



executive agencies for the biennium beginning July 1, 2011, and for the remaining agencies for the biennium beginning July 1, 2013. Requires the governor to designate which agencies are in each category. For the first group, requires agencies to submit supplemental budget materials in compliance with zero-based principles as soon as possible after enactment of this bill.

**5 Repealer.** Repeals section 16A.103, subdivision 1b (forecast variables) and subdivision 4 (report on certain programs for which expenditures are forecast to increase).

**6 Effective date.** This article is effective immediately.

## Article 2

### Sunset of State Agencies

Establishes a 12-member Sunset Commission, and provides a schedule for expiration of state agencies. Key points in the proposed sunset process are as follows:

- In September of odd-numbered year (e.g., September 2011), agencies would report to the commission.
- By January 1 of the even-numbered year (e.g., January 2012) the commission would review the reports and the agency.
- Before February 1 of the even-numbered year, the commission would conduct public hearings and by February 1 would report to the legislature with its recommendations.
- The groups sunset, according to the prescribed schedule, on June 30 of even-numbered years.

**1 Short title.** Provides that this chapter may be cited as the Minnesota Sunset Act.

**2 Definitions.** Defines terms used in this article.

**3 Sunset Commission.** Provides that the Sunset Commission consists of 12 members appointed as follows:

(1) five senators and one public member appointed according to the rules of the senate, with no more than three senators from the majority caucus; and

(2) five member of the house of representatives and one public member, appointed by the speaker, with no more than three of the house members from the majority caucus.

With respect to public members, provides two-year terms expiring in January of each odd-numbered year, with removal only for cause during a term. Specifies certain restrictions on public members, and provides reimbursement for expenses. Provides that legislators serve at the pleasure of the appointing authority. Provides term limits for service on the commission for legislators and public members.

**4 Staff; gifts.** Requires the Legislative Coordinating Commission to provide staff and administrative services for the commission.

**5 Rules.** Authorizes the commission to adopt rules to carry out this chapter.

**6 Agency report to commission.** Provides that before September 1 of the odd-numbered year in which a state agency is sunset, the agency commissioner shall report specified information report to the commission.

**7 Commission duties.** Requires that before January 1 of the year in which a state agency is sunset, the commission must review the agency, based on criteria specified in section 10.

**8 Public hearings.** Requires that before February 1 of the year an agency is sunset, the commission must conduct public hearings regarding the agency, including the criteria specified in section 10.

**9 Commission report.** Requires that by February 1 each even-numbered year, the commission shall report on agencies subject to review, including findings on criteria specified in section 10.

**10 Criteria for review.** Specifies criteria for the commission to consider in determining whether a public needs exists for the continuation of a state agency or for performance of the agency's functions.

- 11 Recommendations.** Requires the commission's report to make recommendations on the abolition, continuation, or reorganization of agencies, on the need for performance of the functions of the agency; on consolidation, transfer, or reorganization of programs within agencies not under review when programs duplicate functions of agencies under review; and for improvement of operations.
- Requires the commission to submit draft legislation to carry out its recommendations, including legislation necessary to continue the existence of agencies that would otherwise sunset, if the commission recommends continuation of an agency.
- 12 Monitoring of recommendations.** Requires commission staff to monitor legislation affecting agencies that have undergone sunset review.
- 13 Review of advisory committees.** Provides that an advisory committee for a particular state agency is subject to sunset review on the date set for review of the agency, unless the committee is expressly continued in law.
- 14 Continuation by law.** Provides that during the regular session immediately before sunset review of an agency, the legislature may enact legislation to continue a group for up to 12 years. States that this does not prohibit the legislature from terminating an agency at an earlier date than specified in this chapter or from considering other legislation relating to an agency.
- 15 Procedure after termination.** Provides that if after sunset review an agency is abolished, it may continue in existence until June 30 of the following year to conclude its business. At the end of the year, all rules adopted by the agency expire. Specifies what happens to funds, property and records, and continuing obligations of an abolished agency.
- 16 Assistance of and access to state agencies.** Allows the commission to request assistance of state agencies and requires agencies to cooperate.
- 17 Relocation of employees.** Provides that if an employee is displaced because an agency is abolished, the agency must make a reasonable effort to relocate the displaced employee.
- 18 Saving provision.** Provides that abolition of an agency does not affect rights and duties that matured before abolition.
- 19 Review of proposed legislation.** Requires that every bill that would create a new agency or advisory group be reviewed by the commission, and specifies topics for the commission to consider in its review.
- 20 Gifts and grants.** Authorizes the commission to accept gifts, grants, and donations from nonprofit organizations. Requires gifts to be accepted in public meetings and reported in the public record of the commission.
- 21 Expiration.** Specifies a schedule for expiration and sunset review of agencies, beginning June 30, 2012, and continuing through June 30, 2022. Authorizes the commission to review and propose expiration dates for other groups and programs not listed in this section.