

# FACT SHEET | A Responsible Budget that Works for All Minnesotans

## *2016 Budget for a Better Minnesota*

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Governor Mark Dayton and Lt. Governor Tina Smith are working to build an economy that works for all Minnesotans, not just the wealthy few. Governor Dayton and Lt. Governor Smith are proposing a responsible balance of new investments and one-time spending that protects Minnesota's structurally balanced budget. It invests in kids and families, expands economic opportunity to more Minnesotans, makes essential investments in transportation and infrastructure, and ensures clean, affordable water for Minnesotans.

### Protecting Minnesota's Financial Future

- **A Fiscally Responsible Budget** – When Governor Dayton took office, the state faced a \$6 billion budget deficit, following a decade of deficits. Now, Minnesota is finally on sound fiscal footing. We are protecting our state's finances from future downturns with a \$1.6 billion budget reserve – the largest in state history – and have \$350 million in the cash flow account. Governor Dayton and Lt. Governor Smith are committed to ensuring our state does not slip back into the same fiscal mess. Their budget proposal would leave another \$571 million on the bottom line in the next biennium, to provide still more protection against potential economic downturns, and safeguard investments in education and other critical services.

### Investing in Kids, Families, and Communities

- **Moving Minnesota Closer to Voluntary PreKindergarten for All Families** – Out of the 41 states that offer preschool programming, [Minnesota ranks last in access](#) for four-year-olds. This leaves too many of our kids unprepared to succeed in Kindergarten and beyond. To help close this opportunity gap, the Governor and Lt. Governor are proposing another step towards voluntary PreKindergarten for all Minnesota families. Their budget would invest \$25 million to make quality, affordable early learning available to 3,700 more Minnesota four-year-olds. This optional preschool program, combined with existing preschool scholarships serving roughly 5,600 children, would help ensure about 12.6 percent of Minnesota four-year-olds are enrolled in quality early learning programs, setting them up for success in school and life.
- **Child Care Assistance** – Minnesota's Child Care Assistance Program provides financial assistance to help low-income families pay for child care. This assistance makes a profound difference for parents and their children – allowing parents to pursue education or work, while helping Minnesota kids access high-quality child care. Governor Dayton and Lt. Governor Smith's proposal would invest \$28.3 million in this initiative with additional resources in future years to increase provider payment rates and removes red tape for families and providers. These investments will result in more stable assistance for families and increase the number of child care providers who participate, while improving care for the more than 30,000 children of low-income parents in the program.

### Building an Economy that Works for All Minnesotans

- **Closing Economic Disparities** – Governor Dayton and Lt. Governor Smith are working to build an economy that works for all Minnesotans, not just the wealthy few. That is why they are proposing significant new initiatives to expand economic opportunities and eliminate disparities for Minnesotans of color across our state. These investments would help more Minnesotans access opportunity in our state's growing economy, help entrepreneurs start and grow small businesses, and expand educational opportunities for all. The Governor and Lt. Governor also are proposing investments to ensure our economy works for everyone, everywhere in Minnesota, including modern, reliable infrastructure, access to affordable housing, and doubling the diversity of Minnesota's state government workforce.

### Cutting Taxes for Over 400,000 Middle Class Minnesotans

- **Targeted Tax Cuts to Raise Middle Class Incomes** – Governor Dayton and Lt. Governor Smith have proposed cutting taxes for over 400,000 Minnesota families – improving incomes for ordinary Minnesotans, not giving more tax breaks to big businesses and those at the very top. These middle class tax cuts would be on top of the tax cuts Governor Dayton and the DFL Legislature delivered for two million

Minnesotans in 2014. They include an expanded Child Care Tax Credit, more Working Family Tax Credits, tax cuts for education expenses, and more.

## Creating Jobs through Essential Infrastructure

- **39,000 Jobs and More Than 200 Projects** – Governor Dayton and Lt. Governor Smith’s Jobs Bill would invest \$1.4 billion in more than 200 infrastructure projects statewide, creating more than 39,900 Minnesota jobs. This new Jobs Bill would help address many of the state’s critical infrastructure needs, including essential water infrastructure, while putting thousands of people to work and building an economy that works for everyone, everywhere in Minnesota.
- **Connecting to the 21<sup>st</sup> Century Economy** – Broadband internet is the basic infrastructure of the modern economy – our students rely on it, our businesses depend on it, and our statewide regional centers need it to foster innovation and entrepreneurship. That’s why Governor Dayton and Lt. Governor Smith have proposed a \$100 million investment – to jumpstart our expansion efforts and ensure that all Minnesotans are connected to the 21<sup>st</sup> Century economy. This investment also would leverage at least \$100 million in additional local, private, and federal funding.

## Investing in Transportation

- **Driving Innovation and Prosperity** – Right now, more than half of Minnesota’s roads are more than 50 years old, and 40 percent of the state’s bridges are more than 40 years old. Our businesses need reliable roads and bridges to export their ideas and innovations to consumers around the globe. And to attract and retain the best workers, Minnesota needs roadways and transit systems that make it easy to get to work – safely, affordably, and on-time. That is why Governor Dayton and Lt. Governor Smith are calling for a comprehensive transportation plan this year, to make the sustainable, long-term investments necessary to build a modern transportation network and spur Minnesota’s innovation economy.

## Clean, Affordable Water for Minnesotans

- **Clean, Affordable Drinking Water** – Governor Dayton and Lt. Governor Smith have proposed a \$220 million plan to modernize Minnesota’s aging water infrastructure and protect groundwater from contamination. The Governor and Lt. Governor’s plan would allocate \$167 million of his Jobs Bill proposal to assist communities across the state that cannot afford to make critical investments in aging water infrastructure. The plan also would invest an additional \$52.7 million for water quality protection initiatives to help leverage millions of federal dollars to implement conservation practices to restore and protect water quality across the state.