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State of Minnesota
HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 2274

03/09/2017 Authored by Albright, Sauke, Pugh, Olson, Urdahl and others
The bill was read for the first time and referred to the Committee on State Government Finance
03/20/2017 Adoption of Report: Amended and re-referred to the Committee on Health and Human Services Finance without further recommendation

1.1 A bill for an act
1.2 relating to capital investment; establishing a grant program for the development
1.3 of regional behavioral health crisis programs in selected communities; authorizing
1.4 the sale and issuance of state bonds; appropriating money; proposing coding for
1.5 new law as Minnesota Statutes, chapter 245G.

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

1.7 Section 1. **[245G.01] REGIONAL BEHAVIORAL HEALTH CRISIS PROGRAM;**
1.8 **FACILITIES GRANTS.**

1.9 Subdivision 1. **Accounts established.** Two regional behavioral health crisis program
1.10 facilities grant accounts are created, one in the general fund and one in the bond proceeds
1.11 fund. Money in the accounts is appropriated to the commissioner to make grants as provided
1.12 in this chapter. Money in the accounts is available until spent, notwithstanding section
1.13 16A.28 or 16A.642.

1.14 Subd. 2. **Commissioner.** "Commissioner" means the commissioner of human services.

1.15 Subd. 3. **Eligible applicant.** (a) "Eligible applicant" or "applicant" for the purposes of
1.16 grants from the account in the bond proceeds fund means a statutory or home rule charter
1.17 city, county, housing and redevelopment authority, publicly owned hospital, or other public
1.18 entity otherwise eligible to receive state general obligation bond proceeds that is designated
1.19 to apply for a regional behavioral health crisis program facilities grant by the local mental
1.20 health authority, as defined in section 245.466, or on behalf of a regional consortium of
1.21 organizations that serve individuals with mental illness or a substance use disorder.

1.22 (b) "Eligible applicant" or "applicant" for the purposes of grants from the account in the
1.23 general fund may be made to an eligible applicant under paragraph (a) or to a nonprofit

2.1 organization that is designated to apply for a regional behavioral health crisis program
2.2 facilities grant by the local mental health authority, as defined in section 245.466, or on
2.3 behalf of a regional consortium of organizations that serve individuals with mental illness
2.4 or a substance use disorder.

2.5 Subd. 4. **Eligible project.** (a) "Eligible project" or "project" for the purposes of grants
2.6 from the account in the bond proceeds fund means the acquisition or betterment of public
2.7 land, buildings, and other public improvements of a capital nature within the meaning of
2.8 the Minnesota Constitution, article XI, section 5, clause (a). It includes acquisition of land
2.9 or interest in land, predesign, design, renovation, construction, furnishing, and equipping
2.10 facilities in which to provide regional behavioral health crisis programs and services.

2.11 (b) "Eligible project" or "project" for the purposes of grants from the account in the
2.12 general fund may be made for purposes described in paragraph (a) or other capital facility
2.13 improvement purposes that support the regional behavioral health crisis programs and
2.14 services for which this grant program is established.

2.15 Subd. 5. **Purpose; grant criteria.** (a) The purpose of the regional behavioral health
2.16 crisis program is to provide, at a minimum, screening and assessment services for persons
2.17 with mental illness or substance use disorders. This may include individuals who are under
2.18 arrest or subject to arrest, or in immediate need of crisis services. The facilities grant program
2.19 is to allow flexibility in the design of the program to meet the needs of the region.

2.20 (b) The commissioner shall review project proposals by applicants and give priority to
2.21 those that:

2.22 (1) demonstrate a need for the program in the region;

2.23 (2) provide a detailed service plan, including the services that will be provided, to whom,
2.24 and staffing requirements;

2.25 (3) provide an estimated cost of operating the program;

2.26 (4) verify financial sustainability by detailing sufficient funding sources; and

2.27 (5) include an ability and willingness to build on existing resources in the community.

2.28 (c) Grants may be for up to ... percent of project costs, up to \$5,000,000 per project.

2.29 Subd. 6. **Process.** The commissioner must develop forms and procedures for soliciting
2.30 and reviewing applications for grants under this section. An applicant shall apply for a grant
2.31 in the manner and at the times the commissioner shall determine. The grant agreement must

3.1 be approved by the commissioner of management and budget and is subject to cancellation
3.2 under subdivision 7.

3.3 Subd. 7. **Grant cancellation.** If the commissioner determines that a grantee is unable
3.4 to proceed with an approved project or has not expended or obligated the grant money within
3.5 four years of entering into the grant agreement with the commissioner, the commissioner
3.6 shall cancel the grant and the money is available for the commissioner to make other grants
3.7 under this section.

3.8 Subd. 8. **Report.** The commissioner shall report to the legislative committees with
3.9 jurisdiction over mental health issues and capital investment. The report is due by February
3.10 15 of each odd-numbered year and must include information on the projects funded and the
3.11 program and services provided in those facilities.

3.12 Sec. 2. **APPROPRIATION FOR CRISIS PROGRAM GRANTS; BOND SALE**
3.13 **AUTHORIZATION.**

3.14 Subdivision 1. **Appropriation.** \$30,000,000 is appropriated from the bond proceeds
3.15 fund to the commissioner of human services for grants under Minnesota Statutes, chapter
3.16 245G.

3.17 Subd. 2. **Bond sale.** To provide the money appropriated in this section from the bond
3.18 proceeds fund, the commissioner of management and budget shall sell and issue bonds of
3.19 the state in an amount up to \$30,000,000 in the manner, upon the terms, and with the effect
3.20 prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota
3.21 Constitution, article XI, sections 4 to 7.

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