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State of Minnesota
HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 2977

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The bill was read for the first time and referred to the Committee on Public Safety and Criminal Justice Reform Finance and Policy

1.1 A bill for an act

1.2 relating to public safety; restricting the definition of state-declared disasters to

1.3 exclude civil disorder; establishing a local law enforcement reimbursement account

1.4 and aid program to reimburse local governments and other states for expenses

1.5 incurred in responding to unplanned or extraordinary public safety events;

1.6 transferring money; appropriating money; amending Minnesota Statutes 2020,

1.7 section 12B.15, subdivision 5; proposing coding for new law in Minnesota Statutes,

1.8 chapter 12.

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

1.10 Section 1. **[12.30] LOCAL LAW ENFORCEMENT REIMBURSEMENT ACCOUNT;**

1.11 **PUBLIC SAFETY REIMBURSEMENT FOR EXTRAORDINARY OR UNPLANNED**

1.12 **INCIDENTS.**

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

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

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

1.16 aid, where a local or state emergency is declared and where the extraordinary expenses are

1.17 not covered by other federal and state disaster assistance programs.

1.18 Subd. 2. **Definitions.** (a) For purposes of this section, the terms in this subdivision have

1.19 the meanings given.

1.20 (b) "Applicant" means a Tribal or local entity located within Minnesota that applies for

1.21 reimbursement under this section.

1.22 (c) "Backfill" means personnel costs incurred by a sending jurisdiction related to replacing

1.23 personnel who have been sent to the receiving jurisdiction.

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

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

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

2.4 (g) "Mutual aid" means aid rendered to, and at the request of, one state, Tribal, or local
2.5 entity by another Tribal or local entity.

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

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

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

2.10 (iii) that requires mutual aid; and

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

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

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

2.18 (j) "Reimbursement panel" means the panel created under subdivision 5.

2.19 (k) "Sending jurisdiction" means a Tribal or local entity that is sending resources to
2.20 respond to the public safety event.

2.21 Subd. 3. **Local law enforcement reimbursement account; appropriation.** A local law
2.22 enforcement reimbursement account is created in the special revenue fund in the state
2.23 treasury, consisting of money deposited, donated, allotted, transferred, or otherwise provided
2.24 to the account. Money in the local law enforcement reimbursement account is appropriated
2.25 to the commissioner to provide reimbursement and management costs under this section.
2.26 Money appropriated under this subdivision may be spent only for a reimbursement
2.27 recommended by the reimbursement panel and for the expenses authorized under subdivision
2.28 12.

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

- 3.1 (1) overtime costs;
3.2 (2) logistical needs, including food and lodging;
3.3 (3) incidental supplies necessary to aid in the response;
3.4 (4) backfill personnel costs incurred by a sending jurisdiction; and
3.5 (5) damaged or destroyed equipment costs incurred by a sending jurisdiction.

3.6 (b) A political subdivision that is eligible for reimbursement under section 12.35 is not
3.7 eligible for reimbursement under this section. If an applicant is eligible for reimbursement
3.8 under section 12.35, the reimbursement panel shall deny the application and must provide
3.9 written notice to the applicant of the reason for denial as soon as possible provided that
3.10 notice must be sent within 60 days of receipt of a complete application.

3.11 (c) Notwithstanding section 466.01, subdivision 6, unless there is a written agreement
3.12 to the contrary, emergency response personnel from the sending jurisdiction retain the same
3.13 employment status and have the same powers, duties, rights, privileges, and immunities as
3.14 if the personnel were performing like service in the sending jurisdiction.

3.15 Subd. 5. **Reimbursement panel.** (a) A reimbursement panel is established to evaluate
3.16 and make binding recommendations on reimbursement requests from the local law
3.17 enforcement reimbursement account.

3.18 (b) The panel shall consist of the director of emergency management, two sheriffs and
3.19 one alternate sheriff selected by the 87 sheriffs through a process created by the Minnesota
3.20 Sheriffs' Association, and two police chiefs and one alternate police chief selected by the
3.21 Minnesota Chiefs of Police Association. The selected sheriffs and police chiefs must represent
3.22 the geographic and population diversity among the state's counties, but no more than one
3.23 sheriff shall serve a county with a population greater than 500,000 and no more than one
3.24 police chief shall serve a city with a population greater than 50,000.

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

3.28 Subd. 6. **Reimbursement rates.** To the extent funds are available in the local law
3.29 enforcement reimbursement account, the reimbursement panel shall authorize reimbursement
3.30 of 100 percent of eligible costs submitted for reimbursement by a sending jurisdiction
3.31 applicant.

4.1 Subd. 7. **Reimbursement process.** (a) The commissioner must develop application
4.2 materials for reimbursement and may update the materials as needed. Application materials
4.3 must include instructions and requirements for assistance under this section. These application
4.4 materials are not subject to the rulemaking requirements under chapter 14.

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

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

4.10 (2) documentation of a local, Tribal, county, or state emergency declaration in response
4.11 to the public safety event; and

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

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

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

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

4.26 (f) The reimbursement panel must approve or deny an application within 60 days of
4.27 receipt of a complete application or the application is deemed approved. If the reimbursement
4.28 panel approves an application or the application is automatically deemed approved after 60
4.29 days, the reimbursement panel must provide written notification to the applicant. If the
4.30 reimbursement panel denies an application, the reimbursement panel must provide written
4.31 notice to the applicant of the denial and the appeal process.

4.32 Subd. 8. **Appeal process.** (a) An applicant must submit to the reimbursement panel
4.33 completed claims for payment of actual and eligible costs on forms provided by the

5.1 commissioner. All eligible costs claimed for payment must be documented and consistent
5.2 with the eligibility provisions of this section.

5.3 (b) If the reimbursement panel denies an applicant's claim for payment, the applicant
5.4 has 30 days from receipt of the reimbursement panel's determination to appeal in writing
5.5 to the reimbursement panel. The appeal must include the applicant's rationale for reversing
5.6 the reimbursement panel's determination. The reimbursement panel has 30 days from receipt
5.7 of the appeal to uphold or modify the reimbursement panel's determination and formally
5.8 respond to the applicant. If no written request for appeal is received, the determination is
5.9 final. If the applicant's appeal to the reimbursement panel is denied, the applicant may appeal
5.10 the decision to the Legislative Coordinating Commission.

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

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

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

5.16 (3) any scheduled audits are complete.

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

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

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

5.30 Subd. 12. **Management costs.** The department may be reimbursed from the local law
5.31 enforcement reimbursement account an amount of not more than 2.5 percent of the grant
5.32 values as management costs. Management costs include indirect costs, direct administrative
5.33 costs, and other administrative expenses associated with the public safety event.

6.1 Subd. 13. **Funding from other sources; repayment required.** If an applicant recovers
6.2 eligible costs from another source after receiving payment under this section, the applicant
6.3 must pay the department within 30 days an amount equal to the corresponding state funds
6.4 received. The commissioner must deposit any repayment into the local law enforcement
6.5 reimbursement account.

6.6 **EFFECTIVE DATE.** This section is effective July 1, 2022.

6.7 Sec. 2. Minnesota Statutes 2020, section 12B.15, subdivision 5, is amended to read:

6.8 Subd. 5. **Disaster.** "Disaster" means any catastrophe, including but not limited to a
6.9 tornado, storm, high water, wind-driven water, tidal wave, earthquake, volcanic eruption,
6.10 landslide, mudslide, snowstorm, or drought or, regardless of cause, any fire, flood, or
6.11 explosion. A disaster does not include a catastrophe caused by civil disorder, as defined in
6.12 section 609.669, subdivision 2.

6.13 **EFFECTIVE DATE.** This section is effective July 1, 2022.

6.14 Sec. 3. **LOCAL LAW ENFORCEMENT REIMBURSEMENT ACCOUNT;**
6.15 **TRANSFER.**

6.16 \$10,000,000 in fiscal year 2023 is transferred from the general fund to the local law
6.17 enforcement reimbursement account in the special revenue fund created in Minnesota
6.18 Statutes, section 12.30. This is a onetime transfer.

6.19 **EFFECTIVE DATE.** This section is effective July 1, 2022.