## HOUSE RESEARCH =

## Bill Summary —

FILE NUMBER: H.F. 2958 DATE: April 4, 2012

**Version:** First engrossment

Authors: Holberg

**Subject:** Legislative Advisory Commission review

**Analyst:** Kathy Novak

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: www.house.mn/hrd.

## Overview

H.F. 2958 makes changes to the composition and review of federal funds process used by the Legislative Advisory Commission (LAC). It establishes a validation process for payfor-performance bonds, a new apprenticeship and training program for existing G. I. bill appropriations, eliminates a surcharge on certain special veteran's plates and provides supplemental appropriations for honor guards, soft body armor, and matching funds for federal disaster assistance.

- **Members; duties.** Increases the LAC by two members the minority leaders of the House and the Senate with an immediate effective date.
- **Application.** Specifies that the LAC review applies to federal funds appropriated to the governor or state agencies or other statutory appropriation of federal funds except for the acceptance of federal funds for emergency management purposes.
- Review of federal funds spending request. Increases from 20 to 30 days the amount of time that the LAC has to request further review of federal spending included in the governor's budget. Under current law if further review is requested, an agency cannot spend the federal funds.
- Interim procedures; urgencies. Allows approval of a request for federal funds when the legislature is not in session, if the LAC meets and gives a positive recommendation. Prohibits submitting a substantially similar request to an interim request that received a negative or no recommendation. No recommendation by the LAC within 30 days is considered a negative recommendation.
- Legislative Advisory Commission review. Prohibits the commissioner of management and budget (MMB) from approving the expenditure of federal funds subject to a request for further review within the 30 day period or a negative recommendation. Requests with no recommendation or a positive recommendation may be allotted for expenditure.
- Interim procedures. Changes the dates when requests must be made to the LAC to spend federal funds that become available outside of the legislative session. The commissioner of MMB must make the request on August 1 and October 1 and the LAC has 30 days, instead of 20 days, to make a negative recommendation or request further review.

- **Federal aid.** Appropriates federal money for emergency management purposes to state agencies and allows federal money for these purposes to be used without the LAC review process.
- **Validation.** Authorizes a validation procedure for the pay-for-performance bonding authority enacted in 2011. Provides for a court test of the validity of appropriation bonds under state law and gives the state supreme court original jurisdiction over the matter. The validation procedure for the pay-for-performance bonds is substantially the same as that enacted in 2011 for the tobacco appropriation bonding authorized, which has not been concluded and may or may not be sufficient to address validity of the pay-for-performance appropriation bonds.
- **Federal funds.** Repeals a requirement that exempts the LAC review of federal funds process from certain federal funds with only a report to the LAC required.
- **General requirements; fees.** Eliminates a surcharge on special veteran's plates for one-ton trucks, with an immediate effective date.
- Apprenticeship and on-the-job training. Directs the Commissioner of Veterans Affairs, in consultation with the Commissioners of the Department of Employment and Economic Development (DEED) and of Labor and Industry, to develop and implement an apprenticeship and on-the-job training program within the Minnesota GI Bill Program. The new program is under the same statutory appropriation as provided for the Minnesota GI Bill, using the same eligibility criteria as currently required for the GI Bill Program.

Provides an annual cap of \$2,000 per year for a participating veteran and a maximum grant of \$1,000 per participant paid to the participant's employer after the participant has been employed full-time for 12 consecutive months.

- **Appropriation; GI Bill programs.** Directs that the statutory appropriation for the GI Bill Program may also be expended for the apprenticeship and on-the-job training program. Current law requires that beginning July 1, 2013, the amount paid for the GI Bill Program must not exceed \$6 million.
- **Appropriation; honor guards.** Makes a \$100,000 general fund appropriation in fiscal year 2013 for honor guards at veterans' funerals.
- **Appropriation; soft body armor.** Makes a \$515,000 general fund appropriation in fiscal year 2012, with carry forward authority to fiscal year 2013, to public safety to reimburse the costs of soft body armor, with an immediate effective date.
- **Appropriation; disaster deficiency.** Transfers \$235,000 to the general fund from surplus disaster funds for a presidentially declared disaster for fall flooding in 2010 and appropriates it for a federal match for a presidentially declared disaster for spring flooding in 2010 as a onetime appropriation with an immediate effective date.