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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 388

01/26/2015 Authored by Barrett, Quam, Drazkowski, Runbeck, Lucero and others

The bill was read for the first time and referred to the Committee on Government Operations and Elections Policy

1.1 A bill for an act
1.2 relating to state government; requiring certain state grantees to use the federal
1.3 E-Verify program; amending Minnesota Statutes 2014, sections 16B.98,
1.4 subdivision 5; 16C.075.

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

1.6 Section 1. Minnesota Statutes 2014, section 16B.98, subdivision 5, is amended to read:

1.7 Subd. 5. **Creation and validity of grant agreements.** (a) A grant agreement is
1.8 not valid and the state is not bound by the grant unless:

1.9 (1) the grant has been executed by the head of the agency or a delegate who is
1.10 party to the grant;

1.11 (2) the accounting system shows an encumbrance for the amount of the grant in
1.12 accordance with policy approved by the commissioner except as provided in subdivision
1.13 11; and

1.14 (3) the grant agreement includes an effective date that references either section
1.15 16C.05, subdivision 2, or 16B.98, subdivisions 5 and 7, as determined by the granting
1.16 agency.

1.17 (b) The combined grant agreement and amendments must not exceed five years
1.18 without specific, written approval by the commissioner according to established policy,
1.19 procedures, and standards, or unless the commissioner determines that a longer duration is
1.20 in the best interest of the state.

1.21 (c) A fully executed copy of the grant agreement with all amendments and other
1.22 required records relating to the grant must be kept on file at the granting agency for a time
1.23 equal to that required of grantees in subdivision 8.

2.1 (d) Grant agreements must comply with policies established by the commissioner
2.2 for minimum grant agreement standards and practices.

2.3 (e) The attorney general may periodically review and evaluate a sample of state
2.4 agency grants to ensure compliance with applicable laws.

2.5 (f) A grant agreement valued in excess of \$50,000, other than a capital project grant
2.6 to a political subdivision, must require certification that the grantee has implemented or is
2.7 in the process of implementing the federal E-Verify program for all newly-hired employees
2.8 in the United States who will be paid in whole or in part with funds under the grant. For a
2.9 capital project grant to a political subdivision, the grant agreement must require that the
2.10 prime contractor for work valued in excess of \$50,000 must have implemented the federal
2.11 E-Verify program for all newly-hired employees. If an employer is in the process of
2.12 implementing the federal E-Verify program at the time of entering into a grant agreement
2.13 or contract that is subject to this section, the employer must verify enrollment in the
2.14 federal E-Verify program within 30 days of entering into the agreement or contract.

2.15 **EFFECTIVE DATE.** This section is effective July 1, 2015, and applies to a grant
2.16 agreement entered into on or after that date.

2.17 Sec. 2. Minnesota Statutes 2014, section 16C.075, is amended to read:

2.18 **16C.075 E-VERIFY.**

2.19 A contract for services valued in excess of \$50,000 must require certification from
2.20 the vendor and any subcontractors that, as of the date services on behalf of the state of
2.21 Minnesota will be performed, the vendor and all subcontractors have implemented or are
2.22 in the process of implementing the federal E-Verify program for all newly hired employees
2.23 in the United States who will perform work on behalf of the state of Minnesota. If an
2.24 employer is in the process of implementing the federal E-Verify program at the time of
2.25 entering into a contract that is subject to this section, the employer must verify enrollment
2.26 in the federal E-Verify program within 30 days of entering into the contract. This section
2.27 does not apply to contracts entered into by the State Board of Investment.

2.28 **EFFECTIVE DATE.** This section is effective July 1, 2015, and applies to a contract
2.29 entered into on or after that date.