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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 1032

02/11/2021 Authored by Nelson, M., The bill was read for the first time and referred to the Committee on State Government Finance and Elections

1.1 A bill for an act
1.2 relating to state government; appropriating money for the legislature, governor's
1.3 office, state auditor, attorney general, secretary of state, certain agencies, boards,
1.4 councils, and retirement funds; changing provisions for state government operations;
1.5 providing for audit of state's use of federal funds; authorizing virtual payments;
1.6 changing grant provisions; changing appropriation provisions for local government
1.7 aid; changing provisions covering public defenders; amending Minnesota Statutes
1.8 2020, sections 16A.06, by adding a subdivision; 16B.98, by adding a subdivision;
1.9 270C.21; 477A.03, subdivision 2b; 611.27, subdivisions 9, 10, 11, 13, 15; Laws
1.10 2019, First Special Session chapter 10, article 1, section 40; Laws 2020, chapter
1.11 77, section 3, subdivision 6; proposing coding for new law in Minnesota Statutes,
1.12 chapter 16A.

1.13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.14 ARTICLE 1
1.15 STATE GOVERNMENT APPROPRIATIONS

1.16 Section 1. STATE GOVERNMENT APPROPRIATIONS.

1.17 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
1.18 and for the purposes specified in this article. The appropriations are from the general fund,
1.19 or another named fund, and are available for the fiscal years indicated for each purpose.
1.20 The figures "2022" and "2023" used in this article mean that the appropriations listed under
1.21 them are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively.
1.22 "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium"
1.23 is fiscal years 2022 and 2023.

Table with 2 columns: 2022, 2023. Header: APPROPRIATIONS Available for the Year Ending June 30

2.1 **Sec. 2. LEGISLATURE**

2.2	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>94,047,000</u>	<u>\$</u>	<u>94,048,000</u>
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2.3 The amounts that may be spent for each
 2.4 purpose are specified in the following
 2.5 subdivisions.

2.6	<u>Subd. 2. Senate</u>		<u>35,654,000</u>		<u>35,654,000</u>
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2.7	<u>Subd. 3. House of Representatives</u>		<u>38,857,000</u>		<u>38,857,000</u>
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2.8	<u>Subd. 4. Legislative Coordinating Commission</u>		<u>19,536,000</u>		<u>19,537,000</u>
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2.9 From its funds, \$10,000 each year is for
 2.10 purposes of the legislators' forum, through
 2.11 which Minnesota legislators meet with
 2.12 counterparts from South Dakota, North
 2.13 Dakota, and Manitoba to discuss issues of
 2.14 mutual concern.

2.15 **Legislative Auditor.** \$6,352,000 the first year
 2.16 and \$6,352,000 the second year are for the
 2.17 Office of the Legislative Auditor.

2.18 **Revisor of Statutes.** \$7,207,000 the first year
 2.19 and \$7,207,000 the second year are for the
 2.20 Office of the Revisor of Statutes.

2.21 **Legislative Reference Library.** \$1,775,000
 2.22 the first year and \$1,775,000 the second year
 2.23 are for the Legislative Reference Library.

2.24 **Legislative Budget Office.** \$1,193,000 the
 2.25 first year and \$1,194,000 the second year are
 2.26 for the Legislative Budget Office.

2.27	Sec. 3. <u>GOVERNOR AND LIEUTENANT</u>				
2.28	<u>GOVERNOR</u>	<u>\$</u>	<u>3,622,000</u>	<u>\$</u>	<u>3,622,000</u>

2.29 (a) This appropriation is to fund the Office of
 2.30 the Governor and Lieutenant Governor.

2.31 (b) \$19,000 the first year and \$19,000 the
 2.32 second year are for necessary expenses in the

3.1 normal performance of the governor's and
 3.2 lieutenant governor's duties for which no other
 3.3 reimbursement is provided.

3.4 (c) By September 1 of each year, the
 3.5 commissioner of management and budget shall
 3.6 report to the chairs and ranking minority
 3.7 members of the legislative committees with
 3.8 jurisdiction over state government finance any
 3.9 personnel costs incurred by the Offices of the
 3.10 Governor and Lieutenant Governor that were
 3.11 supported by appropriations to other agencies
 3.12 during the previous fiscal year. The Office of
 3.13 the Governor shall inform the chairs and
 3.14 ranking minority members of the committees
 3.15 before initiating any interagency agreements.

3.16 **Sec. 4. STATE AUDITOR** **\$ 12,106,000 \$ 12,269,000**

3.17 Of these amounts, \$743,000 in the first year
 3.18 and \$744,000 in the second year are for a
 3.19 school finance accountability team in the audit
 3.20 practice division. Notwithstanding Minnesota
 3.21 Statutes, section 6.56, the state auditor may
 3.22 not bill a school district for any work
 3.23 conducted by the school finance accountability
 3.24 team prior to July 1, 2025. The base for the
 3.25 Office of the State Auditor is \$12,270,000 in
 3.26 fiscal year 2024 and \$12,285,000 in fiscal year
 3.27 2025.

3.28 **Sec. 5. ATTORNEY GENERAL** **\$ 32,395,000 \$ 30,794,000**

	<u>Appropriations by Fund</u>	
	<u>2022</u>	<u>2023</u>
3.30		
3.31	<u>29,479,000</u>	<u>27,878,000</u>
3.32		
3.33	<u>2,521,000</u>	<u>2,521,000</u>
3.34	<u>145,000</u>	<u>145,000</u>
3.35	<u>250,000</u>	<u>250,000</u>

4.1	Sec. 6. <u>SECRETARY OF STATE</u>	\$	<u>8,002,000</u>	\$	<u>7,502,000</u>
4.2	<u>Of these amounts, \$500,000 the first year is</u>				
4.3	<u>for office reallocation costs. This is a onetime</u>				
4.4	<u>appropriation, and any unspent funds must be</u>				
4.5	<u>returned to the general fund by June 30, 2022.</u>				
4.6	Sec. 7. <u>CAMPAIGN FINANCE AND PUBLIC</u>				
4.7	<u>DISCLOSURE BOARD</u>	\$	<u>1,145,000</u>	\$	<u>1,167,000</u>
4.8	Sec. 8. <u>STATE BOARD OF INVESTMENT</u>	\$	<u>139,000</u>	\$	<u>139,000</u>
4.9	Sec. 9. <u>ADMINISTRATIVE HEARINGS</u>	\$	<u>8,236,000</u>	\$	<u>8,240,000</u>
4.10	<u>Appropriations by Fund</u>				
4.11		<u>2022</u>	<u>2023</u>		
4.12	<u>General</u>	<u>405,000</u>	<u>409,000</u>		
4.13	<u>Workers'</u>				
4.14	<u>Compensation</u>	<u>7,831,000</u>	<u>7,831,000</u>		
4.15	<u>\$268,000 in fiscal year 2022 and \$272,000 in</u>				
4.16	<u>fiscal year 2023 are for municipal boundary</u>				
4.17	<u>adjustments.</u>				
4.18	Sec. 10. <u>OFFICE OF MN.IT SERVICES</u>	\$	<u>9,855,000</u>	\$	<u>9,882,000</u>
4.19	<u>(a) \$5,000,000 each year is for enhancements</u>				
4.20	<u>to cybersecurity across state government.</u>				
4.21	<u>(b) \$2,100,000 in fiscal year 2022 and</u>				
4.22	<u>\$2,050,000 in fiscal year 2023 are to</u>				
4.23	<u>implement recommendations from the</u>				
4.24	<u>Governor's Blue Ribbon Council on</u>				
4.25	<u>Information Technology, established by</u>				
4.26	<u>Executive Order 19-02 and re-established by</u>				
4.27	<u>Executive Order 20-77. The base for this</u>				
4.28	<u>appropriation is \$1,400,000 in fiscal years</u>				
4.29	<u>2024 and 2025.</u>				
4.30	<u>(c) The commissioner of management and</u>				
4.31	<u>budget is authorized to provide cash flow</u>				
4.32	<u>assistance of up to \$50,000,000 from the</u>				
4.33	<u>special revenue fund or other statutory general</u>				
4.34	<u>funds as defined in Minnesota Statutes, section</u>				

5.1 16A.671, subdivision 3, paragraph (a), to the
5.2 Office of MN.IT Services for the purpose of
5.3 managing revenue and expenditure
5.4 differences. These funds shall be repaid with
5.5 interest by the end of the fiscal year 2023
5.6 closing period.

5.7 (d) During the biennium ending June 30, 2023,
5.8 MN.IT Services must not charge fees to a
5.9 public noncommercial educational television
5.10 broadcast station eligible for funding under
5.11 Minnesota Statutes, chapter 129D, for access
5.12 to the state broadcast infrastructure. If the
5.13 access fees not charged to public
5.14 noncommercial educational television
5.15 broadcast stations total more than \$400,000
5.16 for the biennium, the office may charge for
5.17 access fees in excess of these amounts.

5.18 (e) On the day following final enactment, the
5.19 commissioner of MN.IT Services must cancel
5.20 to the general fund \$379,000 from the fiscal
5.21 year 2021 general fund appropriations for IT
5.22 for Minnesota government.

5.23 (f) \$179,000 from the information and
5.24 telecommunications technology systems and
5.25 services account established under Minnesota
5.26 Statutes, section 16E.21, is canceled to the
5.27 general fund by June 29, 2021.

5.28 (g) \$14,000 from the information and
5.29 telecommunications technology systems and
5.30 services account established under Minnesota
5.31 Statutes, section 16E.21, is canceled to the
5.32 workers' compensation fund by June 29, 2021.

5.33 (h) \$5,000 from the information and
5.34 telecommunications technology systems and

7.1 (b) \$250,000 each year is for public television
7.2 equipment grants under Minnesota Statutes,
7.3 section 129D.13.

7.4 (c) The commissioner of administration must
7.5 consider the recommendations of the
7.6 Minnesota Public Television Association
7.7 before allocating the amounts appropriated in
7.8 paragraphs (a) and (b) for equipment or
7.9 matching grants.

7.10 **Public Radio.** (a) \$392,000 each year is for
7.11 community service grants to public
7.12 educational radio stations. This appropriation
7.13 may be used to disseminate emergency
7.14 information in foreign languages.

7.15 (b) \$117,000 each year is for equipment grants
7.16 to public educational radio stations. This
7.17 appropriation may be used for the repair,
7.18 rental, and purchase of equipment including
7.19 equipment under \$500.

7.20 (c) \$510,000 each year is for equipment grants
7.21 to Minnesota Public Radio, Inc., including
7.22 upgrades to Minnesota's Emergency Alert and
7.23 AMBER Alert Systems.

7.24 (d) The appropriations in paragraphs (a) to (c)
7.25 may not be used for indirect costs claimed by
7.26 an institution or governing body.

7.27 (e) The commissioner of administration must
7.28 consider the recommendations of the
7.29 Association of Minnesota Public Educational
7.30 Radio Stations before awarding grants under
7.31 Minnesota Statutes, section 129D.14, using
7.32 the appropriations in paragraphs (a) and (b).
7.33 No grantee is eligible for a grant unless they
7.34 are a member of the Association of Minnesota

9.1 coordinate, facilitate, encourage, and aid in
 9.2 the provision of taxpayer assistance services.
 9.3 These amounts are in addition to any other
 9.4 amounts appropriated by law. Of the amount
 9.5 appropriated, up to five percent may be used
 9.6 for the administration of the taxpayer
 9.7 assistance grants program. The unencumbered
 9.8 balance in the first year does not cancel but is
 9.9 available for the second year.

9.10 (b) For purposes of this section, "taxpayer
 9.11 assistance services" means accounting, tax
 9.12 preparation, and representation services
 9.13 provided by eligible organizations to
 9.14 low-income, elderly, and disadvantaged
 9.15 Minnesota residents to help them file federal
 9.16 and state income tax returns and Minnesota
 9.17 property tax refund claims and to provide
 9.18 personal representation before the Department
 9.19 of Revenue and Internal Revenue Service.

9.20 **Subd. 3. Debt Collection Management** 30,873,000 31,390,000

9.21 **Subd. 4. Cancel to the General Fund**

9.22 On the day following enactment, the
 9.23 commissioner of revenue must cancel to the
 9.24 general fund \$7,305,000 from the fiscal year
 9.25 2021 general fund appropriations for tax
 9.26 system management and \$969,000 from the
 9.27 fiscal year 2021 appropriations for debt
 9.28 collection management.

9.29 **Sec. 15. GAMBLING CONTROL** \$ 4,863,000 \$ 4,863,000

9.30 These appropriations are from the lawful
 9.31 gambling regulation account in the special
 9.32 revenue fund.

9.33 **Sec. 16. RACING COMMISSION** \$ 913,000 \$ 913,000

10.1 These appropriations are from the racing and
 10.2 card playing regulation accounts in the special
 10.3 revenue fund.

10.4 **Sec. 17. STATE LOTTERY**

10.5 Notwithstanding Minnesota Statutes, section
 10.6 349A.10, subdivision 3, the State Lottery's
 10.7 operating budget must not exceed \$36,500,000
 10.8 in fiscal year 2022 and \$36,500,000 in fiscal
 10.9 year 2023.

10.10 **Sec. 18. AMATEUR SPORTS COMMISSION** \$ 311,000 \$ 317,000

10.11 **Sec. 19. COUNCIL FOR MINNESOTANS OF**
 10.12 **AFRICAN HERITAGE** \$ 544,000 \$ 552,000

10.13 **Sec. 20. COUNCIL ON LATINO AFFAIRS** \$ 534,000 \$ 544,000

10.14 **Sec. 21. COUNCIL ON ASIAN-PACIFIC**
 10.15 **MINNESOTANS** \$ 525,000 \$ 534,000

10.16 **Sec. 22. INDIAN AFFAIRS COUNCIL** \$ 855,000 \$ 864,000

10.17 **Sec. 23. MINNESOTA HISTORICAL**
 10.18 **SOCIETY**

10.19 **Subdivision 1. Total Appropriation** \$ 23,918,000 \$ 24,218,000

10.20 The amounts that may be spent for each
 10.21 purpose are specified in the following
 10.22 subdivisions.

10.23 **Subd. 2. Operations and Programs** 23,597,000 23,897,000

10.24 Notwithstanding Minnesota Statutes, section
 10.25 138.668, the Minnesota Historical Society may
 10.26 not charge a fee for its general tours at the
 10.27 Capitol, but may charge fees for special
 10.28 programs other than general tours.

10.29 **Subd. 3. Fiscal Agent**

10.30 **(a) Global Minnesota** 39,000 39,000

10.31 **(b) Minnesota Air National Guard Museum** 17,000 17,000

10.32 **(c) Hockey Hall of Fame** 100,000 100,000

11.1	<u>(d) Farmamerica</u>		<u>115,000</u>	<u>115,000</u>
11.2	<u>(e) Minnesota Military Museum</u>		<u>50,000</u>	<u>50,000</u>
11.3	<u>Any unencumbered balance remaining in this</u>			
11.4	<u>subdivision the first year does not cancel but</u>			
11.5	<u>is available for the second year of the</u>			
11.6	<u>biennium.</u>			
11.7	Sec. 24. <u>BOARD OF THE ARTS</u>			
11.8	Subdivision 1. <u>Total Appropriation</u>	\$	<u>7,551,000</u>	\$ <u>7,561,000</u>
11.9	<u>The amounts that may be spent for each</u>			
11.10	<u>purpose are specified in the following</u>			
11.11	<u>subdivisions.</u>			
11.12	Subd. 2. <u>Operations and Services</u>		<u>612,000</u>	<u>622,000</u>
11.13	<u>On the day following enactment, any funds</u>			
11.14	<u>remaining from the Board of the Arts</u>			
11.15	<u>appropriation for moving and relocation</u>			
11.16	<u>expenses appropriated in Laws 2019, First</u>			
11.17	<u>Special Session chapter 10, article 1, section</u>			
11.18	<u>24, subdivision 2, as amended by Laws 2020,</u>			
11.19	<u>chapter 104, article 2, section 4, must cancel</u>			
11.20	<u>to the general fund.</u>			
11.21	Subd. 3. <u>Grants Program</u>		<u>4,800,000</u>	<u>4,800,000</u>
11.22	Subd. 4. <u>Regional Arts Councils</u>		<u>2,139,000</u>	<u>2,139,000</u>
11.23	<u>Any unencumbered balance remaining in this</u>			
11.24	<u>section the first year does not cancel, but is</u>			
11.25	<u>available for the second year.</u>			
11.26	Sec. 25. <u>MINNESOTA HUMANITIES</u>			
11.27	<u>CENTER</u>	\$	<u>375,000</u>	\$ <u>375,000</u>
11.28	Sec. 26. <u>BOARD OF ACCOUNTANCY</u>	\$	<u>688,000</u>	\$ <u>698,000</u>
11.29	Sec. 27. <u>BOARD OF ARCHITECTURE</u>			
11.30	<u>ENGINEERING, LAND SURVEYING,</u>			
11.31	<u>LANDSCAPE ARCHITECTURE,</u>			
11.32	<u>GEOSCIENCE, AND INTERIOR DESIGN</u>	\$	<u>863,000</u>	\$ <u>874,000</u>
11.33	Sec. 28. <u>BOARD OF COSMETOLOGIST</u>			
11.34	<u>EXAMINERS</u>	\$	<u>2,969,000</u>	\$ <u>3,016,000</u>

12.1	Sec. 29. <u>BOARD OF BARBER EXAMINERS</u>	\$	<u>348,000</u>	\$	<u>353,000</u>
12.2	Sec. 30. <u>GENERAL CONTINGENT</u>				
12.3	<u>ACCOUNTS</u>	\$	<u>1,000,000</u>	\$	<u>500,000</u>
12.4	<u>Appropriations by Fund</u>				
12.5		<u>2022</u>		<u>2023</u>	
12.6	<u>General</u>	<u>500,000</u>		<u>0</u>	
12.7	<u>State Government</u>				
12.8	<u>Special Revenue</u>	<u>400,000</u>		<u>400,000</u>	
12.9	<u>Workers'</u>				
12.10	<u>Compensation</u>	<u>100,000</u>		<u>100,000</u>	
12.11	<u>(a) The appropriations in this section may only</u>				
12.12	<u>be spent with the approval of the governor</u>				
12.13	<u>after consultation with the Legislative</u>				
12.14	<u>Advisory Commission pursuant to Minnesota</u>				
12.15	<u>Statutes, section 3.30.</u>				
12.16	<u>(b) If an appropriation in this section for either</u>				
12.17	<u>year is insufficient, the appropriation for the</u>				
12.18	<u>other year is available for it.</u>				
12.19	<u>(c) If a contingent account appropriation is</u>				
12.20	<u>made in one fiscal year, it should be</u>				
12.21	<u>considered a biennial appropriation.</u>				
12.22	Sec. 31. <u>TORT CLAIMS</u>	\$	<u>161,000</u>	\$	<u>161,000</u>
12.23	<u>These appropriations are to be spent by the</u>				
12.24	<u>commissioner of management and budget</u>				
12.25	<u>according to Minnesota Statutes, section</u>				
12.26	<u>3.736, subdivision 7. If the appropriation for</u>				
12.27	<u>either year is insufficient, the appropriation</u>				
12.28	<u>for the other year is available for it.</u>				
12.29	<u>Sec. 32. MINNESOTA STATE RETIREMENT</u>				
12.30	<u>SYSTEM</u>				
12.31	<u>Subdivision 1. Total Appropriation</u>	\$	<u>15,171,000</u>	\$	<u>15,190,000</u>
12.32	<u>The amounts that may be spent for each</u>				
12.33	<u>purpose are specified in the following</u>				
12.34	<u>subdivisions.</u>				

13.1	<u>Subd. 2. Combined Legislators and</u>		
13.2	<u>Constitutional Officers Retirement Plan</u>	<u>9,171,000</u>	<u>9,190,000</u>
13.3	<u>Under Minnesota Statutes, sections 3A.03,</u>		
13.4	<u>subdivision 2; 3A.04, subdivisions 3 and 4;</u>		
13.5	<u>and 3A.115.</u>		
13.6	<u>If an appropriation in this section for either</u>		
13.7	<u>year is insufficient, the appropriation for the</u>		
13.8	<u>other year is available for it.</u>		
13.9	<u>Subd. 3. Judges Retirement Plan</u>	<u>6,000,000</u>	<u>6,000,000</u>
13.10	<u>For transfer to the judges retirement fund</u>		
13.11	<u>under Minnesota Statutes, section 490.123.</u>		
13.12	<u>This transfer continues each fiscal year until</u>		
13.13	<u>the judges retirement plan reaches 100 percent</u>		
13.14	<u>funding as determined by an actuarial</u>		
13.15	<u>valuation prepared according to Minnesota</u>		
13.16	<u>Statutes, section 356.214.</u>		
13.17	<u>Sec. 33. PUBLIC EMPLOYEES RETIREMENT</u>		
13.18	<u>ASSOCIATION</u>	<u>\$ 25,000,000</u>	<u>\$ 25,000,000</u>
13.19	<u>(a) \$9,000,000 the first year and \$9,000,000</u>		
13.20	<u>the second year are for direct state aid to the</u>		
13.21	<u>public employees police and fire retirement</u>		
13.22	<u>plan authorized under Minnesota Statutes,</u>		
13.23	<u>section 353.65, subdivision 3b.</u>		
13.24	<u>(b) State payments from the general fund to</u>		
13.25	<u>the Public Employees Retirement Association</u>		
13.26	<u>on behalf of the former MERF division</u>		
13.27	<u>account are \$16,000,000 on September 15,</u>		
13.28	<u>2021, and \$16,000,000 on September 15,</u>		
13.29	<u>2022. These amounts are estimated to be</u>		
13.30	<u>needed under Minnesota Statutes, section</u>		
13.31	<u>353.505.</u>		
13.32	<u>Sec. 34. TEACHERS RETIREMENT</u>		
13.33	<u>ASSOCIATION</u>	<u>\$ 29,831,000</u>	<u>\$ 29,831,000</u>

14.1 The amounts estimated to be needed are as
 14.2 follows:

14.3 **Special Direct State Aid.** \$27,331,000 each
 14.4 year is for special direct state aid authorized
 14.5 under Minnesota Statutes, section 354.436.

14.6 **Special Direct State Matching Aid.**
 14.7 \$2,500,000 each year is for special direct state
 14.8 matching aid authorized under Minnesota
 14.9 Statutes, section 354.435.

14.10 **Sec. 35. ST. PAUL TEACHERS RETIREMENT**
 14.11 **FUND** \$ 14,827,000 \$ 14,827,000

14.12 The amounts estimated to be needed for
 14.13 special direct state aid to the first class city
 14.14 teachers retirement fund association authorized
 14.15 under Minnesota Statutes, section 354A.12,
 14.16 subdivisions 3a and 3c.

14.17 **Sec. 36. MILITARY AFFAIRS**

14.18 **Subdivision 1. Total Appropriation** \$ 24,393,000 \$ 24,589,000

14.19 The amounts that may be spent for each
 14.20 purpose are specified in the following
 14.21 subdivisions.

14.22 **Subd. 2. Maintenance of Training Facilities** 9,772,000 9,842,000

14.23 **Subd. 3. General Support** 3,507,000 3,633,000

14.24 **Subd. 4. Enlistment Incentives** 11,114,000 11,114,000

14.25 The appropriations in this subdivision are
 14.26 available until June 30, 2025, except that any
 14.27 unspent amounts allocated to a program
 14.28 otherwise supported by this appropriation are
 14.29 canceled to the general fund upon receipt of
 14.30 federal funds in the same amount to support
 14.31 administration of that program.

16.1 resided in Minnesota for 30 days prior to
 16.2 application for assistance and according to
 16.3 other guidelines established by the
 16.4 commissioner. In order to avoid duplication
 16.5 of services, the commissioner must ensure that
 16.6 this assistance is coordinated with all other
 16.7 available programs for veterans.

16.8 **(c) Veteran Homelessness Initiative.**
 16.9 \$3,165,000 each year is for an initiative to
 16.10 prevent and end veteran homelessness. The
 16.11 commissioner of veterans affairs may provide
 16.12 housing vouchers and other services to
 16.13 alleviate homelessness among veterans and
 16.14 former service members in Minnesota. The
 16.15 commissioner may contract for program
 16.16 administration and may establish a vacancy
 16.17 reserve fund. The base for this appropriation
 16.18 is \$1,311,000 in fiscal year 2024 and
 16.19 \$1,311,000 in fiscal year 2025.

16.20 **(d) 9/11 Task Force.** \$500,000 the first year
 16.21 is for the Advisory Task Force on 9/11 and
 16.22 Global War on Terrorism Remembrance. The
 16.23 task force must collect, memorialize, and
 16.24 publish stories of Minnesotans' service in the
 16.25 Global War on Terrorism and impacts on their
 16.26 dependents. The task force must host a
 16.27 remembrance program in September 2021.
 16.28 This is a onetime appropriation.

16.29 <u>Subd. 3. Veterans Health Care</u>	<u>62,120,000</u>	<u>62,686,000</u>
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16.30 **(a) Transfers.** \$61,120,000 the first year and
 16.31 \$62,036,000 the second year may be
 16.32 transferred to a veterans homes special
 16.33 revenue account in the special revenue fund
 16.34 in the same manner as other receipts are
 16.35 deposited according to Minnesota Statutes,

17.1 section 198.34, and are appropriated to the
 17.2 commissioner of veterans affairs for the
 17.3 operation of veterans homes facilities and
 17.4 programs.

17.5 **(b) Veteran Suicide Prevention Initiative.**
 17.6 \$1,000,000 the first year and \$650,000 the
 17.7 second year is to address the problem of death
 17.8 by suicide among veterans in Minnesota. The
 17.9 commissioner of veterans affairs may use
 17.10 funds for personnel, training, research,
 17.11 marketing, and professional or technical
 17.12 contracts. The base for this appropriation is
 17.13 \$550,000 in fiscal year 2024 and \$550,000 in
 17.14 fiscal year 2025.

17.15 **Sec. 38. BUDGET RESERVE REDUCTION**

17.16 On July 1, 2021, the balance of the budget
 17.17 reserve account in Minnesota Statutes, section
 17.18 16A.152, subdivision 1a, is reduced by
 17.19 \$1,000,000,000.

17.20 **ARTICLE 2**
 17.21 **POLICY PROVISIONS**

17.22 Section 1. Minnesota Statutes 2020, section 16A.06, is amended by adding a subdivision
 17.23 to read:

17.24 **Subd. 12. Audit of state's use of federal funds; annual appropriation.** The
 17.25 commissioner shall contract with a qualified auditor to conduct the annual audit required
 17.26 by the United States Single Audit Act of 1984, Public Law 98-502, the Single Audit Act
 17.27 Amendments of 1996, Public Law 104-156, and Title 2 United States Code of Federal
 17.28 Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and
 17.29 Audit Requirements for Federal Awards (Uniform Guidance). There is annually appropriated
 17.30 from the general fund to the commissioner an amount sufficient to pay the cost of the annual
 17.31 audit. The cost of the audit shall be billed to the agencies audited during the subsequent
 17.32 fiscal year. Amounts paid by state agencies shall be deposited to the general fund.

18.1 Sec. 2. **[16A.401] VIRTUAL PAYMENTS AUTHORIZED.**

18.2 Subdivision 1. **Virtual payments.** The commissioner may establish a program to issue
 18.3 virtual payments from the state treasury. Any rebate to the state generated by the program
 18.4 must be deposited in the general fund unless retained under subdivision 3.

18.5 Subd. 2. **Rebates.** Notwithstanding subdivision 1, rebates attributable to expenditures
 18.6 in funds established in the state constitution or protected by federal law must be returned
 18.7 to the account from which the expenditure originated.

18.8 Subd. 3. **Rebates retained.** The commissioner may retain a portion of rebates for the
 18.9 administration of this section. Money retained under this subdivision must be deposited in
 18.10 an account in the special revenue fund and is appropriated to the commissioner for the
 18.11 purposes of this section.

18.12 Sec. 3. Minnesota Statutes 2020, section 16B.98, is amended by adding a subdivision to
 18.13 read:

18.14 Subd. 12. **Grants administration.** It is the policy of the legislature to ensure that grant
 18.15 activities and outcomes of programs and services funded by the legislative appropriations
 18.16 are administered by state agencies in accordance with this section and section 16B.97.
 18.17 Unless amounts are otherwise appropriated for administrative costs, a state agency may
 18.18 retain up to five percent of the amount appropriated to the agency for grants enacted by the
 18.19 legislature and formula grants and up to ten percent for competitively awarded grants. This
 18.20 subdivision applies to appropriations made for new grant programs enacted after the effective
 18.21 date of this subdivision.

18.22 Sec. 4. Minnesota Statutes 2020, section 270C.21, is amended to read:

18.23 **270C.21 TAXPAYER ASSISTANCE GRANTS.**

18.24 Subdivision 1. **Taxpayer assistance.** When the commissioner awards grants to ~~nonprofit~~
 18.25 eligible organizations to coordinate, facilitate, encourage, and aid in the provision of taxpayer
 18.26 assistance services, the commissioner must provide public notice of the grants in a timely
 18.27 manner so that the grant process is completed and grants are awarded by October 1, in order
 18.28 for recipient eligible organizations to adequately plan expenditures for the filing season. At
 18.29 the time the commissioner provides public notice, the commissioner must also notify
 18.30 ~~nonprofit~~ eligible organizations that received grants in the previous biennium.

19.1 Subd. 2. Eligible organization. "Eligible organization" means an organization that meets
 19.2 the definition of eligible organization provided in section 7526A(2)(e)(B) of the Internal
 19.3 Revenue Code.

19.4 EFFECTIVE DATE. This section is effective for grants awarded after June 30, 2021.

19.5 Sec. 5. Minnesota Statutes 2020, section 477A.03, subdivision 2b, is amended to read:

19.6 Subd. 2b. **Counties.** (a) For aids payable in 2018 and 2019, the total aid payable under
 19.7 section 477A.0124, subdivision 3, is \$103,795,000, of which \$3,000,000 shall be allocated
 19.8 as required under Laws 2014, chapter 150, article 4, section 6. For aids payable in 2020,
 19.9 the total aid payable under section 477A.0124, subdivision 3, is \$116,795,000, of which
 19.10 \$3,000,000 shall be allocated as required under Laws 2014, chapter 150, article 4, section
 19.11 6. For aids payable in 2021 through 2024, the total aid payable under section 477A.0124,
 19.12 subdivision 3, is \$118,795,000, of which \$3,000,000 shall be allocated as required under
 19.13 Laws 2014, chapter 150, article 4, section 6. For aids payable in 2025 and thereafter, the
 19.14 total aid payable under section 477A.0124, subdivision 3, is \$115,795,000. ~~Each calendar~~
 19.15 ~~year~~ On or before the first installment date provided in section 477A.015, paragraph (a),
 19.16 \$500,000 of this appropriation shall be retained transferred each year by the commissioner
 19.17 of revenue to make reimbursements to the commissioner of management and budget the
 19.18 Board of Public Defense for payments made the payment of services under section 611.27.
 19.19 ~~The reimbursements shall be to defray the additional costs associated with court-ordered~~
 19.20 ~~counsel under section 611.27.~~ Any retained transferred amounts not used for reimbursement
 19.21 in a year expended or encumbered in a fiscal year shall be certified by the board of public
 19.22 defense to the commissioner of revenue on or before October 1 and shall be included in the
 19.23 next distribution certification of county need aid that is certified to the county auditors for
 19.24 the purpose of property tax reduction for the next taxes payable year.

19.25 (b) For aids payable in 2018 and 2019, the total aid under section 477A.0124, subdivision
 19.26 4, is \$130,873,444. For aids payable in 2020, the total aid under section 477A.0124,
 19.27 subdivision 4, is \$143,873,444. For aids payable in 2021 and thereafter, the total aid under
 19.28 section 477A.0124, subdivision 4, is \$145,873,444. The commissioner of revenue shall
 19.29 transfer to the commissioner of management and budget \$207,000 annually for the cost of
 19.30 preparation of local impact notes as required by section 3.987, and other local government
 19.31 activities. The commissioner of revenue shall transfer to the commissioner of education
 19.32 \$7,000 annually for the cost of preparation of local impact notes for school districts as
 19.33 required by section 3.987. The commissioner of revenue shall deduct the amounts transferred
 19.34 under this paragraph from the appropriation under this paragraph. The amounts transferred

20.1 are appropriated to the commissioner of management and budget and the commissioner of
20.2 education respectively.

20.3 Sec. 6. Minnesota Statutes 2020, section 611.27, subdivision 9, is amended to read:

20.4 Subd. 9. **Request for other appointment of counsel.** The chief district public defender
20.5 ~~with the approval of~~ may request that the state public defender may request that the chief
20.6 ~~judge of the district court, or a district court judge designated by the chief judge,~~ authorize
20.7 appointment of counsel other than the district public defender in such cases.

20.8 Sec. 7. Minnesota Statutes 2020, section 611.27, subdivision 10, is amended to read:

20.9 Subd. 10. **Addition of permanent staff.** The chief public defender may not request ~~the~~
20.10 ~~court~~ nor may the ~~court order~~ state public defender approve the addition of permanent staff
20.11 under subdivision 7.

20.12 Sec. 8. Minnesota Statutes 2020, section 611.27, subdivision 11, is amended to read:

20.13 Subd. 11. **Appointment of counsel.** If the ~~court~~ state public defender finds that the
20.14 provision of adequate legal representation, including associated services, is beyond the
20.15 ability of the district public defender to provide, the ~~court shall order~~ state public defender
20.16 may approve counsel to be appointed, with compensation and expenses to be paid under
20.17 the provisions of this subdivision and subdivision 7. Counsel in such cases shall be appointed
20.18 by the chief district public defender. ~~If the court issues an order denying the request, the~~
20.19 ~~court shall make written findings of fact and conclusions of law. Upon denial, the chief~~
20.20 ~~district public defender may immediately appeal the order denying the request to the court~~
20.21 ~~of appeals and may request an expedited hearing.~~

20.22 Sec. 9. Minnesota Statutes 2020, section 611.27, subdivision 13, is amended to read:

20.23 Subd. 13. **Correctional facility inmates.** All billings for services rendered and ordered
20.24 under subdivision 7 shall require the approval of the chief district public defender before
20.25 being forwarded ~~on a monthly basis~~ to the state public defender. In cases where adequate
20.26 representation cannot be provided by the district public defender and where counsel has
20.27 ~~been appointed under a court order,~~ approved by the state public defender, the board of
20.28 public defense shall ~~forward to the commissioner of management and budget~~ pay all billings
20.29 ~~for services rendered under the court order. The commissioner shall pay for services from~~
20.30 county program aid ~~retained~~ transferred by the commissioner of revenue for that purpose
20.31 under section 477A.03, subdivision 2b, paragraph (a).

21.1 The costs of appointed counsel and associated services in cases arising from new criminal
 21.2 charges brought against indigent inmates who are incarcerated in a Minnesota state
 21.3 correctional facility are the responsibility of the state Board of Public Defense. In such cases
 21.4 the state public defender may follow the procedures outlined in this section for obtaining
 21.5 court-ordered counsel.

21.6 Sec. 10. Minnesota Statutes 2020, section 611.27, subdivision 15, is amended to read:

21.7 Subd. 15. **Costs of transcripts.** In appeal cases and postconviction cases where the
 21.8 appellate public defender's office does not have sufficient funds to pay for transcripts and
 21.9 other necessary expenses because it has spent or committed all of the transcript funds in its
 21.10 annual budget, ~~the state public defender may forward to the commissioner of management~~
 21.11 ~~and budget all billings for transcripts and other necessary expenses. The commissioner shall~~
 21.12 the board of public defense may pay for these transcripts and other necessary expenses from
 21.13 county program aid retained transferred by the commissioner of revenue for that purpose
 21.14 under section 477A.03, subdivision 2b, paragraph (a).

21.15 Sec. 11. Laws 2019, First Special Session chapter 10, article 1, section 40, is amended to
 21.16 read:

21.17 Sec. 40. **HELP AMERICA VOTE ACT TRANSFERS AND APPROPRIATIONS;**
 21.18 **SECRETARY OF STATE.**

21.19 (a) \$6,595,610 is appropriated in fiscal year 2019 from the HAVA account established
 21.20 in Minnesota Statutes, section 5.30, to the secretary of state for the purposes of improving
 21.21 the administration and security of elections as authorized by federal law. Use of the
 21.22 appropriation is limited to the following activities:

21.23 (1) modernizing, securing, and updating the statewide voter registration system and for
 21.24 cybersecurity upgrades as authorized by federal law;

21.25 (2) improving accessibility;

21.26 (3) preparing training materials and training local election officials; and

21.27 (4) implementing security improvements for election systems.

21.28 (b) Any amount earned in interest on the amount appropriated under paragraph (a) is
 21.29 appropriated from the HAVA account to the secretary of state for purposes of improving
 21.30 the administration and security of elections as authorized by federal law.

22.1 (c) The appropriations under paragraphs (a) and (b) are onetime and available until
22.2 ~~March 23, 2023~~ expended.

22.3 (d) \$167,000 expended by the secretary of state in fiscal years 2018 and 2019 for
22.4 increasing secure access to the statewide voter registration system is deemed:

22.5 (1) to be money used for carrying out the purposes authorized under the Omnibus
22.6 Appropriations Act of 2018, Public Law 115-1410, and the Help America Vote Act of 2002,
22.7 Public Law 107-252, section 101; and

22.8 (2) to be credited toward any match required by those laws.

22.9 **EFFECTIVE DATE.** This section is effective the day following final enactment.

22.10 Sec. 12. Laws 2020, chapter 77, section 3, subdivision 6, is amended to read:

22.11 Subd. 6. **Availability of appropriations.** The appropriations provided in this section
22.12 are onetime and available until ~~December 21, 2024~~ expended.

22.13 Sec. 13. **GOVERNMENT AND CITIZEN SERVICES.**

22.14 On the day following enactment, the commissioner of administration must cancel to the
22.15 general fund \$300,000 from the fiscal year 2021 general fund appropriations for Government
22.16 and Citizen Services.