

SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION

S.F. No. 1354

(SENATE AUTHORS: WEBER)

DATE	D-PG	OFFICIAL STATUS
02/22/2021	497	Introduction and first reading Referred to Finance
02/25/2021	584a	Comm report: To pass as amended
	589	Second reading
03/08/2021	737a	Special Order: Amended Motion did not prevail to lay on table Laid on table
	741	Taken from table
	741	Third reading Passed

1.1 A bill for an act

1.2 relating to public safety; establishing a law enforcement operations account and

1.3 aid program to reimburse local governments for expenses incurred in responding

1.4 to unplanned or extraordinary public safety events; delaying the effective date for

1.5 enacted changes related to police use of deadly force; restricting the definition of

1.6 state-declared disasters to exclude civil disorder; transferring money; appropriating

1.7 money; amending Minnesota Statutes 2020, section 12B.15, subdivision 5; Laws

1.8 2020, Second Special Session chapter 1, sections 9; 10; proposing coding for new

1.9 law in Minnesota Statutes, chapter 299A.

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

1.11 Section 1. Minnesota Statutes 2020, section 12B.15, subdivision 5, is amended to read:

1.12 Subd. 5. **Disaster.** "Disaster" means any catastrophe, including but not limited to a

1.13 tornado, storm, high water, wind-driven water, tidal wave, earthquake, volcanic eruption,

1.14 landslide, mudslide, snowstorm, or drought or, regardless of cause, any fire, flood, or

1.15 explosion. A disaster does not include a catastrophe caused by civil disorder, as defined in

1.16 section 609.669, subdivision 2.

1.17 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2020.

1.18 Sec. 2. **[299A.85] LAW ENFORCEMENT OPERATIONS ACCOUNT; PUBLIC**

1.19 **SAFETY REIMBURSEMENT FOR EXTRAORDINARY OR UNPLANNED**

1.20 **INCIDENTS.**

1.21 Subdivision 1. **Purpose.** This section establishes a state public aid program to provide

1.22 cost-sharing assistance through reimbursement to local governments during extraordinary

1.23 or unplanned public safety events that exhaust available local resources, including mutual

2.1 aid, where a local or state emergency is declared and where the extraordinary expenses are
2.2 not covered by other federal and state disaster assistance programs.

2.3 Subd. 2. **Definitions.** (a) For purposes of this section, the terms in this subdivision have
2.4 the meanings given.

2.5 (b) "Applicant" means a tribal or local entity located within Minnesota or a state, tribal,
2.6 or local entity located outside of Minnesota that applies for reimbursement under this section.

2.7 (c) "Backfill" means personnel costs incurred by a sending jurisdiction related to replacing
2.8 personnel who have been sent to the receiving jurisdiction.

2.9 (d) "Commissioner" means the commissioner of public safety.

2.10 (e) "Department" means the Department of Public Safety.

2.11 (f) "Incident period" means the period from the onset of the response to a public safety
2.12 event until mutual aid is no longer necessary.

2.13 (g) "Mutual aid" means aid rendered to, and at the request of, one state, tribal, or local
2.14 entity by another state, tribal, or local entity.

2.15 (h) "Public safety event" means an unplanned or extraordinary event or series of events:

2.16 (1)(i) that exhausts available local resources;

2.17 (ii) where life or property are endangered and local resources are inadequate to handle
2.18 the situation;

2.19 (iii) that requires mutual aid; and

2.20 (iv) where a state emergency is declared pursuant to section 12.31 or a local emergency
2.21 is declared pursuant to section 12.29; or

2.22 (2) where the State Patrol makes a specific request for assistance from a local unit of
2.23 government to support the State Patrol at a facility owned by state government, including
2.24 but not limited to the State Capitol.

2.25 (i) "Receiving jurisdiction" means a state, tribal, or local entity that is requesting resources
2.26 to respond to the public safety event.

2.27 (j) "Reimbursement panel" means the panel of sheriffs created under subdivision 5.

2.28 (k) "Sending jurisdiction" means a state, tribal, or local entity that is sending resources
2.29 to respond to the public safety event.

3.1 Subd. 3. Law enforcement operations account; appropriation. A law enforcement
3.2 operations account is created in the special revenue fund in the state treasury, consisting of
3.3 money deposited, donated, allotted, transferred, or otherwise provided to the account. Money
3.4 in the law enforcement operations account is appropriated to the commissioner to provide
3.5 reimbursement and management costs under this section. Money appropriated under this
3.6 subdivision may be spent only for a reimbursement recommended by the reimbursement
3.7 panel and for the expenses authorized under subdivision 12.

3.8 Subd. 4. Eligibility criteria; considerations. (a) Costs eligible for reimbursement under
3.9 this section are those costs associated with a public safety event incurred during the incident
3.10 period. Eligible costs are limited to:

3.11 (1) overtime costs;

3.12 (2) logistical needs, including food and lodging;

3.13 (3) incidental supplies necessary to aid in the response;

3.14 (4) backfill personnel costs incurred by a sending jurisdiction;

3.15 (5) damaged or destroyed equipment costs incurred by a sending jurisdiction;

3.16 (6) costs associated with emergency management, response and recovery planning,
3.17 mitigation of public health threats posed by the public safety event, and costs associated
3.18 with development of mitigation methods within the affected community; and

3.19 (7) indemnifying a sending jurisdiction, if indemnification is required by law, judicial
3.20 order, or agreement between the receiving and sending jurisdictions.

3.21 (b) When emergency personnel of another state render aid in Minnesota pursuant to the
3.22 orders of the governor of their home state, and upon the request of the governor of Minnesota,
3.23 the reimbursement panel may approve reimbursement to reimburse the other state from the
3.24 law enforcement operations account for:

3.25 (1) the compensation paid and actual and necessary travel, subsistence, and maintenance
3.26 expenses of the personnel of the other state while rendering aid as emergency personnel;

3.27 (2) all payments for death, disability, or injury of those personnel incurred in the course
3.28 of rendering that aid; and

3.29 (3) all losses of or damage to supplies and equipment of the other state or a governmental
3.30 subdivision of the other state resulting from the rendering of aid, provided that the laws of
3.31 the other state contain provisions substantially similar to this section.

4.1 (c) If the receiving jurisdiction refused either the commissioner's request to observe the
4.2 public safety event response or the commissioner's offer of advice and counsel, the
4.3 reimbursement panel may deny the applicant's request for reimbursement. A receiving
4.4 jurisdiction is not obligated to follow or implement the commissioner's advice or counsel.
4.5 The reimbursement panel may not deny a receiving jurisdiction's application for
4.6 reimbursement because the receiving jurisdiction did not follow or implement the
4.7 commissioner's advice or counsel.

4.8 (d) Notwithstanding section 466.01, subdivision 6, unless there is a written agreement
4.9 to the contrary, emergency response personnel retain their employment status with their
4.10 sending jurisdiction and have the same powers, duties, rights, privileges, and immunities
4.11 as if they were performing like service in the sending jurisdiction.

4.12 Subd. 5. **Reimbursement panel.** (a) A reimbursement panel is established to evaluate
4.13 and make binding recommendations on reimbursement requests from the law enforcement
4.14 operations account.

4.15 (b) The panel shall consist of the commissioner of public safety, two sheriffs and one
4.16 alternate sheriff selected by the 87 sheriffs through a process created by the Minnesota
4.17 Sheriffs' Association, and two police chiefs and one alternate police chief selected by the
4.18 Minnesota Chiefs of Police Association. The selected sheriffs and police chiefs must represent
4.19 the geographic and population diversity among the state's counties, but no more than one
4.20 sheriff shall serve a county with a population greater than 500,000 and no more than one
4.21 police chief shall serve a city with a population greater than 50,000.

4.22 (c) A reimbursement panel member may not participate in deliberations regarding
4.23 potential reimbursements to the agency the member represents. In this event, the alternate
4.24 for the member shall assume the member's duties.

4.25 Subd. 6. **Reimbursement rates.** To the extent funds are available in the law enforcement
4.26 operations account, the reimbursement panel shall authorize reimbursement of eligible costs
4.27 pursuant to the following reimbursement rates:

4.28 (1) receiving jurisdiction applicants shall receive 75 percent of eligible costs submitted
4.29 for reimbursement; and

4.30 (2) sending jurisdiction applicants shall receive 100 percent of eligible costs submitted
4.31 for reimbursement.

4.32 Subd. 7. **Reimbursement process.** (a) The commissioner must develop application
4.33 materials for reimbursement and may update the materials as needed. Application materials

5.1 must include instructions and requirements for assistance under this section. These application
5.2 materials are not subject to the rulemaking requirements under chapter 14.

5.3 (b) An applicant has 90 days from the end of the incident period to request reimbursement
5.4 from the law enforcement operations account. The reimbursement panel may deny a late
5.5 request. The applicant's request must include:

5.6 (1) the cause, location of the public safety event, and incident period;

5.7 (2) documentation of a local, tribal, county, or state emergency declaration in response
5.8 to the public safety event; and

5.9 (3) a description of eligible expenses incurred by the applicant.

5.10 (c) An applicant may submit additional supporting documentation for up to 60 days after
5.11 the reimbursement panel's acceptance of the initial request for reimbursement.

5.12 (d) The reimbursement panel shall review the application and supporting documentation
5.13 for completeness and may return the application with a request for more detailed information
5.14 or correction of deficiencies. The reimbursement panel may consult with appropriate
5.15 governmental officials to ensure the application reflects the extent and magnitude of the
5.16 public safety event and to reconcile any differences. The application is not complete until
5.17 the reimbursement panel receives all requested information.

5.18 (e) If the reimbursement panel returns an application with a request for more detailed
5.19 information or for correction of deficiencies, the applicant must resubmit the application
5.20 with all required information within 30 days of the applicant's receipt of the reimbursement
5.21 panel's request. The applicant's failure to provide the requested information in a timely
5.22 manner without a reasonable explanation may be cause for denial of the application.

5.23 (f) The reimbursement panel must approve or deny an application within 60 days of
5.24 receipt of a complete application or the application is deemed approved. If the reimbursement
5.25 panel approves an application or the application is automatically deemed approved after 60
5.26 days, the reimbursement panel must provide written notification to the applicant. If the
5.27 reimbursement panel denies an application, the reimbursement panel must provide written
5.28 notice to the applicant of the denial and the appeal process.

5.29 Subd. 8. **Appeal process.** (a) An applicant must submit to the reimbursement panel
5.30 completed claims for payment of actual and eligible costs on forms provided by the
5.31 commissioner. All eligible costs claimed for payment must be documented and consistent
5.32 with the eligibility provisions of this section.

6.1 (b) If the reimbursement panel denies an applicant's claim for payment, the applicant
6.2 has 30 days from receipt of the reimbursement panel's determination to appeal in writing
6.3 to the reimbursement panel. The appeal must include the applicant's rationale for reversing
6.4 the reimbursement panel's determination. The reimbursement panel has 30 days from receipt
6.5 of the appeal to uphold or modify the reimbursement panel's determination and formally
6.6 respond to the applicant. If no written request for appeal is received, the determination is
6.7 final. If the applicant's appeal to the reimbursement panel is denied, the applicant may appeal
6.8 the decision to the Legislative Coordinating Commission.

6.9 Subd. 9. **Closeout of application.** The reimbursement panel must close out an applicant's
6.10 reimbursement application after all of the following occur:

6.11 (1) the applicant receives the final amount due;

6.12 (2) the applicant repays any amount recovered for eligible costs from another source
6.13 after receiving payment under this section; and

6.14 (3) any scheduled audits are complete.

6.15 Subd. 10. **Audit.** (a) An applicant must account for all funds received under this section
6.16 in conformance with generally accepted accounting principles and practices. The applicant
6.17 must maintain detailed records of expenditures to show that grants received under this
6.18 section were used for the purpose for which the payment was made. The applicant must
6.19 maintain records for five years and make the records available for inspection and audit by
6.20 the reimbursement panel or the state auditor. The applicant must keep all financial records
6.21 for five years after the final payment, including but not limited to all invoices and canceled
6.22 checks or bank statements that support all eligible costs claimed by the applicant.

6.23 (b) The state auditor may audit all applicant records pertaining to an application for
6.24 reimbursement or receipt of payment under this section.

6.25 Subd. 11. **Reporting reimbursement payments.** The commissioner shall post on the
6.26 department's website a list of the recipients and amounts of the reimbursement payments
6.27 made under this section.

6.28 Subd. 12. **Management costs.** The department may be reimbursed from the law
6.29 enforcement operations account an amount of not more than 2.5 percent of the grant values
6.30 as management costs. Management costs include indirect costs, direct administrative costs,
6.31 and other administrative expenses associated with the public safety event.

6.32 Subd. 13. **Funding from other sources; repayment required.** If an applicant recovers
6.33 eligible costs from another source after receiving payment under this section, the applicant

7.1 must pay the department within 30 days an amount equal to the corresponding state funds
7.2 received. The commissioner must deposit any repayment into the law enforcement operations
7.3 account.

7.4 **EFFECTIVE DATE; EXPIRATION.** This section is effective the day following final
7.5 enactment and expires on June 30, 2023.

7.6 Sec. 3. Laws 2020, Second Special Session chapter 1, section 9, the effective date, is
7.7 amended to read:

7.8 **EFFECTIVE DATE.** This section is effective ~~March~~ September 1, 2021.

7.9 **EFFECTIVE DATE.** This section is effective retroactively from March 1, 2021.

7.10 Sec. 4. Laws 2020, Second Special Session chapter 1, section 10, the effective date, is
7.11 amended to read:

7.12 **EFFECTIVE DATE.** This section is effective ~~March~~ September 1, 2021.

7.13 **EFFECTIVE DATE.** This section is effective retroactively from March 1, 2021.

7.14 Sec. 5. **LAW ENFORCEMENT OPERATIONS ACCOUNT; TRANSFER.**

7.15 \$20,000,000 in fiscal year 2021 is transferred from the general fund to the law
7.16 enforcement operations account in the special revenue fund created in Minnesota Statutes,
7.17 section 299A.85. This is a onetime transfer. The money in the law enforcement operations
7.18 account is available until June 30, 2023. Any money not used by June 30, 2023, is canceled
7.19 to the general fund.

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