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ARTICLE 3

LOCAL GOVERNMENT POLICY

Section 1. Minnesota Statutes 2022, section 13D.02, subdivision 1, is amended to read:

Subdivision 1. **Conditions.** (a) A meeting governed by section 13D.01, subdivisions 1, 2, 4, and 5, and this section may be conducted by interactive technology so long as:

(1) all members of the body participating in the meeting, wherever their physical location, can hear and see one another and can hear and see all discussion and testimony presented at any location at which at least one member is present;

(2) members of the public present at the regular meeting location of the body can hear and see all discussion and testimony and all votes of members of the body;

(3) at least one member of the body is physically present at the regular meeting location;

(4) all votes are conducted by roll call so each member's vote on each issue can be identified and recorded; and

(5) each location at which a member of the body is present is open and accessible to the public.

(b) A meeting satisfies the requirements of paragraph (a), although a member of the public body participates from a location that is not open or accessible to the public, if the member has not participated more than three times in a calendar year from a location that is not open or accessible to the public, and:

(1) the member is serving in the military and is at a required drill, deployed, or on active duty; or

(2) the member has been advised by a health care professional against being in a public place for personal or family medical reasons. ~~This clause only applies when a state of emergency has been declared under section 12.31, and expires 60 days after the removal of the state of emergency.~~

Sec. 2. Minnesota Statutes 2022, section 118A.09, subdivision 1, is amended to read:

Subdivision 1. **Definition; qualifying government.** (a) "Qualifying government" means:

(1) a county or statutory or home rule charter city with a population of more than 100,000; or

(2) a county or statutory or home rule charter city ~~which had its most recently issued general obligation bonds rated in the highest category by a national bond rating agency; or~~ whose most recent long-term, senior, general obligation rating by one or more national rating organizations in the prior 18-month period is AA or higher.

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ARTICLE 2

LOCAL GOVERNMENT POLICY

Section 1. Minnesota Statutes 2022, section 118A.09, subdivision 1, is amended to read:

Subdivision 1. **Definition; qualifying government.** (a) "Qualifying government" means:

(1) a county or statutory or home rule charter city with a population of more than 100,000; or

(2) a county or statutory or home rule charter city ~~which had its most recently issued general obligation bonds rated in the highest category by a national bond rating agency; or~~ whose most recent long-term, senior, general obligation rating by one or more national rating organizations in the prior 18-month period is AA or higher.

61.13 ~~(3) a self-insurance pool listed in section 471.982, subdivision 3.~~

61.14 (b) A county or statutory or home rule charter city with a population of 100,000 or less
61.15 that is a qualifying government, but is subsequently ~~rated less than the highest category by~~
61.16 ~~a national bond rating agency on a general obligation bond issue does not meet the threshold~~
61.17 under paragraph (a), clause (2), may not invest additional funds under this section during
61.18 any time period when it does not meet the threshold, but may continue to manage funds
61.19 previously invested under subdivision 2.

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

61.21 Sec. 3. Minnesota Statutes 2022, section 118A.09, subdivision 2, is amended to read:

61.22 Subd. 2. **Additional investment authority.** Qualifying governments may invest the
61.23 amount described in subdivision 3:

61.24 (1) in index mutual funds based in the United States and indexed to a broad market
61.25 United States equity index, on the condition that index mutual fund investments must be
61.26 made directly with the main sales office of the fund; or

61.27 (2) with the Minnesota State Board of Investment subject to such terms and minimum
61.28 amounts as may be adopted by the board. ~~Index mutual fund investments must be made~~
61.29 ~~directly with the main sales office of the fund.~~

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

62.1 Sec. 4. Minnesota Statutes 2022, section 118A.09, subdivision 3, is amended to read:

62.2 Subd. 3. **Funds.** (a) Qualifying governments may only invest under subdivision 2
62.3 according to the limitations in this subdivision. A qualifying government under subdivision
62.4 1, clause (1) or (2), may only invest its funds that are held for long-term capital plans
62.5 authorized by the city council or county board, or long-term obligations of the qualifying
62.6 government. Long-term obligations of the qualifying government include long-term capital
62.7 plan reserves, funds held to offset long-term environmental exposure, other postemployment
62.8 benefit liabilities, compensated absences, and other long-term obligations established by
62.9 applicable accounting standards.

62.10 (b) Qualifying governments under subdivision 1, clause (1) or (2), may invest up to 15
62.11 percent of the sum of:

62.12 (1) unassigned cash;

62.13 (2) cash equivalents;

62.14 (3) deposits; and

62.15 (4) investments.

62.16 ~~This~~ (c) The calculation in paragraph (b) must be based on the qualifying government's
62.17 most recent audited statement of net position, which must be compliant and audited pursuant

32.17 ~~(3) a self-insurance pool listed in section 471.982, subdivision 3.~~

32.18 (b) A county or statutory or home rule charter city with a population of 100,000 or less
32.19 that is a qualifying government, but is subsequently ~~rated less than the highest category by~~
32.20 ~~a national bond rating agency on a general obligation bond issue does not meet the threshold~~
32.21 under paragraph (a), clause (2), may not invest additional funds under this section during
32.22 any time period when it does not meet the threshold, but may continue to manage funds
32.23 previously invested under subdivision 2.

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

32.25 Sec. 2. Minnesota Statutes 2022, section 118A.09, subdivision 2, is amended to read:

32.26 Subd. 2. **Additional investment authority.** Qualifying governments may invest the
32.27 amount described in subdivision 3:

32.28 (1) in index mutual funds based in the United States and indexed to a broad market
32.29 United States equity index, on the condition that index mutual fund investments must be
32.30 made directly with the main sales office of the fund; or

33.1 (2) with the Minnesota State Board of Investment subject to such terms and minimum
33.2 amounts as may be adopted by the board. ~~Index mutual fund investments must be made~~
33.3 ~~directly with the main sales office of the fund.~~

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

33.5 Sec. 3. Minnesota Statutes 2022, section 118A.09, subdivision 3, is amended to read:

33.6 Subd. 3. **Funds.** (a) Qualifying governments may only invest under subdivision 2
33.7 according to the limitations in this subdivision. A qualifying government under subdivision
33.8 1, clause (1) or (2), may only invest its funds that are held for long-term capital plans
33.9 authorized by the city council or county board, or long-term obligations of the qualifying
33.10 government. Long-term obligations of the qualifying government include long-term capital
33.11 plan reserves, funds held to offset long-term environmental exposure, other postemployment
33.12 benefit liabilities, compensated absences, and other long-term obligations established by
33.13 applicable accounting standards.

33.14 (b) Qualifying governments under subdivision 1, clause (1) or (2), may invest up to 15
33.15 percent of the sum of:

33.16 (1) unassigned cash;

33.17 (2) cash equivalents;

33.18 (3) deposits; and

33.19 (4) investments.

33.20 ~~This~~ (c) The calculation in paragraph (b) must be based on the qualifying government's
33.21 most recent audited statement of net position, which must be compliant and audited pursuant

62.18 to governmental accounting and auditing standards. Once the amount invested reaches 15
62.19 percent of the sum of unassigned cash, cash equivalents, deposits, and investments, no
62.20 further funds may be invested under this section; however, a qualifying government may
62.21 continue to manage the funds previously invested under this section even if the total amount
62.22 subsequently exceeds 15 percent of the sum of unassigned cash, cash equivalents, deposits,
62.23 and investments.

62.24 ~~(e) A qualified government under subdivision 1, clause (3), may invest up to the lesser~~
62.25 ~~of:~~

62.26 ~~(1) 15 percent of the sum of its cash, cash equivalents, deposits, and investments; or~~

62.27 ~~(2) 25 percent of its net assets as reported on the pool's most recent audited statement~~
62.28 ~~of net position, which must be compliant and audited pursuant to governmental accounting~~
62.29 ~~and auditing standards.~~

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

63.1 Sec. 5. [118A.10] SELF-INSURANCE POOLS; ADDITIONAL INVESTMENT
63.2 AUTHORITY.

63.3 Subdivision 1. **Definition.** For the purposes of this section, "qualifying government"
63.4 means a self-insurance pool listed in section 471.982, subdivision 3.

63.5 Subd. 2. **Additional investment authority.** (a) A qualifying government may invest in
63.6 the securities specified in section 11A.24, with the exception of specific investments
63.7 authorized under section 11A.24, subdivision 6, paragraph (a), clauses (1) to (5).

63.8 (b) Investments authorized under this section are subject to the limitations under section
63.9 11A.24.

63.10 (c) A qualifying government may invest with the State Board of Investment subject to
63.11 the terms and minimum amounts adopted by the State Board of Investment.

63.12 Subd. 3. **Approval.** Before investing pursuant to this section, the governing body of a
63.13 qualifying government must adopt an investment policy pursuant to a resolution that includes
63.14 both of the following statements:

63.15 (1) the governing body understands that investments under this section have a risk of
63.16 loss; and

63.17 (2) the governing body understands the type of funds that are being invested and the
63.18 specific investment itself.

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

63.20 Sec. 6. [134.114] RAMSEY COUNTY LIBRARY ADVISORY BOARD.

63.21 Subdivision 1. **Appointment.** The Ramsey County Board of Commissioners shall direct,
63.22 operate, and manage the suburban Ramsey County library system. The county board shall

33.22 to governmental accounting and auditing standards. Once the amount invested reaches 15
33.23 percent of the sum of unassigned cash, cash equivalents, deposits, and investments, no
33.24 further funds may be invested under this section; however, a qualifying government may
33.25 continue to manage the funds previously invested under this section even if the total amount
33.26 subsequently exceeds 15 percent of the sum of unassigned cash, cash equivalents, deposits,
33.27 and investments.

33.28 ~~(e) A qualified government under subdivision 1, clause (3), may invest up to the lesser~~
33.29 ~~of:~~

33.30 ~~(1) 15 percent of the sum of its cash, cash equivalents, deposits, and investments; or~~

34.1 ~~(2) 25 percent of its net assets as reported on the pool's most recent audited statement~~
34.2 ~~of net position, which must be compliant and audited pursuant to governmental accounting~~
34.3 ~~and auditing standards.~~

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

34.5 Sec. 4. [118A.10] SELF-INSURANCE POOLS; ADDITIONAL INVESTMENT
34.6 AUTHORITY.

34.7 Subdivision 1. **Definition.** For the purposes of this section, "qualifying government"
34.8 means a self-insurance pool listed in section 471.982, subdivision 3.

34.9 Subd. 2. **Additional investment authority.** (a) A qualifying government may invest in
34.10 the securities specified in section 11A.24, with the exception of specific investments
34.11 authorized under section 11A.24, subdivision 6, paragraph (a), clauses (1) to (5).

34.12 (b) Investments authorized under this section are subject to the limitations under section
34.13 11A.24.

34.14 (c) A qualifying government may invest with the State Board of Investment subject to
34.15 the terms and minimum amounts adopted by the State Board of Investment.

34.16 Subd. 3. **Approval.** Before investing pursuant to this section, the governing body of a
34.17 qualifying government must adopt an investment policy pursuant to a resolution that includes
34.18 both of the following statements:

34.19 (1) the governing body understands that investments under this section have a risk of
34.20 loss; and

34.21 (2) the governing body understands the type of funds that are being invested and the
34.22 specific investment itself.

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

34.24 Sec. 5. [134.114] RAMSEY COUNTY LIBRARY ADVISORY BOARD.

34.25 Subdivision 1. **Appointment.** The Ramsey County Board of Commissioners shall direct,
34.26 operate, and manage the suburban Ramsey County library system. The county board shall

63.23 appoint seven members to a suburban Ramsey County Library Advisory Board. All members
63.24 must reside in the suburban county library service area. The Ramsey County Library Advisory
63.25 Board shall replace the existing Ramsey County Library Board upon the effective date of
63.26 this section.

63.27 Subd. 2. **Powers and duties.** The Ramsey County Library Advisory Board shall provide
63.28 advice and make recommendations on matters pertaining to county library services. The
63.29 Ramsey County Library Advisory Board shall provide recommendations regarding integrated
63.30 county service delivery that impacts or is enhanced by library services. The county board
63.31 may delegate additional powers and duties to the Ramsey County Library Advisory Board.

64.1 **EFFECTIVE DATE.** This section is effective the day after the governing body of
64.2 Ramsey County and its chief clerical officer comply with Minnesota Statutes, section
64.3 645.021, subdivisions 2 and 3.

64.4 Sec. 7. **[134.115] ANOKA COUNTY LIBRARY ADVISORY BOARD.**

64.5 Subdivision 1. **Appointment.** The Anoka County Board of Commissioners shall direct,
64.6 operate, and manage the suburban Anoka County library system. The county board shall
64.7 appoint seven members to a suburban Anoka County Library Advisory Board. All members
64.8 must reside in the suburban county library service area. The Anoka County Library Advisory
64.9 Board shall replace the existing Anoka County Library Board upon the effective date of
64.10 this section.

64.11 Subd. 2. **Powers and duties.** The Anoka County Library Advisory Board shall provide
64.12 advice and make recommendations on matters pertaining to county library services. The
64.13 Anoka County Library Advisory Board shall provide recommendations regarding integrated
64.14 county service delivery that impacts or is enhanced by library services. The county board
64.15 may delegate additional powers and duties to the Anoka County Library Advisory Board.

64.16 **EFFECTIVE DATE.** This section is effective the day after the governing body of
64.17 Anoka County and its chief clerical officer comply with Minnesota Statutes, section 645.021,
64.18 subdivisions 2 and 3.

64.19 Sec. 8. Minnesota Statutes 2022, section 383B.145, is amended by adding a subdivision
64.20 to read:

64.21 Subd. 11. **Solicitations to small business enterprises or veteran-owned small**
64.22 **businesses.** Notwithstanding the contract threshold of section 471.345, subdivision 4, a
64.23 contract, as defined in section 471.345, subdivision 2, estimated not to exceed \$500,000
64.24 may be made pursuant to the provisions of section 471.345, subdivision 4, provided that a
64.25 business that is directly solicited is certified as either: (1) a small business enterprise; or (2)
64.26 a small business that is majority-owned and operated by a veteran or a service-disabled
64.27 veteran.

34.27 appoint seven members to a suburban Ramsey County Library Advisory Board. All members
34.28 must reside in the suburban county library service area. The Ramsey County Library Advisory
34.29 Board shall replace the existing Ramsey County Library Board upon the effective date of
34.30 this section.

35.1 Subd. 2. **Powers and duties.** The Ramsey County Library Advisory Board shall provide
35.2 advice and make recommendations on matters pertaining to county library services. The
35.3 Ramsey County Library Advisory Board shall provide recommendations regarding integrated
35.4 county service delivery that impacts or is enhanced by library services. The county board
35.5 may delegate additional powers and duties to the Ramsey County Library Advisory Board.

35.6 **EFFECTIVE DATE.** This section is effective the day after the governing body of
35.7 Ramsey County and its chief clerical officer comply with Minnesota Statutes, section
35.8 645.021, subdivisions 2 and 3.

35.9 Sec. 6. **[134.115] ANOKA COUNTY LIBRARY ADVISORY BOARD.**

35.10 Subdivision 1. **Appointment.** The Anoka County Board of Commissioners shall direct,
35.11 operate, and manage the suburban Anoka County library system. The county board shall
35.12 appoint seven members to a suburban Anoka County Library Advisory Board. All members
35.13 must reside in the suburban county library service area. The Anoka County Library Advisory
35.14 Board shall replace the existing Anoka County Library Board upon the effective date of
35.15 this section.

35.16 Subd. 2. **Powers and duties.** The Anoka County Library Advisory Board shall provide
35.17 advice and make recommendations on matters pertaining to county library services. The
35.18 Anoka County Library Advisory Board shall provide recommendations regarding integrated
35.19 county service delivery that impacts or is enhanced by library services. The county board
35.20 may delegate additional powers and duties to the Anoka County Library Advisory Board.

35.21 **EFFECTIVE DATE.** This section is effective the day after the governing body of
35.22 Anoka County and its chief clerical officer comply with Minnesota Statutes, section 645.021,
35.23 subdivisions 2 and 3.

64.28 Sec. 9. [383B.1587] CONSTRUCTION MANAGER AT RISK.

64.29 Subdivision 1. **Definitions.** (a) For purposes of this section, the definitions in this
64.30 subdivision have the meanings given them.

64.31 (b) "Construction manager at risk" means a person who is selected by the county to act
64.32 as a construction manager to manage the construction process, including but not limited to
65.1 responsibility for the price, schedule, and workmanship of the construction performed
65.2 according to the procedures in this section.

65.3 (c) "Construction manager at risk contract" means a contract for construction of a project
65.4 between a construction manager at risk and the county, which shall include a guaranteed
65.5 maximum price, construction schedule, and workmanship of the construction performed.

65.6 (d) "Guaranteed maximum price" means the maximum amount that a construction
65.7 manager at risk is paid pursuant to a contract to perform a defined scope of work.

65.8 (e) "Guaranteed maximum price contract" means a contract under which a construction
65.9 manager or subcontractor is paid on the basis of the actual cost to perform the work specified
65.10 in the contract plus an amount for overhead and profit, the sum of which must not exceed
65.11 the guaranteed maximum price in the contract.

65.12 (f) "Past performance" or "experience" does not include the exercise or assertion of a
65.13 person's legal rights.

65.14 (g) "Person" means an individual, corporation, partnership, association, or other legal
65.15 entity.

65.16 (h) "Project" means an undertaking to construct, alter, or enlarge a building, structure,
65.17 or other improvement, except a highway or bridge, by or for the county.

65.18 (i) "Request for proposals" means the document or publication soliciting proposals for
65.19 a construction manager at risk contract as provided in this section.

65.20 (j) "Request for qualifications" means the document or publication soliciting qualifications
65.21 for a construction manager at risk contract as provided in this section.

65.22 (k) "Trade contract work" means labor, materials, or equipment furnished by contractors
65.23 or vendors that are incorporated into the completed project or are major components of the
65.24 means of construction. Work performed by trade contractors involves specific portions of
65.25 the project, but not the entire project.

65.26 Subd. 2. **Authority.** Notwithstanding any other law to the contrary, the county may use
65.27 a construction manager at risk method of project delivery and award a construction manager
65.28 at risk contract based on the selection criteria described in this section.

65.29 Subd. 3. **Solicitation of qualifications.** (a) A request for qualifications must be prepared
65.30 for each construction manager at risk contract as provided in this section. The request for
65.31 qualifications must contain, at a minimum, the following elements:

66.1 (1) procedures for submitting qualifications, the criteria and subcriteria for evaluating
66.2 the qualifications and the relative weight for each criteria and subcriteria, and the procedures
66.3 for making awards in an open, competitive, and objective manner, applying a scoring or
66.4 trade-off evaluation method, including a reference to the requirements of this section;

66.5 (2) the proposed terms and conditions for the contract;

66.6 (3) the desired qualifications of the construction manager at risk;

66.7 (4) the schedule for commencement and completion of the project;

66.8 (5) any applicable budget limits for the project;

66.9 (6) the requirements for insurance and statutorily required performance and payment
66.10 bonds; and

66.11 (7) the identification and location of any other information in the possession or control
66.12 of the county that the county determines is material, including surveys, soils reports, drawings
66.13 or models of existing structures, environmental studies, photographs, or references to public
66.14 records.

66.15 (b) The request for qualifications criteria must not impose unnecessary conditions beyond
66.16 reasonable requirements to ensure maximum participation of construction managers at risk.
66.17 The criteria must not consider the collective bargaining status of the construction manager
66.18 at risk.

66.19 (c) The request for qualifications criteria may include a requirement that the proposer
66.20 include the cost for the proposer's services.

66.21 (d) Notice of requests for qualifications must be advertised in a manner designated by
66.22 the county.

66.23 Subd. 4. **Construction manager at risk selection process.** (a) In a construction manager
66.24 at risk selection process, the following applies:

66.25 (1) upon determining to utilize a construction manager at risk for a project, the county
66.26 shall create a selection committee composed of a minimum of three persons, at least one of
66.27 whom has construction industry expertise; and

66.28 (2) the county shall establish procedures for determining the appropriate content of a
66.29 request for qualifications, as provided in subdivision 3.

66.30 (b) In accordance with the criteria and procedures set forth in the request for
66.31 qualifications, the selection committee shall evaluate the experience of a proposer as a
66.32 construction manager at risk, including but not limited to capacity of key personnel, technical

- 67.1 competence, capability to perform, past performance of the firm and its employees, safety
67.2 record and compliance with state and federal law, availability to and familiarity with the
67.3 project locale, and other appropriate facts submitted by the proposer in response to the
67.4 request for qualifications.
- 67.5 (c) If the county receives fewer than three proposals from construction managers, the
67.6 county may:
- 67.7 (1) proceed as described in paragraph (d);
67.8 (2) solicit new proposals;
67.9 (3) revise the request for qualifications and then solicit new proposals using the revised
67.10 request for qualifications;
67.11 (4) select another allowed procurement method;
67.12 (5) proceed with a sole proposer if the county determines the construction manager at
67.13 risk marketplace is limited and the benefit of issuing a new solicitation is not practicable;
67.14 or
- 67.15 (6) reject all proposals.
- 67.16 (d) The selection committee shall review the qualification of each proposer. If there is
67.17 more than one proposer, the selection committee shall create a short list of two to five
67.18 proposers.
- 67.19 (e) The county shall issue a request for proposals requiring cost and other information
67.20 as desired from the short-listed proposers.
- 67.21 (f) The selection committee may conduct formal interviews with the short-listed proposers
67.22 but shall not disclose any proprietary or confidential information contained in one proposal
67.23 to another proposer, and shall rank the proposers by applying a scoring or trade-off evaluation
67.24 method. The scoring or trade-off evaluation method must be described in the request for
67.25 proposals.
- 67.26 Subd. 5. **Construction manager at risk contract.** (a) The county shall conduct contract
67.27 negotiations with the highest ranked proposer to reach agreement on the cost and terms of
67.28 the contract. If an agreement cannot be reached with the highest ranked proposer, the county
67.29 may begin negotiations with the next highest ranked proposer. The negotiation process
67.30 continues until an agreement is reached with a proposer or the county rejects all proposals.
- 67.31 (b) The construction manager at risk shall competitively bid all trade contract work for
67.32 the project from a list of qualified firms. The list of qualified firms may be limited to qualified
68.1 Small Business Enterprise and/or Disadvantaged Business Enterprise (SBE/DBE) firms,
68.2 subject to availability of such qualified SBE/DBE firms for the specific work. The list of
68.3 qualified firms must be based on an open, competitive, and objective prequalification process
68.4 in which the selection criteria, approved by the county, may include but is not limited to

68.5 the firm's experience as a constructor, including capacity of key personnel, technical
68.6 competence, capability to perform, past performance of the firm and its employees, safety
68.7 record and compliance with state and federal law, availability to and familiarity with the
68.8 project locale, SBE/DBE certification, and other considerations as defined by the construction
68.9 manager at risk and the county. The construction manager at risk and the county shall jointly
68.10 determine the composition of the list of qualified firms. With the county's approval, upon
68.11 request, the construction manager at risk may also submit bids for trade contract work if
68.12 the construction manager at risk does not participate in the county's review of the bids or
68.13 selection decision.

68.14 (c) The construction manager at risk and the county shall enter into a guaranteed
68.15 maximum price contract for the project.

68.16 Sec. 10. [412.925] NATIVE LANDSCAPES.

68.17 (a) A statutory city or home rule charter city shall allow an owner, authorized agent, or
68.18 authorized occupant of any privately owned lands or premises to install and maintain a
68.19 managed natural landscape. For purposes of this section, the following terms have the
68.20 meanings given:

68.21 (1) "managed natural landscape" means a planned, intentional, and maintained planting
68.22 of native or nonnative grasses, wildflowers, forbs, ferns, shrubs, or trees, including but not
68.23 limited to rain gardens, meadow vegetation, and ornamental plants. Managed natural
68.24 landscapes does not include turf-grass lawns left unattended for the purpose of returning to
68.25 a natural state;

68.26 (2) "meadow vegetation" means grasses and flowering broad-leaf plants that are native
68.27 to, or adapted to, the state of Minnesota, and that are commonly found in meadow and
68.28 prairie plant communities, not including noxious weeds. "Noxious weed" has the meaning
68.29 given in section 18.77, subdivision 8;

68.30 (3) "ornamental plants" means grasses, perennials, annuals, and groundcovers purposely
68.31 planted for aesthetic reasons;

69.1 (4) "rain garden" means a native plant garden that is designed not only to aesthetically
69.2 improve properties, but also to reduce the amount of stormwater and accompanying pollutants
69.3 from entering streams, lakes, and rivers; and

69.4 (5) "turf-grass lawn" means a lawn composed mostly of grasses commonly used in
69.5 regularly cut lawns or play areas, including but not limited to bluegrass, fescue, and ryegrass
69.6 blends, intended to be maintained at a height of no more than eight inches.

69.7 (b) Managed natural landscapes may include plants and grasses that are in excess of
69.8 eight inches in height and have gone to seed, but may not include any noxious weeds and
69.9 must be maintained.

69.10 (c) Except as part of a managed natural landscape as defined in this section, any weeds
69.11 or grasses growing upon any lot or parcel of land in a city to a greater height than eight
69.12 inches or that have gone or are about to go to seed are prohibited.

35.24 Sec. 7. Minnesota Statutes 2022, section 428A.01, is amended by adding a subdivision to
35.25 read:

35.26 Subd. 7. **Multiunit residential property.** "Multiunit residential property" means:

35.27 (1) property classified as class 4a under section 273.13, subdivision 25, paragraph (a);

35.28 (2) condominiums, as defined under section 515A.1-103, clause (7), that are classified
35.29 as class 1a under section 273.13, subdivision 22, paragraph (a); class 4b under section
35.30 273.13, subdivision 25, paragraph (b), clause (1); or class 4bb under section 273.13,
35.31 subdivision 25, paragraph (c), clause (1);

36.1 (3) condominium-type storage units classified as class 4bb under section 273.13,
36.2 subdivision 25, paragraph (c), clause (3); and

36.3 (4) duplex or triplex property classified as class 1a under section 273.13, subdivision
36.4 22, paragraph (a); or classified as class 4b under section 273.13, subdivision 25, paragraph
36.5 (b), clause (1).

36.6 Multiunit residential property does not include any unit that is an affordable housing unit.

36.7 **EFFECTIVE DATE.** This section is effective for the establishment or expansion of a
36.8 special service district after July 1, 2023.

36.9 Sec. 8. Minnesota Statutes 2022, section 428A.01, is amended by adding a subdivision to
36.10 read:

36.11 Subd. 8. **Nonresidential property.** "Nonresidential property" means property that is
36.12 classified under section 273.13 and used for commercial, industrial, or public utility purposes,
36.13 or is zoned for vacant land or designated on a land use plan for commercial or industrial
36.14 use.

36.15 **EFFECTIVE DATE.** This section is effective for the establishment or expansion of a
36.16 special service district after July 1, 2023.

36.17 Sec. 9. Minnesota Statutes 2022, section 428A.01, is amended by adding a subdivision to
36.18 read:

36.19 Subd. 9. **Nonresidential owners.** "Nonresidential owners" means the owners of 50
36.20 percent or more of the land area of property subject to service charges on nonresidential
36.21 property in a proposed or existing special service district and either the: (1) owners of 50
36.22 percent or more of the net tax capacity of property subject to a proposed or existing service
36.23 charge, based on net tax capacity; or (2) owners, individuals, and business organizations

36.24 subject to 50 percent or more of a proposed or existing service charge using a basis other
36.25 than net tax capacity.

36.26 **EFFECTIVE DATE.** This section is effective for the establishment or expansion of a
36.27 special service district after July 1, 2023.

36.28 Sec. 10. Minnesota Statutes 2022, section 428A.01, is amended by adding a subdivision
36.29 to read:

36.30 Subd. 10. **Affordable housing unit.** "Affordable housing unit" means a residential unit
36.31 affordable to households with incomes at or below 80 percent of area median income.

37.1 Sec. 11. Minnesota Statutes 2022, section 428A.02, subdivision 1, is amended to read:

37.2 Subdivision 1. **Ordinance.** The governing body of a city may adopt an ordinance
37.3 establishing a special service district. Except as otherwise provided in section 428A.021,
37.4 only nonresidential property that is classified under section 273.13 and used for commercial,
37.5 industrial, or public utility purposes, or is vacant land zoned or designated on a land use
37.6 plan for commercial or industrial use and located in the special service district, may be
37.7 subject to the charges imposed by the city on the special service district. Other types of
37.8 property may be included within the boundaries of the special service district but are not
37.9 subject to the levies or charges imposed by the city on the special service district, unless
37.10 nonresidential owners, as defined in section 428A.01, subdivision 9, make an election under
37.11 section 428A.021. If 50 percent or more of the estimated market value of a parcel of property
37.12 is classified under section 273.13 as commercial, industrial, or vacant land zoned or
37.13 designated on a land use plan for commercial or industrial use, or public utility for the
37.14 current assessment year, then the entire taxable market value of the property is subject to a
37.15 service charge based on net tax capacity for purposes of sections 428A.01 to 428A.10. The
37.16 ordinance shall describe with particularity the area within the city to be included in the
37.17 district and the special services to be furnished in the district. The ordinance may not be
37.18 adopted until after a public hearing has been held on the question. Notice of the hearing
37.19 shall include the time and place of hearing, a map showing the boundaries of the proposed
37.20 district, and a statement that all persons owning property in the proposed district that would
37.21 be subject to a service charge will be given opportunity to be heard at the hearing. Within
37.22 30 days after adoption of the ordinance under this subdivision, the governing body shall
37.23 send a copy of the ordinance to the commissioner of revenue.

37.24 **EFFECTIVE DATE.** This section is effective for the establishment or expansion of a
37.25 special service district after July 1, 2023.

37.26 Sec. 12. **[428A.021] ELECTION TO INCLUDE MULTIUNIT RESIDENTIAL**
37.27 **PROPERTY.**

37.28 Subdivision 1. **Multiunit residential property; new districts; election.** Prior to filing
37.29 a petition with the city clerk under section 428A.08, nonresidential owners may elect to
37.30 subject multiunit residential property to the charges imposed by the city on a special service

69.13 Sec. 11. Minnesota Statutes 2022, section 471.345, is amended by adding a subdivision
69.14 to read:

69.15 Subd. 3b. Contracts over \$175,000; construction manager at risk alternative. As an
69.16 alternative to the procurement methods described in subdivisions 3 and 3a, municipalities
69.17 may award a contract for construction, alteration, repair, or maintenance work to a
69.18 construction manager at risk as provided in section 471.463.

69.19 Sec. 12. [471.463] CONSTRUCTION MANAGER AT RISK.

69.20 Subdivision 1. Definitions. (a) For purposes of this section, the definitions in this
69.21 subdivision have the meanings given unless the context indicates otherwise.

69.22 (b) "Construction manager at risk" means a person who is selected by a municipality to
69.23 act as a construction manager to manage the construction process, including but not limited
69.24 to responsibility for the price, schedule, and workmanship of the construction performed
69.25 according to the procedures in this section.

37.31 district. The election must be filed with the city clerk. If an election is made, for purposes
37.32 of section 428A.08, "property" includes multiunit residential property.

37.33 Subd. 2. Multiunit residential property; in-district expansion. Nonresidential owners
37.34 may elect to expand the district to subject multiunit residential property to the charges for
38.1 the district. The election must be filed with the city clerk. The city must provide for a hearing
38.2 and notice on the expansion as required in sections 428A.02 and 428A.03. Notice must be
38.3 served in the original district and must include the property proposed to be added to the
38.4 district. Multiunit residential property added to the district is subject to all service charges
38.5 imposed within the district after the property becomes a part of the district. On the question
38.6 of whether to expand a district to include multiunit residential property, the petition
38.7 requirement in section 428A.08 and the veto power in section 428A.09 apply to all owners,
38.8 individuals, and business organizations that would be subject to the charges for the district.

38.9 Subd. 3. Multiunit residential property; enlargement of boundaries. Prior to the
38.10 hearing and notice requirements in section 428A.04, a majority of the petitioners seeking
38.11 enlargement of a district under section 428A.04 may elect to expand the proposed
38.12 enlargement to subject multiunit residential property to the charges imposed by the city on
38.13 a special service district. The election must be filed with the city clerk.

38.14 Subd. 4. Common interest communities. A unit in a common interest community, as
38.15 defined under section 515B.1-103, clause (10), may only be included in a district under this
38.16 section if the district will provide services not provided by the unit owner's association, as
38.17 defined in section 515B.1-103, clause (4).

38.18 EFFECTIVE DATE. This section is effective for the establishment, expansion, or
38.19 enlargement of a special service district after July 1, 2023.

69.26 (c) "Construction manager at risk contract" means a contract for construction of a project
69.27 between a construction manager at risk and a municipality, which shall include a guaranteed
69.28 maximum price, construction schedule, and workmanship of the construction performed.

69.29 (d) "Municipality" has the meaning given under section 471.345, subdivision 1.

70.1 Subd. 2. **Solicitation of qualifications.** (a) A municipality may accept written requests
70.2 for proposals for a construction manager at risk for its project. The written request for
70.3 proposals must include:

70.4 (1) a description of the project;

70.5 (2) the estimated cost of completing the project;

70.6 (3) a description of any special requirements or unique features of the proposed project;
70.7 and

70.8 (4) other information which will assist the municipality in carrying out its duties and
70.9 responsibilities set forth in this section.

70.10 (b) A municipality may include in the request for qualifications criteria a requirement
70.11 that the proposer include the overhead and fee that the construction manager at risk proposes
70.12 to charge for its services.

70.13 (c) A municipality shall prepare a request for qualifications for each construction manager
70.14 at risk contract as provided in this section. The request for qualifications shall contain, at a
70.15 minimum, the information described in section 16C.34, subdivision 1, paragraph (c), clauses
70.16 (2) to (7) and (9), and any other information the municipality determines is material.

70.17 (d) Notice of requests for qualifications must be advertised in a manner designated by
70.18 the municipality.

70.19 Subd. 3. **Construction manager at risk contract.** A municipality shall comply with
70.20 the same procedures as the commissioner of administration under section 16C.34, subdivision
70.21 3, in construction manager at risk contracts.

70.22 Subd. 4. **Exception.** This section does not apply to contracts for construction, alteration,
70.23 repair, or maintenance work on any street, road, bridge, or highway.

70.24 **EFFECTIVE DATE.** This section is effective the day following final enactment and
70.25 applies to municipal construction manager at risk contracts solicited on or after that date.

70.26 Sec. 13. **[471.585] MUNICIPAL HOTEL LICENSING.**

70.27 (a) A statutory or home rule charter city or a town may adopt an ordinance requiring
70.28 hotels operating within the boundaries of the city or town to have a valid license issued by
70.29 the city or town. A fee for a license under this section may not exceed \$150.

38.20 Sec. 13. **[471.585] MUNICIPAL HOTEL LICENSING.**

38.21 (a) A statutory or home rule charter city or a town may adopt an ordinance requiring
38.22 hotels as defined in section 327.70, subdivision 3, operating within the boundaries of the
38.23 city or town to have a valid license issued by the city or town. An annual fee for a license
38.24 under this section may not exceed \$150.

71.1 (b) An ordinance adopted under this section is limited to requiring compliance with state
71.2 and local laws as a condition of licensure. No other licensing conditions or requirements
71.3 are permitted.

71.4 (c) A city or town that has adopted an ordinance under this section may refuse to issue
71.5 a license, or may revoke an existing license, if the hotel fails to comply with the conditions
71.6 of the license.

71.7 Sec. 14. Minnesota Statutes 2022, section 473.606, subdivision 5, is amended to read:

71.8 Subd. 5. **Employees, others, affirmative action; prevailing wage.** The corporation
71.9 shall have the power to appoint engineers and other consultants, attorneys, and such other
71.10 officers, agents, and employees as it may see fit, who shall perform such duties and receive
71.11 such compensation as the corporation may determine ~~notwithstanding the provisions of~~
71.12 ~~section 43A.17, subdivision 9,~~ and be removable at the pleasure of the corporation. The
71.13 corporation must adopt an affirmative action plan, which shall be submitted to the appropriate
71.14 agency or office of the state for review and approval. The plan must include a yearly progress
71.15 report to the agency or office. Whenever the corporation performs any work within the
71.16 limits of a city of the first class, or establishes a minimum wage for skilled or unskilled
71.17 labor in the specifications or any contract for work within one of the cities, the rate of pay
71.18 to such skilled and unskilled labor must be the prevailing rate of wage for such labor in that
71.19 city.

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

71.21 Sec. 15. Minnesota Statutes 2022, section 473.704, subdivision 3, is amended to read:

71.22 Subd. 3. **Director; to be entomologist.** It may employ and fix the duties and
71.23 compensation of a director who shall develop the control programs of the district and shall
71.24 supervise its execution; such director shall be an entomologist.

71.25 Sec. 16. **REQUIRING CITIES TO REPORT BUILDINGS THAT DO NOT HAVE**
71.26 **SPRINKLER SYSTEMS.**

71.27 (a) A city of the first or second class shall provide to the state fire marshal a list by June
71.28 20, 2024, and an updated list by June 30, 2027, and June 30, 2032, of each residential
71.29 building in the city that:

71.30 (1) has at least one story used for human occupancy that is 75 feet or more above the
71.31 lowest level of fire department vehicle access;

72.1 (2) was not subject to a requirement to include a sprinkler system at the time the building
72.2 was constructed; and

72.3 (3) has not been retrofitted with a sprinkler system.

38.25 (b) An ordinance adopted under this section is limited to requiring compliance with state
38.26 and local laws as a condition of licensure. No other licensing conditions or requirements
38.27 are permitted.

38.28 (c) A city or town that has adopted an ordinance under this section may refuse to issue
38.29 a license, or may revoke an existing license, if the hotel fails to comply with the conditions
38.30 of the license.

39.1 Sec. 14. Minnesota Statutes 2022, section 473.606, subdivision 5, is amended to read:

39.2 Subd. 5. **Employees, others, affirmative action; prevailing wage.** The corporation
39.3 shall have the power to appoint engineers and other consultants, attorneys, and such other
39.4 officers, agents, and employees as it may see fit, who shall perform such duties and receive
39.5 such compensation as the corporation may determine ~~notwithstanding the provisions of~~
39.6 ~~section 43A.17, subdivision 9,~~ and be removable at the pleasure of the corporation. The
39.7 corporation must adopt an affirmative action plan, which shall be submitted to the appropriate
39.8 agency or office of the state for review and approval. The plan must include a yearly progress
39.9 report to the agency or office. Whenever the corporation performs any work within the
39.10 limits of a city of the first class, or establishes a minimum wage for skilled or unskilled
39.11 labor in the specifications or any contract for work within one of the cities, the rate of pay
39.12 to such skilled and unskilled labor must be the prevailing rate of wage for such labor in that
39.13 city.

72.4 (b) The state fire marshal shall submit the lists within 60 days of the due dates under
72.5 paragraph (a) to the chairs and ranking minority members of the legislative committees with
72.6 jurisdiction over the State Building Code and the State Fire Code.

72.11 **ARTICLE 4**

72.12 **MUNICIPAL BUILDING COMMISSION DISSOLUTION**

72.13 Section 1. **PREEMPTION.**

72.14 This article supersedes any other law, home rule charter provision, and city ordinance
72.15 to the contrary.

72.16 Sec. 2. **DEFINITIONS.**

72.17 (a) For the purposes of this article, the terms defined in this section have the meanings
72.18 given unless the context indicates otherwise.

72.19 (b) "City hall and courthouse" means the city hall building and courthouse owned by
72.20 the city of Minneapolis and Hennepin County and under the care and control of the Municipal
72.21 Building Commission pursuant to Minnesota Statutes, sections 383B.75 to 383B.754.

72.22 (c) "Dissolution date" means the day after the Municipal Building Commission, the city
72.23 of Minneapolis, and Hennepin County fully execute the transactional documents.

72.24 (d) "Municipal Building Commission" means the entity created by Minnesota Statutes,
72.25 section 383B.75.

72.26 (e) "Transactional documents" means the agreements and documents, including any real
72.27 estate ownership structure or joint powers agreement under Minnesota Statutes, section
72.28 471.59, needed to effectuate the efficient dissolution of the Municipal Building Commission
72.29 pursuant to this act.

39.14 Sec. 15. **MUNICIPAL BUILDING COMMISSION DISSOLUTION.**

39.15 Subdivision 1. **Preemption.** This section supersedes any other law, home rule charter
39.16 provision, and city ordinance to the contrary.

39.17 Subd. 2. **Definitions.** (a) For the purposes of this section, the terms defined in this
39.18 subdivision have the meanings given unless the context indicates otherwise.

39.19 (b) "Benefits" means all of the health insurance, health savings, sick leave, vacation
39.20 time, deferred compensation, retirement benefits, Public Employees Retirement Association
39.21 benefits, and all other employee benefits, monies, balances, accounts, allowances, accruals,
39.22 and credits of the Municipal Building Commission employees.

39.23 (c) "City hall and courthouse" means the city hall building and courthouse owned by
39.24 the city of Minneapolis and Hennepin County and under the care and control of the Municipal
39.25 Building Commission pursuant to Minnesota Statutes, sections 383B.75 to 383B.754.

39.26 (d) "Dissolution date" means the day after the Municipal Building Commission, the city
39.27 of Minneapolis, and Hennepin County fully execute the transactional documents.

39.28 (e) "Municipal Building Commission" means the entity created by Minnesota Statutes,
39.29 section 383B.75.

39.30 (f) "Municipal Building Commission employees" means all employees of the Municipal
39.31 Building Commission including employees represented by unions and employees not
39.32 represented by unions.

40.1 (g) "Representatives of the Municipal Building Commission employees" means the
40.2 person or entity selected by each Municipal Building Commission employee to represent
40.3 that employee pursuant to subdivision 6, paragraph (b).

40.4 (h) "Transactional documents" means the agreements and documents, including the
40.5 agreement between the city of Minneapolis, Hennepin County, and representatives of the
40.6 Municipal Building Commission employees required by subdivision 6, paragraph (b), and
40.7 any real estate ownership structure or joint powers agreement under Minnesota Statutes,

73.1 Sec. 3. **TRANSFER OF ASSETS.**

73.2 Notwithstanding any other law to the contrary, the transaction documents shall provide
73.3 for the transfer of all assets of the Municipal Building Commission, including but not limited
73.4 to all furniture, fixtures, equipment, and other personal property of the Municipal Building
73.5 Commission to the city of Minneapolis or other legal entity as necessary and appropriate
73.6 for the use of the assets in the ongoing operation and management of the city hall and
73.7 courthouse.

73.8 Sec. 4. **MUNICIPAL BUILDING COMMISSION DISSOLUTION.**

73.9 (a) Notwithstanding any other law or home rule charter provision to the contrary, the
73.10 Municipal Building Commission and all its functions will be dissolved upon the dissolution
73.11 date.

73.12 (b) The transactional documents must include how the city of Minneapolis and Hennepin
73.13 County will manage the outstanding liabilities of the Municipal Building Commission that
73.14 exist as of the dissolution date.

73.15 Sec. 5. **TRANSACTIONAL DOCUMENTS; AGREEMENTS.**

73.16 (a) The Municipal Building Commission, city of Minneapolis, and Hennepin County
73.17 may execute transactional documents to effectuate the transfer of assets and dissolution
73.18 provided for in this article.

40.8 section 471.59, needed to effectuate the efficient dissolution of the Municipal Building
40.9 Commission pursuant to this section.

40.10 Subd. 3. **Transfer of assets.** Notwithstanding any other law to the contrary, the
40.11 transaction documents shall provide for the transfer of all assets of the Municipal Building
40.12 Commission including but not limited to all furniture, fixtures, equipment, and other personal
40.13 property of the Municipal Building Commission to the city of Minneapolis or other legal
40.14 entity as necessary and appropriate for the use of the assets in the ongoing operation and
40.15 management of the city hall and courthouse.

40.16 Subd. 4. **Continued employment of Municipal Building Commission**
40.17 **employees.** Notwithstanding any other law or home rule charter provision to the contrary,
40.18 immediately upon the full execution of the transactional documents, all Municipal Building
40.19 Commission employees shall be employees of the city of Minneapolis or Hennepin County,
40.20 employed in equivalent positions at their current salaries and wages with all of their current
40.21 benefits, and shall continue to have all rights, remedies, and privileges under Minnesota
40.22 Statutes, section 383B.751.

40.23 Subd. 5. **Municipal Building Commission dissolution.** (a) Notwithstanding any other
40.24 law or home rule charter provision to the contrary, the Municipal Building Commission
40.25 and all its functions will be dissolved upon the dissolution date.

40.26 (b) The transactional documents must include how the city of Minneapolis and Hennepin
40.27 County will manage the outstanding liabilities of the Municipal Building Commission that
40.28 exist as of the dissolution date.

40.29 Subd. 6. **Transactional documents; agreements.** (a) The Municipal Building
40.30 Commission, city of Minneapolis, and Hennepin County may execute transactional
40.31 documents to effectuate the transfer of assets and dissolution provided for in this section.

73.19 (b) The Municipal Building Commission, city of Minneapolis, and the representatives
73.20 of the Municipal Building Commission employees must reach an agreement addressing the
73.21 impact of a dissolution on employees before fully executing the transactional documents.

73.22 (c) The Municipal Building Commission, city of Minneapolis, and Hennepin County
73.23 must fully execute the transactional documents before the filing of a certificate of local
73.24 approval of this article.

73.25 Sec. 6. **REPEALER.**

73.26 Minnesota Statutes 2022, sections 383B.75; 383B.751; 383B.752; 383B.753; and
73.27 383B.754, are repealed.

72.7 Sec. 17. **REPEALER.**

72.8 (a) Minnesota Statutes 2022, section 383B.143, subdivisions 2 and 3, are repealed.

72.9 (b) Minnesota Statutes 2022, section 43A.17, subdivision 9, is repealed.

72.10 **EFFECTIVE DATE.** Paragraph (b) is effective the day following final enactment.

74.1 Sec. 7. **EFFECTIVE DATE.**

74.2 This article is effective the day after the governing body of the city of Minneapolis and
74.3 its chief clerical officer comply with Minnesota Statutes, section 645.021, subdivisions 2
74.4 and 3.

40.32 (b) The Municipal Building Commission, city of Minneapolis, and the representatives
40.33 of the Municipal Building Commission employees must reach an agreement addressing the
40.34 impact of a dissolution on employees before fully executing the transactional documents.

41.1 (c) The Municipal Building Commission, city of Minneapolis, and Hennepin County
41.2 must fully execute the transactional documents before the filing of a certificate of local
41.3 approval of this section.

41.4 Subd. 7. **Ongoing statutory rights of Municipal Building Commission**
41.5 **employees.** Notwithstanding any other law or home rule charter provision to the contrary,
41.6 this section shall not be construed to invalidate the rights, remedies, and privileges of the
41.7 Municipal Building Commission employees under Minnesota Statutes, section 383B.751.

41.8 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
41.9 city of Minneapolis and its chief clerical officer comply with Minnesota Statutes, section
41.10 645.021, subdivisions 2 and 3.

41.11 Sec. 16. **ST. PAUL; DESIGN-BUILD AUTHORIZATION.**

41.12 Notwithstanding Minnesota Statutes, section 471.345, or any other law to the contrary,
41.13 the city of St. Paul may solicit and award a design-build contract for the East Side Skate
41.14 Park project at Eastside Heritage Park on the basis of a best value selection process. The
41.15 city must consider at least three proposals when awarding a design-build contract under this
41.16 section.

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

41.18 Sec. 17. **REPEALER.**

41.19 (a) Minnesota Statutes 2022, section 43A.17, subdivision 9, is repealed.

41.20 (b) Minnesota Statutes 2022, sections 383B.75; 383B.751; 383B.752; 383B.753; and
41.21 383B.754, are repealed.

41.22 Sec. 18. **EFFECTIVE DATE.**

41.23 Sections 14 and 17, paragraph (a), are effective the day following final enactment.
41.24 Section 17, paragraph (b), is effective on the day section 15 is effective.