

April 10, 2025

Representative Ginny Klevorn, Co-Chair
Representative Jim Nash, Co-Chair
State Government Finance and Policy Committee

Subject: H.F. 2783 Omnibus State Government Budget Bill

Dear Co-Chairs Klevorn and Nash,

I recognize the challenge before you of crafting a state government finance bill given the recent economic forecast, as well as the broader economic uncertainty. In recognition of those challenges, I appreciate that the sections of the draft omnibus bill pertaining to the Department of Administration (Admin) align with Governor Walz's overall recommendations.

In particular, I would like to thank you for recognizing the importance of adequately funding the In Lieu of Rent account, which includes maintenance and operation of the Capitol and grounds, legislative facilities, and space for veterans' service organizations. The facilities covered by this account are essential to government operations and the public's ability to access and participate in the governing process. Additionally, the extension of the Capitol Mall Design Framework funding will allow for completion of the first phase currently underway on the Capitol Complex.

As you work through the budget bill and conference committee process, I encourage you to fund Governor Walz's recommendation for Admin's very modest operating adjustment increase to cover basic and growing expenses for health care, compensation, utilities, and information technology. Demand for the agency's general fund services has grown over time and, without an operating adjustment, service delivery will be impacted.

Additionally, we request the inclusion of policy language to establish the no-cost State Facility Renewable Energy, Storage, and Electric Vehicle account. This change would enable Admin to help state agencies leverage federal cash rebates for eligible renewal energy projects and electric vehicle purchases to fund future eligible projects. Installing renewable energy upgrades will help agencies avoid operating costs.

I look forward to working with you through the conference committee process. Thank you for your ongoing partnership.

Sincerely,

Tamar Gronvall
Commissioner