

1.1 Senator ..... moves to amend S.F. No. 3045, in conference committee, as follows:

1.2 On R28-A2, Senate language, (S3045-3)

1.3 Page 33, after line 25, insert:

1.4 "Sec. 26. Minnesota Statutes 2024, section 16B.98, subdivision 5, is amended to read:

1.5 Subd. 5. **Creation and validity of grant agreements.** (a) A grant agreement and  
1.6 amendments are not valid and do not bind unless:

1.7 (1) the grant agreement and amendments have been executed by the head of the agency  
1.8 or a delegate who is party to the grant;

1.9 (2) the grant agreement and amendments have been approved by the commissioner;

1.10 (3) the accounting system shows an encumbrance for the amount of the grant in  
1.11 accordance with policy approved by the commissioner except as provided in subdivision  
1.12 11; and

1.13 (4) the grant agreement and amendments include an effective date that references either  
1.14 section 16C.05, subdivision 2, or 16B.98, subdivisions 5 and 7, as determined by the granting  
1.15 agency.

1.16 (b) The combined grant agreement and amendments must not exceed five years without  
1.17 specific, written approval by the commissioner according to established policy, procedures,  
1.18 and standards, or unless the commissioner determines that a longer duration is in the best  
1.19 interest of the state.

1.20 (c) A fully executed copy of the grant agreement with all amendments and other required  
1.21 records relating to the grant must be kept on file at the granting agency for a time equal to  
1.22 that required of grantees in subdivision 8.

1.23 (d) Grant agreements must comply with policies established by the commissioner for  
1.24 minimum grant agreement standards and practices.

1.25 (e) The attorney general may periodically review and evaluate a sample of state agency  
1.26 grants to ensure compliance with applicable laws.

1.27 (f) If funding is canceled, withdrawn, or terminated, an agency may, at its option, suspend  
1.28 its performance until funding is restored. Nothing in this paragraph releases the state from  
1.29 its obligations during a period of suspension."

1.30 On R31-A2, Senate language, (S3045-3)

1.31 Page 35, after line 12, insert:

2.1 "Sec. 29. Minnesota Statutes 2024, section 16C.05, subdivision 2, is amended to read:

2.2 Subd. 2. **Creation and validity of contracts.** (a) A contract and amendments are not  
2.3 valid and the state is not bound by them and no agency, without the prior written approval  
2.4 of the commissioner granted pursuant to subdivision 2a, may authorize work to begin on  
2.5 them unless:

2.6 (1) they have first been executed by the head of the agency or a delegate who is a party  
2.7 to the contract;

2.8 (2) they have been approved by the commissioner; and

2.9 (3) the accounting system shows an encumbrance for the amount of the contract liability,  
2.10 except as allowed by policy approved by the commissioner and commissioner of management  
2.11 and budget for routine, low-dollar procurements and section 16B.98, subdivision 11.

2.12 (b) Grants, interagency agreements, purchase orders, work orders, and annual plans need  
2.13 not, in the discretion of the commissioner and attorney general, require the signature of the  
2.14 commissioner and/or the attorney general. A signature is not required for work orders and  
2.15 amendments to work orders related to Department of Transportation contracts. Bond purchase  
2.16 agreements by the Minnesota Public Facilities Authority do not require the approval of the  
2.17 commissioner.

2.18 (c) Amendments to contracts must entail tasks that are substantially similar to those in  
2.19 the original contract or involve tasks that are so closely related to the original contract that  
2.20 it would be impracticable for a different contractor to perform the work. The commissioner  
2.21 or an agency official to whom the commissioner has delegated contracting authority under  
2.22 section 16C.03, subdivision 16, must determine that an amendment would serve the interest  
2.23 of the state better than a new contract and would cost no more.

2.24 (d) A record must be kept of all responses to solicitations, including names of bidders  
2.25 and amounts of bids or proposals. A fully executed copy of every contract, amendments to  
2.26 the contract, and performance evaluations relating to the contract must be kept on file at  
2.27 the contracting agency for a time equal to that specified for contract vendors and other  
2.28 parties in subdivision 5. These records are open to public inspection, subject to section  
2.29 13.591 and other applicable law.

2.30 (e) The attorney general must periodically review and evaluate a sample of state agency  
2.31 contracts to ensure compliance with laws.

3.1 (f) Before executing a contract or license agreement involving intellectual property  
3.2 developed or acquired by the state, a state agency shall seek review and comment from the  
3.3 attorney general on the terms and conditions of the contract or agreement.

3.4 (g) If funding is canceled, withdrawn, or terminated, an agency may, at its option, suspend  
3.5 its performance until funding is restored. Nothing in this paragraph releases the state from  
3.6 its obligations during a period of suspension."

3.7 Renumber the sections in sequence and correct the internal references

3.8 Amend the title accordingly