

1.1 ..... moves to amend H.F. No. 3168 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "ARTICLE 1

1.4 APPROPRIATIONS

1.5 Section 1. APPROPRIATIONS

1.6 The sums shown in the columns marked "Appropriations" are added to or subtracted  
1.7 from the appropriations in Laws 2015, chapter 77, article 1, to the agencies and for the  
1.8 purposes specified in this act. The appropriations are from the general fund, or another  
1.9 named fund, and are available for the fiscal years indicated for each purpose. The figures  
1.10 "2016" and "2017" used in this act mean that the addition to the appropriation listed under  
1.11 them are available for the fiscal year ending June 30, 2016, or June 30, 2017, respectively.

1.12		<b><u>APPROPRIATIONS</u></b>	
1.13		<b><u>Available for the Year</u></b>	
1.14		<b><u>Ending June 30</u></b>	
1.15		<b><u>2016</u></b>	<b><u>2017</u></b>

1.16	Sec. 2. <u>LEGISLATURE</u>	<b><u>\$</u></b>	<b><u>-0-</u></b>	<b><u>\$</u></b>	<b><u>185,000</u></b>
------	----------------------------	------------------	-------------------	------------------	-----------------------

1.17 80 percent of the amount in the Senate  
1.18 carryforward account cancels to the general  
1.19 fund on July 1, 2016.

1.20 \$318,000 is appropriated to the Office of the  
1.21 Legislative Auditor for new duties related  
1.22 to fiscal notes, revenue estimates, and local  
1.23 impact notes.

1.24 The appropriation to the legislative  
1.25 coordinating commission for the fiscal

2.1 year ending June 30, 2017, is reduced by  
 2.2 \$133,000.

2.3 Sec. 3. **STATE AUDITOR** \$ -0- \$ 6,951,000

2.4 Sec. 4. **MN.IT SERVICES** \$ -0- \$ 500,000

2.5 This appropriation is for a study of enhanced  
 2.6 cyber security across state government.

2.7 Sec. 5. **ADMINISTRATION** \$ -0- \$ 148,000

2.8 This appropriation is for continued  
 2.9 implementation of the state's Olmstead plan.

2.10 Sec. 6. **MINNESOTA MANAGEMENT**  
 2.11 **BUDGET** \$ -0- \$ (318,000)

2.12 To the extent possible, the appropriation  
 2.13 reduction in this section must be  
 2.14 implemented through savings achieved in  
 2.15 not administering the fiscal note process.

2.16 Sec. 7. **REVENUE**

2.17 \$1,000,000 of money previously appropriated  
 2.18 to the department for fiscal year 2017 must  
 2.19 be used for efforts to identify and reject  
 2.20 attempted tax refund fraud.

2.21 Sec. 8. **HUMAN RIGHTS**

2.22 Notwithstanding any law to the contrary,  
 2.23 federal funds received by the Department of  
 2.24 Human Rights during the biennium ending  
 2.25 June 30, 2017, must be deposited in the  
 2.26 state general fund, to the extent permitted  
 2.27 by agreements with the federal government.  
 2.28 If agreements with the federal government  
 2.29 do not permit federal funds received by the  
 2.30 department to be deposited in the state general



4.1 (b) The commissioner of management and budget must report to the chairs  
4.2 and ranking minority members of the senate Finance Committee and the house of  
4.3 representatives Ways and Means and Finance Committees regarding the amount of  
4.4 reductions in spending by each agency under this section.

4.5 (c) Reductions made in fiscal year 2017 must be reflected as reductions in agency  
4.6 base budgets for fiscal years 2018 and 2019.

4.7 Sec. 12. **HIRING FREEZE.**

4.8 Subdivision 1. **Application of freeze.** A state employer may not hire any permanent  
4.9 or temporary employees before July 1, 2017. For purposes of this section, "state employer"  
4.10 means state elected officials, departments, boards, agencies, commissions, offices, and  
4.11 other hiring entities in the executive and legislative branches of state government, as those  
4.12 branches are defined in Minnesota Statutes, section 43A.02. "State employer" does not  
4.13 include the Minnesota state colleges and universities.

4.14 Subd. 2. **Freeze exceptions.** (a) Subdivision 1 does not apply to:

4.15 (1) a student in a work-study position; or

4.16 (2) a position that is necessary to perform essential government services.

4.17 (b) A determination under paragraph (a), clause (2), must be made by the speaker of  
4.18 the house of representatives with respect to house employees, the chair of the committee  
4.19 on rules and administration with respect to senate employees, and the legislative  
4.20 coordinating commission with respect to its employees, by a constitutional officer with  
4.21 respect to employees of the constitutional office, and by the governor with respect to any  
4.22 other employee covered by this section. Exceptions granted under paragraph (a), clause  
4.23 (2), must be reported monthly by the entity granting the exception. The reports must be  
4.24 published on the entity's Web site, and copies must be provided to the chairs of the house  
4.25 ways and means and senate finance committees and to the Legislative Reference Library.

4.26 Sec. 13. **NO NONESSENTIAL TRAVEL.**

4.27 During the biennium ending June 30, 2017, state funds may not be used to pay for  
4.28 nonessential travel for employees of executive agencies. The governor must report any  
4.29 travel monthly on the governor's Web site, and by providing copies to the chairs of the house  
4.30 ways and means and senate finance committees and to the Legislative Reference Library.

4.31 Sec. 14. **LIMIT ON EXPENDITURES FOR ADVERTISING.**

5.1 During the fiscal year ending June 30, 2017, an executive branch agency's spending  
5.2 on advertising and promotions may not exceed 90 percent of the amount the agency  
5.3 spent on advertising and promotions during the fiscal year ending June 30, 2016. The  
5.4 commissioner of management and budget must ensure compliance with this limit, and  
5.5 may issue guidelines and policies to executive agencies. The commissioner may forbid  
5.6 an agency from engaging in advertising as the commissioner determines is necessary to  
5.7 ensure compliance with this section. This section does not apply to the Minnesota Lottery  
5.8 or Explore Minnesota Tourism. Spending during the biennium ending June 30, 2017, on  
5.9 advertising relating to a declared emergency, an emergency, or a disaster, as those terms  
5.10 are defined in Minnesota Statutes, section 12.03, is excluded for purposes of this section.

5.11 **Sec. 15. EXECUTIVE AGENCY MANAGERS.**

5.12 The salaries for the heads of all departments or agencies listed in Minnesota  
5.13 Statutes, section 15.06, subdivision 1, are reduced by five percent. The salaries for  
5.14 all deputy commissioners and assistant commissioners of agencies listed in Minnesota  
5.15 Statutes, section 15.06, subdivision 1, are reduced by five percent. The commissioner  
5.16 of management and budget must reduce the number of deputy commissioner and  
5.17 assistant commissioner positions in agencies listed in Minnesota Statutes, section 15.06,  
5.18 subdivision 1, by five percent.

5.19 **Sec. 16. TRANSITION.**

5.20 Notwithstanding any law to the contrary, receipts from examinations conducted by  
5.21 the state auditor must be credited to the general fund beginning July 1, 2016. Amounts in  
5.22 the state auditor enterprise fund are transferred to the general fund on July 1, 2016.

5.23 **Sec. 17. PUBLIC SUBSIDY PROGRAM SUSPENDED.**

5.24 Notwithstanding any law to the contrary, the public subsidy program for state  
5.25 elections does not apply for the remainder of the biennium ending June 30, 2017. During  
5.26 this period: (1) no appropriations or transfers shall be made from the general fund to the  
5.27 state elections campaign account; (2) no public subsidy payments shall be made from the  
5.28 state elections campaign account for any general or special election; and (3) any written  
5.29 agreements made by a candidate as a condition of receiving a payment are not effective  
5.30 for that election. Amounts designated on income tax and property tax refund returns  
5.31 filed after the effective date of this section and before June 30, 2017 are not effective  
5.32 and remain in the general fund.

6.1 **ARTICLE 2**6.2 **STATE GOVERNMENT**

6.3 Section 1. Minnesota Statutes 2014, section 3.971, is amended by adding a subdivision  
6.4 to read:

6.5 Subd. 8a. **Fiscal notes and revenue estimates.** The legislative auditor shall  
6.6 participate in the fiscal note and revenue estimate process in the manner described in  
6.7 section 3.98. Authority of the legislative auditor and duties of employees and entities  
6.8 under section 3.978, subdivision 2, apply to the legislative auditor's work on fiscal notes  
6.9 and revenue estimates.

6.10 Sec. 2. Minnesota Statutes 2014, section 3.98, is amended to read:

6.11 **3.98 FISCAL NOTES AND REVENUE ESTIMATES.**

6.12 Subdivision 1. **Preparation.** ~~The head or chief administrative officer of each~~  
6.13 ~~department or agency of the state government, including the Supreme Court, shall prepare~~  
6.14 ~~a fiscal note at the request of the chair of the standing committee to which a bill has been~~  
6.15 ~~referred, or the chair of the house of representatives Ways and Means Committee, or the~~  
6.16 ~~chair of the senate Committee on Finance.~~

6.17 ~~For purposes of this subdivision, "Supreme Court" includes all agencies, committees,~~  
6.18 ~~and commissions supervised or appointed by the state Supreme Court or the state court~~  
6.19 ~~administrator. (a) The chair of the standing committee to which a bill has been referred,~~  
6.20 ~~the chair of the house of representatives Ways and Means Committee, and the chair of~~  
6.21 ~~the senate Committee on Finance may request a fiscal note. The chair of the house of~~  
6.22 ~~representatives or senate tax committee may request a revenue estimate. A request for a~~  
6.23 ~~fiscal note or revenue estimate must be filed with the legislative auditor.~~

6.24 (b) Upon receiving a request for a fiscal note or revenue estimate, the legislative  
6.25 auditor shall request appropriate agencies, offices, boards, or commissions in the executive,  
6.26 judicial, or legislative branch to provide the legislative auditor with an analysis of the  
6.27 financial and personnel impacts of the bill. The analysis must include a clear statement  
6.28 of the assumptions used in the analysis and the extent to which alternative assumptions  
6.29 were considered. Agencies, offices, boards, or commissions shall, after receiving a request  
6.30 from the legislative auditor, submit the analysis in the time and manner requested by the  
6.31 auditor. The legislative auditor may require agencies, offices, boards, or commissions to  
6.32 use the fiscal note tracking system developed and maintained by the commissioner of  
6.33 management and budget for submitting fiscal note information and analysis.

6.34 (c) The legislative auditor shall review the analysis submitted by agencies, offices,  
6.35 boards, or commissions and assess the reasonableness of the analysis, particularly the

7.1 reasonableness of the assumptions used in the analysis. The auditor may require agencies,  
7.2 offices, boards, or commissions to resubmit their analysis under new assumptions or  
7.3 calculation parameters as defined by the auditor.

7.4 (d) When the legislative auditor accepts the final analysis from all relevant agencies,  
7.5 offices, boards, or commissions, the legislative auditor shall deliver the completed  
7.6 fiscal note or revenue estimate. The note or estimate must contain the final analysis  
7.7 and assumptions submitted to the legislative auditor by agencies, offices, boards, or  
7.8 commissions, and a statement by the legislative auditor as to whether the legislative  
7.9 auditor agrees with the final analysis and assumptions. The auditor must state the  
7.10 reasons for any disagreements and may offer alternative analysis and assumptions for  
7.11 consideration by the legislature. If the legislative auditor deems these disagreements  
7.12 sufficiently large, the legislative auditor may submit an unofficial "unapproved" fiscal note  
7.13 to the legislature for public consideration of both the analysis of the agencies, offices,  
7.14 boards, or commissions, and of the legislative auditor.

7.15 Subd. 2. **Contents.** (a) The A fiscal note, where possible, shall:

7.16 (1) cite the effect in dollar amounts;

7.17 (2) cite the statutory provisions affected;

7.18 (3) estimate the increase or decrease in revenues or expenditures;

7.19 (4) include the costs which may be absorbed without additional funds;

7.20 (5) include the assumptions used in determining the cost estimates; and

7.21 (6) specify any long-range implication.

7.22 (b) The A revenue estimate must estimate the effect of a bill on state tax revenues.

7.23 (c) A fiscal note or revenue estimate may comment on technical or mechanical  
7.24 defects in the bill but shall express no opinions concerning the merits of the proposal.

7.25 Subd. 3. **Distribution.** A copy of ~~the~~ a fiscal note shall be delivered to the chair  
7.26 of the Ways and Means Committee of the house of representatives, the chair of the  
7.27 Finance Committee of the senate, the chair of the standing committee to which the bill  
7.28 has been referred, to the chief author of the bill and to the commissioner of management  
7.29 and budget. A copy of a revenue estimate shall be delivered to the chairs of the house  
7.30 of representatives and senate tax committees, to the chief author of the bill, and to the  
7.31 commissioner of revenue.

7.32 Subd. 4. **Uniform procedure.** ~~The commissioner of management and budget~~  
7.33 legislative auditor shall prescribe a uniform procedure to govern the departments and  
7.34 agencies of the state in complying with the requirements of this section.

8.1            Subd. 5. **Tracking system.** The commissioner of management and budget shall  
8.2 provide the legislative auditor with manuals and other documentation requested by the  
8.3 auditor for the fiscal note tracking system that is maintained by the commissioner.

8.4            Sec. 3. Minnesota Statutes 2014, section 3.987, subdivision 1, is amended to read:

8.5            Subdivision 1. **Local impact notes.** ~~The commissioner of management and budget~~  
8.6 ~~legislative auditor~~ shall coordinate the development of a local impact note for any proposed  
8.7 legislation ~~introduced after June 30, 1997,~~ upon request of the chair or the ranking minority  
8.8 member of either legislative Tax, Finance, or Ways and Means Committee. Upon receipt  
8.9 of a request to prepare a local impact note, the ~~commissioner~~ auditor must notify the  
8.10 authors of the proposed legislation that the request has been made. The local impact note  
8.11 must be made available to the public upon request. If the action is among the exceptions  
8.12 listed in section 3.988, a local impact note need not be requested nor prepared. The  
8.13 ~~commissioner~~ auditor shall make a reasonable and timely estimate of the local fiscal impact  
8.14 on each type of political subdivision that would result from the proposed legislation. The  
8.15 ~~commissioner of management and budget~~ auditor may require any political subdivision or  
8.16 the commissioner of an administrative agency of the state to supply in a timely manner  
8.17 any information determined to be necessary to determine local fiscal impact. The political  
8.18 subdivision, its representative association, or commissioner shall convey the requested  
8.19 information to the ~~commissioner of management and budget~~ auditor with a signed  
8.20 statement to the effect that the information is accurate and complete to the best of its ability.  
8.21 The political subdivision, its representative association, or commissioner, when requested,  
8.22 shall update its determination of local fiscal impact based on actual cost or revenue figures,  
8.23 improved estimates, or both. Upon completion of the note, the ~~commissioner~~ auditor must  
8.24 provide a copy to the authors of the proposed legislation and to the chair and ranking  
8.25 minority member of each committee to which the proposed legislation is referred.

8.26            Sec. 4. Minnesota Statutes 2015 Supplement, section 6.481, subdivision 6, is amended  
8.27 to read:

8.28            Subd. 6. **Payments to state auditor.** A county audited by the state auditor must  
8.29 pay the state auditor for the costs and expenses of the audit. If the state auditor makes  
8.30 additional examinations of a county whose audit is performed by a CPA firm, the county  
8.31 must pay the auditor for the cost of these examinations. Payments must be deposited in  
8.32 the ~~state auditor enterprise~~ general fund.

8.33            Sec. 5. Minnesota Statutes 2014, section 6.56, subdivision 2, is amended to read:



9.1 Subd. 2. **Billings by state auditor.** Upon the examination of the books, records,  
9.2 accounts, and affairs of any political subdivision, as provided by law, such political  
9.3 subdivision shall be liable to the state for the total cost and expenses of such examination,  
9.4 including the salaries paid to the examiners while actually engaged in making such  
9.5 examination. The state auditor may bill such political subdivision periodically for service  
9.6 rendered and the officials responsible for approving and paying claims are authorized to  
9.7 pay said bill promptly. Said payments shall be without prejudice to any defense against  
9.8 said claims that may exist or be asserted. ~~The state auditor enterprise~~ general fund shall be  
9.9 credited with all collections made for any such examinations, including interest payments  
9.10 made pursuant to subdivision 3.

9.11 Sec. 6. Minnesota Statutes 2014, section 6.581, subdivision 4, is amended to read:

9.12 Subd. 4. **Reports to legislature.** At least 30 days before implementing increased  
9.13 charges for examinations, the state auditor must report the proposed increases to the  
9.14 chairs and ranking minority members of the committees in the house of representatives  
9.15 and the senate with jurisdiction over the budget of the state auditor. By January 15 of  
9.16 each odd-numbered year, the state auditor must report to the chairs and ranking minority  
9.17 members of the legislative committees and divisions with primary jurisdiction over the  
9.18 budget of the state auditor a summary of ~~the state auditor enterprise fund~~ anticipated  
9.19 revenues, and expenditures related to examinations for the biennium ending June 30  
9.20 of that year. The report must also include for the biennium the number of full-time  
9.21 equivalents ~~paid by the fund in the audit practice division~~, any audit rate changes stated as  
9.22 a percentage, the number of audit reports issued, and the number of counties audited.

9.23 Sec. 7. [16A.0565] CENTRALIZED TRACKING LIST OF AGENCY  
9.24 PROJECTS.

9.25 Subdivision 1. **Centralized tracking.** The commissioner must maintain a  
9.26 centralized tracking list of new agency projects estimated to cost more than \$100,000 that  
9.27 are paid for from the general fund.

9.28 Subd. 2. **New agency project.** (a) For purposes of this section a "new agency  
9.29 project" means:

9.30 (1) any new agency program or activity with more than \$100,000 in funding from  
9.31 the general fund; and

9.32 (2) any pre-existing agency program or activity with an increase of \$100,000 or  
9.33 more above the base level in general fund support.

9.34 (b) For purposes of this section, a new agency project does not include:

10.1 (i) general aid programs for units of local government, or entitlement programs  
10.2 providing assistance to individuals; or

10.3 (ii) a new program or activity or increase in a program or activity that is mandated  
10.4 by law.

10.5 Subd. 3. **Transparency requirements.** The centralized tracking list maintained by  
10.6 the commissioner must report the following for each new agency project:

10.7 (1) name of the agency and title of the project;

10.8 (2) a brief description of the project and its purposes;

10.9 (3) the extent to which the project has been implemented; and

10.10 (4) the amount of money that has been spent on the project.

10.11 Subd. 4. **Timing and reporting.** The commissioner must display the information  
10.12 required by subdivision 3 on the department's Web site. The list shall be maintained in a  
10.13 widely available and common document format such as a spreadsheet, that does not  
10.14 require any new costs to develop. The commissioner must report this information to the  
10.15 chairs of the house of representatives Ways and Means Committee and senate Finance  
10.16 Committee quarterly, and must update the information on the Web site at least quarterly.

10.17 Sec. 8. Minnesota Statutes 2014, section 16A.103, is amended by adding a subdivision  
10.18 to read:

10.19 Subd. 1h. **Revenue uncertainty information.** The commissioner shall report  
10.20 to the legislature within 14 days of a forecast under subdivision 1 on uncertainty in  
10.21 Minnesota's general fund revenue projections. The report shall present information on: (1)  
10.22 the estimated range of forecast error for revenues and (2) the data and methods used to  
10.23 construct those measurements.

10.24 Sec. 9. **[16A.104] FEDERAL FUNDS REPORT.**

10.25 The commissioner must report to the chairs and ranking minority members of the  
10.26 house of representatives ways and means and senate finance committees by January 15  
10.27 each year on receipt of federal funds by the state. The report must include the total amount  
10.28 of federal funds received by the state in the fiscal year ending the prior June 30 and the  
10.29 total amount of federal funds anticipated to be received by the state in the current fiscal  
10.30 year. For each category of federal funding, the report must list:

10.31 (1) the name of the federal grant or federal funding source, the federal agency  
10.32 providing the funding, a federal identification number, and a brief description of the  
10.33 purpose of the federal funding;

11.1 (2) the amount of federal funding the state received through that grant or source in  
 11.2 the fiscal year ending the prior June 30 and the total amount of federal funds anticipated to  
 11.3 be received by the state in the current fiscal year;

11.4 (3) if there is a federal maintenance-of-effort requirement associated with the funding;

11.5 (4) the number of full-time equivalent state employees needed to implement the  
 11.6 federal funding; and

11.7 (5) the amount of state funds spent, as a match or otherwise, in conjunction with  
 11.8 receipt of the federal funding in the fiscal year ending the prior June 30, and the amount of  
 11.9 state funds anticipated to be spent in the current fiscal year.

11.10 Sec. 10. Minnesota Statutes 2014, section 16A.1283, is amended to read:

11.11 **16A.1283 LEGISLATIVE APPROVAL REQUIRED FOR FEES.**

11.12 (a) Notwithstanding any law to the contrary, an executive branch state agency may  
 11.13 not impose a new fee or increase an existing fee unless the new fee or increase is approved  
 11.14 by law. An agency must not propose a fee or fine increase of more than ten percent  
 11.15 in a biennium over the same fee or fine in law at the start of the same biennium. For  
 11.16 purposes of this section, a fee is any charge for goods, services, regulation, or licensure,  
 11.17 and, notwithstanding paragraph (b), clause (3), includes charges for admission to or for  
 11.18 use of public facilities owned by the state.

11.19 (b) This section does not apply to:

11.20 (1) charges billed within or between state agencies, or billed to federal agencies;

11.21 (2) the Minnesota State Colleges and Universities system;

11.22 (3) charges for goods and services provided for the direct and primary use of a  
 11.23 private individual, business, or other entity;

11.24 (4) charges that authorize use of state-owned lands and minerals administered by  
 11.25 the commissioner of natural resources by the issuance of leases, easements, cooperative  
 11.26 farming agreements, and land and water crossing licenses and charges for sales of  
 11.27 state-owned lands administered by the commissioner of natural resources; or

11.28 (5) state park fees and charges established by commissioner's order.

11.29 (c) An executive branch agency may reduce a fee that was set by rule before July  
 11.30 1, 2001, without legislative approval. Chapter 14 does not apply to fee reductions under  
 11.31 this paragraph.

11.32 Sec. 11. **16A.37] POLITICAL ACTIVITY BY CERTAIN NONPROFITS**  
 11.33 **PROHIBITED.**

12.1 A nonprofit organization that receives a direct appropriation of state funds or  
12.2 that receives a grant of state funds must agree, as a condition of receiving the direct  
12.3 appropriation or grant, that it will not engage in political activities. For purposes of this  
12.4 section, "political activities" means an act done with the intent to influence any person  
12.5 to refrain from voting or to vote for or against any ballot question or any candidate for  
12.6 public office. For purposes of this section, "nonprofit organization" includes a corporation,  
12.7 partnership, limited partnership, limited liability company, joint venture, cooperative,  
12.8 association, or trust, wherever incorporated, organized, or registered, if the entity is  
12.9 organized on a nonprofit basis.

12.10 Sec. 12. **[16A.6415] FEDERAL PENALTIES RELATING TO PURCHASE OR**  
12.11 **SALE OF STATE BONDS.**

12.12 (a) The commissioner must disclose to the legislative auditor any situation that the  
12.13 commissioner believes potentially could subject the state or a state agency to payment of a  
12.14 penalty to the federal government in connection with the purchase or sale of bonds issued  
12.15 by the state. This disclosure must be made within ten days of the commissioner learning  
12.16 of the situation that has potential to subject the state to a federal penalty.

12.17 (b) Payment of a penalty to the federal government in connection with the purchase  
12.18 or sale of state bonds issued by the state must be made from funds appropriated for general  
12.19 operations of the department. If the commissioner determines that it is not feasible to pay  
12.20 the penalty from these funds, the commissioner may seek approval under the process in  
12.21 section 3.30 for use of contingent account appropriations.

12.22 (c) The commissioner must disclose to the legislative auditor and to the chairs and  
12.23 ranking minority members of the house of representatives Ways and Means Committee,  
12.24 senate Finance Committee, and house of representatives and senate committees with  
12.25 jurisdiction over capital investment the payment of a penalty by the commissioner or a  
12.26 state agency to the federal government in connection with the purchase or sale of bonds  
12.27 issued by the state. A disclosure under this paragraph must be made within ten days of the  
12.28 commissioner or a state agency paying the penalty.

12.29 Sec. 13. Minnesota Statutes 2014, section 16B.335, subdivision 1, is amended to read:

12.30 Subdivision 1. **Construction and major remodeling.** (a) The commissioner, or  
12.31 any other recipient to whom an appropriation is made to acquire or better public lands  
12.32 or buildings or other public improvements of a capital nature, must not prepare final  
12.33 plans and specifications for any construction, major remodeling, or land acquisition in  
12.34 anticipation of which the appropriation was made until the agency that will use the

13.1 project has presented the program plan and cost estimates for all elements necessary to  
13.2 complete the project to the chair of the senate Finance Committee and the chair of the  
13.3 house of representatives Ways and Means Committee and the chairs have made their  
13.4 recommendations, and the chair and ranking minority member of the senate Capital  
13.5 Investment Committee and the chair and ranking minority member of the house of  
13.6 representatives Capital Investment Committee are notified. "Construction or major  
13.7 remodeling" means construction of a new building, a substantial addition to an existing  
13.8 building, or a substantial change to the interior configuration of an existing building. The  
13.9 presentation must note any significant changes in the work that will be done, or in its cost,  
13.10 since the appropriation for the project was enacted or from the predesign submittal. The  
13.11 program plans and estimates must be presented for review at least two weeks before a  
13.12 recommendation is needed. The recommendations are advisory only. Failure or refusal to  
13.13 make a recommendation is considered a negative recommendation.

13.14 (b) The chairs and ranking minority members of the senate Finance and Capital  
13.15 Investment Committees and, the house of representatives Capital Investment and Ways  
13.16 and Means Committees, and the house of representatives and senate budget committees or  
13.17 divisions with jurisdiction over the agency that will use the project must also be notified  
13.18 whenever there is a substantial change in a construction or major remodeling project, or in  
13.19 its cost. This notice must include the nature and reason for the change, and the anticipated  
13.20 cost of the change. The notice must be given no later than 10 days after signing a change  
13.21 order or other document authorizing a change in the project, or if there is not a change  
13.22 order or other document, no later than 10 days after the project owner becomes aware of a  
13.23 substantial change in the project or its cost.

13.24 (b) (c) Capital projects exempt from the requirements of this subdivision in  
13.25 paragraph (a) to seek recommendations before preparing final plans and specifications  
13.26 include demolition or decommissioning of state assets, hazardous material projects, utility  
13.27 infrastructure projects, environmental testing, parking lots, parking structures, park and  
13.28 ride facilities, bus rapid transit stations, light rail lines, passenger rail projects, exterior  
13.29 lighting, fencing, highway rest areas, truck stations, storage facilities not consisting  
13.30 primarily of offices or heated work areas, roads, bridges, trails, pathways, campgrounds,  
13.31 athletic fields, dams, floodwater retention systems, water access sites, harbors, sewer  
13.32 separation projects, water and wastewater facilities, port development projects for which  
13.33 the commissioner of transportation has entered into an assistance agreement under section  
13.34 457A.04, ice centers, a local government project with a construction cost of less than  
13.35 \$1,500,000, or any other capital project with a construction cost of less than \$750,000.  
13.36 The requirements in paragraph (b) to give notice of changes applies to these projects.

14.1 Sec. 14. **[16B.336] NEW STATE BUILDINGS.**

14.2 Any requirement for legislative approval of construction of a state building may be  
14.3 fulfilled only by approval of the entire legislature in a bill enacted into law, and may not be  
14.4 fulfilled by approval of one or more committees of the legislature.

14.5 Sec. 15. **[16B.991] TERMINATION OF GRANT.**

14.6 Each grant agreement subject to sections 16B.97 and 16B.98 must provide that  
14.7 the agreement will immediately be terminated if the recipient is convicted of a criminal  
14.8 offense relating to a state grant agreement.

14.9 Sec. 16. **[16B.992] NO FEES FOR GENERAL FUND GRANT**  
14.10 **ADMINISTRATION.**

14.11 An agency may not charge a recipient of a grant from the general fund a fee and  
14.12 may not deduct money from the grant to pay administrative expenses incurred by the  
14.13 agency in administering the grant.

14.14 Sec. 17. Minnesota Statutes 2014, section 16C.03, subdivision 16, is amended to read:

14.15 Subd. 16. **Delegation of duties.** (a) The commissioner may delegate duties imposed  
14.16 by this chapter to the head of an agency and to any subordinate of the agency head. At  
14.17 least once every three years the commissioner must audit use of authority under this  
14.18 chapter by each employee whom the commissioner has delegated duties.

14.19 (b) The commissioner must develop guidelines for agencies and employees to whom  
14.20 authority is delegated under this chapter that protect state legal interests. These guidelines  
14.21 may provide for review by the commissioner when a specific contract has potential to put  
14.22 the state's legal interests at risk.

14.23 Sec. 18. **[43A.035] LIMIT ON NUMBER OF FULL-TIME EQUIVALENT**  
14.24 **EMPLOYEES.**

14.25 The total number of full-time equivalent employees employed in all executive  
14.26 branch agencies may not exceed 35,927. As provided in article 1, section 11, an executive  
14.27 branch agency may not hire a new employee during the biennium ending June 30, 2017,  
14.28 except as authorized in article 1, section 11. Any reductions in staff should prioritize  
14.29 protecting client-facing health care workers, corrections officers, public safety workers,  
14.30 and mental health workers. As a means of achieving compliance with this requirement,  
14.31 the commissioner may authorize an agency to provide an early retirement incentive to an  
14.32 executive branch employee, under which the state will continue to make the employer

15.1 contribution for health insurance after the employee has terminated state service. The  
 15.2 commissioner must prescribe eligibility requirements and the maximum duration of the  
 15.3 payments. For purposes of this section, an "executive agency" does not include the  
 15.4 Minnesota State Colleges and Universities or statewide pension plans.

15.5 Sec. 19. Minnesota Statutes 2015 Supplement, section 197.46, is amended to read:

15.6 **197.46 VETERANS PREFERENCE ACT; REMOVAL FORBIDDEN; RIGHT**  
 15.7 **OF MANDAMUS.**

15.8 (a) Any person whose rights may be in any way prejudiced contrary to any of the  
 15.9 provisions of this section, ~~shall be~~ is entitled to a writ of mandamus to remedy the wrong.  
 15.10 No person holding a position by appointment or employment in ~~the several counties~~ any  
 15.11 county, cities city, towns town, school ~~districts and all~~ district, or any other political  
 15.12 ~~subdivisions~~ subdivision in the state; who is a veteran separated from the military service  
 15.13 under honorable conditions, shall be removed from ~~such~~ the position or employment  
 15.14 except for incompetency or misconduct shown after a hearing, upon due notice, upon  
 15.15 stated charges, in writing.

15.16 (b) Any veteran who has been notified of the intent to discharge the veteran from an  
 15.17 appointed position or employment pursuant to this section shall be notified in writing of  
 15.18 ~~such~~ the intent to discharge and of the veteran's right to request a hearing within 60 days  
 15.19 of receipt of the notice of intent to discharge. The failure of a veteran to request a hearing  
 15.20 within the provided 60-day period ~~shall constitute~~ constitutes a waiver of the right to a  
 15.21 hearing. ~~Such~~ The failure ~~shall~~ waive waives all other available legal remedies for  
 15.22 reinstatement.

15.23 Request for a hearing concerning such a discharge shall be made in writing and  
 15.24 submitted by mail or personal service to the employment office of the concerned employer  
 15.25 or other appropriate office or person. If the veteran requests a hearing under this section,  
 15.26 ~~such~~ the written request must also contain the veteran's election to be heard by a civil  
 15.27 service board or commission, a merit authority, or a ~~three-person panel~~ board of three  
 15.28 persons as defined in paragraph (c). If the veteran fails to identify the veteran's election,  
 15.29 the governmental subdivision may select the hearing body.

15.30 (c) In all governmental subdivisions having an established civil service board or  
 15.31 commission, or merit system authority, ~~such~~ the veteran may elect to have the hearing for  
 15.32 removal or discharge ~~shall be held~~ before ~~such~~ the civil service board or commission or  
 15.33 merit system authority, or before a board of three persons as specified in this paragraph.  
 15.34 Where no ~~such~~ civil service board or commission or merit system authority exists, ~~such~~  
 15.35 the hearing shall be held by a board of three persons appointed as follows: one by the

16.1 governmental subdivision, one by the veteran, and the third by the two so selected. In the  
16.2 event that the hearing is authorized to be held before a ~~three-person~~ board of three persons,  
16.3 the governmental subdivision's notice of intent to discharge shall state that the veteran must  
16.4 respond within 60 days of receipt of the notice of intent to discharge, and provide in writing  
16.5 to the governmental subdivision the name, United States mailing address, and telephone  
16.6 number of the veteran's selected representative for the ~~three-person~~ board of three persons.  
16.7 The failure of a veteran to submit the name, address, and telephone number of the veteran's  
16.8 selected representative to the governmental subdivision by mail or by personal service  
16.9 within the provided notice's 60-day period, ~~shall constitute~~ constitutes a waiver of the  
16.10 veteran's right to the hearing and all other legal remedies available for reinstatement of the  
16.11 veteran's employment position. In the event the ~~two persons~~ person selected by the veteran  
16.12 and the person selected by the governmental subdivision do not appoint the third person  
16.13 within ten days after the appointment of the last of the two, then the judge of the district  
16.14 court of the county ~~wherein~~ where the proceeding is pending, or if there ~~be~~ is more than one  
16.15 judge in ~~said~~ the county then any judge in chambers, ~~shall have~~ has jurisdiction to appoint,  
16.16 ~~and the third person~~. Upon application ~~of either or both of the two so selected by the~~  
16.17 person selected by the governmental subdivision or by the person selected by the veteran,  
16.18 or upon application by both, the judge shall appoint; the third person to the board ~~and the~~  
16.19 ~~person so appointed by the judge who~~ with the two first selected shall constitute the board.

16.20 (d) Either the veteran or the governmental subdivision may appeal from the decision  
16.21 of the ~~board~~ hearing body upon the charges to the district court by causing written notice  
16.22 of appeal, stating the grounds ~~thereof~~ of the appeal, to be served upon the other party  
16.23 within 15 days after notice of the decision and by filing the original notice of appeal  
16.24 with proof of service ~~thereof~~ in the office of the court administrator of the district court  
16.25 within ten days after service thereof. Nothing in section 197.455 or this section shall be  
16.26 construed to apply to the position of private secretary, superintendent of schools, or one  
16.27 chief deputy of any elected official or head of a department, or to any person holding a  
16.28 strictly confidential relation to the appointing officer. Nothing in this section shall be  
16.29 construed to apply to the position of teacher. The burden of establishing such relationship  
16.30 shall be upon the appointing officer in all proceedings and actions relating thereto.

16.31 (e) For disputes heard by a civil service board, commission or merit system authority,  
16.32 or by a board of three persons, the ~~political~~ governmental subdivisions shall bear all costs  
16.33 associated with the hearing but not including attorney fees for attorneys representing the  
16.34 veteran. ~~For disputes heard by a three-person panel, all parties shall bear equally all costs~~  
16.35 ~~associated with the hearing, but not including attorney fees for attorneys representing the~~  
16.36 ~~veteran.~~ If the veteran prevails in a dispute heard by a civil service board ~~or a three-person~~



17.1 ~~panel, commission or merit system authority, or by a board of three persons and the hearing~~  
17.2 ~~reverses all aspects of the level of the alleged incompetency or misconduct requiring~~  
17.3 discharge, the governmental subdivision shall pay the veteran's reasonable attorney fees.

17.4 (f) All officers, boards, commissions, and employees shall conform to, comply with,  
17.5 and aid in all proper ways in carrying into effect the provisions of section 197.455 and this  
17.6 section notwithstanding any laws, charter provisions, ordinances or rules to the contrary.  
17.7 Any willful violation of such sections by officers, officials, or employees is a misdemeanor.

17.8 Sec. 20. Minnesota Statutes 2014, section 298.22, subdivision 1, is amended to read:

17.9 Subdivision 1. **The Office of the Commissioner of Iron Range resources**  
17.10 **and rehabilitation.** (a) The Office of the Commissioner of Iron Range resources and  
17.11 rehabilitation is created as an agency in the executive branch of state government. The  
17.12 governor shall appoint the commissioner of Iron Range resources and rehabilitation under  
17.13 section 15.06.

17.14 (b) The commissioner may hold other positions or appointments that are not  
17.15 incompatible with duties as commissioner of Iron Range resources and rehabilitation. The  
17.16 commissioner may appoint a deputy commissioner. All expenses of the commissioner,  
17.17 including the payment of staff and other assistance as may be necessary, must be paid  
17.18 out of the amounts appropriated by section 298.28 or otherwise made available by law  
17.19 to the commissioner. ~~Notwithstanding chapters 16A, 16B, and 16C, the commissioner~~  
17.20 ~~may utilize contracting options available under section 471.345 when the commissioner~~  
17.21 ~~determines it is in the best interest of the agency. The agency is not subject to sections~~  
17.22 ~~16E.016 and 16C.05.~~

17.23 (c) When the commissioner determines that distress and unemployment exists or  
17.24 may exist in the future in any county by reason of the removal of natural resources or  
17.25 a possibly limited use of natural resources in the future and any resulting decrease in  
17.26 employment, the commissioner may use whatever amounts of the appropriation made to  
17.27 the commissioner of revenue in section 298.28 that are determined to be necessary and  
17.28 proper in the development of the remaining resources of the county and in the vocational  
17.29 training and rehabilitation of its residents, except that the amount needed to cover cost  
17.30 overruns awarded to a contractor by an arbitrator in relation to a contract awarded by  
17.31 the commissioner or in effect after July 1, 1985, is appropriated from the general fund.  
17.32 For the purposes of this section, "development of remaining resources" includes, but is  
17.33 not limited to, the promotion of tourism.

17.34 Sec. 21. Minnesota Statutes 2014, section 299A.41, subdivision 3, is amended to read:

18.1 Subd. 3. **Killed in the line of duty.** "Killed in the line of duty" does not include  
 18.2 deaths from natural causes, except as provided in this subdivision. In the case of a ~~peace~~  
 18.3 public safety officer, "killed in the line of duty" includes the death of ~~an~~ a public safety  
 18.4 officer caused by accidental means while the ~~peace~~ public safety officer is acting in the  
 18.5 course and scope of duties as a ~~peace~~ public safety officer. Killed in the line of duty also  
 18.6 means if a public safety officer dies as the direct and proximate result of a heart attack,  
 18.7 stroke, or vascular rupture, that officer shall be presumed to have died as the direct and  
 18.8 proximate result of a personal injury sustained in the line of duty if:

18.9 (1) that officer, while on duty:

18.10 (i) engaged in a situation, and that engagement involved nonroutine stressful or  
 18.11 strenuous physical law enforcement, fire suppression, rescue, hazardous material response,  
 18.12 emergency medical services, prison security, disaster relief, or other emergency response  
 18.13 activity; or

18.14 (ii) participated in a training exercise, and that participation involved nonroutine  
 18.15 stressful or strenuous physical activity;

18.16 (2) that officer died as a result of a heart attack, stroke, or vascular rupture suffered:

18.17 (i) while engaging or participating under clause (1);

18.18 (ii) while still on duty after engaging or participating under clause (1); or

18.19 (iii) not later than 24 hours after engaging or participating under clause (1); and

18.20 (3) the presumption is not overcome by competent medical evidence to the contrary.

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

18.22 Sec. 22. Minnesota Statutes 2014, section 327C.095, subdivision 13, is amended to read:

18.23 Subd. 13. **Change in use, relocation expenses; payments by park owner.** (a)

18.24 If a manufactured home owner is required to relocate due to the conversion of all or a  
 18.25 portion of a manufactured home park to another use, the closure of a manufactured home  
 18.26 park, or cessation of use of the land as a manufactured home park under subdivision 1,  
 18.27 and the manufactured home owner complies with the requirements of this section, the  
 18.28 manufactured home owner is entitled to payment from the Minnesota manufactured home  
 18.29 relocation trust fund equal to the manufactured home owner's actual relocation costs for  
 18.30 relocating the manufactured home to a new location within a 25-mile radius of the park  
 18.31 that is being closed, up to a maximum of ~~\$4,000~~ \$7,000 for a single-section and ~~\$8,000~~  
 18.32 \$12,500 for a multisection manufactured home. The actual relocation costs must include  
 18.33 the reasonable cost of taking down, moving, and setting up the manufactured home,  
 18.34 including equipment rental, utility connection and disconnection charges, minor repairs,  
 18.35 modifications necessary for transportation of the home, necessary moving permits and

19.1 insurance, moving costs for any appurtenances, which meet applicable local, state, and  
19.2 federal building and construction codes.

19.3 (b) A manufactured home owner is not entitled to compensation under paragraph (a)  
19.4 if the manufactured home park owner is not required to make a payment to the Minnesota  
19.5 manufactured home relocation trust fund under subdivision 12, paragraph (b).

19.6 (c) Except as provided in paragraph (e), in order to obtain payment from the  
19.7 Minnesota manufactured home relocation trust fund, the manufactured home owner shall  
19.8 submit to the neutral third party and the Minnesota Housing Finance Agency, with a copy  
19.9 to the park owner, an application for payment, which includes:

19.10 (1) a copy of the closure statement under subdivision 1;

19.11 (2) a copy of the contract with a moving or towing contractor, which includes the  
19.12 relocation costs for relocating the manufactured home;

19.13 (3) a statement with supporting materials of any additional relocation costs as  
19.14 outlined in subdivision 1;

19.15 (4) a statement certifying that none of the exceptions to receipt of compensation  
19.16 under subdivision 12, paragraph (b), apply to the manufactured home owner;

19.17 (5) a statement from the manufactured park owner that the lot rental is current  
19.18 and that the annual \$12 payments to the Minnesota manufactured home relocation trust  
19.19 fund have been paid when due; and

19.20 (6) a statement from the county where the manufactured home is located certifying  
19.21 that personal property taxes for the manufactured home are paid through the end of that year.

19.22 (d) If the neutral third party has acted reasonably and does not approve or deny  
19.23 payment within 45 days after receipt of the information set forth in paragraph (c), the  
19.24 payment is deemed approved. Upon approval and request by the neutral third party,  
19.25 the Minnesota Housing Finance Agency shall issue two checks in equal amount for 50  
19.26 percent of the contract price payable to the mover and towing contractor for relocating  
19.27 the manufactured home in the amount of the actual relocation cost, plus a check to the  
19.28 home owner for additional certified costs associated with third-party vendors, that were  
19.29 necessary in relocating the manufactured home. The moving or towing contractor shall  
19.30 receive 50 percent upon execution of the contract and 50 percent upon completion of  
19.31 the relocation and approval by the manufactured home owner. The moving or towing  
19.32 contractor may not apply the funds to any other purpose other than relocation of the  
19.33 manufactured home as provided in the contract. A copy of the approval must be forwarded  
19.34 by the neutral third party to the park owner with an invoice for payment of the amount  
19.35 specified in subdivision 12, paragraph (a).

20.1 (e) In lieu of collecting a relocation payment from the Minnesota manufactured  
20.2 home relocation trust fund under paragraph (a), the manufactured home owner may collect  
20.3 an amount from the fund after reasonable efforts to relocate the manufactured home  
20.4 have failed due to the age or condition of the manufactured home, or because there are  
20.5 no manufactured home parks willing or able to accept the manufactured home within a  
20.6 25-mile radius. A manufactured home owner may tender title of the manufactured home in  
20.7 the manufactured home park to the manufactured home park owner, and collect an amount  
20.8 to be determined by an independent appraisal. The appraiser must be agreed to by both  
20.9 the manufactured home park owner and the manufactured home owner. If the appraised  
20.10 market value cannot be determined, the tax market value, averaged over a period of five  
20.11 years, can be used as a substitute. The maximum amount that may be reimbursed under  
20.12 the fund is a maximum of \$5,000 \$8,000 for a single-section and \$9,000 \$14,500 for a  
20.13 multisection manufactured home. The minimum amount that may be reimbursed under the  
20.14 fund is \$4,000 for a single section and \$8,000 for a multisection manufactured home. The  
20.15 manufactured home owner shall deliver to the manufactured home park owner the current  
20.16 certificate of title to the manufactured home duly endorsed by the owner of record, and  
20.17 valid releases of all liens shown on the certificate of title, and a statement from the county  
20.18 where the manufactured home is located evidencing that the personal property taxes have  
20.19 been paid. The manufactured home owner's application for funds under this paragraph  
20.20 must include a document certifying that the manufactured home cannot be relocated, that  
20.21 the lot rental is current, that the annual \$12 payments to the Minnesota manufactured home  
20.22 relocation trust fund have been paid when due, that the manufactured home owner has  
20.23 chosen to tender title under this section, and that the park owner agrees to make a payment  
20.24 to the commissioner of management and budget in the amount established in subdivision  
20.25 12, paragraph (a), less any documented costs submitted to the neutral third party, required  
20.26 for demolition and removal of the home, and any debris or refuse left on the lot, not to  
20.27 exceed \$1,000. The manufactured home owner must also provide a copy of the certificate  
20.28 of title endorsed by the owner of record, and certify to the neutral third party, with a copy  
20.29 to the park owner, that none of the exceptions to receipt of compensation under subdivision  
20.30 12, paragraph (b), clauses (1) to (6), apply to the manufactured home owner, and that the  
20.31 home owner will vacate the home within 60 days after receipt of payment or the date of  
20.32 park closure, whichever is earlier, provided that the monthly lot rent is kept current.

20.33 (f) The Minnesota Housing Finance Agency must make a determination of the  
20.34 amount of payment a manufactured home owner would have been entitled to under a local  
20.35 ordinance in effect on May 26, 2007. Notwithstanding paragraph (a), the manufactured  
20.36 home owner's compensation for relocation costs from the fund under section 462A.35, is

21.1 the greater of the amount provided under this subdivision, or the amount under the local  
21.2 ordinance in effect on May 26, 2007, that is applicable to the manufactured home owner.  
21.3 Nothing in this paragraph is intended to increase the liability of the park owner.

21.4 (g) Neither the neutral third party nor the Minnesota Housing Finance Agency shall  
21.5 be liable to any person for recovery if the funds in the Minnesota manufactured home  
21.6 relocation trust fund are insufficient to pay the amounts claimed. The Minnesota Housing  
21.7 Finance Agency shall keep a record of the time and date of its approval of payment to a  
21.8 claimant.

21.9 (h) The agency shall report to the chairs of the senate Finance Committee and  
21.10 house of representatives Ways and Means Committee by January 15 of each year on  
21.11 the Minnesota manufactured home relocation trust fund, including the account balance,  
21.12 payments to claimants, the amount of any advances to the fund, the amount of any  
21.13 insufficiencies encountered during the previous calendar year, and any administrative  
21.14 charges or expenses deducted from the trust fund balance. If sufficient funds become  
21.15 available, the Minnesota Housing Finance Agency shall pay the manufactured home  
21.16 owner whose unpaid claim is the earliest by time and date of approval.

21.17 Sec. 23. Minnesota Statutes 2014, section 353.01, subdivision 43, is amended to read:

21.18 Subd. 43. **Line of duty death.** "Line of duty death" means:

21.19 (1) a death that occurs while performing or as a direct result of performing normal or  
21.20 less frequent duties which are specific to protecting the property and personal safety of  
21.21 others and that present inherent dangers that are specific to the positions covered by the  
21.22 public employees police and fire plan; or

21.23 (2) a death determined by the commissioner of public safety to meet the requirements  
21.24 of section 299A.41, subdivision 3.

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

21.26 Sec. 24. Minnesota Statutes 2014, section 471.6161, subdivision 8, is amended to read:

21.27 Subd. 8. **School districts; group health insurance coverage.** (a) Any entity  
21.28 providing group health insurance coverage to a school district must provide the school  
21.29 district with school district-specific nonidentifiable aggregate claims records for the most  
21.30 recent 24 months within 30 days of the request.

21.31 (b) School districts shall request proposals for group health insurance coverage as  
21.32 provided in subdivision 2 from a minimum of three potential sources of coverage. ~~One of~~  
21.33 ~~these requests must go to an administrator governed by chapter 43A.~~ Entities referenced  
21.34 in subdivision 1 must respond to requests for proposals received directly from a school

22.1 district. School districts that are self-insured must also follow these provisions, except  
22.2 as provided in paragraph (f). School districts must make requests for proposals at least  
22.3 150 days prior to the expiration of the existing contract but not more frequently than once  
22.4 every 24 months. The request for proposals must include the most recently available  
22.5 24 months of nonidentifiable aggregate claims data. The request for proposals must be  
22.6 publicly released at or prior to its release to potential sources of coverage.

22.7 (c) School district contracts for group health insurance must not be longer than ~~two~~  
22.8 five years unless the exclusive representative of the largest employment group and the  
22.9 school district agree otherwise, except that contracts for group health insurance negotiated  
22.10 in connection with a service cooperative, governed by section 123A.21, must not be  
22.11 longer than four years.

22.12 (d) All initial proposals shall be sealed upon receipt until they are all opened no less  
22.13 than 90 days prior to the plan's renewal date in the presence of up to three representatives  
22.14 selected by the exclusive representative of the largest group of employees. Section 13.591,  
22.15 subdivision 3, paragraph (b), applies to data in the proposals. The representatives of  
22.16 the exclusive representative must maintain the data according to this classification and  
22.17 are subject to the remedies and penalties under sections 13.08 and 13.09 for a violation  
22.18 of this requirement.

22.19 (e) A school district, in consultation with the same representatives referenced in  
22.20 paragraph (d), may continue to negotiate with any entity that submitted a proposal under  
22.21 paragraph (d) in order to reduce costs or improve services under the proposal. Following  
22.22 the negotiations any entity that submitted an initial proposal may submit a final proposal  
22.23 incorporating the negotiations, which is due no less than 75 days prior to the plan's  
22.24 renewal date. All the final proposals submitted must be opened at the same time in the  
22.25 presence of up to three representatives selected by the exclusive representative of the  
22.26 largest group of employees. Notwithstanding section 13.591, subdivision 3, paragraph (b),  
22.27 following the opening of the final proposals, all the proposals, including any made under  
22.28 paragraph (d), and other data submitted in connection with the proposals are public data.  
22.29 The school district may choose from any of the initial or final proposals without further  
22.30 negotiations and in accordance with subdivision 5, but not sooner than 15 days after  
22.31 the proposals become public data.

22.32 (f) School districts that are self-insured shall follow all of the requirements of this  
22.33 section, except that:

22.34 (1) their requests for proposals may be for third-party administrator services, where  
22.35 applicable;

23.1 (2) these requests for proposals must be from a minimum of three different sources,  
23.2 which may include both entities referenced in subdivision 1 and providers of third-party  
23.3 administrator services;

23.4 ~~(3) for purposes of fulfilling the requirement to request a proposal for group~~  
23.5 ~~insurance coverage from an administrator governed by chapter 43A, self-insured districts~~  
23.6 ~~are not required to include in the request for proposal the coverage to be provided;~~

23.7 ~~(4) a district that is self-insured on or before the date of enactment, or that is~~  
23.8 ~~self-insured with more than 1,000 insured lives, or a district in which the school board~~  
23.9 ~~adopted a motion on or before May 14, 2014, to approve a self-insured health care plan~~  
23.10 ~~to be effective July 1, 2014, may, but need not, request a proposal from an administrator~~  
23.11 ~~governed by chapter 43A;~~

23.12 ~~(5)~~ (3) requests for proposals must be sent to providers no less than 90 days prior to  
23.13 the expiration of the existing contract; and

23.14 ~~(6)~~ (4) proposals must be submitted at least 60 days prior to the plan's renewal date  
23.15 and all proposals shall be opened at the same time and in the presence of the exclusive  
23.16 representative, where applicable.

23.17 (g) Nothing in this section shall restrict the authority granted to school district boards  
23.18 of education by section 471.59, ~~except that districts will not be considered self-insured for~~  
23.19 ~~purposes of this subdivision solely through participation in a joint powers arrangement.~~

23.20 (h) An entity providing group health insurance to a school district under a multiyear  
23.21 contract must give notice of any rate or plan design changes applicable under the contract  
23.22 at least 90 days before the effective date of any change. The notice must be given to the  
23.23 school district and to the exclusive representatives of employees.

23.24 (i) The exclusive representative of the largest group of employees shall comply  
23.25 with this subdivision and must not exercise any of their abilities under section 43A.316,  
23.26 subdivision 5, notwithstanding anything contained in that section, or any other law to the  
23.27 contrary.

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

23.29 Sec. 25. Minnesota Statutes 2014, section 471.617, subdivision 2, is amended to read:

23.30 Subd. 2. **Jointly.** Any two or more statutory or home rule charter cities, counties,  
23.31 school districts, or instrumentalities thereof which together have more than 100 employees  
23.32 may jointly self-insure for any employee health benefits including long-term disability, but  
23.33 not for employee life benefits, subject to the same requirements as an individual self-insurer  
23.34 under subdivision 1. Self-insurance pools under this section are subject to section 62L.045.  
23.35 A self-insurance pool established and operated by one or more service cooperatives

24.1 governed by section 123A.21 to provide coverage described in this subdivision qualifies  
 24.2 under this subdivision, ~~but the individual school district members of such a pool shall not~~  
 24.3 ~~be considered to be self-insured for purposes of section 471.6161, subdivision 8, paragraph~~  
 24.4 ~~(f).~~ The commissioner of commerce may adopt rules pursuant to chapter 14, providing  
 24.5 standards or guidelines for the operation and administration of self-insurance pools.

24.6 Sec. 26. Laws 2015, chapter 77, article 1, section 11, subdivision 4, is amended to read:

24.7 Subd. 4. <b>Fiscal Agent</b>	12,957,000	11,737,000
-----------------------------------	------------	------------

24.8 The appropriations under this section are to  
 24.9 the commissioner of administration for the  
 24.10 purposes specified.

24.11 **In-Lieu of Rent.** \$8,158,000 the first year  
 24.12 and \$8,158,000 the second year are for  
 24.13 space costs of the legislature and veterans  
 24.14 organizations, ceremonial space, and  
 24.15 statutorily free space. In-lieu of rent may be  
 24.16 used for rent loss and relocation expenses  
 24.17 related to the Capitol restoration in the fiscal  
 24.18 year 2014-2015 biennium and fiscal year  
 24.19 2016-2017 biennium.

24.20 **Relocation Expenses.** \$1,380,000 the first  
 24.21 year and \$960,000 the second year are for  
 24.22 rent loss and relocation expenses related  
 24.23 to the Capitol renovation project. This is a  
 24.24 onetime appropriation.

24.25 **Public Broadcasting.** (a) \$1,550,000 the  
 24.26 first year and \$1,550,000 the second year are  
 24.27 for matching grants for public television.

24.28 (b) \$550,000 the first year and \$250,000  
 24.29 the second year are for public television  
 24.30 equipment grants under Minnesota Statutes,  
 24.31 section 129D.13.

24.32 (c) The commissioner of administration  
 24.33 must consider the recommendations of the



25.1 Minnesota Public Television Association  
25.2 before allocating the amount appropriated  
25.3 in paragraphs (a) and (b) for equipment or  
25.4 matching grants.

25.5 (d) \$592,000 the first year and \$392,000 the  
25.6 second year are for community service grants  
25.7 to public educational radio stations. This  
25.8 appropriation may be used to disseminate  
25.9 emergency information in foreign languages.

25.10 (e) \$167,000 the first year and \$117,000  
25.11 the second year are for equipment grants  
25.12 to public educational radio stations. This  
25.13 appropriation may be used for the repair,  
25.14 rental, and purchase of equipment including  
25.15 equipment under \$500.

25.16 (f) \$560,000 the first year and \$310,000  
25.17 the second year are for equipment grants  
25.18 to Minnesota Public Radio, Inc., including  
25.19 upgrades to Minnesota's Emergency Alert  
25.20 and AMBER Alert Systems.

25.21 (g) The appropriations in paragraphs (d),  
25.22 (e), and (f); may not be used for indirect  
25.23 costs claimed by an institution or governing  
25.24 body. The commissioner of administration  
25.25 must consider the recommendations of  
25.26 the Minnesota Public Educational Radio  
25.27 Stations before awarding grants under  
25.28 Minnesota Statutes, section 129D.14, using  
25.29 the appropriations in paragraphs (d); and (e);  
25.30 and (f). No grantee is eligible for a grant of of  
25.31 the appropriations in paragraphs (d) and (e)  
25.32 unless they are a member of the Association  
25.33 of Minnesota Public Educational Radio  
25.34 Stations on or before July 1, 2015.

26.1 (h) Any unencumbered balance remaining  
26.2 the first year for grants to public television or  
26.3 radio stations does not cancel and is available  
26.4 for the second year.

26.5 **EFFECTIVE DATE.** This section is effective retroactive to July 1, 2015.

26.6 Sec. 27. **REPORT.**

26.7 The State Auditor must report to the chairs and ranking minority members of the  
26.8 finance committees with jurisdiction over the Office of the State Auditor by January 15,  
26.9 2017. The report must include a strategic plan to ensure that all local governments receive  
26.10 adequate oversight from the Office of the State Auditor. In preparing this strategic plan,  
26.11 the State Auditor must assess what types of audits performed by the Office of the State  
26.12 Auditor are the most effective mechanisms for ensuring that public funds have been used  
26.13 appropriately, what types of audit work can be performed efficiently by CPA firms, and  
26.14 what is the most effective deployment of audit resources available to the Office of the  
26.15 State Auditor. The report must also evaluate the continuing importance of the reports,  
26.16 other than financial audits, that the Office of the State Auditor produces on a regular basis.

26.17 Sec. 28. **PARKING RAMP FINANCING.**

26.18 The debt service on the design and construction costs allocated to the parking garage  
26.19 located on the block bounded by Sherburne Avenue on the north, Park Street on the west,  
26.20 University Avenue on the south, and North Capitol Boulevard on the east must be paid  
26.21 for exclusively by fees charged to persons parking in that parking garage. No fees may  
26.22 be charged to members of the public parking in spaces designated for persons with a  
26.23 disability parking certificate.

26.24 Sec. 29. **REPORT ON MNSURE COSTS TO COUNTIES.**

26.25 The state auditor must report to the legislature by January 15, 2017, on costs  
26.26 incurred by Minnesota counties related to eligibility determinations and related enrollment  
26.27 activities for medical assistance enrollees and MinnesotaCare enrollees, that are due to  
26.28 implementing the Minnesota eligibility technology system administered by MNsure.

26.29 Sec. 30. **LEGISLATIVE SURROGACY COMMISSION.**

26.30 Subdivision 1. **Membership.** The Legislative Commission on Surrogacy shall  
26.31 consist of 15 members, appointed as follows:

- 27.1 (1) three members of the senate appointed by the senate majority leader;  
27.2 (2) three members of the senate appointed by the senate minority leader;  
27.3 (3) three members of the house of representatives appointed by the speaker of the  
27.4 house of representatives;  
27.5 (4) three members of the house of representatives appointed by the house of  
27.6 representatives minority leader;  
27.7 (5) the commissioner of human services or the commissioner's designee;  
27.8 (6) the commissioner of health or the commissioner's designee; and  
27.9 (7) a family court referee appointed by the chief justice of the state Supreme Court.  
27.10 Appointments must be made by June 1, 2016.

27.11 Subd. 2. **Chair.** The commission shall elect a chair from among its members.

27.12 Subd. 3. **Meetings.** The ranking majority member of the commission who is  
27.13 appointed by the senate majority leader shall convene the first meeting by July 1, 2016.  
27.14 The commission shall have at least six meetings but may not have more than ten meetings.

27.15 Subd. 4. **Conflict of interest.** A commission member may not participate in or  
27.16 vote on a decision of the commission in which the member has either a direct or indirect  
27.17 personal financial interest. A witness at a public meeting of the commission must disclose  
27.18 any financial conflict of interest.

27.19 Subd. 5. **Duties.** The commission shall develop recommendations on public policy  
27.20 and laws regarding surrogacy. To develop the recommendations, the commission shall  
27.21 study surrogacy through public hearings, research, and deliberation. Topics for study  
27.22 include, but are not limited to:

27.23 (1) potential health and psychological effects and benefits on women who serve  
27.24 as surrogates;

27.25 (2) potential health and psychological effects and benefits on children born of  
27.26 surrogates;

27.27 (3) business practices of the fertility industry, including attorneys, brokers, and  
27.28 clinics;

27.29 (4) considerations related to different forms of surrogacy;

27.30 (5) considerations related to the potential exploitation of women in surrogacy  
27.31 arrangements;

27.32 (6) contract law implications when a surrogacy contract is breached;

27.33 (7) potential conflicts with statutes governing private adoption and termination  
27.34 of parental rights;

28.1 (8) potential for legal conflicts related to third-party reproduction, including conflicts  
28.2 between or amongst the surrogate mother, the intended parents, the child, insurance  
28.3 companies, and medical professionals;

28.4 (9) public policy determinations of other jurisdictions with regard to surrogacy; and

28.5 (10) information to be provided to a child born of a surrogate about the child's  
28.6 biological and gestational parents.

28.7 Subd. 6. **Reporting.** The commission must submit a report including its  
28.8 recommendations and may draft legislation to implement its recommendations to the chairs  
28.9 and ranking minority members of the legislative committees with primary jurisdiction  
28.10 over health and judiciary in the house and senate by December 15, 2016. On topics where  
28.11 the commission fails to reach consensus, a majority and minority report shall be issued.

28.12 Subd. 7. **Staffing.** The Legislative Coordinating Commission shall provide staffing  
28.13 and administrative support to the commission.

28.14 Subd. 8. **Expiration.** The commission expires the day after submitting the report  
28.15 required under subdivision 6.

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

28.17 Sec. 31. **ALTERNATIVE METHODS OF COLLECTING ASSESSMENT FEE;**  
28.18 **STUDY.**

28.19 (a) The commissioner of management and budget shall study alternative methods of  
28.20 collecting the \$12 assessment fee under Minnesota Statutes, section 327C.095, subdivision  
28.21 12, paragraph (c), shifting the collection from the owner of the manufactured home park to  
28.22 the owner of the manufactured home. The commissioner shall identify and evaluate the  
28.23 feasibility, cost, and benefits of alternative methods of collection including, but not limited  
28.24 to, directly invoicing manufactured home owners, or imposition of a sales and use tax.

28.25 (b) In completing the study in paragraph (a), the commissioner shall consult  
28.26 stakeholders, including the Association of Minnesota Counties, the All Parks Alliance for  
28.27 Change, and the Minnesota Manufactured Housing Association.

28.28 (c) An amount necessary to complete the study in paragraph (a) is appropriated in  
28.29 fiscal year 2017 to the commissioner of management and budget from the Minnesota  
28.30 manufactured home relocation trust fund under Minnesota Statutes, section 462A.35.

28.31 (d) The commissioner shall report on the results of the study to the chairs and ranking  
28.32 minority members of the senate Committee on Finance and the house of representatives  
28.33 Committee on Ways and Means by January 31, 2017.

29.1       Sec. 32. **REPEALER.**

29.2             (a) Minnesota Statutes 2014, section 6.581, subdivision 1, is repealed.

29.3             (b) Minnesota Statutes 2014, section 3.886, is repealed."

29.4             Amend the title accordingly