

SENATE  
STATE OF MINNESOTA  
EIGHTY-SEVENTH LEGISLATURE

S.F. No. 1789

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DATE	D-PG	OFFICIAL STATUS
02/13/2012	3794	Introduction and first reading Referred to Finance

A bill for an act  
relating to finance; repealing statutory appropriations of federal funds;  
appropriating certain federal funds received for emergency management  
purposes; amending Minnesota Statutes 2010, sections 4.07, subdivision 3;  
12.22, subdivision 1; 116.03, subdivision 3; 116J.035, subdivisions 1, 6;  
136A.06; repealing Minnesota Statutes 2010, section 3.3005.  
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2010, section 4.07, subdivision 3, is amended to read:

Subd. 3. **Federal and state law; appropriation of funds.** The governor or any  
state department or agency designated by the governor shall comply with any and all  
requirements of federal law and any rules and regulations promulgated thereunder to  
enable the application for, the receipt of, and the acceptance of such federal funds. The  
expenditure of any such funds received shall be governed by the laws of the state except  
insofar as federal requirements may otherwise provide. All such money received by  
the governor or any state department or agency designated by the governor for such  
purpose shall be deposited in the state treasury ~~and, subject to section 3.3005, are hereby~~  
~~appropriated annually in order to enable the governor or the state department or agency~~  
~~designated by the governor for such purpose to carry out the purposes for which the funds~~  
~~are received. None of such~~ Federal money ~~so~~ deposited in the state treasury under this  
subdivision shall not cancel and they shall be available for expenditure after appropriation  
and in accordance with the requirements of federal law.

Sec. 2. Minnesota Statutes 2010, section 12.22, subdivision 1, is amended to read:

Subdivision 1. **Federal aid.** Whenever the federal government, or an agency or  
officer of the federal government, offers to the state, or through the state to any political

subdivision of the state, services, equipment, supplies, materials, or funds by way of gift, grant or loan, for the purposes of emergency management, the state, acting through the governor, or the political subdivision, acting with the consent of the governor and through its governing body, may accept the offer and then may authorize an officer of the state or of the political subdivision, as the case may be, to receive the services, equipment, supplies, materials, or funds on behalf of the state or the political subdivision and subject to the terms of the offer and the rules, if any, of the agency making the offer. Money received by the governor or any state agency under this subdivision is appropriated to the state agency receiving the funds to carry out the emergency management purposes for which the money is received. However, no money or other funds may be accepted or received as a loan nor any indebtedness incurred except as provided by law.

Sec. 3. Minnesota Statutes 2010, section 116.03, subdivision 3, is amended to read:

Subd. 3. **Federal funds.** The commissioner of the Pollution Control Agency is the state agent to apply for, receive, and disburse federal funds made available to the state by federal law or rules and regulations promulgated thereunder for any purpose related to the powers and duties of the Pollution Control Agency or the commissioner. The commissioner shall comply with any and all requirements of such federal law or such rules and regulations promulgated thereunder to facilitate application for, receipt, and disbursement of such funds. All such moneys received by the commissioner shall be deposited in the state treasury ~~and are hereby annually appropriated to the commissioner for the purposes for which they are received. None of such moneys~~ Federal money deposited in the state treasury under this subdivision shall not cancel and they shall be available for expenditure after appropriation and in accordance with the requirements of federal law.

~~The provisions of section 3.3005 shall not apply to money available under the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, United States Code, title 42, sections 9601 to 9657, for which a state match is not required or for which a state match is available under the Environmental Response and Liability Act or from a political subdivision. The receipt of the money shall be reported to the Legislative Advisory Commission.~~

Sec. 4. Minnesota Statutes 2010, section 116J.035, subdivision 1, is amended to read:

Subdivision 1. **Powers.** (a) The commissioner may:

(1) apply for, receive, and expend money from municipal, county, regional, and other government agencies;

(2) apply for, accept, and disburse grants and other aids from other public or private sources;

(3) contract for professional services if such work or services cannot be satisfactorily performed by employees of the department or by any other state agency;

(4) enter into interstate compacts to jointly carry out such research and planning with other states or the federal government where appropriate;

(5) distribute informational material at no cost to the public upon reasonable request; and

(6) enter into contracts necessary for the performance of the commissioner's duties with federal, state, regional, metropolitan, local, and other agencies or units of government; educational institutions, including the University of Minnesota. Contracts made pursuant to this section shall not be subject to the competitive bidding requirements of chapter 16C.

(b) The commissioner may apply for, receive, and expend money made available from federal or other sources for the purpose of carrying out the duties and responsibilities of the commissioner pursuant to this chapter.

(c) All moneys received by the commissioner pursuant to this chapter shall be deposited in the state treasury ~~and, subject to section 3.3005,~~ All moneys from any source other than the federal government are appropriated to the commissioner for the purpose for which the moneys have been received. The money shall not cancel and shall be available until expended.

Sec. 5. Minnesota Statutes 2010, section 116J.035, subdivision 6, is amended to read:

Subd. 6. **Receipt of gifts, money; appropriation.** (a) The commissioner may:

(1) apply for, accept, and disburse gifts, bequests, grants, payments for services, loans, or other property from the United States, the state, private foundations, or any other source;

(2) enter into an agreement required for the gifts, grants, or loans; and

(3) hold, use, and dispose of its assets according to the terms of the gift, grant, loan, or agreement.

(b) Money received by the commissioner under this subdivision must be deposited in a separate account in the state treasury and invested by the State Board of Investment. Except for federal funds, the amount deposited, including investment earnings, is appropriated to the commissioner to carry out duties under this section.

Sec. 6. Minnesota Statutes 2010, section 136A.06, is amended to read:

**136A.06 FEDERAL FUNDS.**

The Minnesota Office of Higher Education is designated the state agency to apply for, receive, accept, and disburse to both public and private institutions of higher education all federal funds which are allocated to the state of Minnesota to support higher education programs, construction, or other activities and which require administration by a state higher education agency under the Higher Education Facilities Act of 1963, and any amendments thereof, the Higher Education Act of 1965, and any amendments thereof, and any other law which provides funds for higher education and requires administration by a state higher education agency as enacted or may be enacted by the Congress of the United States; provided that no commitment shall be made that shall bind the legislature to make appropriations beyond current allocations of funds. The office may apply for, receive, accept, and disburse all administrative funds available to the office for administering federal funds to support higher education programs, construction, or other activities. The office also may apply for, receive, accept, and disburse any research, planning, or program funds which are available for purposes consistent with the provisions of this chapter. In making application for and administering federal funds the office may comply with any and all requirements of federal law and federal rules and regulations to enable it to receive and accept such funds. The expenditure of any such funds received shall be governed by the laws of the state, except insofar as federal regulations may otherwise provide. The office may contract with both public and private institutions in administering federal funds, and such contracts shall not be subject to the provisions of chapter 16C. ~~All such Money received by the office under this section shall be deposited in the state treasury and, subject to section 3.3005, are hereby appropriated to it annually for the purpose for which such funds are received. None of such moneys~~ Federal funds deposited in the state treasury under this section shall not cancel but shall be available until expended after appropriation.

**Sec. 7. REPEALER.**

Minnesota Statutes 2010, section 3.3005, is repealed.

**Sec. 8. EFFECTIVE DATE.**

Sections 1 to 7 are effective July 1, 2012.