that was enacted by the Legislature.

The noteworthy expenditures displayed in Table 10 include:

- Chapter 66 transferred \$20.9 million from the General Fund to the public health response contingency account for public health response activities related to a potential outbreak of COVID-19.
- Chapter 70 transferred \$50 million from the General Fund to the public health response contingency account to provide funding for medical providers to plan for, prepare for, or respond to an outbreak of COVID-19. This chapter also established the Health Care Response Fund and transferred \$150 million to the newly created fund from the General Fund to provide grants to medical providers to plan for, prepare for, or respond to an outbreak of COVID-19.
- Chapter 71 appropriated \$29.9 million to the Commissioner of Human Services for grants to childcare providers during the peacetime emergency declared by the Governor. The childcare grants ensured that childcare would be available to essential workers and stabilized the provider network so that childcare would be available when the immediate effects of the outbreak of COVID-19 subsided.
- Chapter 71 appropriated \$9 million to the Commissioner of Human Services for grants to food shelf providers for emergency distribution of food, diapers, toilet paper, and other supplies during the COVID-19 peacetime emergency. In addition, Chapter 71 appropriated \$26.5 million for emergency services grants for services for homeless populations. This appropriation included \$15.2 million for housing in hotels or motels for homeless



individuals to promote health and safety and for isolation of individuals who are exposed to COVID-19 or experiencing respiratory illness. The Legislature allocated \$5 million of the appropriation for shelter providers to purchase cleaning and sanitation supplies and personal protective equipment and \$6.2 million to meet additional staffing requirements related to the outbreak of COVID-19.

- Chapter 71 transferred \$200 million from the General Fund to the COVID-19 Minnesota Fund to enable the Governor to respond quickly to the COVID-19 pandemic, and to provide flexible state funds that can be used to respond to unforeseen effects of the pandemic. This fund is examined in greater detail in Table 11.
- Chapter 71 appropriated \$30 million from the newly created loan guarantee trust fund account in the Special Revenue Fund to the Commissioner of Employment and Economic Development for the small business loan program. Of this amount, \$2.5 million is allocated to the commissioner for administration of the program. The money for the appropriation was transferred to the new account from the Minnesota 21<sup>st</sup> Century Minerals Fund (\$20 million) and the Minnesota Investment Fund (\$10 million).

### Table 11

Table 11 shows the allocations from the state's COVID-19 Minnesota Fund (C19M). Chapter 71 established the COVID-19 Minnesota Fund and transferred \$200 million from the General Fund to the C19M Fund for state expenses due to the COVID-19 pandemic. Chapter 71 appropriated the funds to the Commissioner of Management and Budget and provided the commissioner with authority to disperse or transfer money from the C19M Fund to respond to the COVID-19 pandemic and to maintain state operations during the peacetime emergency.

Chapter 71 established the Legislative COVID-19 Response Commission (LCRC) to provide oversight over the C19M Fund. The LCRC is composed of ten legislators from the House of Representatives and the Senate. The House's LCRC members include the Speaker, Majority Leader, Minority Leader, and Ways and Means Committee chair and ranking minority member. The Senate LCRC members include the Majority Leader, Senate President, Minority Leader, and Finance Committee chair and ranking minority member.

Chapter 71 requires the Commissioner of MMB to submit individual C19M Fund expenditures in excess of \$1 million to the LCRC for a one-day review. If three members of the House and three members of the Senate LCRC membership state a negative recommendation in response to a proposed expenditure during the review period, the commissioner may not spend the money. Otherwise, the commissioner has authority to spend the money. Proposed expenditures less than \$1 million are not required to be submitted to the LCRC for review.

Table 11 displays the allocations from the C19M Fund as of August 12, 2020. The table displays individual requests that exceeded \$1 million and required LCRC review. All submitted requests have been approved. Individual requests of less than \$1 million are summarized by type of expenditure. \$190.9 million of the original \$200 million C19M Fund money has been approved for expenditure, leaving a remaining fund balance of \$9.1 million.

Table 12

The state received an allocation of \$2.2 billion from the federal government in coronavirus relief funds. The funds are distributed to states based on each state's share of the national population. Table 12 displays the distribution of Minnesota's federal coronavirus relief funds to the agencies, constitutional officers, and other branches of government that received this money as of August 12, 2020.

Federal coronavirus relief money was allocated to states and local governments throughout the United States to help state and local governments respond to the public health and economic costs of the pandemic. The funds are relatively flexible and are to be used to directly respond to state and local government COVID-19 expenses. The funds may not be used to replace reduced state and local revenues. According to federal law (P.L. 116-136) and U.S. Treasury Department guidelines, states and local governments must use coronavirus relief money for COVID-19 related expenses, cannot be assumed in the existing state or local government budget, and must be for expenses incurred between March 1, 2020, and December 30, 2020.

The federal law also permits coronavirus relief funds to be distributed directly to a local government with a population in excess of 500,000 persons if the eligible local government applies for the funds from the U.S. Treasury Department. State governments receive the difference between the total state distribution and the amount allocated to eligible local governments. In Minnesota, Hennepin and Ramsey counties received allocations directly from the U.S. Treasury Department, totaling \$316.9 million. After the reduction for the counties, the state's allocation was \$1.9 billion. Minnesota established a state Coronavirus Relief Federal Fund (CRF) to receive the state's allocation.

Money from the CRF has been allocated for statewide COVID-19 expenses based largely upon recommendations of the executive branch. Throughout the summer of 2020, state agencies, constitutional officers, the Courts, and the Legislature have identified COVID-19 related costs, and MMB has submitted detailed requests for CRF expenditures for these costs to the Legislative Advisory Commission (LAC) for its review. Under the current law process for reviewing requests to spend federal funds, the LAC has ten days to review the recommended expenditures and may offer advice, but the LAC has no authority to stop a recommended expenditure of the funds.

As of August 12, 2020, 89.6 percent of the state's CRF allocation (\$1.7 billion) has been approved for expenditure, leaving a balance of \$195.2 million. There have been 69 separate requests to spend CRF funds on the COVID-19 response. Most individual requests have been for expenses at the Department of Health (17 requests) and the Department of Human Services (12 requests). Together, these requests represent 19.5 percent of Minnesota's state allocation. The three largest individual allocations of CRF money have been for local governments (\$841.5 million, 44.9 percent) through the Department of Revenue, for schools (\$255 million, 13.6 percent) through the Department of Education, and for housing assistance (\$100 million, 5.3 percent) through the Minnesota Housing Finance Agency.

Table 13

Table 13 shows all federal funds that have been allocated to Minnesota from the three major relief initiatives related to COVID-19. Table 13 shows the amounts that have been allocated to various state agencies and also amounts that have been allocated directly to non-state entities in Minnesota. The information for this table is from data reported by *Federal Funds Information for States* (FFIS).

Table 14

Table 14 lists all session laws enacted in 2020 that had fiscal implications or affected fiscal policy.

2020 FISCAL SUMMARY

**Table 1**  
**General Fund Summary Fund Balance Analysis, FY 2018-2023**  
*(dollars in thousands)*

	<u>FY 2018-19</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2020-21</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2022-23</u>
<b>February Forecast</b>							
<b><u>Actual &amp; Estimated Resources</u></b>							
Balance Forward	3,333,262	3,971,359	3,782,376	3,971,359	4,351,156	4,415,452	4,351,156
Current Resources	<u>46,039,475</u>	<u>23,740,480</u>	<u>25,011,892</u>	<u>48,752,372</u>	<u>25,370,361</u>	<u>26,130,880</u>	<u>51,501,241</u>
<b>Total Resources</b>	<b>49,372,737</b>	<b>27,711,839</b>	<b>28,794,268</b>	<b>52,723,731</b>	<b>29,721,517</b>	<b>30,546,332</b>	<b>55,852,397</b>
<b><u>Actual &amp; Estimated Expenditures</u></b>							
<b>Total Net Spending</b>	<b>45,401,378</b>	<b>23,929,463</b>	<b>24,443,112</b>	<b>48,372,575</b>	<b>25,306,065</b>	<b>25,729,541</b>	<b>51,035,606</b>
<b>Balance Before Reserves</b>	3,971,359	3,782,376	4,351,156	4,351,156	4,415,452	4,816,791	4,816,791
<b>Total Reserves</b>	<b>2,550,786</b>	<b>2,786,926</b>	<b>2,838,412</b>	<b>2,838,412</b>	<b>2,408,838</b>	<b>2,480,037</b>	<b>2,480,037</b>
<b>Budgetary Balance</b>	<b>1,420,573</b>	<b>995,450</b>	<b>1,512,744</b>	<b>1,512,744</b>	<b>2,006,614</b>	<b>2,336,754</b>	<b>2,336,754</b>
<b>May Projection, Enacted Budget and July Assumptions</b>							
<b><u>Actual &amp; Estimated Resources</u></b>							
Balance Forward	3,333,262	3,971,359	2,910,781	3,971,359	450,869	(2,136,208)	450,869
Current Resources	<u>46,039,475</u>	<u>23,129,928</u>	<u>22,030,032</u>	<u>45,159,960</u>	<u>22,912,066</u>	<u>23,734,959</u>	<u>46,647,025</u>
<b>Total Resources</b>	<b>49,372,737</b>	<b>27,101,287</b>	<b>24,940,813</b>	<b>49,131,319</b>	<b>23,362,935</b>	<b>21,598,751</b>	<b>47,097,894</b>
<b><u>Actual &amp; Estimated Expenditures</u></b>							
<b>Total Net Spending</b>	<b>45,401,378</b>	<b>24,190,506</b>	<b>24,489,944</b>	<b>48,680,450</b>	<b>25,499,143</b>	<b>25,891,625</b>	<b>51,390,768</b>
<b>Balance Before Reserves</b>	3,971,359	2,910,781	450,869	450,869	(2,136,208)	(4,292,874)	(4,292,874)
<b><u>Reserves</u></b>							
<b>Total Reserves</b>	<b>2,550,786</b>	<b>2,764,750</b>	<b>2,793,574</b>	<b>2,793,574</b>	<b>2,316,777</b>	<b>2,336,892</b>	<b>2,336,892</b>
<b>Budgetary Balance</b>	<b>1,420,573</b>	<b>146,031</b>	<b>(2,342,705)</b>	<b>(2,342,705)</b>	<b>(4,452,985)</b>	<b>(6,629,766)</b>	<b>(6,629,766)</b>
<b>Difference</b>							
<b><u>Actual &amp; Estimated Resources</u></b>							
Balance Forward	-	-	(871,595)	-	(3,900,287)	(6,551,660)	(3,900,287)
Current Resources	-	(610,552)	(2,981,860)	(3,592,412)	(2,458,295)	(2,395,921)	(4,854,216)
<b>Total Resources</b>	<b>-</b>	<b>(610,552)</b>	<b>(3,853,455)</b>	<b>(3,592,412)</b>	<b>(6,358,582)</b>	<b>(8,947,581)</b>	<b>(8,754,503)</b>
<b><u>Actual &amp; Estimated Expenditures</u></b>							
<b>Total Net Spending</b>	<b>-</b>	<b>261,043</b>	<b>46,832</b>	<b>307,875</b>	<b>193,078</b>	<b>162,084</b>	<b>355,162</b>
<b>Balance Before Reserves</b>	<b>-</b>	<b>(871,595)</b>	<b>(3,900,287)</b>	<b>(3,900,287)</b>	<b>(6,551,660)</b>	<b>(9,109,665)</b>	<b>(9,109,665)</b>
<b><u>Reserves</u></b>							
<b>Total Reserves</b>	<b>-</b>	<b>(22,176)</b>	<b>(44,838)</b>	<b>(44,838)</b>	<b>(92,061)</b>	<b>(143,145)</b>	<b>(143,145)</b>
<b>Budgetary Balance</b>	<b>-</b>	<b>(849,419)</b>	<b>(3,855,449)</b>	<b>(3,855,449)</b>	<b>(6,459,599)</b>	<b>(8,966,520)</b>	<b>(8,966,520)</b>



**Table 2**  
**FY 2020-21 General Fund Budgetary Balance and Change Detail**  
**2020 Legislative Sessions**  
*(dollars in thousands)*

<b>Projected Budgetary Balance, February 2020 Forecast</b>		<b>1,512,744</b>
<u>May Projection Revenue Change Items</u>		
Individual Income Tax		(1,659,300)
Corporate Income Tax		(404,579)
Sales Tax		(1,350,968)
Other Taxes		(96,174)
Investment Income		(100,000)
Subtotal, May Projection Revenue Changes		(3,611,021)
<u>May Projection Expenditure &amp; Budget Reserve Changes</u>		
	<u>Agency</u>	
MA Reduction, Enhanced FMAP (56.2% match), January-June	DHS	(329,516)
Medical Assistance & Other DHS Forecasted Programs	DHS	62,609
Governor's Executive Orders Expenditures*	DHS	107,354
Stadium Reserve Recalculation		(63,459)
Subtotal, May Projection Expenditure & Reserve Changes		(223,012)
<b>Adjusted May Projection Budgetary Balance (Excluding Previous Enactments)</b>		<b>(1,875,265)</b>
<i>Net Enactments Before May Projection (Chpts. 66-74)</i>		<i>(550,370)</i>
<b>Projected Budgetary Balance, May 5, 2020</b>		<b>(2,425,635)</b>
<u>Enacted Revenue Change Items</u>		
	<u>Agency</u>	
Ch. 106, Hairstyling and Makeup Services Exemption from Licensure, Fee Reduction	BdCosmetology	(12)
<u>Enacted Appropriations Changes</u>		
	<u>Agency</u>	
Ch. 66, Transfer to Public Health Contingency Response Account, COVID-19	MDH	20,889
Ch. 68, Transfer to Disaster Assistance Contingency Account	DPS	30,000
Ch. 70, Transfer to Public Health Response Contingency Account, COVID-19, Hospital:	MDH	50,000
Ch. 70, Transfer to Health Care Response Fund, COVID-19, Hospitals	MDH	150,000
Ch. 71, Peacetime Emergency Child Care Grants	DHS	29,964
Ch. 71, Food Shelf Grants	DHS	9,000
Ch. 71, Emergency Assistance for Homeless Populations	DHS	26,537
Ch. 71, Housing Support Rate Increase	DHS	5,530
Ch. 71, Small Business Guarantee Loan Program	DEED	10,000
Ch. 71, Special Emergency Grants	DVA	6,200
Ch. 71, Tribal Nations Grants	DOR	11,000
Ch. 71, Transfer to COVID-19 Minnesota Fund	MMB	200,000
Ch. 74, Second Harvest Food Bank Grants	DOA	1,250
Ch. 77, Transfer to HAVA Account, SRF	SecState	1,478
Ch. 77, Transfer to HAVA Account for CARES Act, SRF	SecState	1,386
Ch. 78, Prescription Drug Transparency Act, Agency Cost Adjustment	MDH	(655)
Ch. 106, Hairstyling and Makeup Services Exemption from Licensure, Bd Approp Redu	BdCosmetology	(12)
Ch. 116, Education Aid Adjustments	MDE	(267)
Ch. 116, Teacher Licensure IT System for Conditional Licenses	PESLB	49
2nd Spec Sess, Ch. 1, Law Enforcement Incident Database	POST Board	3,500
2nd Spec Sess, Ch. 1, Advisory Council, Database & Training	POST Board	264
2nd Spec Sess, Ch. 1, Rulemaking and Staffing	Mediation Svces	120
2nd Spec Sess, Ch. 1, BCA ,Special Investigations Unit & Autism Training	DPS	3,373
Subtotal; Enacted Appropriations Changes		559,606

**Table 2**  
**FY 2020-21 General Fund Budgetary Balance and Change Detail**  
**2020 Legislative Sessions**  
*(dollars in thousands)*

<b>Projected Budgetary Balance, End of Legislative Sessions (Adjusted May and End of Sessions)</b>	<b>(2,434,883)</b>
<u>Recognized Revenue Changes, July 2020</u>	
Transfer in Assigned Risk Surplus	18,621
<u>Recognized Early Forecasted Expenditure Changes, July 2020</u>	
	<u>Agency</u>
MA Reduction, Enhanced FMAP (56.2% match), July-September	DHS (258,683)
MA Continuous Coverage Requirements for Enhanced FMAP, July-Septemeber	DHS 145,231
Governor's Executive Orders Expenditures	DHS 21,274
Subtotal: Recognized Early Forecasted Expenditure Changes	<b>(92,178)</b>
<u>Recognized Reserve Changes, July 2020</u>	
Transfer Assigned Risk Surplus to Budget Reserve	18,621
<b>Revised Balance, FY 2020-21, (May Projection, End of Sessions, Recognized July Changes)</b>	<b>(2,342,705)</b>
* This amount includes the cost to meet the medical continuous assistance coverage requirements for the state to receive enhanced FMAP funds from the federal government.	

**Table 3**  
**FY 2020-21 General Fund Budget**  
**Comparison of Enacted FY 2020-21 Budget to FY 2018-19 and to Forecast**  
*(dollars in millions)*

	<b>FY 2018-19</b>	<b>FY 2020-21 Forecast Base *</b>	<b>FY 2020-21 May Proj/ Enacted **</b>	<b>Change: Enacted - FY 2018-19</b>	<b>Change: Enacted - Fcst Base</b>
Balance Forward (Including Reserves)	3,333.3	3,971.4	3,971.4	638.1	-
Current Revenues	46,039.5	48,752.4	45,160.0	(879.5)	(3,592.4)
Total Resources	49,372.7	52,723.7	49,131.3	(241.4)	(3,592.4)
Spending	45,401.4	48,372.6	48,680.5	3,279.1	307.9
Reserves	2,550.8	2,838.4	2,793.6	242.8	(44.8)
<b>Budgetary Balance</b>	<b>1,420.6</b>	<b>1,512.7</b>	<b>(2,342.7)</b>	<b>(3,763.3)</b>	<b>(3,855.4)</b>

\* February 2020 Forecast

\*\* Includes May Projection changes, 2020 Legislative Sessions enactments, and July 2020 budget recognitions

2020 FISCAL SUMMARY

**Table 4**  
**General Fund Biennial Budget by Budget Area**  
**Comparison of Enacted FY 2020-21 Budget to 2018-19 and to Forecast**  
*(dollars in millions)*

	<b>FY 2018-19</b>	<b>FY 2020-21 Forecast Base *</b>	<b>FY 2020-21 May Proj/ Enacted **</b>	<b>Change: Enacted - FY 2018-19</b>	<b>Change: Enacted - Fcst Base</b>
E-12 Education	18,820.9	19,998.9	19,998.7	1,177.8	(0.2)
Higher Education	3,293.6	3,406.2	3,406.2	112.5	-
Property Tax Aids and Credits	3,650.5	3,872.2	3,883.2	232.7	11.0
Health and Human Services	13,298.2	14,682.0	14,721.6	1,423.4	39.5
Agric, Env & Natural Resources	482.6	469.3	470.5	(12.1)	1.3
Jobs, Commerce and Energy	533.0	492.9	503.0	(30.0)	10.1
Judiciary and Public Safety	2,356.6	2,513.9	2,551.1	194.5	37.1
Transportation and Public Safety	362.6	348.6	348.6	(13.9)	-
State Government and Veterans	1,196.4	1,206.6	1,415.7	219.3	209.1
Debt Service, Cap. Projects and Other	1,407.0	1,402.0	1,402.0	(5.1)	-
Cancellations and Other	-	(20.0)	(20.0)	(20.0)	-
<b>Total Spending</b>	<b>45,401.3</b>	<b>48,372.6</b>	<b>48,680.5</b>	<b>3,279.1</b>	<b>307.9</b>

\* February 2020 Forecast

\*\* Includes May Projection changes, 2020 Legislative Sessions enactments, and July 2020 budget recognitions



**Table 5**  
**All Funds Biennial Budget -- FY 2020-21, By Fund**  
**Comparison of Enacted FY 2020-21 Budget to FY 2018-19 and to Forecast**  
*(dollars in millions)*

	<b>FY 2018-19</b>	<b>FY 2020-21 Forecast Base *</b>	<b>FY 2020-21 May Proj/ Enacted **</b>	<b>Change: Enacted - FY 2018-19</b>	<b>Change: Enacted - Fest Base</b>
General Fund	45,401.3	48,372.6	48,680.5	3,279.1	307.9
General Fund Transfer Out	(3,986.1)	(3,861.2)	(4,323.1)	(337.0)	(461.9)
Health Care Access Fund	1,072.9	1,511.1	1,558.5	485.6	47.4
Federal Funds	22,546.2	25,707.4	26,326.4	3,780.2	619.0
Coronavirus Relief Federal Fund***	-	-	1,678.2	1,678.2	1,678.2
Other Funds	14,611.2	15,016.2	15,359.2	747.9	343.0
<b>All Funds Total</b>	<b>79,645.6</b>	<b>86,746.1</b>	<b>89,279.7</b>	<b>9,634.1</b>	<b>2,533.5</b>

\* February 2020 Forecast

\*\* Includes May Projection changes, 2020 Legislative Sessions enactments, and July 2020 budget recognitions

\*\*\* Includes all appropriations from the Coronavirus Relief Fund (CRF) enacted by law, and all proposed allocations from the CRF submitted to the Legislative Advisory Commission (LAC) as of August 12, 2020. See Table 12 for detailed expenditures and available fund balance.

**Table 6**  
**All Funds Biennial Budget -- FY 2020-21, By Budget Area**  
**Comparison of Enacted FY 2020-21 Budget to FY 2018-19 and to Forecast**  
*(dollars in millions)*

	<b>FY 2018-19</b>	<b>FY 2020-21 Forecast Base *</b>	<b>FY 2020-21 May Proj/ Enacted **</b>	<b>Change: Enacted - FY 2018-19</b>	<b>Change: Enacted - Fest Base</b>
E-12 Education	20,477.2	21,953.3	22,371.7	1,894.5	418.4
Higher Education	3,396.3	3,496.3	3,496.3	99.9	-
Property Tax Aids and Credits	3,667.6	3,873.2	3,884.2	216.7	11.0
Health and Human Services	35,489.4	39,127.8	40,173.1	4,683.7	1,045.3
Agric, Env, and Natural Resources	2,136.6	2,426.2	2,545.4	408.8	119.2
Jobs, Commerce, and Energy	1,921.6	2,307.2	2,530.2	608.7	223.0
Judiciary and Public Safety	2,789.6	2,874.0	2,936.7	147.0	62.6
Transportation and Public Safety	7,723.3	8,695.0	8,725.9	1,002.6	30.9
State Government and Veterans	2,367.2	2,656.5	3,741.4	1,374.2	1,084.9
Debt Service and Capital Projects	3,662.8	3,217.9	3,217.9	(445.0)	-
Cancellations and Other	(3,986.1)	(3,881.2)	(4,343.1)	(357.0)	(461.9)
<b>Total for Budget Area</b>	<b>79,645.6</b>	<b>86,746.1</b>	<b>89,279.7</b>	<b>9,634.1</b>	<b>2,533.5</b>

\* February 2020 Forecast

\*\* Includes May Projection changes, 2020 Legislative Sessions enactments, and July 2020 budget recognitions

**Table 7**  
**All Funds Biennial Revenues -- FY 2020-21, By Fund**  
**Comparison of Enacted FY 2020-21 Budget to FY 2018-19 and to Forecast**  
*(dollars in millions)*

	FY 2018-19	FY 2020-21 Forecast Base *	FY 2020-21 May Proj/ Enacted **	Change: Enacted - FY 2018-19	Change: Enacted - Fcst Base
General Fund	46,039.5	48,752.4	45,160.0	(879.5)	(3,592.4)
Nongeneral Funds					
Health Care Access Fund	1,666.2	1,704.5	1,577.8	(88.4)	(126.7)
Transit Assistance	706.8	770.0	653.0	(53.8)	(117.0)
Highway User Tax	4,583.8	5,052.9	4,656.4	72.6	(396.5)
Legacy Funds (four funds total)	669.7	734.0	655.8	(13.9)	(78.2)
Federal Funds	22,095.7	25,187.6	25,804.6	3,708.9	617.0
Coronavirus Relief Federal Fund	-	-	1,873.4	1,873.4	1,873.4
Other (Incl Transfers & Prior Yr Adjustments)	17,773.8	18,060.3	18,041.1	267.3	(19.2)
Subtotal, Nongeneral Funds	47,496.0	51,509.3	53,262.0	5,766.0	1,752.7
<b>Total Revenues</b>	<b>93,535.5</b>	<b>100,261.7</b>	<b>98,422.0</b>	<b>4,886.5</b>	<b>(1,839.7)</b>
* February 2020 Forecast					
** Includes May Projection changes, 2020 Legislative Sessions enactments, and July 2020 budget recognitions					

2020 FISCAL SUMMARY

**Table 8**  
**Health Care Access Fund Summary Analysis, FY 2018-2023**  
**End of 2020 Legislative Sessions**  
*(dollars in thousands)*

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
<b>February 2020 Forecast</b>						
<b>Actual &amp; Estimated Resources</b>						
Carryforward	713,973	690,957	636,130	636,189	564,900	375,142
Prior Year Adjustments	-	1,517	-	-	-	-
Revenue	816,246	849,905	857,237	847,273	886,132	928,907
Transfers In	-	-	7,200	-	-	-
<b>Total Resources</b>	<b>1,530,219</b>	<b>1,542,379</b>	<b>1,500,567</b>	<b>1,483,462</b>	<b>1,451,032</b>	<b>1,304,049</b>
<b>Actual &amp; Estimated Uses</b>						
Expenditures	503,246	569,668	728,480	782,664	939,992	876,723
Transfers Out	336,016	336,581	135,898	135,898	135,898	135,898
<b>Total Uses</b>	<b>839,262</b>	<b>906,249</b>	<b>864,378</b>	<b>918,562</b>	<b>1,075,890</b>	<b>1,012,621</b>
<b>Balance</b>	<b>690,957</b>	<b>636,130</b>	<b>636,189</b>	<b>564,900</b>	<b>375,142</b>	<b>291,428</b>
<b>May Projection and Enacted Budget</b>						
<b>Actual &amp; Estimated Resources</b>						
Carryforward	713,973	690,957	636,130	621,042	390,807	12,851
Prior Year Adjustments	-	1,517	-	-	-	-
Revenue	816,246	849,905	840,455	737,315	756,726	775,765
Transfers In	-	-	7,200	-	-	-
<b>Total Resources</b>	<b>1,530,219</b>	<b>1,542,379</b>	<b>1,483,785</b>	<b>1,358,357</b>	<b>1,147,533</b>	<b>788,616</b>
<b>Actual &amp; Estimated Uses</b>						
Expenditures	503,246	569,668	726,298	819,341	998,628	902,976
<i>Enacted Changes:</i>						
Alec Smith Insulin Affordability Act	-	-	547	212	156	76
<i>Executive Orders and Administrative Actions</i>						
Continuous Coverage in MinnesotaCare	-	-	-	12,099	-	-
<b>Total Expenditures</b>	<b>503,246</b>	<b>569,668</b>	<b>726,845</b>	<b>831,652</b>	<b>998,784</b>	<b>903,052</b>
Transfers Out	336,016	336,581	135,898	135,898	135,898	13,898
<b>Total Transfers Out</b>	<b>336,016</b>	<b>336,581</b>	<b>135,898</b>	<b>135,898</b>	<b>135,898</b>	<b>13,898</b>
<b>Total Uses</b>	<b>839,262</b>	<b>906,249</b>	<b>862,743</b>	<b>967,550</b>	<b>1,134,682</b>	<b>916,950</b>
<b>Balance</b>	<b>690,957</b>	<b>636,130</b>	<b>621,042</b>	<b>390,807</b>	<b>12,851</b>	<b>(128,334)</b>
<b>Difference</b>						
<b>Actual &amp; Estimated Resources</b>						
Carryforward	-	-	-	(15,147)	(174,093)	(362,291)
Prior Year Adjustments	-	-	-	-	-	-
Revenue	-	-	(16,782)	(109,958)	(129,406)	(153,142)
Transfers Out	-	-	-	-	-	-
<b>Total Resources</b>	<b>-</b>	<b>-</b>	<b>(16,782)</b>	<b>(125,105)</b>	<b>(303,499)</b>	<b>(515,433)</b>
<b>Actual &amp; Estimated Uses</b>						
Expenditures	-	-	(1,635)	48,988	58,792	26,329
Transfers Out	-	-	-	-	-	(122,000)
<b>Total Uses</b>	<b>-</b>	<b>-</b>	<b>(1,635)</b>	<b>48,988</b>	<b>58,792</b>	<b>(95,671)</b>
<b>Balance</b>	<b>-</b>	<b>-</b>	<b>(15,147)</b>	<b>(174,093)</b>	<b>(362,291)</b>	<b>(419,762)</b>



2020 FISCAL SUMMARY

**Table 9**  
**FY 2020-21 Legacy Funds**  
*(dollars in thousands)*

	<b>2020 Feb Forecast <u>FY2020-21</u></b>	<b>2020 May Projection <u>FY2020-21</u></b>	<b>Change from February Forecast</b>	<b>2020 Activity <u>FY2020-21</u></b>	<b>Change from May Projection</b>	
<b>Total Revenue</b>						
Outdoor Heritage Fund	247,348	221,510	(25,838)	221,510	-	
Clean Water Fund	241,846	216,008	(25,838)	216,008	-	
Parks & Trails Fund	103,389	92,232	(11,157)	92,232	-	
<u>Arts &amp; Cultural Heritage Fund</u>	<u>141,549</u>	<u>126,091</u>	<u>(15,458)</u>	<u>126,091</u>	<u>-</u>	
<b>Total Revenue</b>	<b>734,132</b>	<b>655,841</b>	<b>(78,291)</b>	<b>655,841</b>	<b>-</b>	
<b>Expenditures/Actuals</b>						
Outdoor Heritage Fund	217,542	217,542	-	335,457	117,915	Chpt. 104
Clean Water Fund	325,442	325,442	-	307,809	(17,633)	Executive action
Parks & Trails Fund	123,334	123,334	-	116,776	(6,558)	Executive action
<u>Arts &amp; Cultural Heritage Fund</u>	<u>141,672</u>	<u>141,672</u>	<u>-</u>	<u>132,037</u>	<u>(9,635)</u>	Executive action
<b>Total Expenditures</b>	<b>807,990</b>	<b>807,990</b>	<b>-</b>	<b>892,079</b>	<b>84,089</b>	
<b>Fund Balances</b>						
Outdoor Heritage Fund	120.2%	119.4%		5.00%		
Clean Water Fund	11.0%	-12.9%		5.02%		
Parks & Trails Fund	13.0%	-10.4%		4.99%		
Arts & Cultural Heritage Fund	12.3%	-11.3%		5.03%		

\* In order to maintain a statutorily required five percent fund balance within the Legacy Funds, the Governor used executive action to delay the expenditure of a portion of some appropriations that were originally to be spent in FY 2021 to be spent in FY 2022.

2020 FISCAL SUMMARY

**Table 10**  
**FY 2020-21 COVID-19 Enactments**  
**2020 Legislative Sessions (as of August 12, 2020)**  
*(dollars in thousands)*

Agency/Item	Fund	FY 2020	FY 2021	FY 2020-21	Chapter	Bill
<b><u>Appropriations</u></b>						
<b>Health</b>						
COVID-19 Public Health Response	SRF	20,889	-	20,889	66	SF 3813
COVID-19 Public Health Response	SRF	50,000	-	50,000	70	SF 4334
Health Care Response Provider Grants	HCRF	150,000	-	150,000	70	SF 4334
<b>Human Services</b>						
Peacetime Emergency Care Grants	General	29,964	-	29,964	71	HF 4531
Food Shelf Program	General	9,000	-	9,000	71	HF 4531
Emergency Assistance for Homeless Populations	General	26,537	-	26,537	71	HF 4531
Housing Support Rate Increase	General	5,530	-	5,530	71	HF 4531
Modification to Housing Support Temporary Absence Policy	CRF	-	1,135	1,135	7 (1st SS)	HF 105
<b>Employment and Economic Development</b>						
Small Business Loan Guarantee Program	General	10,000	-	10,000	71	HF 4531
Small Business Emergency Loan Program	SRF	27,500	-	27,500	71	HF 4531
Agency Administration Small Business Loan Program	SRF	2,500	-	2,500	1 (1st SS)	HF 5
Small Business Relief Grants	CRF	60,000	-	60,000	1 (1st SS)	HF 5
<b>Management and Budget</b>						
COVID-19 Expenses Throughout Minnesota	COVID-19	200,000	-	200,000	71	HF 4531
<b>Veterans Affairs</b>						
Special Emergency Grants	General	6,200	-	6,200	71	HF 4531
<b>Revenue</b>						
Tribal Nations Grants	General	11,000	-	11,000	71	HF 4531
<b>Public Safety</b>						
Driver's License Processing	SRF	2,400	-	2,400	71	HF 4531
<b>Secretary of State</b>						
Election Safety	HAVA	6,931	1,386	8,317	77	HF 3429
<b>Agriculture</b>						
Grants to Second Harvest Heartland	General	1,250	-	1,250	74	HF 4556
Grants to farmers for farm loan origination fees	CRF	175	-	175	101	HF 4490
Farm Advocate Services in response to COVID-19 crisis	CRF	60	-	60	101	HF 4490
Grants to retail food handlers	CRF	125	-	125	101	HF 4490
Grants to meat and poultry processors	CRF	100	-	100	101	HF 4490
Community Outreach on farms and rural mental health services	CRF	40	-	40	101	HF 4490
Assistance to farmers and ag businesses	CRF	100	-	100	101	HF 4490
<b>Education</b>						
Achievement and Integration Aid	General	(708)	630	(78)	116	HF 4415
Developmental Screening Aid	General	(10)	1	(9)	116	HF 4415
Statewide Testing and Reporting System	General	(180)	-	(180)	116	HF 4415
PELSB - Teacher Licensure System IT	General	-	49	49	116	HF 4415
<b>Total Appropriations</b>		<b>619,403</b>	<b>3,201</b>	<b>622,604</b>		

2020 FISCAL SUMMARY

**Table 10**  
**FY 2020-21 COVID-19 Enactments**  
**2020 Legislative Sessions (as of August 12, 2020)**  
*(dollars in thousands)*

Agency/Item	Fund	FY 2020	FY 2021	FY 2020-21	Chapter	Bill
<b><u>Transfers</u></b>						
<b>Health</b>						
Transfer Out to Public Health Response Contingency Acct	General	(20,889)	-	(20,889)	66	SF 3813
Transfer In from General Fund	SRF	20,889	-	20,889	66	SF 3813
Transfer Out to Public Health Response Contingency Acct	General	(50,000)	-	(50,000)	70	SF 4334
Transfer Out to Health Care Response Fund	General	(150,000)	-	(150,000)	70	SF 4334
Transfer In from General Fund	SRF	50,000	-	50,000	70	SF 4334
Transfer In from General Fund	HCRF	150,000	-	150,000	70	SF 4334
<b>Employment and Economic Development</b>						
Transfer Out to Small Business Loan Account	M21CF	(20,000)	-	(20,000)	71	HF 4531
Transfer Out to Small Business Loan Account	MIF	(10,000)	-	(10,000)	71	HF 4531
Transfer In from Minnesota 21st Century Fund	SRF	20,000	-	20,000	71	HF 4531
Transfer In from Minnesota Investment Fund	SRF	10,000	-	10,000	71	HF 4531
<b>Management and Budget</b>						
Transfer Out to COVID-19 Minnesota Fund	General	(200,000)	-	(200,000)	71	HF 4531
Transfer In from General Fund	COVID-19	200,000	-	200,000	71	HF 4531
<b>Secretary of State</b>						
Transfer Out to Help America Vote Act Account	General	-	(1,386)	(1,386)	77	HF 3429
Transfer In from General Fund	HAVA	-	1,386	1,386	77	HF 3429
<b>Total Net Transfers</b>		-	-	-		
<b>NET: GRAND TOTAL</b>		<b>619,403</b>	<b>3,201</b>	<b>622,604</b>		
<b><u>Summary: Change by Fund</u></b>						
General Fund	General	519,472	2,066	521,538		
Special Revenue Fund	SRF	2,400	-	2,400		
Health Care Response Fund	HCRF	-	-	-		
COVID-19 Minnesota Fund	COVID-19	-	-	-		
Minnesota 21st Century Fund	M21CF	20,000	-	20,000		
Minnesota Investment Fund	MIF	10,000	-	10,000		
Help America Vote Act Account	HAVA	6,931	-	6,931		
Coronavirus Relief Fund	CRF	60,600	1,135	61,735		

2020 FISCAL SUMMARY

**Table 11**  
**COVID-19 Minnesota Fund Spending Allocations**  
**As of August 12, 2020**  
*Dollars in 000s*

<u>Action Order No.</u>	<u>Agency</u>	<u>Item</u>	<b>FY 2020-21 Tracking</b>
<b>Resources</b>			
Chapter 71, Transfer In from General Fund			200,000
<b>Total Resources</b>			<b>200,000</b>
<b>Uses</b>			
<u>Uses Submitted to Legislative COVID-19 Response Commission*</u>			
LCRC-1	MDH	Ventilators	31,500
LCRC-2	MDH	N95 Respirators	4,000
LCRC-3	MDH	Amend LCRC-2 to \$16M	12,000
LCRC-4	MDH	PPE-Gowns	8,000
LCRC-5	MDH	PPE-Gowns	7,000
LCRC-6	MDH	PPE-Surgical Masks	5,400
LCRC-7	DOC	Manage COVID-19 Related Demands for March/April	2,255
LCRC-8	MDH	Amend LCRC Requests #1-6 for Critical Supply Needs	-
LCRC-9	MDH	Rapid and Widespread Testing for COVID-19	36,000
LCRC-10	MDH	Preparation of Community Alternative Care Site	1,840
LCRC-11	Agr	Euthanasia for Pork	10,952
LCRC-12	MDH	Community Engagement and Outreach	2,250
LCRC-13	Adm	Storage Facility for Human Remains	6,900
LCRC-14	MDH	Gown Purchase, Flexibility for Critical Care Supplies	21,550
LCRC-15	DHS	Isolation Space for Individuals Experiencing Homelessness	7,200
LCRC-16	MDH	Regional Mobile Testing Strike Teams for Priority Settings	3,000
LCRC-17	MDH	PPE-Gowns, Washable	8,500
LCRC-18	MDH	Nasopharyngeal 3D Printed Swabs	4,359
LCRC-19	MDH	PPE-Gloves, Flexible Funds Use	2,557
LCRC-20	MNZoo	Maintain Minnesota Zoo Operations During COVID-19 Pandemic	6,000
Subtotal			181,264
<u>Summary of Individual Requests Valued at Less Than \$1M Each *</u>			
	MDH	Personal Protective Equipment (16 requests)	4,357
	MDH	Respirators and Other Medical Equipment (5 requests)	1,083
	MDH	Testing Equipment (4 requests)	2,740
	MDH	Patient and Equipment Tracking System Software (2 requests)	150
	MDH	Hand Sanitizer	455
	DHS	Direct Food Assistance to Tribal Nations	386
	MDH	Care Sites and Other Professional Contracts (2 requests)	448
Subtotal			9,619
<b>Total Uses</b>			<b>190,883</b>
<b>Summary</b>			
Total Resources			200,000
Total Uses			190,883
<b>Balance</b>			<b>9,117</b>

\* The Commissioner of Management and Budget may authorize expenditures of \$1 million or less. An expenditure request in excess of \$1 million must be submitted to the Legislative COVID-19 Response Commission for review and recommendation before it can be authorized.

<b>Table 12</b>		
<b>Coronavirus Relief Federal Fund Enactments and Allocations by Agency</b>		
<b>As of August 12, 2020 *</b>		
<i>Dollars in 000s</i>		
	<b>FY 2020-21 Tracking</b>	<b>% of Total MN Alloc</b>
<b>Total Federal Resources</b>		
<u>Minnesota State Distribution</u>	2,186,827	
Local Government Direct Allocations		
-- Hennepin County	(220,880)	
-- Ramsey County	(96,027)	
Subtotal, Local Government Direct Allocations	(316,907)	
Interest Earned on CRF Funds	3,437	
<b>State of Minnesota Allocation + Interest</b>	<b>1,873,357</b>	
<b>Uses By Agency/Branch of Government</b>		
<u>Executive Branch Agencies</u>		
Board on Aging	11,300	0.6%
Department of Administration	402	0.0%
Department of Agriculture	6,600	0.4%
Department of Corrections	9,090	0.5%
Department of Education	255,123	13.6%
Department of Employment and Economic Development	60,149	3.2%
Department of Health	211,905	11.3%
Department of Human Services	153,050	8.2%
Department of Management and Budget	969	0.1%
Department of Natural Resources	590	0.0%
Department of Public Safety	9,576	0.5%
Department of Revenue	841,464	44.9%
Department of Transportation	750	0.0%
Department of Veterans Affairs	2,149	0.1%
Guardian ad litem	13	0.0%
Metropolitan Council	511	0.0%
Minnesota Housing Finance Agency	100,000	5.3%
MN.IT	6,856	0.4%
MNsure	728	0.0%
Office of Administrative Hearings	6	0.0%
Unallocated Agency Expenses	5,034	0.3%
<u>Constitutional Officers &amp; Other Branches of Government</u>		
Judicial Branch	518	0.0%
Governor's Office	290	0.0%
Attorney General	994	0.1%
House of Representatives	118	0.0%
Senate	19	0.0%
Total Allocated	<b>1,678,205</b>	<b>89.6%</b>
<b>Balance Unallocated</b>	<b>195,152</b>	<b>10.4%</b>
* Includes all appropriations from the Coronavirus Relief Fund (CRF) enacted by law, and all proposed allocations from the CRF submitted to the Legislative Advisory Commission (LAC) as of August 12, 2020. The table includes 10 separate proposed expenditures (totaling \$383.3 million) submitted to the LAC, but for which the ten-day review period has not yet been completed.		

**Table 13**  
**Federal Funds Allocated to Minnesota for COVID-19**  
*(dollars in thousands)*

<b>BUDGET AREA AND PROGRAM</b>	<b>Total to State of MN</b>	<b>Total to Non-state Entities in MN</b>
<b>E-12 Education</b>		
Child Nutrition (Through School Nutrition Program)	160,263	-
Elementary and Secondary School Emergency Relief (ESSER) Fund	140,137	-
Governor's Emergency Education Relief (GEER) Fund	38,127	-
Institute of Museum and Library Services	510	-
Head Start	-	8,974
<b>Subtotal - E-12 Education</b>	<b>339,037</b>	<b>8,974</b>
<b>Health and Human Services</b>		
Child Care Development Block Grant	48,146	-
Community Services Grants	12,032	-
Child Welfare	720	-
Runaway and Homeless Youth	1,106	-
Supportive Services	3,293	-
Sexual Violence Prevention	59	-
Suicide Prevention & ACEs	174	-
Crisis Counseling Intermediate Services Program	538	-
Congregate & Home Delivered Meals	11,854	-
Family Care Givers	1,612	-
Vulnerable Adults (LTC Ombudsman)	329	-
Aging and Disability Resource Centers	755	-
Department of Health	24,363	-
Poison Control Centers	-	109
Community Health Centers	-	13,431
Community Health Centers-Testing Capacity for COVID-19	-	4,311
Department of Health-Testing Capacity for COVID-19	132,795	-
Rural Health Clinics-COVID 19 Testing Capacity	-	4,897
Health Center Look-Alikes-Testing Capacity for COVID-19	-	217
Small Rural Hospital Improvement Program	7,251	-
Emergency Food Assistance	11,362	-
Women, Infants, and Children (WIC)	6,929	-
Child Nutrition (Through SNAP)	113,750	-
Supplemental Nutrition Assistance Program	TBD	-
Hospital Preparedness Program	-	7,173
Provider Relief Funds (General)	-	472,206
Provider Relief Funds (High Impact)	-	182,845
Provider Relief Funds (Rural Providers)	-	417,757
Provider Relief Funds (Skilled Nursing Facilities)	-	78,435
Provider Relief Funds (Safety Net Hospitals)	-	162,945
Ryan White HIV/AIDS	197	548
Emergency Solutions Grants (Homelessness)	22,843	31,105
Enhanced FMAP for COVID-19 (Expenditure Reduction)	329,500	-
<b>Subtotal - Health and Human Services</b>	<b>729,608</b>	<b>1,375,979</b>



**Table 13**  
**Federal Funds Allocated to Minnesota for COVID-19**  
*(dollars in thousands)*

<b>BUDGET AREA AND PROGRAM</b>	<b>Total to State of MN</b>	<b>Total to Non-state Entities in MN</b>
<b>Higher Education</b>		
Governor's Emergency Education Relief (GEER) Fund	5,300	-
Higher Education Emergency Relief (HEER) Fund <sup>1</sup>	-	195,078
<b>Subtotal - Higher Education</b>	<b>5,300</b>	<b>195,078</b>
<b>Jobs and Economic Growth, Commerce and Consumer Protection, Energy and Utilities</b>		
Low Income Home Energy Assistance Program (LIHEAP)	8,998	-
Unemployment Insurance Administration	19,626	-
Short-Time Compensation Administration	1,958	-
Paycheck Protection Program	-	11,027,540
Economic Injury Disaster Loans	-	781,624
Public Housing Operating Fund	-	8,190
Tenant-Based Rental Assistance	-	4,653
Supportive Housing for Persons with Disabilities	-	2,448
Housing Opportunities for Persons with AIDS	36	253
<b>Subtotal - Jobs, Commerce and Energy</b>	<b>30,618</b>	<b>11,824,708</b>
<b>Judiciary and Public Safety</b>		
Justice Assistance Grants - State Agencies	8,145	-
Justice Assistance Grants - Local Government Grants	-	3,652
Emergency Performance Grants	1,770	-
Family Violence and Prevention Services Grants	589	-
<b>Subtotal - Judiciary and Public Safety</b>	<b>10,504</b>	<b>3,652</b>
<b>State Government and Veterans and Military Affairs</b>		
Coronavirus Relief Fund (see Table 12 for detail)	1,869,120	316,907
Election Security Grants	6,931	-
National Endowment for the Arts Grant	464	-
National Endowment for the Humanities Grant	-	530
<b>Subtotal - State Government and Veterans and Military Affairs</b>	<b>1,876,515</b>	<b>317,437</b>
<b>Transportation and Public Safety</b>		
Federal Transit Administration Grants	54,432	253,769
Federal Aviation Administration Airport Improvement Grants	158,379	-
<b>Subtotal - Transportation and Public Safety</b>	<b>212,811</b>	<b>253,769</b>
<b>Total - All Budget Areas</b>	<b>3,204,393</b>	<b>13,979,597</b>

<sup>1</sup> The HEER fund allocated money directly to Minnesota institutions. The University of Minnesota system received \$35.8 million, the Minnesota State Colleges and Universities system received \$94.8 million, private colleges and universities received \$58.4 million, and tribal colleges and universities not included in the Minnesota State system received \$6.1 million.

**Table 14**  
**2020 Laws Supplementing the FY 2020-21 Budget**

<b>Chapter Number</b>	<b>File Number</b>	<b>Description</b>
66	SF3813	Planning and Preparation for Coronavirus (COVID-19)
67	HF2959	Rural Finance Authority Bonds
68	SF3564	Transferring Money to the Disaster Assistance Contingency Account
69	SF3878	Expand Transportation Loan Pilot Program for Nicollet County
70	SF4334	Establishing the Health Care Response Fund
71	HF4531	Establishing the COVID-19 Minnesota Fund
72	HF4537	Making COVID-19 Eligible for Worker's Compensation Claims
73	HF3100	Alec Smith Insulin Affordability Act
74	HF4556	COVID-19 Related Policy Changes and Appropriations
77	HF3429	Help America Vote Act Appropriations
78	SF1098	Prescription Drug Transparency Act
79	SF2939	Removes Criminal Background Check Fee for Certain Health Licenses
81	HF1883	Extending the Expiration of the COVID-19 Minnesota Fund to Dec. 31, 2020
88	HF331	Increases the Legal Age for Tobacco Purchase to Age 21
89	HF4285	Agriculture Policy and Seed Law Changes
101	HF4490	Supplemental Agricultural Appropriations
104	HF2682	Outdoor Heritage Fund Appropriations
106	SF2898	Board of Cosmetology Licensing Changes
109	SF3683	Office of Higher Education Policy Changes
111	HF4597	Modifying Horse Racing Provisions
113	HF4601	Awarding Grants from the Opiate Epidemic Response Account
116	HF4415	Forecast Adjustments for K-12 Education Aids
118	HF1842	Modifying the Solar Energy Incentive Program
1 SpS, 1	HF5	Appropriations for Small Business Loans and Grants
1 SpS, 2	HF11	Department of Human Services Policy Changes
1 SpS, 3	HF65	Establishing Fees for Replacement License Plates
1 SpS, 4	HF37	Providing for Certain Solid Waste Tax Exemptions
1 SpS, 6	HF45	Temporary Adjustments to Gambling Control Laws as a COVID-19 Response
1 SpS, 7	HF105	Extension of COVID-19 Program Waivers and Modifications
1 SpS, 8	HF33	E-12 Education Policy Changes
1 SpS, 9	HF41	Child Care Assistance Provider Rate Modifications
2 SpS, 1	HF1	Peace Officer Oversight and Training
2 SpS, 2	SF4	On-Line Driver's License Testing

Note: All chapter and file numbers are 2020 Regular Session unless indicated.





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