

Sec. 17. Minnesota Statutes 1976, Section 136.55, Subdivision 2, is amended to read:

Subd. 2. All amounts so allocated shall be deposited in an annuity account which is hereby established in the state treasury. There is annually appropriated from the annuity account in the state treasury to the state university board all moneys deposited therein for the payment of annuity premiums when due or for other application in accordance with the salary agreement entered into between the employee and the state university board. The moneys in the annuity account in the state treasury are not subject to the budget, allotment, and incumbrance system provided for in ~~Minnesota Statutes~~, chapter ~~46~~ 16A, and any act amendatory thereof.

Sec. 18. Minnesota Statutes 1976, Chapter 243, is amended by adding a section to read:

[243.465] DIVERSIFIED LABOR ACCOUNTS. Money received in payment for the services of inmate labor employed in the industries carried on at the state reformatory, state reformatory for women, and state prison is appropriated to the commissioner of corrections to be added to the current expense funds of these institutions. The commissioner of corrections may set aside a portion of the current expense fund of any state institution to be used as a diversified labor account for the introduction and encouragement of industries that in his judgment may be beneficial to the inmates of the institutions.

Sec. 19. **REPEALER.** Minnesota Statutes 1976, Sections 16.02, Subdivision 21; 16.026, Subdivision 5; 16A.05; and Laws 1945, Chapter 575, Sections 19 and 21, are repealed.

Sec. 20. **EFFECTIVE DATE.** This act is effective July 1, 1977.

Approved June 2, 1977.

CHAPTER 411—H.F.No.1052

[Coded in Part]

An act relating to human services; providing grants to plan and organize human services programs; requiring notification of affected state agencies; requiring certain membership on advisory councils; promulgating rules; providing for auditing of funds; giving additional powers to the state planning officer; appropriating money; amending Minnesota Statutes 1976, Sections 402.01, by adding a subdivision; 402.02, Subdivisions 1 and 2; 402.03; 402.04, Subdivision 1; 402.05; and 402.06; repealing Minnesota Statutes 1976, Sections 402.08 and 402.09.

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

Section 1. Minnesota Statutes 1976, Section 402.02, Subdivision 1, is amended to

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read:

402.02 HUMAN SERVICES; FUNDING OF PROGRAMS; LOCAL BOARDS; COMPOSITION; POWERS; FUNDING. Subdivision 1. Human services ~~regional commissions~~ boards shall be composed as follows:

(a) Not less than one county commissioner from each county party to the agreement, the commissioner or commissioners to be selected by the county board of the participating county; and

(b) Optional citizen members who in number shall not comprise ~~not less~~ more than one-third of the membership of the human services ~~regional commission board~~, one of whom shall be the chairman of the human services advisory committee, appointed in a manner determined by the county boards which are party to the agreement.

~~Regional commission Board~~ members shall serve for terms of three years, so arranged that as nearly as practicable, the terms of one-third of the members shall expire each year. Vacancies shall be filled in the same manner as original appointments.

Sec. 2. Minnesota Statutes 1976, Section 402.02, Subdivision 2, is amended to read:

Subd. 2. A human services ~~regional commission board~~ shall possess all the powers and duties now assigned by law to:

(a) Manage the existing public resources devoted to human services delivered or purchased by the counties, which are subsidized or regulated by the departments of corrections, health, and public welfare;

(b) *Employ staff to carry out the purposes of sections 402.01 to 402.10;*

(c) Deliver services directly, or through contract with other governmental or nongovernmental providers;

(d) Develop a plan for the delivery of human services, which shall include ~~court corrections~~ services, public health services, public assistance, mental retardation services, social services, mental health services, and others of similar classification, and shall show evidence of participation in the development of the plan by major private sector providers of related services;

(e) ~~Receive and expend for the purposes of sections 402.01 to 402.10 funds from the departments of corrections, health and public welfare, or from any other lawful source, including any governmental source~~ Perform all clerical and accounting functions for the receipt and expenditure of funds for the purposes of sections 402.01 to 402.10;

(f) Rent and purchase property and equipment;

(g) Existing county health boards, county welfare boards, and area mental health boards; ; and

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(h) If a single county has been authorized to establish a county welfare board composed solely of county commissioners, the board of commissioners is authorized to assume the responsibilities and duties of human services boards pursuant to this chapter, notwithstanding any other provision herein to the contrary relating to membership of the human services board.

Sec. 3. Minnesota Statutes 1976, Section 402.03, is amended to read:

402.03 ADVISORY COMMITTEE. Each human services ~~regional commission board~~ shall appoint an advisory committee, which shall actively participate in the formulation of the plan for the development, implementation and operation of the programs and services by the ~~regional commission board~~, and shall make a formal recommendation to the ~~regional commission board~~ at least annually concerning the annual budget of the ~~regional commission board~~ and the implementation of the plan during the ensuing year.

Membership on the advisory committee shall consist of no more than 25 persons serving ~~three two~~ year terms not to exceed three consecutive terms. The chairman shall be appointed by the human services ~~regional commission board~~ and may not be a member of a county board.

One-third of the members of the advisory committee shall be representatives of those persons receiving services provided by the human services ~~regional commission board~~. Up to one-third may be providers or employees of providers of services and must include representatives of private providers if such providers exist in the county or counties party to the agreement. One member shall be a member of the advisory committee established pursuant to section 145.913, subdivision 3, if any. One member shall be a member of the corrections advisory board established pursuant to section 401.08, if any. The remaining members shall represent the citizens of the counties.

The advisory committee shall appoint at least three permanent task forces to assist it in its functions: Corrections, social and mental health services, and public health.

Task force membership shall be constituted to fulfill state agency requirements for receiving categorical funds. Where appropriately constituted, these task forces may replace those advisory bodies required by statute and regulation to advise county welfare boards and other county and area boards. Individuals not members of the advisory committee may be appointed to the task forces; provided, however, that each task force shall be chaired by a member of the advisory committee.

The human services ~~regional commission board~~ shall provide staff assistance to the advisory committee.

Sec. 4. Minnesota Statutes 1976, Section 402.04, Subdivision 1, is amended to read:

402.04 DELEGATION OF FUNCTIONS; FINANCIAL AID; STANDARDS; REPORTS. Subdivision 1. ~~During the biennium ending June 30, 1975;~~ The commissioner of corrections, state board of health, and commissioner of public welfare may, without

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reference to the provisions of chapter 15, delegate any duty, authority, or responsibility vested in their respective departments relative to any program or service presently provided by the state, to any human services ~~regional commission board~~ which has in effect an approved plan for the affected program or service. The authority granted under this section shall include the authority to transfer to a human services ~~regional commission board~~ that portion of any unexpended appropriation which represents a saving to the department concerned by virtue of the assumption by the ~~regional commission board~~ of the duty, authority, or responsibility so delegated. No state employee shall be involuntarily terminated from employment by any action under this section.

Sec. 5. Minnesota Statutes 1976, Section 402.05, is amended to read:

402.05 **EMPLOYEES.** Subdivision 1. All persons employed by a county, whose functions are assumed by a human services ~~regional commission board~~, shall continue as employees of the ~~regional commission board~~ without loss in seniority, status, or benefits; ~~and subject to any. Personnel administration for the employees shall be in compliance with the federal merit or civil service system standard for a merit system of personnel administration.~~

Subd. 2. Not later than ~~30~~ 365 days after approval of the initial human services ~~regional commission board~~ plan and budget by affected state agencies pursuant to section 402.06 any county board, committee or commission having authorities or duties in the areas designated in section 402.02, subdivision 2, ~~clause (d)~~ shall cease its operation and no per diem or reimbursement of expenses shall be paid to any member of the board, committee or commission.

Subd. 3. Each member of the human services ~~regional commission board~~ may receive a per diem and be reimbursed expenses in the performance of official duties in the amount and within the limitations as are members of county welfare boards provided in section ~~393.03~~.

Sec. 6. Minnesota Statutes 1976, Section 402.01, is amended by adding a subdivision to read:

Subd. 3. Counties intending to designate a human services board, pursuant to subdivision 1, may send written notification to each state agency that will be affected, stating the intent to organize and develop a human services board. After the notification, the county board or county boards may act jointly under the provisions of chapter 402 for a period not to exceed six months from the date of the notification. The county board or county boards are eligible for planning grants, not to exceed \$25,000, as may be available to develop human services programs. Applications for grants shall be made on forms approved by the state planning officer.

Sec. 7. Minnesota Statutes 1976, Section 402.06, is amended to read:

402.06 **IMPLEMENTATION.** Subdivision 1. Upon the designation as a human services regional commission; the regional commission shall transmit copies of the
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agreement documents to each affected state agency; the regional development commission, if established; and the governor. Each state agency affected department by action taken pursuant to section 402.01, shall assign personnel to assist the regional commission board in preparing its organization and initial plan for receipt of operating funds. Within six months of its creation, each human services regional commission board shall present its initial plan and budget to affected state agencies, which shall review and approve or reject the plan in writing within 60 days of its receipt.

Prior to adoption of the plan by the human services regional commission board there shall be a public hearing on the plan. As far as practicable, the human services regional commission board shall annually publish or otherwise circulate notice of its proposed plan and afford interested persons opportunity to submit data or views orally or in writing.

Subd. 2. After the initial planning period and upon the designation of a human services board, the board shall transmit copies of the agreement documents to each affected state agency, the regional development commission and the governor.

Two or more counties organizing a human services board pursuant to section 402.01, and which have completed the planning and approval process required in subdivision 1, may apply to the commissioner of administration for an implementation grant, not to exceed \$75,000, for a period of one year. Applications for grants shall be made on forms approved by the state planning officer.

Sec. 8. [402.095] REPORTS TO LEGISLATURE. The state planning agency shall report to the legislature not later than January 1 of each legislative session on the experience of human services boards established pursuant to this act. The report shall include an assessment of the effect of establishment of human services boards on the cost and quality of services provided.

Sec. 9. In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall substitute the words "human services board" for the words "human services regional commission" wherever they appear. In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall substitute the word "board" for the term "regional commission" wherever they appear in Minnesota Statutes, Chapter 402.

Sec. 10. [402.065] BUDGET, LEVY; AUDIT. On or before the first day of July each year the human services board shall submit to each county board of commissioners participating in the human services board an estimate of the amount needed by it to perform its duties, including expenses of administration, and, if approved, each county shall levy a tax as provided by law for these purposes. In the event the estimate is not approved, each county board of commissioners participating in the human services board shall confer with the human services board, develop a budget and levy a tax for the amount required. The state auditor shall audit the books and accounts of the human services board once each year. The human services board shall pay to the state the total cost and expenses of the examination, including the salaries paid to auditors while actually engaged in making the examination. The revolving fund of the state auditor shall be credited with all collections made for any examination.

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Sec. 11. [402.045] FUNCTION OF STATE PLANNING OFFICER. The state planning officer shall have authority for human services development. He may appoint professional and clerical staff as he deems necessary. The positions shall be established in the unclassified civil service pursuant to section 43.05, for a period not to exceed two years.

Sec. 12. [402.046] REPOSITORY OF ORIGINAL FILES; CONTINUATION OF ADMINISTRATIVE FUNCTION. The state planning officer shall be the repository for all files, reports, documents, information and property acquired by or otherwise considered the property of the office of human services created pursuant to Laws 1975, Chapter 434, Section 2, Subdivision 24, except property which was loaned by other state agencies. The state planning officer shall assume ongoing or continuing duties of the office of human services, including, but not limited to:

(1) Support for the development of human services boards created pursuant to Minnesota Statutes, Chapter 402, and ongoing technical assistance to the boards;

(2) Disbursement and monitoring grants pursuant to sections 402.01, clause (3), and 402.06, clause (2);

(3) Receiving and coordinating the review of annual plans required by section 402.06; and

(4) Cooperating with other state departments and agencies in assisting local human services integration projects. Any unexpended funds from the appropriation established pursuant to Laws 1975, Chapter 434, Section 2, Subdivision 24, shall not cancel and shall be reappropriated for the purposes of this section.

Sec. 13. Minnesota Statutes 1976, Sections 402.08 and 402.09, are repealed.

Sec. 14. This act shall be effective July 1, 1977.

Approved June 2, 1977.

CHAPTER 412—H.F.No.1054

[Coded in Part]

An act relating to welfare; aid to families with dependent children; changing certain eligibility qualifications; amending Minnesota Statutes 1976, Sections 256.73, Subdivisions 1, 2, 4, and by adding subdivisions; and 256.79.

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

Section 1. Minnesota Statutes 1976, Section 256.73, Subdivision 1, is amended to read:

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