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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 2879

03/15/2023 Authored by Koznick and West
The bill was read for the first time and referred to the Committee on State and Local Government Finance and Policy

1.1 A bill for an act
1.2 relating to capital investment; requiring a closeout evaluation of a capital project
1.3 grant at the termination of the grant agreement; proposing coding for new law in
1.4 Minnesota Statutes, chapter 16A.

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

1.6 Section 1. [16A.861] CAPITAL PROJECT CLOSEOUT EVALUATION REQUIRED.

1.7 Subdivision 1. Closeout evaluation required. A state entity that issues a grant to a
1.8 grantee for a capital project, regardless of the source of state funding for the grant, must
1.9 evaluate the grantee's performance on the grant at the termination of the grant agreement.
1.10 The state entity must provide the following information to the commissioner within 90 days
1.11 of the termination of the grant agreement:

1.12 (1) the grantee name, grant amount, period of the grant award, and the amount of the
1.13 grant spent;

1.14 (2) a description of the capital project and public purpose for which the grant was issued;

1.15 (3) if applicable:

1.16 (i) additional conditions placed on the grant as part of a review process prior to the grant
1.17 being issued;

1.18 (ii) any fraud, waste, or abuse concerns associated with grant performance; and

1.19 (iii) the reason for early termination of the grant;

1.20 (4) the status of the capital project;

1.21 (5) the status of monitoring and financial reconciliation results;

2.1 (6) any significant changes that arose during the grant period; and

2.2 (7) the status of any financial or audit concerns involving the grantee.

2.3 Subd. 2. **Closeout evaluation information.** The commissioner must make closeout

2.4 evaluations described in subdivision 1 available for review by other state entities upon

2.5 request.

2.6 **EFFECTIVE DATE.** This section is effective August 1, 2023.