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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. **2267**

03/17/2021

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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; establishing State Aid For Emergencies (SAFE) account

1.3 and aid program to reimburse local governments and state agencies from other

1.4 states for expenses incurred in responding to emergencies; transferring money to

1.5 SAFE account; appropriating money; amending Laws 2020, Second Special Session

1.6 chapter 1, sections 9; 10; proposing coding for new law in Minnesota Statutes,

1.7 chapter 299A.

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

1.9 Section 1. **[299A.85] STATE AID FOR EMERGENCIES (SAFE); PUBLIC SAFETY**

1.10 **REIMBURSEMENT FOR EXTRAORDINARY OR UNPLANNED INCIDENTS.**

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

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

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

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

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

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

1.17 the meanings given.

1.18 (b) "Applicant" means a Tribal government, a local entity, or a state entity from another

1.19 state that applies for reimbursement under this section.

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

1.21 personnel who have been sent to the receiving jurisdiction.

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

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

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

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

(h) "Panel" means the reimbursement panel created in subdivision 5.

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

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

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

(iii) that requires mutual aid; and

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

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

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

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

Subd. 3. State Aid For Emergencies (SAFE) account; appropriation. A State Aid For Emergencies (SAFE) account is created in the special revenue fund in the state treasury, consisting of money deposited, donated, allotted, transferred, or otherwise provided to the account. Money in the SAFE account is annually appropriated to the commissioner to provide reimbursement and management costs under this section.

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

(1) overtime costs;

(2) logistical needs, including food and lodging;

(3) incidental supplies necessary to aid in the response;

(4) backfill personnel costs incurred by a sending jurisdiction;

3.1 (5) damaged or destroyed equipment costs incurred by a sending jurisdiction;

3.2 (6) costs associated with emergency management, response and recovery planning,
3.3 mitigation of public health threats posed by the public safety event, and costs associated
3.4 with development of mitigation methods within the affected community; and

3.5 (7) indemnifying a sending jurisdiction, if indemnification is required by law, judicial
3.6 order, or agreement between the receiving and sending jurisdictions.

3.7 (b) When emergency personnel of another state render aid in Minnesota pursuant to the
3.8 orders of the governor of the personnel's home state, and upon the request of the governor
3.9 of Minnesota, the panel may reimburse the other state from the SAFE account for:

3.10 (1) the compensation paid and actual and necessary travel, subsistence, and maintenance
3.11 expenses of the personnel of the other state while rendering aid as emergency personnel;

3.12 (2) all payments for death, disability, or injury of those personnel incurred in the course
3.13 of rendering that aid; and

3.14 (3) all losses of or damage to supplies and equipment of the other state or a governmental
3.15 subdivision of the other state resulting from the rendering of aid provided that the laws of
3.16 the other state contain provisions substantially similar to this section.

3.17 (c) Minnesota state agencies are ineligible for reimbursement.

3.18 (d) If the receiving jurisdiction refused either the commissioner's request to observe the
3.19 public safety event response or the commissioner's offer of advice and counsel, the panel
3.20 may deny the applicant's request for reimbursement. A receiving jurisdiction is not obligated
3.21 to follow or implement the commissioner's advice or counsel. The panel may not deny a
3.22 receiving jurisdiction's application for reimbursement because the receiving jurisdiction did
3.23 not follow or implement the commissioner's advice or counsel.

3.24 (e) Notwithstanding section 466.01, subdivision 6, unless there is a written agreement
3.25 to the contrary, emergency response personnel retain their employment status with their
3.26 sending jurisdiction and have the same powers, duties, rights, privileges, and immunities
3.27 as if they were performing like service in the sending jurisdiction.

3.28 Subd. 5. **Reimbursement panel.** (a) A reimbursement panel is established to evaluate
3.29 and make binding recommendations on reimbursement requests from the SAFE account.

3.30 (b) The panel shall consist of the commissioner, two sheriffs selected by the 87 sheriffs
3.31 through a process created by the Minnesota Sheriffs' Association, and two police chiefs
3.32 selected by the Minnesota Chiefs of Police Association. Members appointed to the panel

4.1 must represent the geographic and population diversity among the state. Of the sheriffs
4.2 appointed to the panel, no more than one shall serve a county with a population greater than
4.3 500,000. Of the chiefs of police appointed to the panel, no more than one shall serve a city
4.4 with a population greater than 50,000.

4.5 Subd. 6. **Reimbursement rates.** To the extent funds are available in the SAFE account,
4.6 the panel shall authorize reimbursement of eligible costs pursuant to the following
4.7 reimbursement rates:

4.8 (1) receiving jurisdiction applicants shall receive 75 percent of eligible costs submitted
4.9 for reimbursement; and

4.10 (2) sending jurisdiction applicants shall receive 100 percent of eligible costs submitted
4.11 for reimbursement.

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

4.16 (b) An applicant has 90 days from the end of the incident period to request reimbursement
4.17 from the SAFE account. The panel may deny a late request. The applicant's request must
4.18 include:

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

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

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

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

4.25 (d) The panel shall review the application and supporting documentation for completeness
4.26 and may return the application with a request for more detailed information or correction
4.27 of deficiencies. The panel may consult with appropriate governmental officials to ensure
4.28 the application reflects the extent and magnitude of the public safety event and to reconcile
4.29 any differences. The application is not complete until the panel receives all requested
4.30 information.

4.31 (e) If the panel returns an application with a request for more detailed information or
4.32 for correction of deficiencies, the applicant must resubmit the application with all required

information within 30 days of the applicant's receipt of the panel's request. The applicant's failure to provide the requested information in a timely manner without a reasonable explanation may be cause for denial of the application.

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

Subd. 8. **Appeal process.** (a) An applicant must submit to the panel completed claims for payment of actual and eligible costs on forms provided by the commissioner. All eligible costs claimed for payment must be documented and consistent with the eligibility provisions of this section.

(b) If the panel denies an applicant's claim for payment, the applicant has 30 days from receipt of the panel's determination to appeal in writing to the panel. The appeal must include the applicant's rationale for reversing the panel's determination. The panel has 30 days from receipt of the appeal to uphold or modify the panel's determination and formally respond to the applicant. If no written request for appeal is received, the determination is final. The applicant is entitled to judicial review under sections 14.63 to 14.68 in the same manner that a person aggrieved by a final decision in a contested case is entitled to judicial review. The panel's determination under this section shall be a final decision of the department for purposes of sections 14.63 to 14.68.

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

(1) the applicant receives the final amount due;

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

(3) any scheduled audits are complete.

Subd. 10. **Audit.** (a) An applicant must account for all funds received under this section in conformance with generally accepted accounting principles and practices. The applicant must maintain detailed records of expenditures to show that grants received under this section were used for the purpose for which the payment was made. The applicant must maintain records for five years and make the records available for inspection and audit by the state auditor. The applicant must keep all financial records for five years after the final

6.1 payment, including but not limited to all invoices and canceled checks or bank statements
6.2 that support all eligible costs claimed by the applicant.

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

6.5 Subd. 11. **Reporting reimbursement payments.** The commissioner shall post on the
6.6 department's website and provide to the chairs and ranking minority members of the
6.7 legislative policy and budget committees with jurisdiction over public safety finance and
6.8 emergency response funding a list of the recipients, a description of the public safety event,
6.9 and amounts of the reimbursement payments.

6.10 Subd. 12. **Management costs.** The department may be reimbursed from the SAFE
6.11 account an amount of not more than 2.5 percent of the grant values as management costs.
6.12 Management costs include indirect costs, direct administrative costs, and other administrative
6.13 expenses associated with the public safety event.

6.14 Subd. 13. **Funding from other sources; repayment required.** If an applicant recovers
6.15 eligible costs from another source after receiving payment under this section, the applicant
6.16 must pay the department within 30 days an amount equal to the corresponding state funds
6.17 received. The commissioner must deposit any repayment into the SAFE account.

6.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.

6.19 Sec. 2. Laws 2020, Second Special Session chapter 1, section 9, the effective date, is
6.20 amended to read:

6.21 **EFFECTIVE DATE.** This section is effective ~~March~~ September 1, 2021.

6.22 **EFFECTIVE DATE.** This section is effective retroactively from February 28, 2021.

6.23 Sec. 3. Laws 2020, Second Special Session chapter 1, section 10, the effective date, is
6.24 amended to read:

6.25 **EFFECTIVE DATE.** This section is effective ~~March~~ September 1, 2021.

6.26 **EFFECTIVE DATE.** This section is effective retroactively from February 28, 2021.

6.27 Sec. 4. **PEACE OFFICERS; DECLARATION OF POLICY.**

6.28 It shall be the policy of the state of Minnesota to support front line workers, first
6.29 responders, and peace officers and recognize their crucial role in ensuring public health and
6.30 protecting our citizens, the rule of law, and the Minnesota and United States Constitutions.

7.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

7.2 Sec. 5. **STATE AID FOR EMERGENCIES (SAFE) ACCOUNT; TRANSFER.**

7.3 \$35,000,000 in fiscal year 2021 is transferred from the general fund to the State Aid For
7.4 Emergencies (SAFE) account in the special revenue fund created in Minnesota Statutes,
7.5 section 299A.85.

7.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.