

Draft memo

Date: October 26, 2010

To: Lessard-Sams Outdoor Heritage Council

From: Lessard-Sams Outdoor Heritage Council staff

Re: Relative merits of annual and biennial appropriations

At the request of council chair Mike Kilgore, staff met with Senate Analyst Greg Knopff, Director of House Research Patrick McCormack, and chair Kilgore to explore the merits of an annual or biennial appropriation cycle. This memo summarizes those discussions for the council's review.

The case for annual appropriation cycle

Over the last three years, staff has developed systems and processes that have met the obligations of an annual allocations cycle. As a relatively new council, an annual cycle has provided greater visibility and interaction with the public, media, and legislators. This has been particularly helpful as new legislative members are elected and as members learn about the legacy amendment. The annual cycle has demanded that council members have greater involvement and familiarity with program specifics and program managers in order to systematize the process.

The annual appropriations cycle also allows for greater flexibility to adjust to new and emerging issues or problems that often arise when a new program is developed and implemented. Conversely, the annual cycle also allows for immediate response and action for programs that exhibit financial malfeasance or encounter other programmatic issues.

The case for a biennial appropriation cycle

The Legislative Citizens Commission on Minnesota Resources, the Clean Water Fund, and the Parks and Trails Fund operate on a biennial cycle. One benefit to LSOHC recommendations being made every-other-year is that the appropriation recommendations could better coordinate funding.

A biennial allocation process might make for greater strategic recommendations on the part of the council by taking a longer term view of program development and management. It would also provide the council and staff with more reflective time for analysis and strategic work. A biennial allocation would require fewer council meetings and travel-meeting costs and reduce the amount of council and staff time dedicated to the Request for Proposal preparation and review process.

Biennial appropriations enable larger allocations to individual programs and better demonstrate the size of the Outdoor Heritage Fund relative to the state budget.

Finally, a biennial allocation process would preclude the possibility of the legislature failing to pass an OHF bill during the short, second year session.