

1.1 Klevorn and Nash from the Committee on State Government Finance and Policy to
1.2 which was referred:

1.3 H. F. No. 3672, A bill for an act relating to state government; implementing
1.4 recommendations of the legislative auditor regarding agency grant, inventory, and debt
1.5 collection practices; amending Minnesota Statutes 2024, sections 3.978, subdivision 3;
1.6 16B.24, by adding a subdivision; 16B.97, subdivisions 3, 4; 16B.98, subdivisions 3, 6, by
1.7 adding subdivisions; 16D.03, by adding a subdivision; Minnesota Statutes 2025 Supplement,
1.8 sections 16A.057, subdivision 5; 16B.98, subdivision 6a; 16D.09, subdivision 1; proposing
1.9 coding for new law in Minnesota Statutes, chapter 16A.

1.10 Reported the same back with the following amendments:

1.11 Page 1, line 21, delete everything after the period

1.12 Page 1, delete lines 22 and 23

1.13 Page 2, line 13, after "assistance" insert ", as resources allow,"

1.14 Page 2, line 14, after "Auditor" insert "related to internal controls"

1.15 Page 2, delete lines 17 to 19 and insert:

1.16 "(a) Unless otherwise specified, an appropriation, allocation, payment, or transfer of
1.17 money made through a state agency or board to a nongovernmental entity is subject to
1.18 oversight by the state agency or board, in a manner consistent with sections 16B.97 to
1.19 16B.991 or 16C.001 to 16C.36, as applicable."

1.20 Page 2, after line 24, insert:

1.21 "(c) This section does not apply to payments made by the commissioner of revenue
1.22 under chapter 290C."

1.23 Page 4, line 18, before the semicolon, insert ", with a focus on high-risk grant programs
1.24 and grantees"

1.25 Page 5, line 21, delete everything after the period

1.26 Page 5, lines 27, 28, and 31, delete "monitoring" and insert "site"

2.1 Page 5, after line 31, insert:

2.2 **"EFFECTIVE DATE.** This section is effective January 15, 2027."

2.3 Page 6, after line 15, insert:

2.4 **"EFFECTIVE DATE.** This section is effective January 15, 2027."

2.5 Page 6, line 27, delete "All" and insert "A" and delete "employees" and insert "employee"

2.6 and delete "oversee" and insert "oversees"

2.7 Page 6, line 28, delete "commissioner" and insert "commissioners of Minnesota
2.8 Management and Budget and the Department of Revenue"

2.9 Page 6, line 29, delete "commissioner" and insert "commissioners"

2.10 Page 6, after line 30, insert:

2.11 **"EFFECTIVE DATE.** This section is effective January 15, 2027."

2.12 Page 7, after line 30, insert:

2.13 **"EFFECTIVE DATE.** This section is effective July 1, 2027."

2.14 With the recommendation that when so amended the bill be re-referred to the Committee
2.15 on Ways and Means.

2.16 This Committee action taken March 24, 2026

2.17 Co-Chair

2.18 Co-Chair