

A Legislative Advisory Commission resolution

relating to allotments; providing recommendations on allotment reductions proposed June 16, 2009, as amended June 25 and 29, 2009, for the biennium ending June 30, 2011.

Whereas, on May 18, 2009, the 86th Legislature adjourned its regular session after having passed and sent to the governor bills that would have provided for a balanced general fund budget for the biennium ending June 30, 2011; and

Whereas, on May 21, 2009, Governor Tim Pawlenty vetoed Laws 2009, chapter 179 (H.F. No. 2323), which would have raised almost \$1 billion in revenue for the 2010-11 biennium; and

Whereas, on June 16, 2009, in accordance with Minnesota Statutes, section 16A.152, subdivision 4, Commissioner of Management and Budget Tom J. Hanson proposed allotment reductions and administrative actions of \$2.675 billion for the general fund for the 2010-11 biennium; and

Whereas, on June 18, 2009, the Commissioner of Management and Budget appeared before the Legislative Advisory Commission to explain and answer questions about his proposal; and

Whereas, on June 25, 2009, and again on June 29, 2009, the Commissioner of Management and Budget notified the Legislative Advisory Commission of various changes to his June 16 proposal; and

Whereas, the proposed allotment reductions are unprecedented, in that no previous governor created the need for allotment reductions by vetoing a balanced budget tax bill before the biennium began; and

Whereas, the proposed allotment reductions are unprecedented, in that they are nearly ten times the previous record amount, set by Governor Tim Pawlenty in 2003;

Whereas, the proposed allotment reductions do nothing to reduce the projected \$5.⁹~~8~~ billion deficit for the 2012-13 biennium, since they provide neither revenue increases nor spending reductions for future years; and

Whereas, the Commission desires to provide the Commissioner of Management and Budget and Governor Tim Pawlenty with its recommendations, which are advisory only; **Now, Therefore,**

Be It Resolved by the Legislative Advisory Commission of the State of Minnesota:

That it would be unwise and not in the interest of the State's long-term fiscal stability for Governor Tim Pawlenty to approve the allotment reductions and administrative actions proposed by Commissioner of Management and Budget Tom J. Hanson on June 16, 2009, as amended on June 25 and 29, 2009.

Draft 6/30/09
10:22 am

LAC0001

1 _____ moved the adoption of the resolution. The motion prevailed.
2 So the resolution was adopted.

3 Attest: _____
4 Tom J. Hanson, Secretary
5 Legislative Advisory Commission

6 Dated: _____