
From: Governor Walz Press Office <walz.press@state.mn.us>
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Subject: RELEASE: Governor Walz, Legislative Leaders Agree to Budget Targets, Marking Major Step Toward Finalizing the Biennial Budget
Attachments: Joint Target Agreement_Signed 3.21.23.pdf



Office of Governor Tim Walz & Lt. Governor Peggy Flanagan

FOR IMMEDIATE RELEASE:
March 21, 2023
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Governor Walz, Legislative Leaders Agree to Budget Targets, Marking Major Step Toward Finalizing the Biennial Budget

New budget framework will make historic investments in kids and families, provide largest tax cut in state history

Agreement includes commitment to send a portion of the surplus back to Minnesotans in the form of checks

[ST. PAUL, MN] – Governor Tim Walz, Senate Majority Leader Kari Dziedzic, and House Speaker Melissa Hortman today announced that they have reached an agreement on key budget decisions, taking a major step toward finalizing the two-year state budget. The agreed-upon budget framework includes historic investments for kids and families, the largest tax cut in state history, and funding to improve health and safety.

“Whether it’s ensuring every kid can eat breakfast and lunch at school or passing \$100 million in tax cuts, this has been the most productive legislative session in a generation – and we’re not letting our foot off the gas,” said Governor Walz. **“This agreement moves us closer to ending child poverty and putting the state surplus directly back into Minnesotans’ pockets. I’m grateful for the long hours and close collaboration of our legislative partners to put together this budget.”**

"The Senate DFL majority, working together with the Governor and the House, has enacted transformational legislation this year that will help families across Minnesota," said Senate Majority Leader

Kari Dziedzic. **"With these budget targets, we can create a state budget that helps family budgets and focuses on lowering costs and investing in the needs of people and communities across the state."**

"Our budget agreement focuses on the issues Minnesotans across the state value and care about: investing in public education, making health care more affordable, and building an economy that works better for everyone. We also heard from voters that they were concerned about climate change, and this budget includes significant investment in climate action. Finally, we share the Governor's commitment to make this the best state in the country to raise a child, and we're working to dramatically reduce child poverty," said Speaker Melissa Hortman. **"We are making historic investments in Minnesota's future and prioritizing the people and places that need the most help because everyone deserves the opportunity to succeed. I'm grateful to Governor Walz and Senate Majority Leader Dziedzic for their partnership as we continue crafting a budget that meets the needs of Minnesotans."**

The agreement, typically not reached until near the end of the legislative session, includes the following targets. Committee chairs will finalize the components of the budget areas.

- \$2.2 billion for K-12 education and pre-kindergarten
- \$1.178 billion for children and families
- \$100 million for broadband expansion
- \$1 billion for housing
- \$255 million for energy and climate
- \$650 million for public safety
- \$2.3 billion for infrastructure projects
- \$3 billion in tax cuts, the largest in state history

The full agreement is attached here.

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Global Budget Agreement Committee Targets

General Fund Net Targets

3/21/2023

\$ in millions

House/Sen/Gov Agreement

Kari Dziedzycki
3/21/2023
BJL

Melania Hochman
3/23/23

S. J. NY
21 MAR 23

	FY 2023-25
1 Net Targets	
2 <i>Areas Within Omnibus Bills</i>	
3 K-12 Education	2,214.1
4 Children and Families	1,175.0
5 Early Education	300.0
6 HHS - Children and Families	875.0
7 Health and Human Services	755.0
8 HCAF Financing	(621.6)
9 Human Services	1,300.0
10 Higher Ed	650.0
11 Agriculture	48.0
12 Broadband	100.0
13 Housing	1,000.0
14 Environment and Natural Resources	670.0
15 Energy and Climate	255.0
16 Commerce	10.0
17 Workforce Development	240.0
18 Economic Development	250.0
19 Federal Economic Dev Match	500.0
20 Labor	8.0
21 State Government	400.0
22 Veterans and Military Affairs	128.4
23 Elections	10.0
24 Transportation	1,075.0
25 Judiciary	230.0
26 Public Safety	650.0
27 Taxes, Aids and Credits (Net)	3,000.0
28 Debt Service and Capital Projects	2,298.5
29	
30 <i>Other Items</i>	
31 Paid Family and Medical Leave	668.3
32 Stadium (inc. reserve impact)	(340.8)
33 Pensions	600.0
34 Earned Safe and Sick Time	4.8
35 Lead Lines	240.0
36 Disaster Relief	40.0
37 Claims Bill	1.5
38 Other Items	310.0
39 Total GF Impact	17,869.2