

17 March 2022

Dear State Government Committee Chair and Members,

Please change language in HF3780/SF3600 from MN Management and Budget to Office of Grants Management. This better utilizes state resources and does not deter MMB from acting on the State's interest and statutes. Creating additional staff, redirecting budgets, and moving all state grant and capital investment funding management to the existing Department of Administration's Office of Grants Management (OGM) in phases beginning with the Legacy Amendment Arts and Cultural Heritage Programs will improve citizen access. By creating a central point with detailed/structured applications, the bill's wording and spirit will make state funding understandable and approachable to all.

Bill language adding financial funds should be dedicated to support centralization of the state's grant and capital investment applications, evaluations, and distribution. In order to achieve centralization, OGM needs to be given control of state grants. This should include a phased approach beginning with the move of the Legacy Amendment's Arts and Cultural Heritage Programs (ACHP) from the nonprofit MN Historical Society to OGM. This change will create a central hub for Minnesota's diverse heritage and also eliminate duplicate financial support of the same project.

This move addresses construction projects because Legacy guidelines include construction and will assist in 16B.335 adherence also. MMB could direct applicants to OGM and remain focused on representing the state's interest. OGM could serve applicant interest and build a bridge to interpretation and navigation of the processes. This would eliminate interference from unrelated issues such as MNHS's current union negotiations with that nonprofit corporation's employees.

At present, Minnesota Legacy Amendment Arts and Cultural Heritage funds are exclusively controlled by MN Historical Society – a nonprofit

corporation, not a state department. With that exclusivity go the administrative fees collected and staffing budget. These costs could easily stay within the state budget and fund OGM without creating more pressure on the state budget.

In November, an MNHS created panel judged grant requests by an application's perceived inclusion/support of BIPOC interests. Grants were awarded not on predetermined factors outlined within the Legacy Amendment, but by the nonprofit's definition of "BIPOC." This conduct would not be encouraged by state staff.

HF3780/SF3600 language should be changed to bring this bill to a progressive, open, and inclusive guide that provides equal access to all state funding opportunities beginning with a single portal controlled by the state, not a nonprofit. This action will ease public confusion, remove unfair and unsupported evaluation practices, and infuse the state budget with additional funding year after year. This bill supports the need to bring all grants to one office for use by all residents.

I am available to clarify, support or document my statement for better understanding.

Thank you,
Stephanie Chappell
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