

HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 3001

03/14/2016 Authored by Loonan; Knoblach; Carlson; Anderson, S., and Torkelson
The bill was read for the first time and referred to the Committee on State Government Finance
03/30/2016 Adoption of Report: Re-referred to the Committee on Ways and Means
04/06/2016 Adoption of Report: Placed on the General Register
Read Second Time

1.1 A bill for an act
1.2 relating to state government; requiring disclosure of federal penalties relating
1.3 to purchase or sale of state bonds; proposing coding for new law in Minnesota
1.4 Statutes, chapter 16A.

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

1.6 Section 1. [16A.6415] FEDERAL PENALTIES RELATING TO PURCHASE
1.7 OR SALE OF STATE BONDS.

1.8 (a) The commissioner must disclose to the legislative auditor any situation that the
1.9 commissioner believes potentially could subject the state or a state agency to payment of a
1.10 penalty to the federal government in connection with the purchase or sale of bonds issued
1.11 by the state. This disclosure must be made within ten days of the commissioner learning
1.12 of the situation that has potential to subject the state to a federal penalty.

1.13 (b) Payment of a penalty to the federal government in connection with the purchase
1.14 or sale of state bonds issued by the state must be made from funds appropriated for general
1.15 operations of the department. If the commissioner determines that it is not feasible to pay
1.16 the penalty from these funds, the commissioner may seek approval under the process in
1.17 section 3.30 for use of contingent account appropriations.

1.18 (c) The commissioner must disclose to the legislative auditor and to the chairs and
1.19 ranking minority members of the house of representatives Ways and Means Committee,
1.20 senate Finance Committee, and house of representatives and senate committees with
1.21 jurisdiction over capital investment the payment of a penalty by the commissioner or a
1.22 state agency to the federal government in connection with the purchase or sale of bonds
1.23 issued by the state. A disclosure under this paragraph must be made within ten days of the
1.24 commissioner or a state agency paying the penalty.