

1.1 A bill for an act

1.2 relating to state government; establishing a code of ethics for the legislative branch;

1.3 changing data practices provisions; requiring rounding for cash transaction;

1.4 determining a mandate to direct funds to a specific or uniquely qualified person

1.5 is not valid; changing grant management and procurement provisions; defining

1.6 terms; changing a provision under state personnel management; waiving building

1.7 permit in a certain site; requiring return and cancellation of tax-forfeited settlement

1.8 appropriation not needed; appropriating money; amending Minnesota Statutes

1.9 2024, sections 13.02, subdivisions 7a, 16; 13.605, subdivision 1; 16B.98, by adding

1.10 a subdivision; 16B.981, subdivision 2; 16C.02, by adding subdivisions; 16C.06,

1.11 subdivision 6; Minnesota Statutes 2025 Supplement, section 43A.23, subdivision

1.12 1; proposing coding for new law in Minnesota Statutes, chapters 3; 16A.

1.13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.14 **ARTICLE 1**

1.15 **STATE GOVERNMENT AND ELECTIONS APPROPRIATIONS**

1.16 Section 1. **STATE GOVERNMENT AND ELECTIONS APPROPRIATIONS.**

1.17 The sums shown in the columns marked "Appropriations" are added to the appropriations

1.18 in Laws 2025, chapter 39, article 1, to the agencies and for the purposes specified in this

1.19 article. The appropriations are from the general fund, or another named fund, and are

1.20 available for the fiscal years indicated for each purpose. The figures "2026" and "2027"

1.21 used in this article mean that the appropriations listed under them are available for the fiscal

1.22 year ending June 30, 2026, or June 30, 2027, respectively. Supplemental appropriations for

1.23 the fiscal year ending June 30, 2026, are effective the day following final enactment unless

1.24 a different effective date is explicit.

|      |                                      |                    |
|------|--------------------------------------|--------------------|
| 1.25 | <b><u>APPROPRIATIONS</u></b>         |                    |
| 1.26 | <b><u>Available for the Year</u></b> |                    |
| 1.27 | <b><u>Ending June 30</u></b>         |                    |
| 1.28 | <b><u>2026</u></b>                   | <b><u>2027</u></b> |

2.1 Sec. 2. ATTORNEY GENERAL \$ -0- \$ 1,231,000

2.2 Sec. 3. ADMINISTRATION \$ -0- \$ 172,000

2.3 Sec. 4. MINNESOTA MANAGEMENT AND  
2.4 BUDGET \$ -0- \$ 1,726,000

2.5 The base for this appropriation is \$2,301,000  
2.6 in fiscal year 2028 and each fiscal year  
2.7 thereafter.

2.8 Sec. 5. REVENUE \$ -0- \$ 1,839,000

2.9 The base for this appropriation is \$2,786,000  
2.10 in fiscal year 2028 and \$2,725,000 in fiscal  
2.11 year 2029.

2.12 Sec. 6. RETURN AND CANCELLATION OF TAX-FORFEITED SETTLEMENT  
2.13 APPROPRIATION.

2.14 Subdivision 1. Return of funds. Notwithstanding Laws 2024, chapter 113, section 1,  
2.15 subdivision 5, on June 29, 2026, the claims administrator appointed under Laws 2024,  
2.16 chapter 113, to settle litigation related to the state's retention of tax-forfeited lands, surplus  
2.17 proceeds from the sale of tax-forfeited lands, and mineral rights in those lands, must return  
2.18 to the commissioner of management and budget the lesser of \$40,000,000 or the amount of  
2.19 the appropriation under Laws 2024, chapter 113, section 1, subdivision 5, that is not needed  
2.20 to settle claims under Laws 2024, chapter 113.

2.21 Subd. 2. Cancellation. The commissioner of management and budget must cancel the  
2.22 amount received under subdivision 1 to the general fund within one day of receipt of the  
2.23 funds.

2.24 **ARTICLE 2**

2.25 **STATE GOVERNMENT POLICY**

2.26 Section 1. [3.0841] CODE OF ETHICS FOR THE LEGISLATIVE BRANCH.

2.27 Subdivision 1. Definitions. (a) For purposes of this section, the following terms have  
2.28 the meanings given.

2.29 (b) "Appointing authority" means the house of representatives Rules and Legislative  
2.30 Administration Committee for employees of the house of representatives, the senate Rules  
2.31 and Administration Committee for employees of the senate, and the Legislative Coordinating  
2.32 Commission for the unclassified employees of joint commissions and offices.

3.1 (c) "Business" means any corporation, partnership, proprietorship, firm, enterprise,  
3.2 franchise, association, organization, self-employed individual, or any other legal entity that  
3.3 engages in either nonprofit or profit-making activities.

3.4 (d) "Confidential information" means any information obtained under government  
3.5 authority that has not become part of the body of public information and which, if released  
3.6 prematurely or in nonsummary form, may provide an unfair economic advantage to or  
3.7 adversely affect the competitive position of an individual or a business.

3.8 (e) "Employee" means all members and all employees of the legislature, legislative  
3.9 committees, or commissions.

3.10 (f) "Private interest" means any interest, including but not limited to a financial interest,  
3.11 that pertains to a person or business whereby the person or business would gain a benefit,  
3.12 privilege, exemption, or advantage from the action of a state agency or employee that is not  
3.13 available to the general public.

3.14 Subd. 2. **Acceptance of gifts; favors.** Employees in the course of or in relation to the  
3.15 employees' official duties shall not directly or indirectly receive or agree to receive any  
3.16 payment of expense, compensation, gift, reward, gratuity, favor, service, or promise of  
3.17 future employment or other future benefit from any source except the state for any activity  
3.18 related to the duties of the employee, unless otherwise provided by law. The acceptance of  
3.19 any of the following is not a violation of this subdivision:

3.20 (1) gifts of nominal value;

3.21 (2) plaques or similar mementos recognizing individual services in a field of specialty  
3.22 or to a charitable cause;

3.23 (3) payment of reimbursement expenses for travel or meals, not to exceed actual expenses  
3.24 incurred, that are not reimbursed by the state and have been approved in advance by the  
3.25 appointing authority as part of the work assignment; or

3.26 (4) honoraria or expenses paid for papers, talks, demonstrations, or appearances made  
3.27 by employees on their own time for which they are not compensated by the state.

3.28 Subd. 3. **Use of confidential information.** An employee shall not use confidential  
3.29 information to further the employee's private interest and shall not accept outside employment  
3.30 or involvement in a business or activity that will require the employee to disclose or use  
3.31 confidential information.

4.1 Subd. 4. Use of state property. (a) An employee shall not use or allow the use of state  
 4.2 time, supplies, or state-owned or leased property and equipment for the employee's private  
 4.3 interests or any other use not in the interest of the state, except as provided by law.

4.4 (b) Appointing authorities in the legislature shall issue policies on these issues for their  
 4.5 employees. The policies shall permit employees to make reasonable use of state time,  
 4.6 property, and equipment for personal communications and shall address issues of privacy,  
 4.7 content of communications, and the definition of reasonable use as well as other issues the  
 4.8 appointing authorities identify as necessary and relevant.

4.9 Subd. 5. Conflicts of interest. The following actions by an employee shall be deemed  
 4.10 a conflict of interest and are subject to procedures in this section regarding resolution of the  
 4.11 conflicts or disciplinary action as appropriate:

4.12 (1) use or attempted use of the employee's official position to secure benefits, privileges,  
 4.13 exemptions, or advantages for the employee, the employee's immediate family, or an  
 4.14 organization with which the employee is associated that are different from those available  
 4.15 to the general public;

4.16 (2) acceptance of other employment or contractual relationship that will affect the  
 4.17 employee's independence of judgment in the exercise of official duties;

4.18 (3) actions as an agent or attorney in any action or matter pending before the employing  
 4.19 agency, except in the proper discharge of official duties or on the employee's behalf; or

4.20 (4) the solicitation of a financial agreement for the employee or entity other than the  
 4.21 state when the state is currently engaged in the provision of the services that are the subject  
 4.22 of the agreement or where the state has expressed an intention to engage in competition for  
 4.23 the provision of the services, unless the affected state agency waives this clause.

4.24 Subd. 6. Determination of conflicts of interest. When an employee believes the potential  
 4.25 for a conflict of interest exists, it is the employee's duty to avoid the situation. A conflict of  
 4.26 interest shall be deemed to exist when a review of the situation by the employee or the  
 4.27 appointing authority determines any one of the following conditions to be present:

4.28 (1) the use of state time, facilities, equipment, or supplies or the use of a badge, uniform,  
 4.29 prestige, or influence of a state office or employment for private gain or advantage;

4.30 (2) receipt or acceptance by the employee of any money or other thing of value from  
 4.31 anyone other than the state for the performance of an act that the employee would be required  
 4.32 or expected to perform in the regular course or hours of state employment or as part of the  
 4.33 duties as an employee;

5.1 (3) employment by a business which is subject to the direct or indirect control, inspection,  
 5.2 review, audit, or enforcement by the employee; or

5.3 (4) the performance of an act in a capacity other than the employee's official capacity  
 5.4 that may later be subject directly or indirectly to the control, inspection, review, audit, or  
 5.5 enforcement by the employee.

5.6 Subd. 7. **Resolution of conflict of interest.** If the employee or appointing authority  
 5.7 determines that a conflict of interest exists, the matter shall be assigned to another employee  
 5.8 who does not have a conflict of interest. If it is not possible to assign the matter to an  
 5.9 employee who does not have a conflict of interest, interested persons shall be notified of  
 5.10 the conflict and the employee may proceed with the assignment.

5.11 Subd. 8. **Precedence of chapter 10A.** Where specific provisions of chapter 10A apply  
 5.12 to employees and conflict with this section, the provisions of chapter 10A shall apply.

5.13 Subd. 9. **Precedence of section 3.084.** Where specific provisions of section 3.084 apply  
 5.14 to employees and conflict with this section, the provisions of section 3.084 shall apply.

5.15 Subd. 10. **Noncompliance.** Any employee who intentionally fails to comply with the  
 5.16 provisions of this section shall be subject to disciplinary action and action pursuant to chapter  
 5.17 609, if applicable.

5.18 Subd. 11. **Rulemaking; enforcement.** Appointing authorities must adopt rules to enforce  
 5.19 this section.

5.20 Sec. 2. Minnesota Statutes 2024, section 13.02, subdivision 7a, is amended to read:

5.21 Subd. 7a. **Government entity.** "Government entity" means the legislature or a state  
 5.22 agency, statewide system, or political subdivision.

5.23 Sec. 3. Minnesota Statutes 2024, section 13.02, subdivision 16, is amended to read:

5.24 Subd. 16. **Responsible authority.** (a) "Responsible authority" in a state agency or  
 5.25 statewide system means the state official designated by law or by the commissioner as the  
 5.26 individual responsible for the collection, use and dissemination of any set of data on  
 5.27 individuals, government data, or summary data.

5.28 (b) "Responsible authority" in any political subdivision means the individual designated  
 5.29 by the governing body of that political subdivision as the individual responsible for the  
 5.30 collection, use, and dissemination of any set of data on individuals, government data, or  
 5.31 summary data, unless otherwise provided by state law. "Responsible authority" in the

6.1 legislature means the chair of the Legislative Coordinating Commission, the secretary of  
 6.2 the senate, and the chief clerk of the house of representatives. Until an individual is  
 6.3 designated by the political subdivision's governing body, the responsible authority is:

6.4 (1) for counties, the county coordinator or administrator. If the county does not employ  
 6.5 a coordinator or administrator, the responsible authority is the county auditor;

6.6 (2) for statutory or home rule charter cities, the elected or appointed city clerk. If the  
 6.7 home rule charter does not provide for an office of city clerk, the responsible authority is  
 6.8 the chief clerical officer for filing and record keeping purposes;

6.9 (3) for school districts, the superintendent; and

6.10 (4) for all other political subdivisions, the chief clerical officer for filing and record  
 6.11 keeping purposes.

6.12 Sec. 4. Minnesota Statutes 2024, section 13.605, subdivision 1, is amended to read:

6.13 Subdivision 1. **Legislative and budget proposal data.** (a) **Definition.** As used in this  
 6.14 section, "state administration" means the governor's office, the Department of Management  
 6.15 and Budget, and any state agency that is under the direct control of the governor.

6.16 (b) **Classifications.** Legislative and budget proposals, including preliminary drafts, that  
 6.17 are created, collected, or maintained by the state administration or the legislature are protected  
 6.18 nonpublic data. After the budget is presented to the legislature by the state administration,  
 6.19 supporting data maintained by state administration, including agency requests, are public  
 6.20 data. After the legislature or a legislator introduces a proposal impacting the state budget,  
 6.21 supporting data maintained by the legislature or a legislator are public data. Supporting data  
 6.22 do not include preliminary drafts. The state administration may disclose any of the data  
 6.23 within the state administration and to the public at any time if disclosure would aid the  
 6.24 administration in considering and preparing its proposals. The legislature may disclose any  
 6.25 legislative or budget proposals within the legislature if disclosure would aid in considering  
 6.26 and preparing its proposals.

6.27 Sec. 5. **[16A.402] CASH TRANSACTION ROUNDING.**

6.28 Subdivision 1. **Authorization to round cash transactions.** (a) Notwithstanding any  
 6.29 other provision of law, an agency entering into any transaction with a person that results in  
 6.30 a payment or transfer of cash between the parties to the transaction may round the payment  
 6.31 in the following manner:

7.1 (1) in any case in which the total transaction amount ends with 1 cent, 2 cents, 6 cents,  
7.2 or 7 cents as the final digit, the amount of cents in the sum shall be rounded down to the  
7.3 nearest amount divisible by 5;

7.4 (2) in any case in which the total transaction amount ends with 3 cents, 4 cents, 8 cents,  
7.5 or 9 cents as the final digit, the amount of cents in the sum shall be rounded up to the nearest  
7.6 amount divisible by 5; or

7.7 (3) notwithstanding clause (1), transactions in which the transaction total is \$0.01 or  
7.8 \$0.02 shall be rounded up to \$0.05.

7.9 (b) A party authorized to engage in a transaction on behalf of an agency may round the  
7.10 payment in the manner directed by the agency consistent with this section.

7.11 (c) This section does not apply to a transaction for which payment is made by electronic  
7.12 fund transfer, check, gift card, money order, credit card, or other similar instrument or  
7.13 method.

7.14 Subd. 2. **Policy posted.** An agency that engages in cash transactions must establish a  
7.15 policy for rounding cash transactions consistent with this section and post the policy at each  
7.16 location where cash transactions occur.

7.17 Sec. 6. Minnesota Statutes 2024, section 16B.98, is amended by adding a subdivision to  
7.18 read:

7.19 Subd. 15. **Grant recipients.** (a) Notwithstanding a later enacted provision specific to  
7.20 an appropriation, a mandate to direct funds to a specified or uniquely qualified person is  
7.21 not valid.

7.22 (b) This subdivision does not apply to:

7.23 (1) general obligation grants as defined in section 16A.695, capital project grants to  
7.24 political subdivisions as defined in section 16A.86, or capital project grants otherwise subject  
7.25 to section 16A.642;

7.26 (2) grants for allowable activities under the Minnesota Constitution, article XI, sections  
7.27 14 and 15; or

7.28 (3) grants to Minnesota Tribal governments as defined in section 10.65, subdivision 2,  
7.29 or political subdivisions as defined in section 465.719.

7.30 (c) This subdivision applies to appropriations beginning in fiscal year 2028. Pursuant  
7.31 to section 16A.11 and for budgets submitted to the legislature, the commissioner of  
7.32 management and budget shall adjust the appropriation base for appropriations that direct

8.1 funds to a specified or uniquely qualified person in a manner that ensures compliance with  
8.2 this subdivision and supports a competitive grant process.

8.3 Sec. 7. Minnesota Statutes 2024, section 16B.981, subdivision 2, is amended to read:

8.4 Subd. 2. **Financial information required; determination of ability to perform.** For  
8.5 grants of \$50,000 or more and subject to sections 16B.97 and 16B.98, before an agency  
8.6 awards a competitive, legislatively named, single-source, or sole-source grant, the agency  
8.7 must complete a preaward risk assessment to assess the risk that a potential grantee cannot  
8.8 or would not perform the required duties. In making this assessment, the agency must review  
8.9 the following information as applicable:

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

8.14 (2) for a potential grantee that is a nonprofit organization, the potential grantee's most  
8.15 recent Form 990 or Form 990-EZ filed with the Internal Revenue Service. If the potential  
8.16 grantee has not been in existence long enough or is not required to file Form 990 or Form  
8.17 990-EZ, the potential grantee must demonstrate to the agency's satisfaction that the potential  
8.18 grantee is exempt and must instead submit the potential grantee's most recent board-reviewed  
8.19 financial statements and documentation of internal controls or, if there is no such board, by  
8.20 the applicant's managing group;

8.21 (3) for a potential grantee that is a for-profit business, the potential grantee's most recent  
8.22 federal and state tax returns, current financial statements, certification that the business is  
8.23 not under bankruptcy proceedings, and disclosure of any liens on its assets. If a business  
8.24 has not been in business long enough to have a tax return, the grantee must demonstrate to  
8.25 the agency's satisfaction that the grantee has appropriate internal financial controls;

8.26 (4) evidence of good standing with the secretary of state under chapter 317A, or other  
8.27 applicable law;

8.28 (5) if the potential grantee is required to complete an audit under section 309.53,  
8.29 subdivision 3, the potential grantee's most recent audit report performed by an independent  
8.30 third party in accordance with generally accepted accounting principles; and

8.31 (6) certification, provided by the potential grantee, that ~~none~~ all of its current principals  
8.32 ~~have been convicted of a felony financial crime in the last ten years~~ meet applicable  
8.33 responsibility requirements as defined in section 16C.02, subdivision 14a. For purposes of

9.1 this section, a principal is defined as a public official, a board member, or staff with the  
9.2 authority to access funds provided by this agency or determine how those funds are used.

9.3 **EFFECTIVE DATE.** This section is effective August 1, 2026.

9.4 Sec. 8. Minnesota Statutes 2024, section 16C.02, is amended by adding a subdivision to  
9.5 read:

9.6 Subd. 6c. **Debarment.** "Debarment" means the disqualification of a vendor or related  
9.7 entity by the Director of the Office of State Procurement from receiving solicitations, an  
9.8 award of a contract by a governmental unit, or selling any products or services to state  
9.9 agencies for a specified time commensurate with the seriousness of the offense, the failure,  
9.10 or the inadequacy of performance.

9.11 Sec. 9. Minnesota Statutes 2024, section 16C.02, is amended by adding a subdivision to  
9.12 read:

9.13 Subd. 10b. **Related entity.** "Related entity" means a vendor that:

9.14 (1) is a firm, partnership, corporation, joint venture, or other legal entity substantially  
9.15 under the control of a vendor;

9.16 (2) is a subsidiary of a vendor;

9.17 (3) is a person, firm, partnership, corporation, joint venture, or other legal entity that  
9.18 substantially controls a contractor or vendor; or

9.19 (4) shares three or more of the following with a vendor doing business with the state:

9.20 (i) has one or more of the same owners, principals, officers, or managers;

9.21 (ii) has one or more of the same telephone or fax numbers;

9.22 (iii) has one or more of the same email addresses, business addresses, or websites;

9.23 (iv) employs or engages substantially the same individuals;

9.24 (v) utilizes substantially the same vehicles, facilities, or equipment; or

9.25 (vi) lists or advertises substantially the same project experience and portfolio of work.

10.1 Sec. 10. Minnesota Statutes 2024, section 16C.02, is amended by adding a subdivision to  
10.2 read:

10.3 Subd. 14a. **Responsibility.** "Responsibility" or "responsible vendor" means a person  
10.4 who has demonstrated integrity, reliability, quality, fitness, capacity, and experience to  
10.5 satisfactorily perform. Responsibility factors include the ability to demonstrate:

10.6 (1) adequate financial, physical, personnel, or other resources or the ability to obtain  
10.7 them;

10.8 (2) a satisfactory record of performance, integrity, and reliability;

10.9 (3) that it is qualified legally to contract and do business within the state;

10.10 (4) it has supplied all necessary information concerning its responsibility;

10.11 (5) it meets any other specific criteria for a particular award, provided, as applicable,  
10.12 that the criteria is in the solicitation and is otherwise in conformity with law;

10.13 (6) that it, or a related entity, is not currently suspended, debarred or formerly debarred,  
10.14 and not reinstated by the federal government or the state of Minnesota or any of its  
10.15 departments, commissions, agencies, or political subdivisions that have authority to debar;

10.16 (7) that none of its owners, officers, directors, managers, controlling parties, or related  
10.17 entities have been convicted of a felony financial crime in the last three years. Felony  
10.18 financial crimes include felony convictions under sections 609.445, 609.465, 609.466,  
10.19 609.52, 609.611, 609.651, 609.7475, or 609.821, any successor provisions, or any convictions  
10.20 under state, federal, or another state's statutes on embezzlement, theft, forgery, bribery,  
10.21 falsification, or destruction of records, receiving stolen property, or any other offense  
10.22 indicating a lack of business integrity; and

10.23 (8) that all subcontractors or subrecipients have verified through a signed statement  
10.24 under oath by an owner or officer that they meet the minimum criteria listed in clauses (1)  
10.25 to (7).

10.26 Sec. 11. Minnesota Statutes 2024, section 16C.02, is amended by adding a subdivision to  
10.27 read:

10.28 Subd. 19a. **Suspension.** "Suspension" means the temporary suspension of a vendor or  
10.29 related entity by the director of the Office of State Procurement, from receiving solicitations,  
10.30 the award of a contract, or selling any products or services to state agencies while the director  
10.31 determines if there is probable cause for debarment.

11.1 Sec. 12. Minnesota Statutes 2024, section 16C.06, subdivision 6, is amended to read:

11.2 Subd. 6. **Awards.** (a) Contract awards shall be made utilizing requests for bids, requests  
 11.3 for proposals, reverse auctions as provided in section 16C.10, subdivision 7, or other methods  
 11.4 provided by law, unless a section of law requires a particular method of acquisition to be  
 11.5 used. The determination of the acquisition method and all decisions involved in the  
 11.6 acquisition process, unless otherwise provided for by law, shall be determined by the  
 11.7 commissioner. The commissioner is authorized to utilize tools, including but not limited to  
 11.8 contract consolidation, product standardization, and mandatory-use enterprise contracts to  
 11.9 the extent determined to be in the best interest of the state.

11.10 (b) Awards based on competitive proposals must include an evaluation of price and  
 11.11 other considerations, such as environmental considerations, quality, and vendor performance.  
 11.12 The solicitation document used to obtain competitive proposals must state the relative  
 11.13 importance of price and the other factors.

11.14 (c) Awards based on a low bid process must be made to the lowest responsive and  
 11.15 responsible bidder, taking into consideration conformity with the specifications, terms of  
 11.16 delivery, the purpose for which the contract or purchase is intended, the status and capability  
 11.17 of the vendor, and other considerations imposed in the request for bids. The commissioner  
 11.18 may decide which is the lowest responsible bidder for all purchases and may use the  
 11.19 principles of life-cycle costing, where appropriate, in determining the lowest overall bid.

11.20 (d) A vendor is not eligible to receive an award unless the responsibility requirements,  
 11.21 as defined in section 16C.02, subdivision 14a, and other applicable laws are met. The  
 11.22 commissioner may establish additional factors defining responsibility if it is determined to  
 11.23 be in the best interest of the state. A false statement of compliance with any of the criteria  
 11.24 in section 16C.02, subdivision 14a, defining responsibility may result in ineligibility or  
 11.25 termination of a contract awarded to a prime contractor or a subcontractor and may result  
 11.26 in suspension or debarment proceedings.

11.27 **EFFECTIVE DATE.** This section is effective January 15, 2027, and applies to all  
 11.28 solicitations issued on or after that date.

11.29 Sec. 13. Minnesota Statutes 2025 Supplement, section 43A.23, subdivision 1, is amended  
 11.30 to read:

11.31 Subdivision 1. **General.** (a) The commissioner is authorized to request proposals or to  
 11.32 negotiate and to enter into contracts with parties which in the judgment of the commissioner  
 11.33 are best qualified to provide service to the benefit plans. Contracts entered into are not

12.1 subject to the requirements of sections 16C.16 to 16C.19. The commissioner may negotiate  
 12.2 premium rates and coverage. The commissioner shall consider the cost of the plans,  
 12.3 conversion options relating to the contracts, service capabilities, character, financial position,  
 12.4 and reputation of the carriers, and any other factors that the commissioner deems appropriate.  
 12.5 Each benefit contract must be for a uniform term of at least one year, but may be made  
 12.6 automatically renewable from term to term in the absence of notice of termination by either  
 12.7 party. A carrier licensed under chapter 62A is exempt from the taxes imposed by chapter  
 12.8 297I on premiums paid to it by the state.

12.9 (b) All self-insured hospital and medical service products must comply with coverage  
 12.10 mandates, data reporting, and consumer protection requirements applicable to the licensed  
 12.11 carrier administering the product, had the product been insured, including chapters 62J,  
 12.12 62M, and 62Q. Any self-insured products that limit coverage to a network of providers or  
 12.13 provide different levels of coverage between network and nonnetwork providers shall comply  
 12.14 with section 62D.123 and geographic access standards for health maintenance organizations  
 12.15 adopted by the commissioner of health in rule under chapter 62D.

12.16 (c) Notwithstanding paragraph (b), a self-insured hospital and medical product offered  
 12.17 under sections 43A.22 to 43A.30 is required to extend dependent coverage to an eligible  
 12.18 employee's child to the full extent required under chapters 62A and 62L. Dependent child  
 12.19 coverage must, at a minimum, extend to an eligible employee's dependent child to the  
 12.20 limiting age as defined in section 62Q.01, subdivision 2a, disabled children to the extent  
 12.21 required in sections 62A.14 and 62A.141, and dependent grandchildren to the extent required  
 12.22 in sections 62A.042 and 62A.302.

12.23 (d) Beginning January 1, 2010, the health insurance benefit plans offered in the  
 12.24 nonrepresented employees compensation plan under section 43A.18, subdivision 2, and the  
 12.25 managerial plan under section 43A.18, subdivision 3, ~~must~~ may include an option for a  
 12.26 health plan that is compatible with the definition of a high-deductible health plan in section  
 12.27 223 of the United States Internal Revenue Code.

12.28 Sec. 14. **BUILDING PERMIT NOT REQUIRED.**

12.29 Notwithstanding any law, rule, or ordinance to the contrary, a building permit under the  
 12.30 State Building Code is not required to construct a new perimeter eight-foot security fence  
 12.31 and access controls at the BCA Maryland Building site enacted in Laws 2023, chapter 72,  
 12.32 article 1, section 15, subdivision 3.

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

13.1 Sec. 15. **REVISOR INSTRUCTION.**

13.2 The revisor of statutes shall renumber the subdivisions in Minnesota Statutes, section  
13.3 16C.02, in alphabetical order. The revisor shall make necessary cross-reference changes  
13.4 consistent with the renumbering.