

## February Budget Forecast

By John A. Knapp on March 02, 2012

The February budget forecast released on Wednesday was pretty good news. When you add this surplus of \$323 million with the \$876 from November you have a total surplus for the 12-13 biennium of \$1.199 billion dollars. Under current law, the first \$5 million is directed to the budget reserve bringing the balance to \$653 million. The remaining \$318 million is committed to begin paying back the K-12 Education shift passed last legislative session. After this action, \$2.4 billion in school payment shifts remain.

Just like in November, lower spending estimates account for the majority of the surplus. Approximately two-thirds of the change, or \$230 million, and was primarily due to spending reductions in human services. Revenue updates account for the other one-third or \$93 million with the increase coming from income and sales tax. State revenues are stable and Minnesota labor numbers are outperforming other states.

The forecast shows a projected deficit of \$1.1 billion for fiscal years 2014-15.

### **Voter ID Amendment Moves Forward in the Senate**

On Thursday, the Senate Finance Committee approved [a bill](#) proposing a constitutional amendment to require voters to show a photo ID to vote. The Committee passed the bill on a party-line vote of 9-6 and sent it to the Rules Committee. Secretary of State Mark Ritchie testified in the House State Government Finance Committee on Monday offering an alternative to the Photo ID requirement. Ritchie demonstrated the use of electronic poll books which would provide updated information on registered voters, including a photo. Supporters of the electronic poll books say the system would allow for photographic identification at the polls without requiring voters to have a government issued photo ID with current address.

### **Vikings Stadium Deal Announced**

The State of Minnesota, the City of Minneapolis, and the Minnesota Vikings released a plan for the construction of a nearly \$1 billion new football stadium. About 50% of the stadium would be paid for by the Vikings, 35% by the State, and 15% by the City. State funding would come from electronic pull-tabs and the City's contribution would come from existing convention center sales and hospitality taxes. The annual operating expenses for the stadium are estimated to be about \$20.5 million of which the Vikings would pay \$13 million and the City of Minneapolis would pay \$7.5 million. The State would not cover any of the annual operating expenses. A bill is expected to be introduced as early as Monday.