

State Revenue Decline will Impact 2012 Legislative Session

August 11, 2011 by [Thomas J. Hanson](#)

It is never too early to start thinking about next year. While the 2012 Legislative Session begins on January 24, 2012, the Dayton Administration will start preparing for its supplemental budget very soon.

The 2012 Legislative Session will focus on a supplemental budget to adjust the 2012-2013 biennial budget just passed in the July 21st special session. MMB *recently released its summary of the 2012-2013 biennial budget* ([see attached](#)) which will be in place until June 30, 2013. The supplemental budget will make modifications to the current budget. The extent of these adjustments will depend on whether Minnesota has a deficit or a surplus which will be defined in the upcoming revenue forecast issued at the end of November by Minnesota Management and Budget (MMB).

While it is hard to determine ahead of time what this forecast will be, there are some nuggets of information that give us a glimpse. Every month on the 10th, MMB announces how much revenue the State has collected for the previous month. In between forecasts, these announcements provide a running picture of revenue collections from month to month. These announcements, however, only provide you with the revenue side of the story. The State does not provide month to month expenditure updates. Expenditure updates occur only during the November and February forecasts.

MMB announced July revenue collections on August 10th in a memorandum from Commissioner Jim Schowalter to Governor Mark Dayton ([see attached](#)). General fund revenues for July totaled \$954.1 million which was \$16.1 million less than anticipated. Schowalter said that the July state government shutdown contributed to the decline in revenues and that next month's revenue collection update will provide a better measure of revenue collections.