

**Subject** State Government Finance and Elections Omnibus

**Authors** Nelson, M.

**Analyst** Matt Gehring (State Government; Elections)  
Jeff Diebel (Veterans and Military Affairs)

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### Overview

This bill is the proposed State Government Finance and Elections and Veterans and Military Affairs omnibus budget bill. It includes appropriations to the various constitutional offices, agencies, boards, and commissions subject to the jurisdiction of the State Government Finance and Elections Committee, as well as the Department of Veterans Affairs and the Department of Military Affairs. A series of policy articles on topics impacting these jurisdictions is also included.

## Article 1: State Government Appropriations

### Section Description – Article 1: State Government Appropriations

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| 1     | <b>State government appropriations.</b><br>Establishes the fiscal years used for purposes of the appropriations provided in this bill.  |
| 2-37  | <b>Appropriations.</b><br>Provides appropriations to the various constitutional offices, agencies, boards, and commissions subject to the jurisdiction of the State Government Finance and Elections Committee. Specific appropriation amounts are provided in the fiscal tracking spreadsheet. |
| 38-40 | <b>Fiscal cancellations.</b><br>Provides cancellations of unspent funds from a number of appropriations and accounts, as detailed in the fiscal spreadsheet.  |
| 41    | <b>Help America Vote Act account; local government grants.</b><br>Directs the use of \$3,000,000 of the total amount appropriated to the secretary of state from the Help America Vote Act account for grants to political subdivisions.  |

**Section Description – Article 1: State Government Appropriations**

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- 42 **Help America Vote Act transfers and appropriations; secretary of state.**  
Extends the availability of federal Help America Vote Act funds appropriated to the secretary of state in 2019. Under current law, these funds are required to be used by March 23, 2023. This section would instead make the funds available until March 23, 2027.
- 43 **Availability of appropriations.**  
Extends the availability of federal Help America Vote Act funds appropriated to the legislature in 2020. Under current law, these funds are required to be used by December 21, 2024. This section would instead make the funds available until December 21, 2028.

## **Article 2: State Government Policy**

**Section Description – Article 2: State Government Policy**

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- 1 **Legislative Commission on Cybersecurity.**  
Establishes the Legislative Commission on Cybersecurity. The commission is required to provide oversight related to the state’s cybersecurity measures, including review of the policies and practices of state agencies, and recommending changes to protect against cyber threats. The commission is also permitted to develop recommendations and draft legislation to support and strengthen the state’s cybersecurity infrastructure.  
  
This section provides specific details regarding the commission’s membership, duties, meeting requirements, and other details necessary for the commission to function. This section also provides that the commission expires December 31, 2028.
- 2 **India Day.**  
Establishes August 15 of each year as India Day, to recognize the contributions of Minnesotans of Indian ancestry.
- 3 **Option.**  
In certain types of rulemaking proceedings, reduces the number of requests that must be made in order to require a public hearing on the proposed rules. Current law requires at least 100 requests; this section reduces the requirement to 50 requests.

**Section Description – Article 2: State Government Policy**

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- 4 Audit of state’s use of federal funds.**  
Directs the commissioner of management and budget to contract with a qualified auditor to conduct an annual audit of the state’s use of federal grant funds.  
  
This audit is required by federal law, and has been managed by the Office of the Legislative Auditor since 1983.
- 5 Virtual payments authorized.**  
Authorizes the commissioner of management and budget to establish a virtual payments program. The program would make it possible for the state to make payments to vendors through the distribution of an electronic credit, akin to a credit card, rather than providing payment through a more traditional-style check. To the extent the state receives a rebate for administering the program, the rebate would be deposited in the general fund, with certain exceptions. Among the exceptions is an allowance for the commissioner to retain a portion of each rebate for administration of the virtual payment program.
- 6 Electric vehicle charging.**  
Requires the commissioner of administration to collect an electric service fee from users of electric vehicle charging stations on the State Capitol complex. The fee must cover the cost of the electricity consumed by the vehicle as well as the administrative costs associated with providing the charging stations.
- 7 Procurement of a pharmacy benefit manager and a platform technology vendor.**  
Requires the commissioner of management and budget to contract for the services of a pharmacy benefit manager to administer the prescription drug benefit and pharmacy benefit management services for participants in the State Employee Group Insurance Program (SEGIP), effective January 1, 2023. A number of details regarding the method of awarding the contract, including the conduct of a reverse auction and the procurement of a technology platform vendor to assist with the bidding process, are required.
- 8 Reports of state archaeologist.**  
Requires the state archaeologist to provide reports to the State Historic Preservation Office of significant field archaeology and significant discoveries, and an annual report that details other activities of the archaeologist.
- 9 School manager.**  
Eliminates a requirement that the manager of a salon school be a cosmetologist.

**Section Description – Article 2: State Government Policy**

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- 10     **Racing meeting.**  
Defines the term “racing meeting” for purposes of licensing and regulation activities of the Racing Commission.
- 11     **License suspension and revocation.**  
Adds a cross-reference in existing law regarding the Racing Commission’s ability to power to revoke a class A license.
- 12     **Licenses nontransferable.**  
Authorizes certain types of advance deposit wagering licenses to be transferred, subject to the prior approval of the Racing Commission.
- 13     **Payments to state.**  
Authorizes fees deposited in the racing and card-playing regulation account to be used for reimbursement of certain commission costs, including costs for personnel.
- 14     **Reimbursement.**  
Permits, rather than requires, the Racing Commission to seek reimbursement from the racing and card-playing regulation account for increased expenses related to the use of upgraded drug testing technologies and procedures.
- 15     **Fees.**  
Updates phrasing related to the authority of the Racing Commission to establish certain fees or fee schedules by rule.
- 16     **Limitation.**  
Provides additional detail on the circumstances under which the Racing Commission may permit a licensee to operate a card club, even if a certain number of minimum days of live racing have not been conducted at the facility.
- 17     **Taxpayer assistance grants.**  
Modifies eligibility requirements governing grants to organizations that provide voluntary income tax preparation services to certain communities. The modification aligns with a standard provided in federal law for eligible organizations.
- 18     **Counties.**  
Updates a required transfer of funds related to costs associated with preparing local impact notes, reflecting the shift in that responsibility from the Department of Management and Budget to the Legislative Budget Office.

**Section Description – Article 2: State Government Policy**

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- 19      **Standard of time.**  
Recognizes advanced standard time as the standard of time year-round in Minnesota, effective as of the enactment of federal legislation permitting this change.
- 20      **Legislative auditor; comprehensive review of COVID-19 response.**  
Requests that the legislative auditor conduct a special review of the state’s response to COVID-19. A number of details are provided. For programs, services, or activities determined not to have been efficiently or successfully implemented, the review may make recommendations for process improvements to facilitate the state’s response to future infectious disease outbreaks.
- 21      **First appointments and first meeting of Legislative Commission on Cybersecurity.**  
Establishes initial standards for making appointments and convening the first meeting of the Legislative Commission on Cybersecurity. The commission is required to meet at least two times in calendar year 2021.
- 22      **Rollback of pandemic related fines and penalties; license reinstatements.**  
Provides a maximum penalty and fine amount for willful violation of an executive order issued during a peacetime emergency related to COVID-19. The maximum penalty for these violations would be a misdemeanor, and the maximum fine would be \$1,000. Amounts levied in excess of that limit must be reimbursed to the person or entity that was subject to the fine. This section also reinstates any license that was revoked by a licensing board or agency due to a violation of a COVID-19 executive order. This section is effective retroactively to March 15, 2020.
- 23      **Termination of peacetime emergency.**  
Terminates the COVID-19 peacetime emergency declared by Executive Order 20-01, issued March 13, 2020, effective upon presentment of this bill to the governor.

### **Article 3: Military and Veterans Policy**

This article contains changes to statutes that relate to military and veterans affairs.

**Section Description – Article 3: Military and Veterans Policy**

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- 1 Veterans Suicide Prevention and Awareness Day.**  
Renames Veterans Suicide Awareness Day as Veterans Suicide Prevention and Awareness Day. Directs the commissioner of veterans affairs to coordinate activities that raise awareness of, and promote the prevention of, veteran suicides.
- 2 Publicity representatives.**  
Authorizes the Department of Veterans Affairs to use funds to pay a publicity representative.
- 3 Appointment; qualifications; rank; term; vacancy.**

  - Subd. 1. Qualifications.** Dictates that the governor must appoint a replacement adjutant general (AG) within 120 days of the position becoming vacant. Removes the restriction that the AG come exclusively from the ranks of the Minnesota National Guard. Requires that the AG hold the rank of colonel or above.
  - Subd. 2. Rank.** Dictates that the AG hold the rank of major general and be promoted to that rank upon appointment.
  - Subd. 3. Term.** Specifies that the AG shall serve a single term of seven years.
  - Subd. 4. Vacancy; acting or temporary adjutant general.** Establishes protocols for appointing an acting AG and provides that the deputy AG shall temporarily fill a vacancy if the governor does not appoint an acting AG.
- 4 Veterans stable housing initiative; data.**  
Authorizes the commissioner of veterans affairs to establish a veterans stable housing initiative that would provide resources and support to assist veterans experiencing homelessness. The bill also authorizes the Minnesota Department of Veterans Affairs to share or disclose a veteran’s data to coordinate homelessness prevention efforts with Minnesota Interagency Council on Homelessness members and Homeless Veterans Registry partners to respond quickly to a veteran experiencing homelessness or at risk of homelessness.
- 5 Eligibility.**  
Corrects ambiguities in, and clarifies eligibility for benefits under, the Minnesota GI Bill, which provides qualified veterans with reimbursement for college expenses, approved on-the-job training (OJT) and apprenticeship programs, and professional licensure and certification costs.

**Section Description – Article 3: Military and Veterans Policy**

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- 6 Educational assistance amount.**  
Corrects ambiguities in, and clarifies eligibility for benefits under, the Minnesota GI Bill.
- 7 Apprenticeship and on-the-job training.**  
Corrects ambiguities in, and clarifies eligibility for benefits under, the Minnesota GI Bill.
- 8 Additional professional or educational benefits.**  
Corrects ambiguities in, and clarifies eligibility for benefits under, the Minnesota GI Bill.
- 9 Supplemental programs.**  
Explicitly authorizes the commissioner of veterans affairs to operate adult day care programs for veterans. With express authority to operate adult care programs, the commissioner will be empowered to develop and adopt the necessary rules, policies, and procedures to operate and manage the programs.  
  
Authorizes the commissioner of veterans affairs to provide dental care services directly to residents of state veterans homes.
- 10 Cost of care.**  
Establishes requirements for the commissioner of veterans affairs to calculate the personal needs allowance for domiciliary residents.
- 11 Report on veterans homes.**  
Requires the commissioner of veterans affairs to submit a report to the legislature every other year on veterans homes.
- 12 Limits of sentences.**  
Contains a conforming change to reflect adoption of the Military Veterans Restorative Justice Act in the following section.
- 13 Military veteran offenders restorative justice sentence.**  
Establishes a diversion sentencing option for veterans with certain service-connected conditions. Veterans must prove the service-connected condition lead them to commit the charged crime.  
  
**Effective date.** August 1, 2021.

**Section Description – Article 3: Military and Veterans Policy**

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- 14      **Cost of care; temporary suspension of rule.**  
Authorizes the commissioner of veterans affairs to suspend the administrative rule that requires the commissioner to annually calculate the cost of care for veterans homes. The authority to suspend the rule only applies in FY22.
- 15      **Revisor instruction.**  
Contains a revisor instruction to implement changes in sections 5 to 8 of this article.

**Article 4: Elections Administration**

**Section Description – Article 4: Elections Administration**

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- 1      **Instructions (voter registration applications).**  
Updates grammar related to the requirement that a voter provide a valid Minnesota driver’s license or identification card number, or the last four digits of their Social Security number, in order to register to vote.
- 2      **Postelection sampling.**  
Establishes a deadline for county auditors to report information on undeliverable postal verification card data to the secretary of state. These data must be reported no later than February 15 of each year, and cover all elections conducted during the previous year. A report by the secretary of state on these data is currently due to the legislature by March 1 of each year. The legislative reporting structure is unchanged.
- 3      **Marking and return by voter.**  
Authorizes a voter to leave a completed absentee ballot return envelope in a drop box. Standards for drop boxes are provided later in this article.
- 4      **Procedures on receipt of ballots.**  
Requires absentee ballots returned to a county auditor or municipal clerk to be kept in a locked ballot container or other secured and locked space.
- 5      **Absentee ballot drop boxes; security and integrity.**  
Authorizes the placement of absentee ballot “drop boxes.” A number of minimum requirements for the locating, security, and monitoring of drop boxes are provided. A list of locations at which drop boxes will be located must be provided by the county auditor or municipal clerk no later than 40 days prior to the start of the absentee voting period at every regularly scheduled primary or general election. The list must be published on the website of the county or municipality, and on the



**Section Description – Article 4: Elections Administration**

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- website of the secretary of state. An updated list of locations must be provided no later than 20 days prior to the start of the absentee voting period. Electioneering activities are prohibited within 100 feet of an absentee ballot drop box.
- 6      **Establishment; applicable laws.**  
Updates and clarifies training requirements for members of an absentee ballot board.
- 7      **Boundary changes; prohibitions; exception.**  
Updates requirements for the designation of precinct polling places following redistricting.
- 8      **Authority; location.**  
Adds a conforming cross-reference to reflect the new requirements related to designation of precinct polling places following redistricting.
- 9      **Booths; voting stations.**  
Requires a jurisdiction providing election supplies to ensure a pen or other marking device suitable for the voting system being used is made available in each voting booth.
- 10     **Ballots; election records and other materials; disposition; inspection of ballots.**  
Requires election records and materials retained after an election to be stored in a locked container or other secured and locked space.
- 11     **Marking ballots.**  
Provides technical and organizational updates to a subdivision governing the process used by a voter to mark a ballot.
- 12     **Constitutional amendment recount.**  
Establishes standards for a manual recount of the votes on a proposed constitutional amendment. A recount would be required if the number of yes votes is within one-quarter percent of the number of all other ballots cast at the election.
- 13     **Scope of recount.**  
Adds a reference to recounts on a question to an existing law governing the scope of election recounts, to reflect the new possibility of a recount on a proposed constitutional amendment.



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