

Subject State Government

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Overview

This is the omnibus state government finance bill requested by Governor Tim Walz. It would appropriate money to the legislature, constitutional officers, and certain state agencies for fiscal years 2026 and 2027 and provide state aid to certain state and local pension plans. It would also make various statutory changes necessary to implement the governor's budget recommendations in this area.

Article 1: State Government Appropriations

This article appropriates funding in fiscal years 2026 and 2027 to the legislature, constitutional officers, and specified state agencies and allows the Department of Revenue and the Department of Administration to transfer funds and staff internally.

Section Description – Article 1: State Government Appropriations

- 1 **State government appropriations.**
Explains the effect of, and format for, this appropriations article.
- 2 **Legislature.**
Appropriates funding to the house, senate, and Legislative Coordinating Commission.
- 3 **Governor and lieutenant governor.**
Appropriates funding for the Office of the Governor and Lieutenant Governor.
- 4 **State auditor.**
Appropriates funding to the state auditor.
- 5 **Attorney general.**
Appropriates funding to the attorney general.

Section Description – Article 1: State Government Appropriations

- 6 **Secretary of state.**
Appropriates funding to the secretary of state.

- 7 **Campaign Finance and Public Disclosure Board.**
Appropriates funding to the Campaign Finance and Public Disclosure Board.

- 8 **State Board of Investment.**
Appropriates funding to the State Board of Investment.

- 9 **Administrative hearings.**
Appropriates funding to the Office of Administrative Hearings.

- 10 **Department of Information Technology Services.**
Appropriates funding to Minnesota IT Services (MNIT).

- 11 **Administration.**
Appropriates funding to the Department of Administration.

- 12 **Capitol Area Architectural and Planning Board.**
Appropriates funding to the Capitol Area Architectural and Planning Board.

- 13 **Minnesota Management and Budget.**
Appropriates funding to the Department of Management and Budget.

- 14 **Revenue.**
Appropriates funding to the Department of Revenue.

- 15 **Gambling control.**
Appropriates funding to the Gambling Control Board.

- 16 **Racing Commission.**
Appropriates funding to the Racing Commission.

- 17 **Council on LGBTQIA2S+ Minnesotans.**
Appropriates funding to the Council on LGBTQIA2S+ Minnesotans.

- 18 **State Lottery.**
Appropriates funding to the State Lottery.

Section Description – Article 1: State Government Appropriations

- 19 **Amateur Sports Commission.**
Appropriates funding to the Amateur Sports Commission.
- 20 **Council for Minnesotans of African Heritage.**
Appropriates funding to the Council on Minnesotans of African Heritage.
- 21 **Council on Latino Affairs.**
Appropriates funding to the Council on Latino Affairs.
- 22 **Council on Asian-Pacific Minnesotans.**
Appropriates funding to the Council on Asian-Pacific Minnesotans.
- 23 **Indian Affairs Council.**
Appropriates funding to the Indian Affairs Council.
- 24 **Minnesota Historical Society.**
Appropriates funding to the Minnesota Historical Society.
- 25 **Board of the Arts.**
Appropriates funding to the Arts Board.
- 26 **Minnesota Humanities Center.**
Appropriates funding to the Humanities Center.
- 27 **Board of Accountancy.**
Appropriates funding to the Board of Accountancy.
- 28 **Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience, and Interior Design.**
Appropriates funding to the Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience, and Interior Design.
- 29 **Board of Cosmetologist Examiners.**
Appropriates funding to the Board of Cosmetologist Examiners.
- 30 **Board of Barber Examiners.**
Appropriates funding to the Board of Barber Examiners.
- 31 **General contingent accounts.**
Appropriates money for unforeseen contingencies.

Section Description – Article 1: State Government Appropriations

- 32 **Tort claims.**
Appropriates funding to the payment of tort claims against the state.
- 33 **Minnesota State Retirement System.**
Appropriates money for aid to the Minnesota State Retirement System.
- 34 **Public Employees Retirement Association.**
Appropriates money for aid to the Public Employees Retirement Association.
- 35 **Teachers Retirement Association.**
Appropriates money for aid to the Teachers Retirement System.
- 36 **St. Paul Teachers Retirement Fund.**
Appropriates money for aid to the St. Paul Teachers Retirement System.
- 37 **Appropriation; onetime direct state aids.**
Appropriates money for additional onetime direct aids to specified state and local government pension plans.
- 38 **Transfers; administration.**
Authorizes the Department of Revenue and the Department of Administration to transfer positions, salary, and nonsalary administrative funding within the agencies with approval from Minnesota Management and Budget and quarterly notification to the legislature.

Article 2: State Government Policy

Among other things, this article would establish a statutory code of ethics for the legislative branch and reduce state and local employee pension contributions by ¼ percentage point in fiscal year 2026.

Section Description – Article 2: State Government Policy

- 1 **Code of ethics for the legislative branch.**
Establishes a statutory code of ethics applicable to members and staff of the house of representatives, senate, and joint legislative commissions.

Section Description – Article 2: State Government Policy

- 2 Percentage.**
Reduces pension contributions by ¼ percentage point in fiscal years 2026 and 2027 for current legislators who participate in the legislators retirement plan (this plan is available only to those legislators first elected before June 30, 1997).
- 3 Government entity.**
Applies the Minnesota Government Data Practices Act to the legislature.
- 4 Responsible authority.**
Applies the Minnesota Government Data Practices Act to the legislature.
- 5 Data sharing.**
Applies the Minnesota Government Data Practices Act to the legislature.
- 6 Legislative and budget proposal data.**
Applies the Minnesota Government Data Practices Act to the legislature.
- 7 Program payments withheld; fraud.**
Allows any government entity to disclose data of any classification to any other government entity or law enforcement agency if the data is related to fraud in public programs.
- 8 Carryforward.**
Allows agencies to carry forward unexpended and unencumbered nongrant operating appropriations from one fiscal year to the next, including from the second year of one biennium to the first year of the next biennium.
- 9 State building renewable energy; storage; electric vehicle account.**
Establishes a state building renewable energy, storage, and electric vehicle account to provide funds to state agencies for eligible purposes, including purchasing electric fleet vehicles and designing, constructing, and equipping renewable energy improvement and renewable energy storage projects at state buildings. Assigns the Department of Administration responsibility for applying for relevant federal funds. Appropriates money in the account to the department to award funds to other state agencies for eligible projects.

Effective date: This section would take effect the day following final enactment.
- 10 Insulin repayment account; annual transfer from health care access fund.**
Specifies that Minnesota Management and Budget must annually transfer money from the health care access fund to the insulin payment account in the special revenue fund. By law, money in this account is appropriated to the Department of

Section Description – Article 2: State Government Policy

- Administration to reimburse manufacturers for insulin dispensed under an insulin safety net program.
- 11 **Employee contributions.**
Decreases employee contributions to the Minnesota State Retirement System general plan by ¼ percentage point in fiscal year 2026.
- 12 **Employee contributions.**
Decreases employee contributions to the Minnesota State Retirement System correctional plan by ¼ percentage point in fiscal year 2026.
- 13 **Member contributions.**
Decreases employee contributions to the Minnesota State Retirement System state patrol plan by ¼ percentage point in fiscal year 2026.
- 14 **General employees retirement plan; employee contribution.**
Decreases employee contributions to the Public Employees Retirement Association general plan by ¼ percentage point in fiscal year 2026.
- 15 **Employee contribution.**
Decreases employee contributions to the Public Employees Retirement Association police and fire plan by ¼ percentage point in fiscal year 2026.
- 16 **Member contributions.**
Decreases employee contributions to the Public Employees Retirement Association correctional plan by ¼ percentage point in fiscal year 2026.
- 17 **Employee contribution.**
Decreases employee contributions to the Teachers Retirement Association plan by ¼ percentage point in fiscal year 2026.
- 18 **Employee contributions.**
Decreases employee contributions to the Public Employees Retirement Association police and fire plan by ¼ percentage point in fiscal year 2026.
- 19 **Member contribution rates.**
Decreases contributions to the Minnesota State Retirement System judges plan by ¼ percentage point in fiscal year 2026.

Section Description – Article 2: State Government Policy

20 Minnesota Management and Budget.

Decreases an enacted fiscal year 2025 appropriation to Minnesota Management and Budget for interagency collaboration and a roadmap and timeline for implementation of data collection standards for race, ethnicity, gender identity, and disability status.

21 Commissioner of management and budget.

Modifies a 2024 law requiring Minnesota Management and Budget to transfer money from the health care access fund for the Minnesota insulin safety net program.

22 Repealer.

Repeals an annual transfer of \$450,000 from the general fund to the housing support account for housing support to Minnesotans as provided by law.



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