

STATE OF MINNESOTA

NINETY-THIRD SESSION — 2023

 SIXTY-THIRD DAY

SAINT PAUL, MINNESOTA, THURSDAY, MAY 4, 2023

The House of Representatives convened at 11:00 a.m. and was called to order by Melissa Hortman, Speaker of the House.

Prayer was offered by Pastor Ryan Quigley, Albert Lea Assembly of God, Albert Lea, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Acomb	Davids	Harder	Kotzya-Witthuhn	Newton	Schomacker
Agbaje	Davis	Hassan	Kozlowski	Niska	Sencer-Mura
Altendorf	Demuth	Heintzeman	Koznick	Noor	Skraba
Anderson, P. E.	Dotseth	Hemmingsen-Jaeger	Kraft	Norris	Smith
Anderson, P. H.	Edelson	Her	Kresha	Novotny	Stephenson
Bahner	Elkins	Hicks	Lee, F.	O'Driscoll	Swedzinski
Bakeberg	Engen	Hill	Lee, K.	Olson, L.	Tabke
Baker	Feist	Hollins	Liebling	O'Neill	Torkelson
Becker-Finn	Finke	Hornstein	Lillie	Pelowski	Urdahl
Bennett	Fogelman	Howard	Lislegard	Pérez-Vega	Vang
Berg	Franson	Hudella	Long	Perryman	West
Bierman	Frazier	Huot	McDonald	Petersburg	Wiener
Bliss	Frederick	Hussein	Moller	Pfarr	Wiens
Brand	Freiberg	Igo	Mueller	Pinto	Witte
Carroll	Garofalo	Johnson	Myers	Pryor	Wolgamott
Cha	Gillman	Jordan	Nadeau	Quam	Xiong
Clardy	Gomez	Keeler	Nash	Rehm	Youakim
Coulter	Greenman	Klevorn	Nelson, M.	Reyer	Zelevnikar
Curran	Hansen, R.	Knudsen	Nelson, N.	Richardson	Spk. Hortman
Daudt	Hanson, J.	Koegel	Neu Brindley	Robbins	

A quorum was present.

Backer; Burkel; Daniels; Fischer; Grossell; Hudson; Jacob; Joy; Kiel; Mekeland; Murphy; Olson, B.; Pursell; Schultz and Scott were excused.

The Chief Clerk proceeded to read the Journals of the preceding days. There being no objection, further reading of the Journals was dispensed with and the Journals were approved as corrected by the Chief Clerk.

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Olson, L., from the Committee on Ways and Means to which was referred:

H. F. No. 402, A bill for an act relating to health; establishing requirements for certain health care entity transactions; changing the expiration date on moratorium conversion transactions; requiring a health system to return charitable assets received from the state to the general fund in certain circumstances; requiring a study on the regulation of certain transactions; requiring a report; appropriating money; amending Minnesota Statutes 2022, section 62U.04, subdivision 11; Laws 2017, First Special Session chapter 6, article 5, section 11, as amended; proposing coding for new law in Minnesota Statutes, chapter 309; proposing coding for new law as Minnesota Statutes, chapter 145D.

Reported the same back with the following amendments:

Page 13, delete section 6 and insert:

"Sec. 6. **APPROPRIATIONS.**

\$1,584,000 in fiscal year 2024 and \$769,000 in fiscal year 2025 are appropriated from the general fund to the commissioner of health for purposes of Minnesota Statutes, section 145D.01, and to conduct a study and develop recommendations on nonprofit health maintenance organization conversions and other transactions. The base for this appropriation is \$710,000 in fiscal year 2026 and \$710,000 in fiscal year 2027."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Olson, L., from the Committee on Ways and Means to which was referred:

H. F. No. 1900, A bill for an act relating to natural resources; proposing an amendment to the Minnesota Constitution, article XI, section 14; providing for the renewal of the environment and natural resources trust fund; requiring a report; appropriating money; amending Minnesota Statutes 2022, sections 349A.08, subdivision 5; 349A.10, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 116P; proposing coding for new law as Minnesota Statutes, chapter 116X.

Reported the same back with the following amendments:

Page 2, line 1, reinstate the stricken language and delete "50"

Page 2, delete line 11

Page 2, line 12, delete "to 50 percent."

Page 3, delete subdivision 1 and insert:

"Subdivision 1. **Establishment; grants.** (a) The commissioner must establish the environment and natural resources trust fund community grant program for the benefit of current residents and future generations.

(b) The commissioner must award grants under the program for purposes that are authorized under Minnesota Constitution, article XI, section 14, but that have not traditionally been funded from that source. The commissioner must provide at least two grant award cycles per calendar year and must ensure that grants are awarded and deployed under the program as expeditiously as possible."

Page 4, line 22, delete "as follows" and insert ", and the appointees must include"

Page 4, delete lines 23 to 30 and insert:

"(1) two members who are members of the Ojibwe Tribe;

(2) two members who are members of the Dakota Tribe; and

(3) four members who identify as Black or African American, Hispanic or Latino, Asian, or Pacific Islander or as members of a community of color.

(b) In addition to the members appointed under paragraph (a), the commissioner, in consultation with the commissioners of health and the Pollution Control Agency, may appoint up to eight additional residents of Minnesota to the advisory council when, in the commissioner's discretion, it is necessary to ensure that the advisory council is sufficiently representative of various Minnesota communities.

(c) The commissioner must make appointments to the advisory council under this subdivision that result in substantially equal representation of rural, suburban, and urban communities."

Page 5, delete lines 1 to 5

Reletter the paragraphs in sequence

Page 6, delete sections 5 and 6

Page 7, after line 11, insert:

"Sec. 7. **FINANCIAL REVIEW OF GRANT AND BUSINESS SUBSIDY RECIPIENTS.**

Subdivision 1. **Definitions.** (a) As used in this section, the following terms have the meanings given.

(b) "Grant" means a grant or business subsidy funded by an appropriation in this act.

(c) "Grantee" means a business entity as defined in Minnesota Statutes, section 5.001.

Subd. 2. **Financial information required; determination of ability to perform.** Before an agency awards a competitive, legislatively named, single-source, or sole-source grant, the agency must assess the risk that a grantee cannot or would not perform the required duties. In making this assessment, the agency must review the following information:

(1) the grantee's history of performing duties similar to those required by the grant, whether the size of the grant requires the grantee to perform services at a significantly increased scale, and whether the size of the grant will require significant changes to the operation of the grantee's organization;

(2) for a grantee that is a nonprofit organization, the grantee's Form 990 or Form 990-EZ filed with the Internal Revenue Service in each of the prior three years. If the grantee has not been in existence long enough or is not required to file Form 990 or Form 990-EZ, the grantee must demonstrate to the grantor's satisfaction that the grantee is exempt and must instead submit the grantee's most recent board-reviewed financial statements and documentation of internal controls;

(3) for a for-profit business, three years of federal and state tax returns, current financial statements, certification that the business is not under bankruptcy proceedings, and disclosure of any liens on its assets. If a business has not been in business long enough to have three years of tax returns, the grantee must demonstrate to the grantor's satisfaction that the grantee has appropriate internal financial controls;

(4) evidence of registration and good standing with the secretary of state under Minnesota Statutes, chapter 317A, or other applicable law;

(5) if the grantee's total annual revenue exceeds \$750,000, the grantee's most recent financial audit performed by an independent third party in accordance with generally accepted accounting principles; and

(6) certification, provided by the grantee, that none of its principals have been convicted of a financial crime.

Subd. 3. **Additional measures for some grantees.** The agency may require additional information and must provide enhanced oversight for grants that have not previously received state or federal grants for similar amounts or similar duties and so have not yet demonstrated the ability to perform the duties required under the grant on the scale required.

Subd. 4. **Assistance from administration.** An agency without adequate resources or experience to perform obligations under this section may contract with the commissioner of administration to perform the agency's duties under this section.

Subd. 5. **Agency authority to not award grant.** If an agency determines that there is an appreciable risk that a grantee receiving a competitive, single-source, or sole-source grant cannot or would not perform the required duties under the grant agreement, the agency must notify the grantee and the commissioner of administration and give the grantee an opportunity to respond to the agency's concerns. If the grantee does not satisfy the agency's concerns within 45 days, the agency must not award the grant.

Subd. 6. **Legislatively named grantees.** If an agency determines that there is an appreciable risk that a grantee receiving a legislatively named grant cannot or would not perform the required duties under the grant agreement, the agency must notify the grantee, the commissioner of administration, the chair and ranking minority member of the Ways and Means Committee in the house of representatives, the chair and ranking minority member of the Finance Committee in the senate, and the chairs and ranking minority members of the committees in the house of representatives and the senate with primary jurisdiction over the bill in which the money for the grant was appropriated. The agency must give the grantee an opportunity to respond to the agency's concerns. If the grantee does not satisfy the agency's concerns within 45 days, the agency must delay award of the grant until adjournment of the next regular or special legislative session.

Subd. 7. **Subgrants.** If a grantee will disburse the money received from the grant to other organizations to perform duties required under the grant agreement, the agency must be a party to agreements between the grantee and a subgrantee. Before entering agreements for subgrants, the agency must perform the financial review required under this section with respect to the subgrantees.

Subd. 8. **Effect.** The requirements of this section are in addition to other requirements imposed by law; the commissioner of administration under Minnesota Statutes, sections 16B.97 and 16B.98; or agency grant policy."

Renumber the sections in sequence

Correct the title numbers accordingly

With the recommendation that when so amended the bill be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

Olson, L., from the Committee on Ways and Means to which was referred:

H. F. No. 2988, A bill for an act relating to workers' compensation; adopting recommendations of the 2023 Workers' Compensation Advisory Committee; modifying workers' compensation self-insurance; improving system efficiencies; modifying the permanent partial disability schedule; requiring a post-traumatic stress disorder study and report; making housekeeping changes; appropriating money; amending Minnesota Statutes 2022, sections 79A.01, subdivision 4; 79A.04, subdivisions 7, 9, 10, 16, by adding a subdivision; 79A.08; 79A.13; 79A.24, subdivision 4; 79A.25, subdivisions 1, 2, 3, by adding a subdivision; 176.011, subdivision 11a, by adding a subdivision; 176.081, subdivision 1; 176.101, subdivision 2a; 176.102, subdivision 3; 176.111, subdivision 16, by adding a subdivision; 176.135, subdivisions 1, 1a, 7; 176.1362, subdivision 1; 176.1364, subdivision 3; 176.155, subdivision 1; 176.239, subdivisions 6, 7; 176.291; 176.305, subdivision 4; 176.331; repealing Minnesota Statutes 2022, sections 176.1364, subdivision 6; 176.223.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 402 and 2988 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Urdahl introduced:

H. F. No. 3299, A bill for an act relating to education; clarifying the definition of gifted and talented students; amending Minnesota Statutes 2022, section 120B.15.

The bill was read for the first time and referred to the Committee on Education Policy.

Norris introduced:

H. F. No. 3300, A bill for an act relating to public safety; establishing the Office of Animal Protection; providing for peace officer and other professional training; authorizing working groups; establishing a courtroom animal advocate procedure; requiring support for forensic laboratories; authorizing the receipt of grants and contributions; amending the definition of crime of violence; requiring reports; requiring rulemaking; appropriating money; amending Minnesota Statutes 2022, section 624.712, subdivision 5; proposing coding for new law as Minnesota Statutes, chapter 299P.

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

Brand and Frederick introduced:

H. F. No. 3301, A bill for an act relating to capital investment; appropriating money for the Minnesota River State Trail; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Capital Investment.

Daudt and Hornstein introduced:

H. F. No. 3302, A bill for an act relating to transportation; establishing public hearing requirements for certain trunk highway and transit projects; amending Minnesota Statutes 2022, section 473.399, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 161.

The bill was read for the first time and referred to the Committee on Transportation Finance and Policy.

Anderson, P. H.; Franson; Demuth; Novotny; Witte; Backer; Jacob; Heintzeman; Bliss; Torkelson; Pfarr; Bakeberg; Burkel; Murphy; Petersburg; Perryman; Kresha; Skraba; Harder; Nash; Robbins; Dotseth; Gillman; Davis; Baker; Urdahl; Nelson, N.; Zeleznikar; Knudsen; McDonald; Grossell; Altendorf; Schultz; Niska and Anderson, P. E., introduced:

H. F. No. 3303, A bill for an act relating to transportation; designating an overpass in Pope County as the Deputy Josh Owen Memorial Overpass; amending Minnesota Statutes 2022, section 161.14, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation Finance and Policy.

MOTIONS AND RESOLUTIONS

Hanson, J., moved that the names of Pursell and Rehm be added as authors on H. F. No. 1225. The motion prevailed.

Hanson, J., moved that the names of Agbaje and Edelson be added as authors on H. F. No. 1618. The motion prevailed.

Hanson, J., moved that the names of Agbaje and Norris be added as authors on H. F. No. 1619. The motion prevailed.

Hanson, J., moved that the names of Agbaje, Pursell, Norris and Rehm be added as authors on H. F. No. 1961. The motion prevailed.

Grossell moved that the name of Kiel be added as an author on H. F. No. 3278. The motion prevailed.

Wolgammott moved that the names of Freiberg; Urdahl; Davids; Olson, L.; Knudsen and Kozlowski be added as authors on H. F. No. 3294. The motion prevailed.

Davis, Demuth and Mueller introduced:

House Resolution No. 1, A House resolution recognizing the first Thursday in May as a day of statewide prayer, fasting, and repentance in Minnesota.

The resolution was referred to the Committee on Rules and Legislative Administration.

Robbins introduced:

House Concurrent Resolution No. 4, A House concurrent resolution designating May 1 to 7, 2023, as Tardive Dyskinesia Awareness Week.

The concurrent resolution was referred to the Committee on Rules and Legislative Administration.

ADJOURNMENT

Long moved that when the House adjourns today it adjourn until 11:00 a.m., Monday, May 8, 2023. The motion prevailed.

Long moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 11:00 a.m., Monday, May 8, 2023.

PATRICK D. MURPHY, Chief Clerk, House of Representatives

