

1.1 Senator ..... moves to amend S.F. No. 2 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "ARTICLE 1  
1.4 APPROPRIATIONS

1.5 Section 1. STATE GOVERNMENT APPROPRIATIONS.

1.6 The sums shown in the columns marked "Appropriations" are appropriated to the agencies  
1.7 and for the purposes specified in this article. The appropriations are from the general fund,  
1.8 or another named fund, and are available for the fiscal years indicated for each purpose.  
1.9 The figures "2022" and "2023" used in this article mean that the appropriations listed under  
1.10 them are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively.  
1.11 "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium"  
1.12 is fiscal years 2022 and 2023.

1.13	<u>APPROPRIATIONS</u>	
1.14	<u>Available for the Year</u>	
1.15	<u>Ending June 30</u>	
1.16	<u>2022</u>	<u>2023</u>

1.17 Sec. 2. LEGISLATURE

1.18	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>98,819,000</u>	<u>\$</u>	<u>99,738,000</u>
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1.19 The amounts that may be spent for each  
1.20 purpose are specified in the following  
1.21 subdivisions.

1.22	<u>Subd. 2. Senate</u>	<u>37,430,000</u>	<u>37,545,000</u>
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1.23	<u>Subd. 3. House of Representatives</u>	<u>39,932,000</u>	<u>40,431,000</u>
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1.24	<u>Subd. 4. Legislative Coordinating Commission</u>	<u>21,457,000</u>	<u>21,762,000</u>
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1.25 The base for this appropriation in fiscal year  
1.26 2024 and each year thereafter is \$21,737,000.

1.27 From its funds, \$10,000 each year is for  
1.28 purposes of the legislators' forum, through  
1.29 which Minnesota legislators meet with  
1.30 counterparts from South Dakota, North  
1.31 Dakota, and Manitoba to discuss issues of  
1.32 mutual concern.

2.1 **Legislative Auditor.** \$7,689,000 the first year  
 2.2 and \$7,817,000 the second year are for the  
 2.3 Office of the Legislative Auditor.

2.4 The legislative auditor may use any unspent  
 2.5 amounts appropriated under Laws 2017, First  
 2.6 Special Session chapter 6, article 18, section  
 2.7 2, subdivision 3, paragraph (b), and  
 2.8 subdivision 5, paragraph (b); and Laws 2019,  
 2.9 First Special Session chapter 9, article 14,  
 2.10 section 2, subdivision 3, paragraphs (i) and  
 2.11 (j), to conduct audits required by Minnesota  
 2.12 Statutes, section 3.972, subdivision 2a, in  
 2.13 fiscal years 2022 and 2023.

2.14 **Revisor of Statutes.** \$7,298,000 the first year  
 2.15 and \$7,419,000 the second year are for the  
 2.16 Office of the Revisor of Statutes.

2.17 **Legislative Reference Library.** \$1,793,000  
 2.18 the first year and \$1,822,000 the second year  
 2.19 are for the Legislative Reference Library.

2.20 **Legislative Budget Office.** \$1,536,000 the  
 2.21 first year and \$1,570,000 the second year are  
 2.22 for the Legislative Budget Office.

2.23 **Sec. 3. GOVERNOR AND LIEUTENANT**  
 2.24 **GOVERNOR**

\$      **3,622,000** \$      **3,622,000**

2.25 (a) This appropriation is to fund the Office of  
 2.26 the Governor and Lieutenant Governor.

2.27 (b) \$19,000 each year is for necessary  
 2.28 expenses in the normal performance of the  
 2.29 governor's and lieutenant governor's duties for  
 2.30 which no other reimbursement is provided.

2.31 (c) By September 1 of each year, the  
 2.32 commissioner of management and budget shall  
 2.33 report to the chairs and ranking minority  
 2.34 members of the legislative committees with

3.1 jurisdiction over state government finance any  
3.2 personnel costs incurred by the Offices of the  
3.3 Governor and Lieutenant Governor that were  
3.4 supported by appropriations to other agencies  
3.5 during the previous fiscal year. The Office of  
3.6 the Governor shall inform the chairs and  
3.7 ranking minority members of the committees  
3.8 before initiating any interagency agreements.

3.9	Sec. 4. <u>STATE AUDITOR</u>	\$	<u>11,955,000</u>	\$	<u>12,051,000</u>
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3.10     The base for this appropriation in fiscal year  
3.11     2024 is \$12,061,000. The base for this  
3.12     appropriation in fiscal year 2025 and each year  
3.13     thereafter is \$12,067,000.

3.14 Of these amounts, \$743,000 the first year and  
3.15 \$744,000 the second year are for a school  
3.16 finance accountability team in the audit  
3.17 practice division to allow for the audits of  
3.18 school districts that have volunteered with and  
3.19 been selected by the state auditor to have their  
3.20 annual audit performed by the state auditor at  
3.21 no cost to the district. The state auditor must  
3.22 establish a selection process. Notwithstanding  
3.23 Minnesota Statutes, section 6.56, the state  
3.24 auditor may not bill a school district for any  
3.25 work conducted by the school finance  
3.26 accountability team prior to July 1, 2025.

3.27	Sec. 5. ATTORNEY GENERAL	\$	31,614,000	\$	29,104,000
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### 3.28 Appropriations by Fund

3.29		<u>2022</u>	<u>2023</u>
3.30	<u>General</u>	<u>28,698,0000</u>	<u>26,188,000</u>
3.31	<u>State Government</u>		
3.32	<u>Special Revenue</u>	<u>2,521,000</u>	<u>2,521,000</u>
3.33	<u>Environmental</u>	<u>145,000</u>	<u>145,000</u>
3.34	Remediation	250,000	250,000

3.35	Sec. 6. SECRETARY OF STATE	\$	9,684,000	\$	9,152,000
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4.1 \$750,000 each year is for transfer to the voting  
4.2 equipment grant account under Minnesota  
4.3 Statutes, section 206.95.

4.4 \$1,000,000 each year is for grants to local  
4.5 units of government to implement the  
4.6 provisions of Minnesota Statutes, section  
4.7 203B.082.

4.8	<b>Sec. 7. <u>CAMPAIGN FINANCE AND PUBLIC</u></b>		
4.9	<b>DISCLOSURE BOARD</b>	<b>\$ 1,145,000</b>	<b>\$ 1,167,000</b>

4.10	Sec. 8. STATE BOARD OF INVESTMENT	\$	139,000	\$	139,000
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4.11	<b>Sec. 9. ADMINISTRATIVE HEARINGS</b>	<b>\$ 8,236,000</b>	<b>\$ 8,240,000</b>
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4.12 Appropriations by Fund

4.13		<u>2022</u>	<u>2023</u>
4.14	<u>General</u>	<u>405,000</u>	<u>409,000</u>
4.15	<u>Workers'</u>		
4.16	<u>Compensation</u>	7,831,000	7,831,000

4.17 \$268,000 the first year and \$272,000 the  
4.18 second year are for municipal boundary  
4.19 adjustments.

4.20	<b>Sec. 10. OFFICE OF MN.IT SERVICES</b>	<b>\$</b>	<b>9,855,000</b>	<b>\$</b>	<b>9,882,000</b>
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4.21 (a) \$2,100,000 the first year and \$2,050,000  
4.22 the second year are to implement  
4.23 recommendations from the Governor's Blue  
4.24 Ribbon Council on Information Technology,  
4.25 established by Executive Order 19-02 and  
4.26 re-established by Executive Order 20-77. The  
4.27 base for this appropriation is \$1,400,000 in  
4.28 fiscal years 2024 and 2025.

4.29 (b) The commissioner of management and  
4.30 budget is authorized to provide cash flow  
4.31 assistance of up to \$50,000,000 from the  
4.32 special revenue fund or other statutory general  
4.33 funds as defined in Minnesota Statutes, section  
4.34 16A.671, subdivision 3, paragraph (a), to the

5.1 Office of MN.IT Services for the purpose of  
5.2 managing revenue and expenditure  
5.3 differences. These funds shall be repaid with  
5.4 interest by the end of the fiscal year 2023  
5.5 closing period.

5.6 (c) During the biennium ending June 30, 2023,  
5.7 the Office of MN.IT Services must not charge  
5.8 fees to a public noncommercial educational  
5.9 television broadcast station eligible for funding  
5.10 under Minnesota Statutes, chapter 129D, for  
5.11 access to the state broadcast infrastructure. If  
5.12 the access fees not charged to public  
5.13 noncommercial educational television  
5.14 broadcast stations total more than \$400,000  
5.15 for the biennium, the office may charge for  
5.16 access fees in excess of these amounts.

5.17      **Sec. 11. ADMINISTRATION**

5.18	<b>Subdivision 1. Total Appropriation</b>	<b>\$ 26,285,000</b>	<b>\$ 26,511,000</b>
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5.19     The amounts that may be spent for each  
5.20     purpose are specified in the following  
5.21     subdivisions.

5.22	Subd. 2. <b>Government and Citizen Services</b>	10,652,000	10,834,000
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**5.23 Council on Developmental Disabilities.**

5.24 \$222,000 each year is for the Council on  
5.25 Developmental Disabilities.

## 5.26 State Agency Accommodation

5.27 **Reimbursement.** \$200,000 the first year and  
5.28 \$200,000 the second year may be transferred  
5.29 to the accommodation account established in  
5.30 Minnesota Statutes, section 16B.4805.

5.31	Subd. 3. <b>Strategic Management Services</b>	2,174,000	2,218,000
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5.32	Subd. 4. <b>Fiscal Agent</b>	13,459,000	13,459,000
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6.1 The appropriations under this section are to  
6.2 the commissioner of administration for the  
6.3 purposes specified.

6.4 **In Lieu of Rent.** \$10,515,000 each year is for  
6.5 space costs of the legislature and veterans  
6.6 organizations, ceremonial space, and  
6.7 statutorily free space.

6.8 **Public Television.** (a) \$1,550,000 each year  
6.9 is for matching grants for public television.

6.10 (b) \$250,000 each year is for public television  
6.11 equipment grants under Minnesota Statutes,  
6.12 section 129D.13.

6.13 (c) The commissioner of administration must  
6.14 consider the recommendations of the  
6.15 Minnesota Public Television Association  
6.16 before allocating the amounts appropriated in  
6.17 paragraphs (a) and (b) for equipment or  
6.18 matching grants.

6.19 **Public Radio.** (a) \$492,000 each year is for  
6.20 community service grants to public  
6.21 educational radio stations. This appropriation  
6.22 may be used to disseminate emergency  
6.23 information in foreign languages.

6.24 (b) \$142,000 each year is for equipment grants  
6.25 to public educational radio stations. This  
6.26 appropriation may be used for the repair,  
6.27 rental, and purchase of equipment including  
6.28 equipment under \$500.

6.29 (c) \$510,000 each year is for equipment grants  
6.30 to Minnesota Public Radio, Inc., including  
6.31 upgrades to Minnesota's Emergency Alert and  
6.32 AMBER Alert Systems.

7.1 (d) The appropriations in paragraphs (a) to (c)  
 7.2 may not be used for indirect costs claimed by  
 7.3 an institution or governing body.

7.4 (e) The commissioner of administration must  
 7.5 consider the recommendations of the  
 7.6 Association of Minnesota Public Educational  
 7.7 Radio Stations before awarding grants under  
 7.8 Minnesota Statutes, section 129D.14, using  
 7.9 the appropriations in paragraphs (a) and (b).  
 7.10 No grantee is eligible for a grant unless they  
 7.11 are a member of the Association of Minnesota  
 7.12 Public Educational Radio Stations on or before  
 7.13 July 1, 2021.

7.14 (f) Any unencumbered balance remaining the  
 7.15 first year for grants to public television or  
 7.16 public radio stations does not cancel and is  
 7.17 available for the second year.

7.18 Sec. 12. **CAPITOL AREA ARCHITECTURAL**  
 7.19 **AND PLANNING BOARD** \$ 386,000 \$ 365,000

7.20 Sec. 13. **MINNESOTA MANAGEMENT AND**  
 7.21 **BUDGET** \$ 29,270,000 \$ 29,691,000

7.22 Sec. 14. **REVENUE**

7.23 Subdivision 1. **Total Appropriation** \$ 174,601,000 \$ 177,523,000

7.24 Appropriations by Fund

7.25		<u>2022</u>	<u>2023</u>
7.26	<u>General</u>	<u>170,387,000</u>	<u>173,309,000</u>
7.27	<u>Health Care Access</u>	<u>1,760,000</u>	<u>1,760,000</u>
7.28	<u>Highway User Tax</u>		
7.29	<u>Distribution</u>	<u>2,195,000</u>	<u>2,195,000</u>
7.30	<u>Environmental</u>	<u>259,000</u>	<u>259,000</u>

7.31 Subd. 2. **Tax System Management** 144,728,000 147,133,000

7.32 Appropriations by Fund

7.33		<u>2022</u>	<u>2023</u>
7.34	<u>General</u>	<u>140,514,000</u>	<u>142,919,000</u>
7.35	<u>Health Care Access</u>	<u>1,760,000</u>	<u>1,760,000</u>

8.1	<u>Highway User Tax</u>		
8.2	<u>Distribution</u>	<u>2,195,000</u>	<u>2,195,000</u>
8.3	<u>Environmental</u>	<u>259,000</u>	<u>259,000</u>

8.4 **Taxpayer Assistance.** (a) \$700,000 the first  
 8.5 year and \$750,000 the second year are for the  
 8.6 commissioner of revenue to make grants to  
 8.7 one or more eligible organizations, qualifying  
 8.8 under section 7526A(e)(2)(B) of the Internal  
 8.9 Revenue Code of 1986, to coordinate,  
 8.10 facilitate, encourage, and aid in the provision  
 8.11 of taxpayer assistance services. The  
 8.12 unencumbered balance in the first year does  
 8.13 not cancel but is available for the second year.

8.14 (b) For purposes of this section, "taxpayer  
 8.15 assistance services" means accounting and tax  
 8.16 preparation services provided by volunteers  
 8.17 to low-income, elderly, and disadvantaged  
 8.18 Minnesota residents to help them file federal  
 8.19 and state income tax returns and Minnesota  
 8.20 property tax refund claims and to provide  
 8.21 personal representation before the Department  
 8.22 of Revenue and Internal Revenue Service.

8.23	<u>Subd. 3. <b>Debt Collection Management</b></u>		<u>29,873,000</u>		<u>30,390,000</u>
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8.24	Sec. 15. <u><b>GAMBLING CONTROL</b></u>	<u>\$</u>	<u>5,728,000</u>	<u>\$</u>	<u>5,123,000</u>
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8.25 These appropriations are from the lawful  
 8.26 gambling regulation account in the special  
 8.27 revenue fund. The base for this appropriation  
 8.28 in fiscal year 2024 is \$5,093,000. The base for  
 8.29 this appropriation in fiscal year 2025 and each  
 8.30 year thereafter is \$4,923,000.

8.31 \$865,000 the first year and \$260,000 the  
 8.32 second year are to create an information  
 8.33 system and to update the board's website. The  
 8.34 base for this appropriation in fiscal year 2024  
 8.35 is \$230,000. The base for this appropriation



9.1 in fiscal year 2025 and each year thereafter is

9.2 \$60,000.

9.3	Sec. 16. <u>RACING COMMISSION</u>	\$	<u>913,000</u>	\$	<u>913,000</u>
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9.4 These appropriations are from the racing and  
9.5 card playing regulation accounts in the special  
9.6 revenue fund.

9.7      **Sec. 17. STATE LOTTERY**

9.8 Notwithstanding Minnesota Statutes, section  
9.9 349A.10, subdivision 3, the State Lottery's  
9.10 operating budget must not exceed \$36,500,000  
9.11 in fiscal year 2022 and \$36,500,000 in fiscal  
9.12 year 2023.

9.13	Sec. 18. AMATEUR SPORTS COMMISSION	\$	311,000	\$	317,000
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9.14	Sec. 19. <u>COUNCIL FOR MINNESOTANS OF</u>		
9.15	<u>AFRICAN HERITAGE</u>	\$ 544,000	\$ 552,000

9.16	<b>Sec. 20. COUNCIL ON LATINO AFFAIRS</b>	<b>\$</b>	<b>534,000</b>	<b>\$</b>	<b>544,000</b>
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9.17	Sec. 21. <u>COUNCIL ON ASIAN-PACIFIC</u>			
9.18	MINNESOTANS	\$	525,000	\$ 534,000

9.19	Sec. 22. INDIAN AFFAIRS COUNCIL	\$	855,000	\$	864,000
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9.20    **Sec. 23. MINNESOTA HISTORICAL**  
9.21    **SOCIETY**

9.22	Subdivision 1. <b>Total Appropriation</b>	\$	<b>23,968,000</b>	\$	<b>23,918,000</b>
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9.23 The amounts that may be spent for each  
9.24 purpose are specified in the following  
9.25 subdivisions.

9.26	Subd. 2. <b>Operations and Programs</b>	23,397,000	23,597,000
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9.27 Notwithstanding Minnesota Statutes, section  
9.28 138.668, the Minnesota Historical Society may  
9.29 not charge a fee for its general tours at the  
9.30 Capitol, but may charge fees for special  
9.31 programs other than general tours.

9.32 Subd. 3. **Fiscal Agent**

10.1	<u>(a) Global Minnesota</u>		<u>39,000</u>	<u>39,000</u>
10.2	<u>(b) Minnesota Air National Guard Museum</u>		<u>17,000</u>	<u>17,000</u>
10.3	<u>(c) Hockey Hall of Fame</u>		<u>100,000</u>	<u>100,000</u>
10.4	<u>(d) Farmamerica</u>		<u>365,000</u>	<u>115,000</u>
10.5	<u>\$250,000 the first year is for site</u>			
10.6	<u>improvements, including classroom, upgrades,</u>			
10.7	<u>visitor center remodeling, and expanded</u>			
10.8	<u>agricultural literacy programming.</u>			
10.9	<u>(e) Minnesota Military Museum</u>		<u>50,000</u>	<u>50,000</u>
10.10	<u>Any unencumbered balance remaining in this</u>			
10.11	<u>subdivision the first year does not cancel but</u>			
10.12	<u>is available for the second year of the</u>			
10.13	<u>biennium.</u>			
10.14	Sec. 24. <b><u>BOARD OF THE ARTS</u></b>			
10.15	<u>Subdivision 1. <b>Total Appropriation</b></u>	<u>\$</u>	<u>7,541,000</u>	<u>\$ 7,541,000</u>
10.16	<u>The base for this appropriation in fiscal year</u>			
10.17	<u>2024 and each year thereafter is \$7,561,000.</u>			
10.18	<u>The amounts that may be spent for each</u>			
10.19	<u>purpose are specified in the following</u>			
10.20	<u>subdivisions.</u>			
10.21	<u>Subd. 2. <b>Operations and Services</b></u>		<u>602,000</u>	<u>602,000</u>
10.22	<u>The base for this appropriation in fiscal year</u>			
10.23	<u>2024 and each year thereafter is \$622,000.</u>			
10.24	<u>Subd. 3. <b>Grants Program</b></u>		<u>4,800,000</u>	<u>4,800,000</u>
10.25	<u>Subd. 4. <b>Regional Arts Councils</b></u>		<u>2,139,000</u>	<u>2,139,000</u>
10.26	<u>Any unencumbered balance remaining in this</u>			
10.27	<u>section the first year does not cancel, but is</u>			
10.28	<u>available for the second year.</u>			
10.29	<u>Money appropriated in this section and</u>			
10.30	<u>distributed as grants may only be spent on</u>			
10.31	<u>projects located in Minnesota. A recipient of</u>			

11.1 a grant funded by an appropriation in this  
11.2 section must not use more than ten percent of  
11.3 the total grant for costs related to travel outside  
11.4 the state of Minnesota.

11.5 **Sec. 25. MINNESOTA HUMANITIES**  
11.6 **CENTER** \$ 700,000 \$ 700,000

11.7 \$325,000 each year is for grants under  
11.8 Minnesota Statutes, section 138.912. No more  
11.9 than three percent of the appropriation may  
11.10 be used for the nonprofit administration of the  
11.11 program.

11.12 **Sec. 26. BOARD OF ACCOUNTANCY** \$ 688,000 \$ 698,000

11.13 **Sec. 27. BOARD OF ARCHITECTURE**  
11.14 **ENGINEERING, LAND SURVEYING,**  
11.15 **LANDSCAPE ARCHITECTURE,**  
11.16 **GEOSCIENCE, AND INTERIOR DESIGN** \$ 863,000 \$ 874,000

11.17 **Sec. 28. BOARD OF COSMETOLOGIST**  
11.18 **EXAMINERS** \$ 2,923,000 \$ 2,923,000

11.19 **Sec. 29. BOARD OF BARBER EXAMINERS** \$ 348,000 \$ 353,000

11.20 **Sec. 30. GENERAL CONTINGENT**  
11.21 **ACCOUNTS** \$ 1,000,000 \$ 500,000

11.22	<u>Appropriations by Fund</u>		
11.23		<u>2022</u>	<u>2023</u>
11.24	<u>General</u>	<u>500,000</u>	<u>-0-</u>
11.25	<u>State Government</u>		
11.26	<u>Special Revenue</u>	<u>400,000</u>	<u>400,000</u>
11.27	<u>Workers'</u>		
11.28	<u>Compensation</u>	<u>100,000</u>	<u>100,000</u>

11.29 (a) The appropriations in this section may only  
11.30 be spent with the approval of the governor  
11.31 after consultation with the Legislative  
11.32 Advisory Commission pursuant to Minnesota  
11.33 Statutes, section 3.30.

11.34 (b) If an appropriation in this section for either  
11.35 year is insufficient, the appropriation for the  
11.36 other year is available for it.

12.1 (c) If a contingent account appropriation is  
 12.2 made in one fiscal year, it should be  
 12.3 considered a biennial appropriation.

12.4 Sec. 31. **TORT CLAIMS** \$ **161,000** \$ **161,000**

12.5 These appropriations are to be spent by the  
 12.6 commissioner of management and budget  
 12.7 according to Minnesota Statutes, section  
 12.8 3.736, subdivision 7. If the appropriation for  
 12.9 either year is insufficient, the appropriation  
 12.10 for the other year is available for it.

12.11 Sec. 32. **MINNESOTA STATE RETIREMENT**  
 12.12 **SYSTEM**

12.13 Subdivision 1. **Total Appropriation** \$ **14,886,000** \$ **14,878,000**

12.14 The amounts that may be spent for each  
 12.15 purpose are specified in the following  
 12.16 subdivisions.

12.17 Subd. 2. **Combined Legislators and**  
 12.18 **Constitutional Officers Retirement Plan**

**8,886,000** **8,878,000**

12.19 Under Minnesota Statutes, sections 3A.03,  
 12.20 subdivision 2; 3A.04, subdivisions 3 and 4;  
 12.21 and 3A.115.

12.22 If an appropriation in this section for either  
 12.23 year is insufficient, the appropriation for the  
 12.24 other year is available for it.

12.25 Subd. 3. **Judges Retirement Plan** **6,000,000** **6,000,000**

12.26 For transfer to the judges retirement fund  
 12.27 under Minnesota Statutes, section 490.123.  
 12.28 This transfer continues each fiscal year until  
 12.29 the judges retirement plan reaches 100 percent  
 12.30 funding as determined by an actuarial  
 12.31 valuation prepared according to Minnesota  
 12.32 Statutes, section 356.214.

12.33 Sec. 33. **PUBLIC EMPLOYEES RETIREMENT**  
 12.34 **ASSOCIATION**

\$ **25,000,000** \$ **25,000,000**

13.1 (a) \$9,000,000 in each year is for direct state  
 13.2 aid to the public employees police and fire  
 13.3 retirement plan authorized under Minnesota  
 13.4 Statutes, section 353.65, subdivision 3b.

13.5 (b) State payments from the general fund to  
 13.6 the Public Employees Retirement Association  
 13.7 on behalf of the former MERF division  
 13.8 account are \$16,000,000 on September 15,  
 13.9 2021, and \$16,000,000 on September 15,  
 13.10 2022. These amounts are estimated to be  
 13.11 needed under Minnesota Statutes, section  
 13.12 353.505.

13.13	<b><u>Sec. 34. TEACHERS RETIREMENT</u></b>			
13.14	<b><u>ASSOCIATION</u></b>	<b><u>\$</u></b>	<b><u>29,831,000</u></b>	<b><u>\$</u></b> <b><u>29,831,000</u></b>

13.15 The amounts estimated to be needed are as  
 13.16 follows:

13.17 **Special Direct State Aid.** \$27,331,000 each  
 13.18 year is for special direct state aid authorized  
 13.19 under Minnesota Statutes, section 354.436.

13.20 **Special Direct State Matching Aid.**  
 13.21 \$2,500,000 each year is for special direct state  
 13.22 matching aid authorized under Minnesota  
 13.23 Statutes, section 354.435.

13.24	<b><u>Sec. 35. ST. PAUL TEACHERS RETIREMENT</u></b>			
13.25	<b><u>FUND</u></b>	<b><u>\$</u></b>	<b><u>14,827,000</u></b>	<b><u>\$</u></b> <b><u>14,827,000</u></b>

13.26 The amounts estimated to be needed for  
 13.27 special direct state aid to the first class city  
 13.28 teachers retirement fund association authorized  
 13.29 under Minnesota Statutes, section 354A.12,  
 13.30 subdivisions 3a and 3c.

13.31 **Sec. 36. MILITARY AFFAIRS**

13.32	<b><u>Subdivision 1. Total Appropriation</u></b>	<b><u>\$</u></b>	<b><u>24,393,000</u></b>	<b><u>\$</u></b> <b><u>24,589,000</u></b>
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14.1	<u>The amounts that may be spent for each</u>		
14.2	<u>purpose are specified in the following</u>		
14.3	<u>subdivisions.</u>		
14.4	<u>Subd. 2. <b>Maintenance of Training Facilities</b></u>	<u>9,772,000</u>	<u>9,842,000</u>
14.5	<u>Subd. 3. <b>General Support</b></u>	<u>3,507,000</u>	<u>3,633,000</u>
14.6	<u>Subd. 4. <b>Enlistment Incentives</b></u>	<u>11,114,000</u>	<u>11,114,000</u>
14.7	<u>The appropriations in this subdivision are</u>		
14.8	<u>available until June 30, 2025, except that any</u>		
14.9	<u>unspent amounts allocated to a program</u>		
14.10	<u>otherwise supported by this appropriation are</u>		
14.11	<u>canceled to the general fund upon receipt of</u>		
14.12	<u>federal funds in the same amount to support</u>		
14.13	<u>administration of that program.</u>		
14.14	<u>If the amount for fiscal year 2022 is</u>		
14.15	<u>insufficient, the amount for 2023 is available</u>		
14.16	<u>in fiscal year 2022.</u>		
14.17	<u>Sec. 37. <b>VETERANS AFFAIRS</b></u>		
14.18	<u>Subdivision 1. <b>Total Appropriation</b></u>	<u>\$ 89,530,000</u>	<u>\$ 93,186,000</u>
14.19	<u>The amounts that may be spent for each</u>		
14.20	<u>purpose are specified in the following</u>		
14.21	<u>subdivisions. The base for this appropriation</u>		
14.22	<u>in fiscal year 2024 and each year thereafter is</u>		
14.23	<u>\$90,185,000.</u>		
14.24	<u>Subd. 2. <b>Veterans Programs and Services</b></u>	<u>27,073,000</u>	<u>22,153,000</u>
14.25	<u>(a) <b>CORE Program.</b> \$750,000 each year is</u>		
14.26	<u>for the Counseling and Case Management</u>		
14.27	<u>Outreach Referral and Education (CORE)</u>		
14.28	<u>program.</u>		
14.29	<u>(b) <b>Veterans Service Organizations.</b></u>		
14.30	<u>\$353,000 each year is for grants to the</u>		
14.31	<u>following congressionally chartered veterans</u>		
14.32	<u>service organizations as designated by the</u>		
14.33	<u>commissioner: Disabled American Veterans,</u>		

15.1 Military Order of the Purple Heart, the  
15.2 American Legion, Veterans of Foreign Wars,  
15.3 Vietnam Veterans of America, AMVETS, and  
15.4 Paralyzed Veterans of America. This funding  
15.5 must be allocated in direct proportion to the  
15.6 funding currently being provided by the  
15.7 commissioner to these organizations.

15.8 (c) **Minnesota Assistance Council for**  
15.9 **Veterans.** \$750,000 each year is for a grant  
15.10 to the Minnesota Assistance Council for  
15.11 Veterans to provide assistance throughout  
15.12 Minnesota to veterans and their families who  
15.13 are homeless or in danger of homelessness,  
15.14 including assistance with the following:

15.15 (1) utilities;  
15.16 (2) employment; and  
15.17 (3) legal issues.

15.18 The assistance authorized under this paragraph  
15.19 must be made only to veterans who have  
15.20 resided in Minnesota for 30 days prior to  
15.21 application for assistance and according to  
15.22 other guidelines established by the  
15.23 commissioner. In order to avoid duplication  
15.24 of services, the commissioner must ensure that  
15.25 this assistance is coordinated with all other  
15.26 available programs for veterans.

15.27 (d) **State's Veterans Cemeteries.** \$6,172,000  
15.28 the first year and \$1,672,000 the second year  
15.29 are for the state's veterans cemeteries. Of these  
15.30 amounts, \$4,500,000 the first year is to  
15.31 construct and equip the new veterans cemetery  
15.32 in Redwood Falls.

15.33 (e) **Honor Guards.** \$200,000 each year is for  
15.34 compensation for honor guards at the funerals

16.1 of veterans under Minnesota Statutes, section  
16.2 197.231.

16.3 (f) **Minnesota GI Bill.** \$200,000 each year is  
16.4 for the costs of administering the Minnesota  
16.5 GI Bill postsecondary educational benefits,  
16.6 on-the-job training, and apprenticeship  
16.7 program under Minnesota Statutes, section  
16.8 197.791.

16.9 (g) **Gold Star Program.** \$100,000 each year  
16.10 is for administering the Gold Star Program for  
16.11 surviving family members of deceased  
16.12 veterans.

16.13 (h) **County Veterans Service Office.**  
16.14 \$1,100,000 each year is for funding the  
16.15 County Veterans Service Office grant program  
16.16 under Minnesota Statutes, section 197.608.

16.17 (i) **Veteran Homelessness Initiative.**  
16.18 \$3,165,000 each year is for an initiative to  
16.19 prevent and end veteran homelessness. The  
16.20 commissioner of veterans affairs may provide  
16.21 housing vouchers and other services to  
16.22 alleviate homelessness among veterans and  
16.23 former service members in Minnesota. The  
16.24 commissioner may contract for program  
16.25 administration and may establish a vacancy  
16.26 reserve fund. The base for this appropriation  
16.27 in fiscal year 2024 and each year thereafter is  
16.28 \$1,311,000.

16.29 (j) **Camp Bliss.** \$75,000 each year is for a  
16.30 grant to Independent Lifestyles, Inc. for  
16.31 expenses related to retreats for veterans at  
16.32 Camp Bliss in Walker, Minnesota, including  
16.33 therapy, transportation, and activities  
16.34 customized for veterans.



17.1 (k) **Veterans On The Lake.** \$50,000 in the  
17.2 first year is for a grant to Veterans on the Lake  
17.3 for expenses related to retreats for veterans,  
17.4 including therapy, transportation, and activities  
17.5 customized for veterans.

17.6 (l) **Veterans Resilience Project.** \$400,000  
17.7 each year is for a grant to the veterans  
17.8 resilience project. Grant funds must be used  
17.9 to make eye movement desensitization and  
17.10 reprocessing therapy available to veterans and  
17.11 current military service members who are  
17.12 suffering from posttraumatic stress disorder  
17.13 and trauma. The base for this appropriation in  
17.14 fiscal year 2024 and each year thereafter is  
17.15 \$200,000.

17.16 The veterans resilience project must report to  
17.17 the commissioner of veterans affairs and the  
17.18 chairs and ranking minority members of the  
17.19 legislative committees with jurisdiction over  
17.20 veterans affairs policy and finance by January  
17.21 15 of each year on the program. The report  
17.22 must include an overview of the program's  
17.23 budget, a detailed explanation of program  
17.24 expenditures, the number of veterans and  
17.25 service members served by the program, and  
17.26 a list and explanation of the services provided  
17.27 to program participants.

17.28 (m) **9/11 Task Force.** \$500,000 the first year  
17.29 is for the Advisory Task Force on 9/11 and  
17.30 Global War on Terrorism Remembrance. The  
17.31 task force must collect, memorialize, and  
17.32 publish stories of Minnesotans' service in the  
17.33 Global War on Terrorism and impacts on their  
17.34 dependents. The task force must host a

18.1 remembrance program in September 2021.

18.2 This is a onetime appropriation.

18.3 <u>Subd. 3. <b>Veterans Health Care</b></u>	<u>62,457,000</u>	<u>71,033,000</u>
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18.4 The base for this appropriation in fiscal year

18.5 2024 and each year thereafter is \$70,086,000.

18.6 (a) \$61,457,000 the first year and \$70,383,000

18.7 the second year may be transferred to a

18.8 veterans homes special revenue account in the

18.9 special revenue fund in the same manner as

18.10 other receipts are deposited according to

18.11 Minnesota Statutes, section 198.34, and are

18.12 appropriated to the commissioner of veterans

18.13 affairs for the operation of veterans homes

18.14 facilities and programs. The base for this

18.15 transfer in fiscal year 2024 and each year

18.16 thereafter is \$69,536,000.

18.17 Of the amounts transferred under this

18.18 paragraph, \$337,000 the first year and

18.19 \$8,347,000 the second year are for the

18.20 operation of the new veterans homes in

18.21 Bemidji, Montevideo, and Preston.

18.22 The department shall seek opportunities to

18.23 maximize federal reimbursements of

18.24 Medicare-eligible expenses and provide annual

18.25 reports to the commissioner of management

18.26 and budget on the federal Medicare

18.27 reimbursements received. Contingent upon

18.28 future federal Medicare receipts, reductions

18.29 to the homes' general fund appropriation may

18.30 be made.

18.31 (b) \$1,000,000 the first year and \$650,000 the

18.32 second year are to address the problem of

18.33 death by suicide among veterans in Minnesota.

18.34 The commissioner of veterans affairs may use

19.1 funds for personnel, training, research,  
19.2 marketing, and professional or technical  
19.3 contracts. The base for this appropriation in  
19.4 fiscal year 2024 and each year thereafter is  
19.5 \$550,000.

19.6 Sec. 38. **CANCELLATIONS; FISCAL YEAR 2021.**

19.7 (a) \$379,000 of the fiscal year 2021 general fund appropriation under Laws 2019, First  
19.8 Special Session chapter 10, article 1, section 10, is canceled.

19.9 (b) \$300,000 of the fiscal year 2021 general fund appropriation under Laws 2019, First  
19.10 Special Session chapter 10, article 1, section 11, subdivision 1, is canceled. This amount is  
19.11 from the fiscal year 2021 appropriation for government and citizen services.

19.12 (c) \$1,367,000 of the fiscal year 2021 general fund appropriation under Laws 2019, First  
19.13 Special Session chapter 10, article 1, section 13, is canceled.

19.14 (d) \$8,274,000 of the fiscal year 2021 general fund appropriation under Laws 2019, First  
19.15 Special Session chapter 10, article 1, section 14, subdivision 1, is canceled. Of this amount,  
19.16 \$7,305,000 is from the fiscal year 2021 appropriation for tax system management and  
19.17 \$969,000 is from the fiscal year 2021 appropriation for debt collection management.

19.18 (e) \$86,000 of the fiscal year 2021 general fund appropriation for moving and relocation  
19.19 expenses under Laws 2019, First Special Session chapter 10, article 1, section 24, subdivision  
19.20 2, as amended by Laws 2020, chapter 104, article 2, section 4, is canceled.

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

19.22 Sec. 39. **CANCELLATIONS; ITA ACCOUNT.**

19.23 (a) \$179,000 from the information and telecommunications technology systems and  
19.24 services account established under Minnesota Statutes, section 16E.21, is canceled to the  
19.25 general fund.

19.26 (b) \$14,000 from the information and telecommunications technology systems and  
19.27 services account established under Minnesota Statutes, section 16E.21, is canceled to the  
19.28 workers' compensation fund.

19.29 (c) \$5,000 from the information and telecommunications technology systems and services  
19.30 account established under Minnesota Statutes, section 16E.21, is canceled to the state  
19.31 government special revenue fund.

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

20.2 Sec. 40. **CANCELLATION; DATA SECURITY ACCOUNT.**

20.3 On July 1, 2023, \$1,200,000 from the data security account established under Minnesota  
20.4 Statutes, section 3.9741, subdivision 5, is canceled to the general fund.

20.5 Sec. 41. **HELP AMERICA VOTE ACT ACCOUNT; LOCAL GOVERNMENT**  
20.6 **GRANTS.**

20.7 \$3,000,000 of the total amount appropriated to the secretary of state by Laws 2019, First  
20.8 Special Session chapter 10, article 1, section 40, and Laws 2020, chapter 77, section 3, must  
20.9 be distributed as grants to political subdivisions for activities authorized by those laws.

20.10 Sec. 42. Laws 2019, First Special Session chapter 10, article 1, section 40, is amended to  
20.11 read:

20.12 Sec. 40. **HELP AMERICA VOTE ACT TRANSFERS AND APPROPRIATIONS;**  
20.13 **SECRETARY OF STATE.**

20.14 (a) \$6,595,610 is appropriated in fiscal year 2019 from the HAVA account established  
20.15 in Minnesota Statutes, section 5.30, to the secretary of state for the purposes of improving  
20.16 the administration and security of elections as authorized by federal law. Use of the  
20.17 appropriation is limited to the following activities:

20.18 (1) modernizing, securing, and updating the statewide voter registration system and for  
20.19 cybersecurity upgrades as authorized by federal law;

20.20 (2) improving accessibility;

20.21 (3) preparing training materials and training local election officials; and

20.22 (4) implementing security improvements for election systems.

20.23 (b) Any amount earned in interest on the amount appropriated under paragraph (a) is  
20.24 appropriated from the HAVA account to the secretary of state for purposes of improving  
20.25 the administration and security of elections as authorized by federal law.

20.26 (c) The appropriations under paragraphs (a) and (b) are onetime and available until  
20.27 March 23, ~~2023~~ 2027.

20.28 (d) \$167,000 expended by the secretary of state in fiscal years 2018 and 2019 for  
20.29 increasing secure access to the statewide voter registration system is deemed:

21.1 (1) to be money used for carrying out the purposes authorized under the Omnibus  
21.2 Appropriations Act of 2018, Public Law 115-1410, and the Help America Vote Act of 2002,  
21.3 Public Law 107-252, section 101; and

21.4 (2) to be credited toward any match required by those laws.

21.5 Sec. 43. Laws 2020, chapter 77, section 3, subdivision 6, is amended to read:

21.6 Subd. 6. **Availability of appropriations.** The appropriations provided in this section  
21.7 are onetime and available until December 21, ~~2024~~ 2028.

## 21.8 ARTICLE 2

### 21.9 STATE GOVERNMENT OPERATIONS

21.10 Section 1. **[3.888] LEGISLATIVE COMMISSION ON CYBERSECURITY.**

21.11 Subdivision 1. **Membership.** The Legislative Commission on Cybersecurity consists  
21.12 of the following eight members:

21.13 (1) four senators, including two senators appointed by the senate majority leader and  
21.14 two senators appointed by the senate minority leader; and

21.15 (2) four members of the house of representatives, including two members appointed by  
21.16 the speaker of the house and two members appointed by the minority leader of the house.

21.17 Subd. 2. **Terms; vacancies.** Members of the commission serve for a two-year term  
21.18 beginning on appointment and expiring on appointment of a successor after the opening of  
21.19 the next regular session of the legislature in the odd-numbered year. A vacancy in the  
21.20 membership of the commission must be filled for the unexpired term in a manner that will  
21.21 preserve the representation established by this section.

21.22 Subd. 3. **Duties.** The commission shall provide oversight of the state's cybersecurity  
21.23 measures. The commission shall review the policies and practices of state agencies with  
21.24 regard to cybersecurity and may recommend changes in policy to adequately protect the  
21.25 state from cybersecurity threats. The commission may develop recommendations and draft  
21.26 legislation to support and strengthen the state's cybersecurity infrastructure.

21.27 Subd. 4. **Chair.** The commission shall elect a chair by a majority vote of members  
21.28 present. If the commission is unable to elect a chair by a majority vote at its first meeting  
21.29 of a biennium, the ranking member of the majority party shall serve as chair. The officers  
21.30 shall alternate between a member of the senate and a member of the house of representatives.

22.1 A chair shall serve a two-year term expiring upon election of a new chair after the opening  
22.2 of the next regular session of the legislature in the odd-numbered year.

22.3 Subd. 5. **Meetings.** The commission must meet at least three times per calendar year.  
22.4 The meetings of the commission are subject to section 3.055, except that the commission  
22.5 may close a meeting when necessary to safeguard the state's cybersecurity. The minutes,  
22.6 recordings, and documents from a closed meeting under this subdivision shall be maintained  
22.7 by the Legislative Coordinating Commission and shall not be made available to the public  
22.8 until eight years after the date of the meeting.

22.9 Subd. 6. **Administration.** The Legislative Coordinating Commission shall provide  
22.10 administrative services for the commission.

22.11 Subd. 7. **Expiration.** The commission expires December 31, 2028.

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

22.13 Sec. 2. **[10.551] INDIA DAY.**

22.14 (a) August 15 of each year is designated India Day to commemorate and celebrate the  
22.15 diverse culture, heritage, traditions, and contributions of Minnesotans of Indian ancestry.

22.16 (b) The diverse culture, traditions, and values of this community have contributed to the  
22.17 vitality of Minnesota. Each year, the governor shall issue a proclamation honoring the  
22.18 observance of India Day and shall encourage Minnesotans to take the opportunity to learn  
22.19 about and appreciate the community and its contributions.

22.20 Sec. 3. Minnesota Statutes 2020, section 14.389, subdivision 5, is amended to read:

22.21 Subd. 5. **Option.** A law authorizing or requiring rules to be adopted under this section  
22.22 may refer specifically to this subdivision. If the law contains a specific reference to this  
22.23 subdivision, as opposed to a general reference to this section:

22.24 (1) the notice required in subdivision 2 must include a statement that a public hearing  
22.25 will be held if ~~400~~ 50 or more people request a hearing. The request must be in the manner  
22.26 specified in section 14.25; and

22.27 (2) if ~~400~~ 50 or more people submit a written request for a public hearing, the agency  
22.28 may adopt the rule only after complying with all of the requirements of chapter 14 for rules  
22.29 adopted after a public hearing.

22.30 **EFFECTIVE DATE.** This section is effective July 1, 2021, and applies to rules proposed  
22.31 on or after that date.

23.1 Sec. 4. Minnesota Statutes 2020, section 16A.06, is amended by adding a subdivision to  
23.2 read:

23.3 Subd. 12. **Audit of state's use of federal funds.** The commissioner shall contract with  
23.4 a qualified auditor to conduct the annual audit required by the Single Audit Act of 1984,  
23.5 Public Law 98-502; the Single Audit Act Amendments of 1996, Public Law 104-156; and  
23.6 Code of Federal Regulations, title 2, part 200, Uniform Administrative Requirements, Cost  
23.7 Principles, and Audit Requirements for Federal Awards (Uniform Guidance). The cost of  
23.8 the audit shall be billed to the agencies audited during the subsequent fiscal year. Amounts  
23.9 paid by state agencies shall be deposited in the general fund.

23.10 Sec. 5. [16A.401] **VIRTUAL PAYMENTS AUTHORIZED.**

23.11 Subdivision 1. **Virtual payments.** The commissioner may establish a program to issue  
23.12 virtual payments from the state treasury. Any rebate to the state generated by the program  
23.13 must be deposited in the general fund unless retained under subdivision 3.

23.14 Subd. 2. **Rebates.** Notwithstanding subdivision 1, rebates attributable to expenditures  
23.15 in funds established in the state constitution or protected by federal law must be returned  
23.16 to the account from which the expenditure originated.

23.17 Subd. 3. **Rebates retained.** The commissioner may retain a portion of rebates for the  
23.18 administration of this section. Money retained under this subdivision must be deposited in  
23.19 an account in the special revenue fund and is appropriated to the commissioner for the  
23.20 purposes of this section.

23.21 Sec. 6. Minnesota Statutes 2020, section 16B.24, is amended by adding a subdivision to  
23.22 read:

23.23 Subd. 13. **Electric vehicle charging.** The commissioner shall require that a user of a  
23.24 charging station located on the State Capitol complex used to charge a private electric  
23.25 vehicle pay an electric service fee. The commissioner shall set the electric service fee rate  
23.26 to cover electricity costs for charging an electric vehicle and for the administrative costs  
23.27 associated with providing electric charging stations.

23.28 Sec. 7. [43A.231] **PROCUREMENT OF A PHARMACY BENEFIT MANAGER**  
23.29 **AND A PLATFORM TECHNOLOGY VENDOR.**

23.30 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have  
23.31 the meanings given.

24.1 (b) "Market check" means a technology-driven evaluation of prescription drug pricing  
24.2 based on benchmarks derived from reverse auction processes conducted in the United States  
24.3 over the immediately preceding 12 months.

24.4 (c) "Pharmacy benefit management services" means:

24.5 (1) the procurement of prescription drugs at a negotiated rate for dispensation within  
24.6 the State Employees Group Insurance Program (SEGIP) to enrollees;

24.7 (2) the administration and management of the prescription drug benefit under SEGIP;  
24.8 and

24.9 (3) any services defined in section 62W.02, subdivisions 8, 12, and 15, paragraph (a).

24.10 (d) "Pharmacy benefit manager" has the meaning given in section 62W.02, subdivision  
24.11 15, paragraph (a).

24.12 (e) "Price" means the projected cost of a bid for providing pharmacy benefit management  
24.13 services over the duration of the contract.

24.14 (f) "Reverse auction" means an automated bidding process conducted online that starts  
24.15 with an opening price and allows qualified bidders to counteroffer a lower price for multiple  
24.16 rounds of bidding.

24.17 (g) "SEGIP" means the State Employees Group Insurance Program under sections 43A.22  
24.18 to 43A.31.

24.19 Subd. 2. **Purpose.** The purpose of this section is to optimize prescription drug savings  
24.20 in SEGIP through:

24.21 (1) contracting with a pharmacy benefit manager to manage and administer the  
24.22 prescription drug benefit for SEGIP;

24.23 (2) the adoption of a reverse auction process for the selection of a pharmacy benefit  
24.24 manager;

24.25 (3) providing a process for the electronic review and validation of pharmacy benefit  
24.26 manager claims invoices for the purpose of reconciling pharmacy bills;

24.27 (4) market checks of the pharmacy benefit manager's prescription drug pricing; and

24.28 (5) limiting independent pharmacies from unsustainable reimbursement practices.

24.29 Subd. 3. **Procurement of a pharmacy benefit manager.** (a) Notwithstanding any law  
24.30 to the contrary, the commissioner of management and budget shall procure a contract for



25.1 the services of a pharmacy benefit manager to administer the prescription drug benefit and  
25.2 pharmacy benefit management services, effective January 1, 2023.

25.3 (b) For the contract effective January 1, 2023, the commissioner shall conduct a reverse  
25.4 auction as described in this section to select the pharmacy benefit manager and use a reverse  
25.5 auction for procurement of subsequent pharmacy benefit manager contracts as provided in  
25.6 subdivision 5, paragraph (b).

25.7 (c) In consultation with the technology platform vendor selected under subdivision 4,  
25.8 the commissioner shall specify the terms of a participant bidding agreement that all bidders  
25.9 must accept as a prerequisite for participation in the reverse auction process, including:

25.10 (1) common definitions;

25.11 (2) prescription drug classifications;

25.12 (3) retail pricing rules, including maximum allowable cost price lists and dispensing  
25.13 fees; and

25.14 (4) any other contract terms the commissioner deems necessary to further the purpose  
25.15 of this section as specified under subdivision 2.

25.16 (d) A pharmacy benefit manager who submits a bid under this subdivision must provide  
25.17 the commissioner access to complete pharmacy claims data necessary for the commissioner  
25.18 to conduct the reverse auction and to carry out administrative and management duties.

25.19 (e) The terms of a contract entered into under this subdivision shall not be modified by  
25.20 the pharmacy benefit manager except with the approval of the commissioner.

25.21 (f) The commissioner may structure the contract awarded under this subdivision to pay  
25.22 the cost of the technology platform and the associated professional services contracted for  
25.23 under this subdivision by assessing a fee per prescription to be paid directly by the pharmacy  
25.24 benefit manager to the technology platform vendor.

25.25 (g) The commissioner must perform annual market checks on pharmacy benefit manager  
25.26 services performed by the pharmacy benefit manager during the term of the contract. A  
25.27 market check performed under this paragraph may include an evaluation of the effect of  
25.28 alternative drug pricing metrics, such as the national average drug acquisition cost and  
25.29 average wholesale price, on the cost of prescription drugs and savings to the state.

25.30 (h) The commissioner shall make regular, periodic payment of invoices within the time  
25.31 periods specified in the contract based on the automated adjudication of invoiced claims

26.1 using the technology platform to validate that claims payments comply with the terms of  
26.2 the contract.

26.3 (i) The joint labor-management committee on health plans shall assist in the process  
26.4 through which the commissioner conducts the reverse auction, evaluation, and comparison  
26.5 of the competing pharmacy benefit manager bids for award of the contract.

26.6 Subd. 4. **Technology platform.** (a) At least three months before the reverse auction  
26.7 process is scheduled to be completed, the commissioner shall procure through a competitive  
26.8 bidding process a contract with a professional services vendor for a technology platform  
26.9 and any associated professional services necessary to operate the platform to:

26.10 (1) evaluate the qualifications of prospective pharmacy benefit manager bidders for the  
26.11 pharmacy benefit manager procurement;

26.12 (2) automatically adjudicate prescription drug claims; and

26.13 (3) collect data on pharmacy reimbursement.

26.14 (b) The platform procured under paragraph (a) must have the following capabilities to  
26.15 ensure optimal performance of the reverse auction and security of data:

26.16 (1) host and conduct an online automated reverse auction:

26.17 (i) using a software application and high-performance data infrastructure to intake,  
26.18 cleanse, and normalize pharmacy benefit manager data; and

26.19 (ii) with development methods and information security standards that have been validated  
26.20 by receiving Service Organization Control 2 (SOC 2) and National Institute of Standards  
26.21 and Technology certification;

26.22 (2) automate repricing of diverse and complex pharmacy benefit manager prescription  
26.23 drug pricing proposals to enable direct comparisons of the price of bids using all annual  
26.24 claims data available for the program using code-based classification or prescription drugs  
26.25 from nationally accepted drug sources;

26.26 (3) simultaneously evaluate, within six hours, diverse and complex multiple proposals  
26.27 from full-service pharmacy benefit managers that shall include at least guaranteed net cost,  
26.28 Average Wholesale Price and National Average Drug Acquisition Cost (NADAC) pricing  
26.29 models, as well as proposals from pharmacy benefit administrators and specialty drug and  
26.30 rebate carve-out services providers;

(4) produce an automated report and analysis of bids, including ranking of bids on the comparative costs and qualitative aspects of the costs within six hours after the close of each round of reverse auction bidding; and

(5) after the close of the reverse auction process, perform an electronic, line-by-line, claim-by-claim review of all invoiced pharmacy benefit manager claims within six hours of receipt that allows for an online comparison of pharmacy benefit manager invoices and identifies all deviations from the specific terms of the services contract resulting from the reverse auction.

(c) The commissioner may require additional capabilities or more rigorous standards than those specified in paragraph (b).

(d) The commissioner shall not award the platform technology vendor contract under this subdivision to:

(1) a pharmacy benefit manager;

(2) a subsidiary or affiliate of a pharmacy benefit manager; or

(3) a vendor who is managed by a pharmacy benefit manager or who receives, directly or indirectly, remuneration from a pharmacy benefit manager for aggregating clients into a contractual relationship with a pharmacy benefit manager.

(e) The vendor who is awarded the contract under this subdivision must not subcontract any part of the reverse auction process or the review described under paragraph (b), clause (5).

**Subd. 5. Report; savings determination; process for selecting successor pharmacy benefit manager.** (a) The commissioner of management and budget, with the assistance of an actuarial consultant, shall compare the following: (1) actual, electronically adjudicated prescription drug costs under the first two years of the contract that begins on January 1, 2023, with a pharmacy benefit manager that was selected by the reverse auction; and (2) a projection of what prescription drug costs would have been for those same two years under the pharmacy benefit manager contract in effect from 2018 to 2022, with appropriate adjustment for any adopted formulary or beneficiary utilization changes. The projection must use industry-recognized data sources. The commissioner of management and budget shall report the results of the comparison to the legislative auditor and to the chairs and ranking minority members of the committees in the senate and house of representatives with jurisdiction over state government finance and policy by March 1, 2025.

(b) The commissioner of management and budget must require the actuarial consultant to take appropriate measures to ensure that the consultant's work is not compromised by a conflict of interest.

(c) By April 1, 2025, the legislative auditor shall provide a report to the commissioner of management and budget and to the chairs and ranking minority members of the committees in the senate and house of representatives with jurisdiction over state government finance and policy. The legislative auditor's report must make a determination as to whether the commissioner's report accurately performs the comparison required under paragraph (a).

(d) The technology platform vendor shall provide to the commissioner of management and budget and to the legislative auditor the electronically adjudicated prescription drug data and any other support or assistance required by the commissioner of management and budget to prepare a report and for the legislative auditor to validate the accuracy of the commissioner's results of the comparison, by deadlines established by the commissioner of management and budget and the legislative auditor. Individual-identifying data received from the technology platform vendor is private data on individuals, as defined by section 13.02, subdivision 12.

(e) If the commissioner of management and budget determines that savings on prescription drug costs were not achieved, based on the comparison required under paragraph (a), with appropriate adjustment for any adopted formulary or beneficiary utilization changes, the commissioner may forego the use of a reverse auction for procurement of a successor pharmacy benefit manager contract. If the commissioner of management and budget determines that savings have been achieved, the commissioner must select the successor pharmacy benefit manager contract using the reverse auction process described in this section. If the commissioner's comparison in paragraph (a) finds that savings are not achieved, the commissioner's report under paragraph (a) must include the commissioner's findings that support a determination that savings were not achieved, analysis of the factors that caused a failure to achieve savings, and recommendations for how savings could be achieved in the next contract with a pharmacy benefit manager.

Subd. 6. **Data protections.** The commissioner of management and budget may only enter into an agreement with a technology platform vendor if the agreement provides privacy protections for data collected and maintained by the technology platform vendor, including:

(1) procedures for the prevention of unauthorized access or use;

(2) a prohibition on the sale of data collected and maintained as provided in the agreement; and

29.1 (3) a prohibition on dissemination of data unless authorized by state or federal law or  
29.2 the agreement.

29.3 Sec. 8. Minnesota Statutes 2020, section 138.38, is amended to read:

29.4 **138.38 REPORTS OF STATE ARCHAEOLOGIST.**

29.5 The state archaeologist shall consult with and keep the Indian Affairs Council ~~and~~, the  
29.6 director of the historical society, and the State Historic Preservation Office informed as to  
29.7 significant field archaeology, projected or in progress, and as to significant discoveries  
29.8 made. Annually, and also upon leaving office, the state archaeologist shall file with the  
29.9 commissioner a full report of the office's activities including a summary of the activities of  
29.10 licensees, from the date of the last full report of the state archaeologist. Copies of the report  
29.11 must be sent upon completion to the Minnesota Historical Society ~~and~~, the Indian Affairs  
29.12 Council, and the State Historic Preservation Office, and made available to other interested  
29.13 parties.

29.14 Sec. 9. Minnesota Statutes 2020, section 155A.23, subdivision 16, is amended to read:

29.15 Subd. 16. **School manager.** A "school manager" is ~~a cosmetologist who is a salon~~  
29.16 ~~manager and~~ who has a school manager license. A school manager must maintain an active  
29.17 salon manager's license.

29.18 Sec. 10. Minnesota Statutes 2020, section 240.01, subdivision 18, is amended to read:

29.19 Subd. 18. **Racing meeting.** "Racing meeting" is a series of days in which racing days  
29.20 are not separated by more than five nonracing days unless approved in advance by the  
29.21 commission.

29.22 Sec. 11. Minnesota Statutes 2020, section 240.06, subdivision 7, is amended to read:

29.23 Subd. 7. **License suspension and revocation.** The commission:

29.24 (1) may revoke a class A license for (i) a violation of law, order, or rule which in the  
29.25 commission's opinion adversely affects the integrity of horse racing in Minnesota, or for  
29.26 an intentional false statement made in a license application, or (ii) a willful failure to pay  
29.27 any money required to be paid by Laws 1983, chapter 214;

29.28 (2) may revoke a class A license for failure to perform material covenants or  
29.29 representations made in a license application; and

(3) shall revoke a class A license if live racing has not been conducted on at least 50 racing days assigned by the commission during any period of 12 consecutive months, unless the commission authorizes a shorter period because of circumstances beyond the licensee's control pursuant to section 240.30, subdivision 5.

The commission may suspend a class A license for up to one year for a violation of law, order, or rule which in the commission's opinion adversely affects the integrity of horse racing in Minnesota, and may suspend a class A license indefinitely if it determines that the licensee has as an officer, director, shareholder, or other person with a direct, indirect, or beneficial interest a person who is in the commission's opinion inimical to the integrity of horse racing in Minnesota or who cannot be certified under subdivision 1, clause (4).

A license revocation or suspension under this subdivision is a contested case under sections 14.57 to 14.69 of the Administrative Procedure Act, and is in addition to criminal penalties imposed for a violation of law or rule.

Sec. 12. Minnesota Statutes 2020, section 240.11, is amended to read:

**240.11 LICENSES NONTRANSFERABLE.**

(a) Except as provided in paragraph (b), a license issued under this chapter may not be transferred.

(b) A class A, class B, class C, or class D license to provide advance deposit wagering may be transferred with prior approval by the commission.

Sec. 13. Minnesota Statutes 2020, section 240.131, subdivision 7, is amended to read:

Subd. 7. **Payments to state.** (a) A regulatory fee is imposed at the rate of two percent of all amounts wagered by Minnesota residents with an authorized advance deposit wagering provider. The fee shall be declared on a form prescribed by the commission. The ADW provider must pay the fee to the commission no more than 15 days after the end of the month in which the wager was made. Fees collected under this paragraph must be deposited in the state treasury and credited to a racing and card-playing regulation account in the special revenue fund and are appropriated to the commission to offset the costs incurred by the commission as described in section 240.30, subdivision 9, or the costs associated with regulating horse racing and pari-mutuel wagering in Minnesota.

(b) A breeders fund fee is imposed in the amount of one-quarter of one percent of all amounts wagered by Minnesota residents with an authorized advance deposit wagering provider. The fee shall be declared on a form prescribed by the commission. The ADW

31.1 provider must pay the fee to the commission no more than 15 days after the end of the month  
31.2 in which the wager was made. Fees collected under this paragraph must be deposited in the  
31.3 state treasury and credited to a racing and card-playing regulation account in the special  
31.4 revenue fund and are appropriated to the commission to offset the cost of administering the  
31.5 breeders fund and promote horse breeding in Minnesota.

31.6 Sec. 14. Minnesota Statutes 2020, section 240.24, subdivision 2a, is amended to read:

31.7 Subd. 2a. **Reimbursement.** Increased expenses related to the use of upgraded drug  
31.8 testing technologies and procedures are deemed to be necessary costs within the meaning  
31.9 of section 240.155 and the commission ~~shall~~ may be reimbursed for these expenses from  
31.10 receipts from card playing activities regulated by the commission.

31.11 Sec. 15. Minnesota Statutes 2020, section 240.24, subdivision 3, is amended to read:

31.12 Subd. 3. **Fees.** The commission shall establish by rule a fee or schedule of fees that may  
31.13 be used to recover the costs of medical testing of horses running at racetracks licensed by  
31.14 the commission. Fees charged for the testing of horses shall cover the cost of the medical  
31.15 testing laboratory. Fee receipts shall be deposited in the state treasury and credited to the  
31.16 racing reimbursement account.

31.17 Sec. 16. Minnesota Statutes 2020, section 240.30, subdivision 5, is amended to read:

31.18 Subd. 5. **Limitation.** (a) The commission shall not authorize a licensee to operate a card  
31.19 club if the licensee has not conducted at least 50 days of live racing at a class A facility  
31.20 within the past 12 months or during the preceding calendar year unless the commission  
31.21 authorizes a shorter period ~~because of~~ as a result of an epidemic, natural disaster, flood,  
31.22 war, or other circumstances beyond the licensee's control that made conducting 50 days of  
31.23 live racing untenable for either public or equine health, welfare, or safety.

31.24 (b) Any authorization by the commission for a shorter period under paragraph (a), must  
31.25 be approved in writing by the horsepersons' organization representing the majority of  
31.26 horsepersons racing the breed racing the majority of races at the licensee's class A facility  
31.27 during the preceding 12 months.

31.28 Sec. 17. Minnesota Statutes 2020, section 270C.21, is amended to read:

31.29 **270C.21 TAXPAYER ASSISTANCE GRANTS.**

31.30 Subdivision 1. **Taxpayer assistance.** When the commissioner awards grants to ~~nonprofit~~  
31.31 eligible organizations to coordinate, facilitate, encourage, and aid in the provision of taxpayer

assistance services, the commissioner must provide public notice of the grants in a timely manner so that the grant process is completed and grants are awarded by October 1, in order for recipient eligible organizations to adequately plan expenditures for the filing season. At the time the commissioner provides public notice, the commissioner must also notify ~~nonprofit~~ eligible organizations that received grants in the previous biennium.

**Subd. 2. Eligible organization.** "Eligible organization" means an organization that meets the definition of eligible organization provided in section 7526A(e)(2)(B) of the Internal Revenue Code.

**EFFECTIVE DATE.** This section is effective for grants awarded after June 30, 2021.

Sec. 18. Minnesota Statutes 2020, section 477A.03, subdivision 2b, is amended to read:

**Subd. 2b. Counties.** (a) For aids payable in 2018 and 2019, the total aid payable under section 477A.0124, subdivision 3, is \$103,795,000, of which \$3,000,000 shall be allocated as required under Laws 2014, chapter 150, article 4, section 6. For aids payable in 2020, the total aid payable under section 477A.0124, subdivision 3, is \$116,795,000, of which \$3,000,000 shall be allocated as required under Laws 2014, chapter 150, article 4, section 6. For aids payable in 2021 through 2024, the total aid payable under section 477A.0124, subdivision 3, is \$118,795,000, of which \$3,000,000 shall be allocated as required under Laws 2014, chapter 150, article 4, section 6. For aids payable in 2025 and thereafter, the total aid payable under section 477A.0124, subdivision 3, is \$115,795,000. Each calendar year, \$500,000 of this appropriation shall be retained by the commissioner of revenue to make reimbursements to the commissioner of management and budget for payments made under section 611.27. The reimbursements shall be to defray the additional costs associated with court-ordered counsel under section 611.27. Any retained amounts not used for reimbursement in a year shall be included in the next distribution of county need aid that is certified to the county auditors for the purpose of property tax reduction for the next taxes payable year.

(b) For aids payable in 2018 and 2019, the total aid under section 477A.0124, subdivision 4, is \$130,873,444. For aids payable in 2020, the total aid under section 477A.0124, subdivision 4, is \$143,873,444. For aids payable in 2021 and thereafter, the total aid under section 477A.0124, subdivision 4, is \$145,873,444. The commissioner of revenue shall transfer to the ~~commissioner of management and budget~~ Legislative Budget Office \$207,000 annually for the cost of preparation of local impact notes as required by section 3.987, and other local government activities. The commissioner of revenue shall transfer to the commissioner of education \$7,000 annually for the cost of preparation of local impact notes



33.1 for school districts as required by section 3.987. The commissioner of revenue shall deduct  
33.2 the amounts transferred under this paragraph from the appropriation under this paragraph.  
33.3 The amounts transferred are appropriated to the ~~commissioner of management and budget~~  
33.4 Legislative Coordinating Commission and the commissioner of education respectively.

33.5 **EFFECTIVE DATE.** This section is effective June 30, 2021.

33.6 Sec. 19. Minnesota Statutes 2020, section 645.071, is amended to read:

33.7 **645.071 STANDARD OF TIME.**

33.8 Every mention of, or reference to, any hour or time in any law, during any period of the  
33.9 year, is to be construed with reference to and in accordance with the ~~standard time or~~  
33.10 advanced standard time provided by federal law. No department of the state government  
33.11 and no county, city or town shall employ, during any period of the year, any other time, or  
33.12 adopt any ordinance or order providing for the use, during any period of the year, of any  
33.13 other time than the federal ~~standard time or~~ advanced standard time.

33.14 **EFFECTIVE DATE.** This section is effective upon the first commencement of advanced  
33.15 standard time, also known as daylight saving time, following enactment of an amendment  
33.16 to United States Code, title 15, section 260a, or another applicable law, which authorizes  
33.17 states to observe advanced standard time year-round.

33.18 Sec. 20. **LEGISLATIVE AUDITOR; COMPREHENSIVE REVIEW OF COVID-19**  
33.19 **RESPONSE.**

33.20 The legislative auditor is requested to conduct a special review of the state's response  
33.21 to the infectious disease known as COVID-19. If conducted, the review must be designed  
33.22 as a comprehensive analysis of all major aspects of the state's response, including programs  
33.23 to provide testing, vaccination, and public outreach; contracting and other state purchasing  
33.24 necessary to facilitate the response or to provide public services; and the methodology used  
33.25 in modeling and forecasting the course of the outbreak. For each program, service, or activity,  
33.26 the review must consider whether it was efficiently and successfully implemented to achieve  
33.27 its intended outcome. If a program, service, or activity was not efficiently or successfully  
33.28 implemented, the review may make recommendations for process improvements to facilitate  
33.29 the state's response to future infectious disease outbreaks.

34.1       Sec. 21. **FIRST APPOINTMENTS AND FIRST MEETING OF LEGISLATIVE**  
34.2 **COMMISSION ON CYBERSECURITY.**

34.3       Subdivision 1. **First appointments.** Appointing authorities must make initial  
34.4 appointments to the Legislative Commission on Cybersecurity within 60 days after final  
34.5 enactment. These members serve a term that expires on appointment of a successor after  
34.6 the start of the next regular session of the legislature in 2023.

34.7       Subd. 2. **First meeting.** The majority leader of the senate shall designate one senate  
34.8 member of the Legislative Commission on Cybersecurity under Minnesota Statutes, section  
34.9 3.888, to convene the first meeting within 105 days after final enactment. The commission  
34.10 must select a chair from among the senate members at the first meeting.

34.11       Subd. 3. **Meetings in 2021.** Notwithstanding Minnesota Statutes, section 3.888,  
34.12 subdivision 5, the commission must meet at least twice in 2021.

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

34.14                               **ARTICLE 3**

34.15                               **MILITARY AND VETERANS POLICY**

34.16       Section 1. Minnesota Statutes 2020, section 10.578, is amended to read:

34.17       **10.578 VETERANS SUICIDE PREVENTION AND AWARENESS DAY.**

34.18       The first Saturday of every October is designated Veterans Suicide Prevention and  
34.19 Awareness Day. Each year, the governor shall issue a proclamation honoring this observance.  
34.20 Each year in conjunction with this observance, the commissioner of veterans affairs shall  
34.21 coordinate activities that raise awareness of, and promote the prevention of, veteran suicides.

34.22       Sec. 2. Minnesota Statutes 2020, section 15.057, as amended by Laws 2021, chapter 28,  
34.23 section 2, is amended to read:

34.24       **15.057 PUBLICITY REPRESENTATIVES.**

34.25       No state department, bureau, or division, whether the same operates on funds appropriated  
34.26 or receipts or fees of any nature whatsoever, except the Department of Veterans Affairs,  
34.27 the Department of Transportation, the Department of Employment and Economic  
34.28 Development, the Department of Agriculture, the Game and Fish Division, State Agricultural  
34.29 Society, and Explore Minnesota Tourism shall use any of such funds for the payment of  
34.30 the salary or expenses of a publicity representative. The publicity representative for the  
34.31 Department of Agriculture must not be an elected official or candidate for public office.

The head of any such department, bureau, or division shall be personally liable for funds used contrary to this provision. This section shall not be construed, however, as preventing any such department, bureau, or division from sending out any bulletins or other publicity required by any state law or necessary for the satisfactory conduct of the business for which such department, bureau, or division was created.

Sec. 3. Minnesota Statutes 2020, section 190.07, is amended to read:

**190.07 APPOINTMENT; QUALIFICATIONS; RANK; TERM; VACANCY.**

Subdivision 1. **Qualifications.** There shall be an adjutant general of the state who shall be appointed by the governor within 120 days of a vacancy of the position. The adjutant general shall be a staff officer, who at the time of appointment shall be a commissioned officer of the National Guard ~~of this state, with not less than ten years military service in the National Guard of this state or the armed forces of the United States, at least three of which shall have been commissioned~~ and who shall have reached, at a minimum, the grade ~~of a field officer~~ rank of colonel (O-6).

Subd. 2. **Rank.** The adjutant general shall be promoted, if necessary, directly to and shall hold at least the rank of major general and may be promoted to and including the highest rank authorized under federal law. However, the adjutant general may not be promoted to the rank of major general without having at least 20 years service in the Minnesota National Guard, at least one of which has been in the rank of brigadier general. If not already a major general, the adjutant general's promotion is effective beginning on the date the governor appoints the adjutant general. At the time of appointment and in accordance with the authorities governing federal recognition of officers, the adjutant general is authorized to wear the rank of major general.

Subd. 3. **Term.** The term of the adjutant general is for a single term of seven years from the date of appointment. Section 15.06, subdivisions 3, 4, and 5, governs filling of vacancies in the Office of Adjutant General. The adjutant general shall not be removed from office during a term except upon withdrawal of federal recognition or as otherwise provided by the military laws of this state.

Subd. 4. **Vacancy; acting or temporary adjutant general.** In the event of a vacancy of the adjutant general, the governor may appoint a person qualified under subdivision 1 as an acting adjutant general. If the governor does not appoint an acting adjutant general, the deputy adjutant general as defined in section 190.09, subdivision 1, shall become temporary adjutant general without further official action. Upon taking office, the acting or temporary

36.1 adjutant general shall have all the powers and emoluments and perform all the duties of the  
 36.2 office of adjutant general until a permanent adjutant general is appointed.

36.3 **Sec. 4. [196.081] VETERANS STABLE HOUSING INITIATIVE; DATA.**

36.4 (a) The commissioner may establish a veterans stable housing initiative. If the  
 36.5 commissioner establishes a veterans stable housing initiative under this section, the  
 36.6 commissioner must provide resources and support to assist veterans experiencing  
 36.7 homelessness in obtaining or maintaining stable housing.

36.8 (b) Data on individuals maintained by the commissioner in the Homeless Veteran Registry  
 36.9 for purposes of the veterans stable housing initiative is private data on individuals as defined  
 36.10 in section 13.02, subdivision 12, and must not be disclosed or shared except for coordinating  
 36.11 homelessness prevention efforts with:

36.12 (1) members of the Minnesota Interagency Council on Homelessness; and

36.13 (2) Homeless Veteran Registry partners to address a veteran's episode of homelessness  
 36.14 or maintain a veteran's housing plan through Department of Veterans Affairs funded  
 36.15 programs.

36.16 (c) For purposes of this section, "homelessness" means that a veteran lacks a fixed,  
 36.17 nighttime residence.

36.18 **Sec. 5. Minnesota Statutes 2020, section 197.791, subdivision 4, is amended to read:**

36.19 **Subd. 4. Eligibility.** (a) A person is eligible for educational assistance under ~~subdivisions~~  
 36.20 subdivision 5 and 5a if:

36.21 (1) the person is:

36.22 (i) a veteran who is serving or has served honorably in any branch or unit of the United  
 36.23 States armed forces at any time;

36.24 (ii) a nonveteran who has served honorably for a total of five years or more cumulatively  
 36.25 as a member of the Minnesota National Guard or any other active or reserve component of  
 36.26 the United States armed forces, and any part of that service occurred on or after September  
 36.27 11, 2001;

36.28 (iii) the surviving spouse or child of a person who has served in the military and who  
 36.29 has died as a direct result of that military service, only if the surviving spouse or child is  
 36.30 eligible to receive federal education benefits under United States Code, title 38, chapter 33,  
 36.31 as amended, or United States Code, title 38, chapter 35, as amended; or

37.1 (iv) the spouse or child of a person who has served in the military at any time and who  
37.2 has a total and permanent service-connected disability as rated by the United States Veterans  
37.3 Administration, only if the spouse or child is eligible to receive federal education benefits  
37.4 under United States Code, title 38, chapter 33, as amended, or United States Code, title 38,  
37.5 chapter 35, as amended; and

37.6 (2) the person receiving the educational assistance is a Minnesota resident, as defined  
37.7 in section 136A.101, subdivision 8; and

37.8 (3) the person receiving the educational assistance:

37.9 (i) is an undergraduate or graduate student at an eligible institution;

37.10 (ii) is maintaining satisfactory academic progress as defined by the institution for students  
37.11 participating in federal Title IV programs;

37.12 (iii) is enrolled in an education program leading to a certificate, diploma, or degree at  
37.13 an eligible institution;

37.14 (iv) has applied for educational assistance under this section prior to the end of the  
37.15 academic term for which the assistance is being requested;

37.16 (v) is in compliance with child support payment requirements under section 136A.121,  
37.17 subdivision 2, clause (5); and

37.18 (vi) has completed the Free Application for Federal Student Aid (FAFSA).

37.19 (b) A person's eligibility terminates when the person becomes eligible for benefits under  
37.20 section 135A.52.

37.21 (c) To determine eligibility, the commissioner may require official documentation,  
37.22 including the person's federal form DD-214 or other official military discharge papers;  
37.23 correspondence from the United States Veterans Administration; birth certificate; marriage  
37.24 certificate; proof of enrollment at an eligible institution; signed affidavits; proof of residency;  
37.25 proof of identity; or any other official documentation the commissioner considers necessary  
37.26 to determine eligibility.

37.27 (d) The commissioner may deny eligibility or terminate benefits under this section to  
37.28 any person who has not provided sufficient documentation to determine eligibility for the  
37.29 program. An applicant may appeal the commissioner's eligibility determination or termination  
37.30 of benefits in writing to the commissioner at any time. The commissioner must rule on any  
37.31 application or appeal within 30 days of receipt of all documentation that the commissioner  
37.32 requires. The decision of the commissioner regarding an appeal is final. However, an

applicant whose appeal of an eligibility determination has been rejected by the commissioner may submit an additional appeal of that determination in writing to the commissioner at any time that the applicant is able to provide substantively significant additional information regarding the applicant's eligibility for the program. An approval of an applicant's eligibility by the commissioner following an appeal by the applicant is not retroactively effective for more than one year or the semester of the person's original application, whichever is later.

(e) Upon receiving an application with insufficient documentation to determine eligibility, the commissioner must notify the applicant within 30 days of receipt of the application that the application is being suspended pending receipt by the commissioner of sufficient documentation from the applicant to determine eligibility.

Sec. 6. Minnesota Statutes 2020, section 197.791, subdivision 5, is amended to read:

**Subd. 5. Educational assistance amount.** (a) On approval by the commissioner of eligibility for the program, the applicant shall be awarded, on a funds-available basis, the educational assistance under the program for use at any time according to program rules at any eligible institution.

(b) The amount of educational assistance in any semester or term for an eligible person must be determined by subtracting from the eligible person's cost of attendance the amount the person received or was eligible to receive in that semester or term from:

(1) the federal Pell Grant;

(2) the state grant program under section 136A.121; and

(3) any federal military or veterans educational benefits including but not limited to the Montgomery GI Bill, GI Bill Kicker, the federal tuition assistance program, vocational rehabilitation benefits, and any other federal benefits associated with the person's status as a veteran, except veterans disability payments from the United States Department of Veterans Administration and payments made under the Veterans Retraining Assistance Program (VRAP) Affairs.

(c) The amount of educational assistance for any eligible person who is a full-time student must not exceed the following:

(1) \$3,000 per state fiscal year; and

(2) \$10,000 in a lifetime.

(d) For a part-time student, the amount of educational assistance must not exceed \$500 per semester or term of enrollment. For the purpose of this paragraph, a part-time

39.1 undergraduate student is a student taking fewer than 12 credits or the equivalent for a  
39.2 semester or term of enrollment and a part-time graduate student is a student considered part  
39.3 time by the eligible institution the graduate student is attending. The minimum award for  
39.4 undergraduate and graduate students is \$50 per term.

39.5 Sec. 7. Minnesota Statutes 2020, section 197.791, subdivision 5a, is amended to read:

39.6 Subd. 5a. **Apprenticeship and on-the-job training.** (a) The commissioner, in  
39.7 consultation with the commissioners of employment and economic development and labor  
39.8 and industry, shall develop and implement an apprenticeship and on-the-job training program  
39.9 to administer a portion of the Minnesota GI Bill program to pay benefit amounts to eligible  
39.10 persons, as provided in this subdivision.

39.11 (b) An "eligible employer" means an employer operating a qualifying apprenticeship or  
39.12 on-the-job training program that has been approved by the commissioner.

39.13 ~~(c) A person is eligible for apprenticeship and on-the-job training assistance under this~~  
39.14 ~~subdivision if the person meets the criteria established under subdivision 4, paragraph (a).~~  
39.15 ~~The commissioner may determine eligibility as provided in subdivision 4, paragraph (c),~~  
39.16 ~~and may deny or terminate benefits as prescribed under subdivision 4, paragraphs (d) and~~  
39.17 ~~(e). The amount of assistance paid to or on behalf of an eligible individual under this~~  
39.18 ~~subdivision must not exceed the following:~~

39.19 (c) A person is eligible for apprenticeship and on-the-job training assistance under this  
39.20 subdivision if the person is:

39.21 (1) a veteran who is serving or has served honorably in any branch or unit of the United  
39.22 States armed forces at any time;

39.23 (2) a nonveteran who has served honorably for a total of five years or more cumulatively  
39.24 as a member of the Minnesota National Guard or any other active or reserve component of  
39.25 the United States armed forces, and any part of that service occurred on or after September  
39.26 11, 2001;

39.27 (3) the surviving spouse or child of a person who has served in the military and who has  
39.28 died as a direct result of that military service, only if the surviving spouse or child is eligible  
39.29 to receive federal education benefits under United States Code, title 38, chapter 33, as  
39.30 amended, or United States Code, title 38, chapter 35, as amended; or

39.31 (4) the spouse or child of a person who has served in the military at any time and who  
39.32 has a total and permanent service-connected disability as rated by the United States Veterans  
39.33 Administration, only if the spouse or child is eligible to receive federal education benefits

40.1 under United States Code, title 38, chapter 33, as amended, or United States Code, title 38,  
40.2 chapter 35, as amended.

40.3 (d) The amount of assistance paid to or on behalf of an eligible individual under this  
40.4 subdivision must not exceed the following:

40.5 (1) \$3,000 per fiscal year for apprenticeship expenses;

40.6 (2) \$3,000 per fiscal year for on-the-job training;

40.7 (3) \$1,000 for a job placement credit payable to an eligible employer upon hiring and  
40.8 completion of six consecutive months' employment of a person receiving assistance under  
40.9 this subdivision; and

40.10 (4) \$1,000 for a job placement credit payable to an eligible employer after a person  
40.11 receiving assistance under this subdivision has been employed by the eligible employer for  
40.12 at least 12 consecutive months as a full-time employee.

40.13 (e) No more than \$5,000 in aggregate benefits under this paragraph subdivision may be  
40.14 paid to or on behalf of an individual in one fiscal year, and not more than \$10,000 in  
40.15 aggregate benefits under this paragraph may be paid to or on behalf of an individual over  
40.16 any period of time.

40.17 (f) If an eligible person receives benefits under subdivision 5 or 5b, the eligible person's  
40.18 aggregate benefits under this subdivision, subdivisions 5, and 5b, must not exceed \$10,000  
40.19 in the eligible person's lifetime.

40.20 ~~(d)~~ (g) Assistance for apprenticeship expenses and on-the-job training is available for  
40.21 qualifying programs, which must, at a minimum, meet the following criteria:

40.22 (1) the training must be with an eligible employer;

40.23 (2) the training must be documented and reported;

40.24 (3) the training must reasonably be expected to lead to an entry-level position; and

40.25 (4) the position must require at least six months of training to become fully trained.

40.26 Sec. 8. Minnesota Statutes 2020, section 197.791, subdivision 5b, is amended to read:

40.27 Subd. 5b. **Additional professional or educational benefits.** (a) The commissioner shall  
40.28 develop and implement a program to administer a portion of the Minnesota GI Bill program  
40.29 to pay additional benefit amounts to eligible persons as provided under this subdivision.

40.30 ~~(b) A person is eligible for additional benefits under this subdivision if the person meets~~  
40.31 ~~the criteria established under subdivision 4, paragraph (a), clause (1). The commissioner~~



41.1 ~~may determine eligibility as provided in subdivision 4, paragraph (e), and may deny or~~  
41.2 ~~terminate benefits as prescribed under subdivision 4, paragraphs (d) and (e). The amount~~  
41.3 ~~of assistance paid to or on behalf of an eligible individual under this subdivision must not~~  
41.4 ~~exceed the following amounts:~~

41.5 (b) A person is eligible for additional benefits under this subdivision if the person is:

41.6 (1) a veteran who is serving or has served honorably in any branch or unit of the United  
41.7 States armed forces at any time;

41.8 (2) a nonveteran who has served honorably for a total of five years or more cumulatively  
41.9 as a member of the Minnesota National Guard or any other active or reserve component of  
41.10 the United States armed forces, and any part of that service occurred on or after September  
41.11 11, 2001;

41.12 (3) the surviving spouse or child of a person who has served in the military and who has  
41.13 died as a direct result of that military service, only if the surviving spouse or child is eligible  
41.14 to receive federal education benefits under United States Code, title 38, chapter 33, as  
41.15 amended, or United States Code, title 38, chapter 35, as amended; or

41.16 (4) the spouse or child of a person who has served in the military at any time and who  
41.17 has a total and permanent service-connected disability as rated by the United States Veterans  
41.18 Administration, only if the spouse or child is eligible to receive federal education benefits  
41.19 under United States Code, title 38, chapter 33, as amended, or United States Code, title 38,  
41.20 chapter 35, as amended.

41.21 (c) The amount of assistance paid to or on behalf of an eligible individual under this  
41.22 subdivision must not exceed the following amounts:

41.23 (1) \$3,000 per state fiscal year; and

41.24 (2) \$10,000 in a lifetime.

41.25 (d) If an eligible person receives benefits under subdivision 5 or 5a, the eligible person's  
41.26 aggregate benefits under this subdivision, subdivisions 5, and 5a, must not exceed \$10,000  
41.27 in the eligible person's lifetime.

41.28 ~~(e)~~ (e) A person eligible under this subdivision may use the benefit amounts for the  
41.29 following purposes:

41.30 (1) licensing or certification tests, the successful completion of which demonstrates an  
41.31 individual's possession of the knowledge or skill required to enter into, maintain, or advance  
41.32 in employment in a predetermined and identified vocation or profession, provided that the

42.1 tests and the licensing or credentialing organizations or entities that offer the tests are  
42.2 approved by the commissioner;

42.3 (2) tests for admission to institutions of higher learning or graduate schools;

42.4 (3) national tests providing an opportunity for course credit at institutions of higher  
42.5 learning;

42.6 (4) a preparatory course for a test that is required or used for admission to an institution  
42.7 of higher education or a graduate program; and

42.8 (5) any fee associated with the pursuit of a professional or educational objective specified  
42.9 in clauses (1) to (4).

42.10 ~~(d) If an eligible person receives benefits under subdivision 5, the eligible person's~~  
42.11 ~~aggregate benefits under this subdivision and subdivision 5 must not exceed \$10,000 in the~~  
42.12 ~~eligible person's lifetime.~~

42.13 ~~(e) If an eligible person receives benefits under subdivision 5a, the eligible person's~~  
42.14 ~~aggregate benefits under this subdivision and subdivision 5a must not exceed \$10,000 in~~  
42.15 ~~the eligible person's lifetime.~~

42.16 Sec. 9. Minnesota Statutes 2020, section 198.006, is amended to read:

42.17 **198.006 SUPPLEMENTAL PROGRAMS.**

42.18 (a) The commissioner shall must work with federal, state, local, and private agencies to  
42.19 develop alternative institutional and noninstitutional care programs for veterans to supplement  
42.20 the mission of the homes. Veterans shall be afforded the least restrictive, most appropriate  
42.21 level of care available.

42.22 (b) The commissioner may work with federal, state, local, and private entities to make  
42.23 available appropriate dental services for veterans homes residents. The commissioner may  
42.24 engage with the United States Department of Veterans Affairs to support the dental benefits  
42.25 program authorized under this paragraph.

42.26 (c) The commissioner may provide adult day care center programs that offer therapeutic  
42.27 and rehabilitation health care services to veterans and support services for caregivers of  
42.28 veterans. If the commissioner provides adult day care center programs, the commissioner  
42.29 may collect fees from program participants. The commissioner is authorized to apply for  
42.30 and accept federal funding for purposes of this paragraph.

Sec. 10. Minnesota Statutes 2020, section 198.03, subdivision 2, is amended to read:

Subd. 2. **Cost of care.** (a) The commissioner shall set out in rules the method of calculating the average cost of care for the domiciliary and nursing care residents. The cost must be determined yearly based upon the average cost per resident taking into account, but not limited to, administrative cost of the homes, the cost of service available to the resident, and food and lodging costs. These average costs must be calculated separately for domiciliary and nursing care residents. The amount charged each resident for maintenance, if anything, must be based on the appropriate average cost of care calculation and the assets and income of the resident but must not exceed the appropriate average cost of care.

(b) Beginning July 1, 2021, the Personal Needs Allowance (PNA) for domiciliary residents must be based on the Minnesota Department of Human Services' (DHS) most recent General Assistance program PNA and is in effect the same date as the DHS PNA is in effect. Thereafter, the PNA for domiciliary residents must be adjusted and put into effect each year or each time DHS adjusts the General Assistance program PNA.

Sec. 11. **[198.45] REPORT ON VETERANS HOMES.**

No later than January 15, 2022, and biennially on January 15 thereafter, the commissioner must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over veterans affairs and state government finance on reserve amounts maintained in the veterans homes special revenue account. The report must detail current and historical amounts maintained as a reserve and uses of those amounts. The report must also include data on the use of existing veterans homes, including current and historical bed capacity and usage, staffing levels and staff vacancy rates, and staff-to-resident ratios.

Sec. 12. Minnesota Statutes 2020, section 609.095, is amended to read:

**609.095 LIMITS OF SENTENCES.**

(a) The legislature has the exclusive authority to define crimes and offenses and the range of the sentences or punishments for their violation. No other or different sentence or punishment shall be imposed for the commission of a crime than is authorized by this chapter or other applicable law.

(b) Except as provided in section 152.18 ~~or~~, 609.1056, 609.375, or upon agreement of the parties, a court may not refuse to adjudicate the guilt of a defendant who tenders a guilty plea in accordance with Minnesota Rules of Criminal Procedure, rule 15, or who has been found guilty by a court or jury following a trial. A decision by the court to issue a stay of

44.1 adjudication under this paragraph for a charge of violating section 243.166, 609.342, 609.343,  
44.2 609.344, 609.345, 609.3451, subdivision 3, or 609.3453, must be justified in writing and  
44.3 on the record.

44.4 (c) Paragraph (b) does not supersede Minnesota Rules of Criminal Procedure, rule 26.04.

44.5 Sec. 13. **[609.1056] MILITARY VETERANS; CRIMES COMMITTED BECAUSE**  
44.6 **OF CONDITIONS RESULTING FROM SERVICE; DISCHARGE AND DISMISSAL.**

44.7 Subdivision 1. Definitions. As used in this section, the following terms have the meanings  
44.8 given:

44.9 (1) "applicable condition" means sexual trauma, traumatic brain injury, posttraumatic  
44.10 stress disorder, substance abuse, or a mental health condition;

44.11 (2) "eligible offense" means any misdemeanor or gross misdemeanor, and any felony  
44.12 that is ranked at severity level 7 or lower or D7 or lower on the Sentencing Guidelines grid;  
44.13 and

44.14 (3) "veterans treatment court program" means a program that has the following essential  
44.15 characteristics:

44.16 (i) the integration of services in the processing of cases in the judicial system;

44.17 (ii) the use of a nonadversarial approach involving prosecutors and defense attorneys to  
44.18 promote public safety and to protect the due process rights of program participants;

44.19 (iii) early identification and prompt placement of eligible participants in the program;

44.20 (iv) access to a continuum of alcohol, controlled substance, mental health, and other  
44.21 related treatment and rehabilitative services;

44.22 (v) careful monitoring of treatment and services provided to program participants;

44.23 (vi) a coordinated strategy to govern program responses to participants' compliance;

44.24 (vii) ongoing judicial interaction with program participants;

44.25 (viii) monitoring and evaluation of program goals and effectiveness;

44.26 (ix) continuing interdisciplinary education to promote effective program planning,  
44.27 implementation, and operations;

44.28 (x) development of partnerships with public agencies and community organizations,  
44.29 including the United States Department of Veterans Affairs; and

45.1 (xi) inclusion of a participant's family members who agree to be involved in the treatment  
45.2 and services provided to the participant under the program.

45.3 Subd. 2. **Deferred prosecution.** (a) The court shall defer prosecution for an eligible  
45.4 offense committed by a defendant who was, or currently is, a member of the United States  
45.5 military as provided in this subdivision. The court shall defer prosecution at the request of  
45.6 the defendant upon a finding of guilty after trial or upon a guilty plea.

45.7 (b) A defendant who requests to be sentenced under this section shall release or authorize  
45.8 access to military service reports and records relating to an alleged applicable condition  
45.9 stemming from service in the United States military. The court must file the records as  
45.10 confidential, and the records must remain sealed, except as provided in this paragraph. The  
45.11 defendant, through existing records or licensed professional evaluation, shall establish the  
45.12 diagnosis of the applicable condition and its connection to military service. The court, on  
45.13 its motion or the prosecutor's motion with notice to defense counsel, may order the defendant  
45.14 to furnish to the court for in-camera review or to the prosecutor copies of all medical and  
45.15 military service reports and records previously or subsequently made concerning the  
45.16 defendant's condition and its connection to service.

45.17 (c) Based on the record, the court shall determine, by clear and convincing evidence,  
45.18 whether the defendant suffers from an applicable condition, whether that condition stems  
45.19 from service in the United States military, and whether the offense was committed as a  
45.20 result of the applicable condition. Within 15 days of the court's findings, either party may  
45.21 file a challenge to the findings and demand a hearing on the defendant's eligibility under  
45.22 this section.

45.23 (d) If the court makes the determination described in paragraph (c), the court shall,  
45.24 without entering a judgment of guilty, defer further proceedings and place the defendant  
45.25 on probation upon such reasonable conditions as it may require and for a period not to  
45.26 exceed the maximum period provided by law. A court may extend a defendant's term of  
45.27 probation pursuant to section 609.135, subdivision 2, paragraphs (g) and (h). Conditions  
45.28 ordered by the court must include treatment, services, rehabilitation, and education sufficient  
45.29 so that if completed, the defendant would be eligible for discharge and dismissal under  
45.30 subdivision 3. If the court determines that a defendant suffers from a substance use disorder,  
45.31 the court shall order a Rule 25 assessment under Minnesota Rules, part 9530.6615, and  
45.32 order the defendant to follow the recommendations contained in the assessment. If the court  
45.33 determines that a defendant suffers from posttraumatic stress disorder, sexual trauma,  
45.34 traumatic brain injury, or other mental health conditions, the court shall order a mental

health assessment conducted by a licensed mental health professional and follow the recommendations contained in the examiner's report.

(e) If the court determines that the defendant is eligible for a deferred sentence but the defendant has previously received a deferred sentence for a felony offense under this subdivision, the court may, but is not required to, impose a deferred sentence. If the court does not impose a deferred sentence, the court may sentence the defendant as otherwise provided in law, including as provided in subdivision 4.

(f) Upon violation of a condition of probation, the court may enter an adjudication of guilt and proceed as otherwise provided in law, including as provided in subdivision 4.

(g) As a condition of probation, the court may order the defendant to attend a local, state, federal, or private nonprofit treatment program for a period not to exceed the maximum period for which the defendant could have been incarcerated.

(h) The court, when issuing an order under this subdivision that a defendant attend an established treatment program, shall give preference to a treatment program that has a history of successfully treating veterans who suffer from applicable conditions caused by military service, including but not limited to programs operated by the United States Department of Defense or Veterans Affairs.

(i) The court and any assigned treatment program shall collaborate with, when available, the county veterans service officer and the United States Department of Veterans Affairs to maximize benefits and services provided to the defendant. If an appropriate treatment provider is not available in the defendant's county of residence or public funding is not available, the Minnesota Department of Veterans Affairs shall coordinate with the United States Department of Veterans Affairs to locate an appropriate treatment program and sources to fund the cost of the defendant's participation in the program.

(j) If available in the county or judicial district having jurisdiction over the case, the defendant may be supervised by a veterans treatment court program under subdivision 5. If there is a veterans treatment court that meets the requirements of subdivision 5 in the county in which the defendant resides or works, supervision of the defendant may be transferred to that county or judicial district veterans treatment court program. Upon the defendant's successful or unsuccessful completion of the program, the veterans treatment court program shall communicate this information to the court of original jurisdiction for further action.

(k) Sentencing pursuant to this subdivision waives any right to administrative review pursuant to section 169A.53, subdivision 1, or judicial review pursuant to section 169A.53,

subdivision 2, for a license revocation or cancellation imposed pursuant to section 169A.52, and also waives any right to administrative review pursuant to section 171.177, subdivision 10, or judicial review pursuant to section 171.177, subdivision 11, for a license revocation or cancellation imposed pursuant to section 171.177, if that license revocation or cancellation is the result of the same incident for which the defendant is being sentenced.

Subd. 3. **Discharge and dismissal.** (a) Upon the expiration of the period of the defendant's probation, the court shall hold a hearing to discharge the defendant from probation and determine whether to dismiss the proceedings against a defendant who received a deferred sentence under subdivision 2. The hearing shall be scheduled so that the parties have adequate time to prepare and present arguments regarding the issue of dismissal. The parties may submit written arguments to the court prior to the date of the hearing and may make oral arguments before the court at the hearing. The defendant must be present at the hearing unless excused under Minnesota Rules of Criminal Procedure, rule 26.03, subdivision 1, clause (3).

(b) The court shall provide notice to any identifiable victim of the offense at least 15 days before the hearing is held. Notice to victims of the offense under this subdivision must specifically inform the victim of the right to submit an oral or written statement to the court at the time of the hearing describing the harm suffered by the victim as a result of the crime and the victim's recommendation on whether dismissal should be granted or denied. The judge shall consider the victim's statement when making a decision. If a victim notifies the prosecutor of an objection to dismissal and is not present at the hearing, the prosecutor shall make the objections known to the court.

(c) The court shall dismiss proceedings against a defendant if the court finds by clear and convincing evidence that the defendant:

(1) is in compliance with the conditions of probation;

(2) has successfully completed court-ordered treatment and services to address the applicable condition caused by military service;

(3) does not represent a danger to the health or safety of victims or others; and

(4) has demonstrated significant benefit from court-ordered education, treatment, or rehabilitation to clearly show that a discharge and dismissal under this subdivision is in the interests of justice.

(d) In determining the interests of justice, the court shall consider, among other factors, all of the following:

48.1 (1) the defendant's completion and degree of participation in education, treatment, and  
48.2 rehabilitation as ordered by the court;

48.3 (2) the defendant's progress in formal education;

48.4 (3) the defendant's development of career potential;

48.5 (4) the defendant's leadership and personal responsibility efforts;

48.6 (5) the defendant's contribution of service in support of the community;

48.7 (6) the level of harm to the community from the offense;

48.8 (7) the level of harm to the victim from the offense with the court's determination of  
48.9 harm guided by the factors for evaluating injury and loss contained in the applicable victim's  
48.10 rights provisions of chapter 611A; and

48.11 (8) the statement of the victim, if any.

48.12 (e) If the court finds that the defendant does not qualify for discharge and dismissal  
48.13 under paragraph (c), the court shall enter an adjudication of guilt and proceed as otherwise  
48.14 provided in law, including as provided in subdivision 4.

48.15 (f) Discharge and dismissal under this subdivision shall be without court adjudication  
48.16 of guilt, but a not public record of the discharge and dismissal shall be retained by the Bureau  
48.17 of Criminal Apprehension for the purpose of use by the courts in determining the merits of  
48.18 subsequent proceedings against the defendant. The not public record may also be opened  
48.19 only upon court order for purposes of a criminal investigation, prosecution, or sentencing.  
48.20 Upon request by law enforcement, prosecution, or corrections authorities, the bureau shall  
48.21 notify the requesting party of the existence of the not public record and the right to seek a  
48.22 court order to open the not public record under this paragraph. The court shall forward a  
48.23 record of any discharge and dismissal under this subdivision to the bureau, which shall  
48.24 make and maintain the not public record of the discharge and dismissal. The discharge and  
48.25 dismissal shall not be deemed a conviction for purposes of disqualifications or disabilities  
48.26 imposed by law upon conviction of a crime or for any other purpose. For purposes of this  
48.27 paragraph, "not public" has the meaning given in section 13.02, subdivision 8a.

48.28 Subd. 4. **Sentencing departure; waiver of mandatory sentence.** (a) This subdivision  
48.29 applies to defendants who plead or are found guilty of any criminal offense except one for  
48.30 which registration is required under section 243.166, subdivision 1b.

48.31 (b) Prior to sentencing, a defendant described in paragraph (a) may present proof to the  
48.32 court that the defendant has, since the commission of the offense, engaged in rehabilitative



efforts consistent with those described in this section. If the court determines that the defendant has engaged in substantial rehabilitative efforts and the defendant establishes by clear and convincing evidence that:

(1) the defendant suffered from an applicable condition at the time of the offense;

(2) the applicable condition was caused by service in the United States military; and

(3) the offense was committed as a result of the applicable condition;

the court may determine that the defendant is particularly amenable to probation and order a mitigated durational or dispositional sentencing departure or a waiver of any statutory mandatory minimum sentence applicable to the defendant.

**Subd. 5. Optional veterans treatment court program; procedures for eligible defendants.** A county or judicial district may supervise probation under this section through a veterans treatment court using county veterans service officers appointed under sections 197.60 to 197.606, United States Department of Veterans Affairs veterans justice outreach specialists, probation agents, and any other rehabilitative resources available to the court.

**Subd. 6. Creation of county and city diversion programs; authorization.** Any county or city may establish and operate a veterans pretrial diversion program for defendants eligible under subdivision 1 without penalty under section 477A.0175. "Pretrial diversion" means the decision of a prosecutor to refer a defendant to a diversion program on the condition that the criminal charges against the defendant shall be dismissed after a specified period of time or the case shall not be charged, if the defendant successfully completes the program of treatment recommended by the United States Department of Veterans Affairs or a local, state, federal, or private nonprofit treatment program.

**Subd. 7. Exception.** This section does not apply to a person charged with an offense for which registration is required under section 243.166, subdivision 1b.

**EFFECTIVE DATE.** This section is effective August 1, 2021.

**Sec. 14. COST OF CARE; TEMPORARY SUSPENSION OF RULE.**

Notwithstanding Minnesota Rules, part 9050.0500, subparts 1, 2 and 3, the commissioner of veterans affairs is not required to perform the annual calculation of costs of care for veterans homes in fiscal year 2022. For fiscal year 2022, the commissioner may apply the cost of care established for fiscal year 2021. The commissioner may only suspend application of Minnesota Rules, part 9050.0500, subparts 1, 2, and 3, in fiscal year 2022. This section expires on June 30, 2022.

50.1 **EFFECTIVE DATE.** This section is effective July 1, 2021.

50.2 Sec. 15. **REVISOR INSTRUCTION.**

50.3 The revisor of statutes must renumber the provisions of Minnesota Statutes listed in  
 50.4 column A to the references listed in column B. The revisor must also make necessary  
 50.5 cross-reference changes in Minnesota Statutes and Minnesota Rules consistent with the  
 50.6 renumbering.

50.7	<u>Column A</u>	<u>Column B</u>
50.8	<u>197.791, subdivision 5a</u>	<u>197.791, subdivision 6</u>
50.9	<u>197.791, subdivision 5b</u>	<u>197.791, subdivision 7</u>
50.10	<u>197.791, subdivision 6</u>	<u>197.791, subdivision 8</u>

50.11 **ARTICLE 4**  
 50.12 **ELECTIONS**

50.13 Section 1. Minnesota Statutes 2020, section 201.071, subdivision 2, is amended to read:

50.14 Subd. 2. **Instructions.** (a) A registration application shall be accompanied by instructions  
 50.15 specifying the manner and method of registration, the qualifications for voting, the penalties  
 50.16 for false registration, and the availability of registration and voting assistance for elderly  
 50.17 and disabled individuals and residents of health care facilities and hospitals.

50.18 (b) The instructions must indicate that if the voter ~~does not have~~ must provide a valid  
 50.19 Minnesota driver's license or identification card number, or the last four digits of the voter's  
 50.20 Social Security number ~~must be provided, unless the voter does not have a Social Security~~  
 50.21 ~~number~~, unless the voter has not been issued one of those numbers.

50.22 (c) If, prior to election day, a person requests the instructions in Braille, audio format,  
 50.23 or in a version printed in 16-point bold type with 24-point leading, the county auditor shall  
 50.24 provide them in the form requested. The secretary of state shall prepare Braille and audio  
 50.25 copies and make them available.

50.26 Sec. 2. Minnesota Statutes 2020, section 201.121, subdivision 3, is amended to read:

50.27 Subd. 3. **Postelection sampling.** (a) Within ten days after an election, the county auditor  
 50.28 shall send the notice required by subdivision 2 to a random sampling of the individuals  
 50.29 registered on election day. The random sampling shall be determined in accordance with  
 50.30 the rules of the secretary of state. As soon as practicable after the election, the county auditor  
 50.31 shall mail the notice required by subdivision 2 to all other individuals registered on election

day. If a notice is returned as not deliverable, the county auditor shall attempt to determine the reason for the return. A county auditor who does not receive or obtain satisfactory proof of an individual's eligibility to vote shall immediately notify the county attorney of all of the relevant information. ~~The~~ By February 15 of each year, the county auditor must notify the secretary of state of the following information for each election held in the previous year by each precinct:

(1) the total number of all notices that were returned as nondeliverable;

(2) the total number of nondeliverable notices that the county auditor was able to determine the reason for the return along with the reason for each return; and

(3) the total number of individuals for whom the county auditor does not receive or obtain satisfactory proof of an individual's eligibility to vote.

(b) By March 1 of every ~~odd-numbered~~ year, the secretary of state shall report to the chair and ranking minority members of the legislative committees with jurisdiction over elections the following information for each election held in the previous year by each precinct and each county:

(1) the total number of all notices that were returned as nondeliverable;

(2) the total number of nondeliverable notices that a county auditor was able to determine the reason for the return along with the reason for each return; and

(3) the total number of individuals for whom the county auditor does not receive or obtain satisfactory proof of an individual's eligibility to vote.

Sec. 3. Minnesota Statutes 2020, section 203B.08, subdivision 1, is amended to read:

Subdivision 1. **Marking and return by voter.** (a) An eligible voter who receives absentee ballots as provided in this chapter shall mark them in the manner specified in the directions for casting the absentee ballots. The return envelope containing marked ballots may be mailed as provided in the directions for casting the absentee ballots ~~or~~, may be left with the county auditor or municipal clerk who transmitted the absentee ballots to the voter, or may be left in a drop box as provided in section 203B.082. If delivered in person, the return envelope must be submitted to the county auditor or municipal clerk by 3:00 p.m. on election day.

(b) The voter may designate an agent to deliver in person the sealed absentee ballot return envelope to the county auditor or municipal clerk or to deposit the return envelope in the mail. An agent may deliver or mail the return envelopes of not more than three voters

52.1 in any election. Any person designated as an agent who tampers with either the return  
52.2 envelope or the voted ballots or does not immediately mail or deliver the return envelope  
52.3 to the county auditor or municipal clerk is guilty of a misdemeanor.

52.4 Sec. 4. Minnesota Statutes 2020, section 203B.08, subdivision 3, is amended to read:

52.5 Subd. 3. **Procedures on receipt of ballots.** When absentee ballots are returned to a  
52.6 county auditor or municipal clerk, that official shall stamp or initial and date the return  
52.7 envelope and place it in a ~~secure location~~ locked ballot container or other secured and locked  
52.8 space with other return envelopes received by that office. Within five days after receipt, the  
52.9 county auditor or municipal clerk shall deliver to the ballot board all ballots received, except  
52.10 that during the 14 days immediately preceding an election, the county auditor or municipal  
52.11 clerk shall deliver all ballots received to the ballot board within three days. Ballots received  
52.12 on election day either (1) after 3:00 p.m., if delivered in person; or (2) after 8:00 p.m., if  
52.13 delivered by mail or a package delivery service, shall be marked as received late by the  
52.14 county auditor or municipal clerk, and must not be delivered to the ballot board.

52.15 Sec. 5. **[203B.082] ABSENTEE BALLOT DROP BOXES; SECURITY AND**  
52.16 **INTEGRITY.**

52.17 Subdivision 1. **Definition.** As used in this section, "drop box" means a secure receptacle  
52.18 or container established to receive completed absentee ballots 24 hours per day. Drop box  
52.19 does not include a receptacle or container maintained by the United States Postal Service,  
52.20 or a location at which a voter or an agent may return a completed absentee ballot by providing  
52.21 it directly to an employee of the county auditor or municipal clerk.

52.22 Subd. 2. **Minimum security and integrity standards.** The county auditor or municipal  
52.23 clerk may provide locations at which a voter may deposit a completed absentee ballot  
52.24 enclosed in the completed signature envelope in a secure drop box, consistent with the  
52.25 following security and integrity standards:

52.26 (1) each drop box must be continually recorded during the absentee voting period;

52.27 (2) each drop box must be designed to prevent an unauthorized person from moving,  
52.28 removing, or tampering with the drop box;

52.29 (3) each drop box placed in an outdoor location must be fastened to a building, bolted  
52.30 to a concrete pad, or otherwise attached to a similarly secure structure;

53.1 (4) ballots deposited in a drop box must be secured against access by any unauthorized  
53.2 person, and in the case of a drop box located in an outdoor location, the drop box must be  
53.3 secured against damage due to weather or other natural conditions;

53.4 (5) each drop box must contain signage or markings that:

53.5 (i) clearly identifies the drop box as an official absentee ballot return location; and

53.6 (ii) include the location and hours where an agent may return an absentee ballot;

53.7 (6) deposited ballots must be collected at least once per business day during the absentee  
53.8 voting period by the county auditor, municipal clerk, or an elections official trained by the  
53.9 county auditor or municipal clerk in the proper maintenance and handling of absentee ballots  
53.10 and absentee ballot drop boxes, and in the security measures used to protect absentee ballots;  
53.11 and

53.12 (7) ballots collected from each drop box must be properly date-stamped and stored in a  
53.13 locked ballot container or other secured and locked space consistent with any applicable  
53.14 laws governing the collection and storage of absentee ballots.

53.15 Subd. 3. **Publication of locations required.** (a) The county auditor or municipal clerk  
53.16 must provide a list of designated absentee ballot drop box locations to the secretary of state  
53.17 no later than 40 days prior to the start of the absentee voting period at every regularly  
53.18 scheduled primary or general election. The list must be published on the website of the  
53.19 county or municipality and on the website of the secretary of state at least 35 days prior to  
53.20 the start of the absentee voting period.

53.21 (b) The county auditor or municipal clerk must provide an updated list of designated  
53.22 absentee ballot drop box locations to the secretary of state no later than 20 days prior to the  
53.23 start of the absentee voting period at every regularly scheduled primary or general election,  
53.24 if any locations have changed or been added since submission of the list under paragraph  
53.25 (a). The list must be published on the website of the county or municipality and on the  
53.26 website of the secretary of state at least 15 days prior to the start of the absentee voting  
53.27 period.

53.28 Subd. 4. **Electioneering prohibited.** Section 211B.11 applies to conduct within 100  
53.29 feet of an absentee ballot drop box established under this section.

53.30 Sec. 6. Minnesota Statutes 2020, section 203B.121, subdivision 1, is amended to read:

53.31 Subdivision 1. **Establishment; applicable laws.** (a) The governing body of each county,  
53.32 municipality, and school district with responsibility to accept and reject absentee ballots

must, by ordinance or resolution, establish a ballot board. The board must consist of a sufficient number of election judges ~~trained in the handling of absentee ballots and~~ appointed as provided in sections 204B.19 to 204B.22. The board may include deputy county auditors or deputy city clerks who have received training in the processing and counting of absentee ballots. Each member of the ballot board must be provided adequate training on the processing and counting of absentee ballots, including but not limited to instruction on accepting and rejecting absentee ballots, storage of absentee ballots, timelines and deadlines, the role of the ballot board, procedures for opening absentee ballot envelopes, procedures for counting absentee ballots, and procedures for reporting absentee ballot totals.

(b) Each jurisdiction must pay a reasonable compensation to each member of that jurisdiction's ballot board for services rendered during an election.

(c) Except as otherwise provided by this section, all provisions of the Minnesota Election Law apply to a ballot board.

Sec. 7. Minnesota Statutes 2020, section 204B.14, subdivision 3, is amended to read:

Subd. 3. **Boundary changes; prohibitions; exception.** (a) Notwithstanding other law or charter provisions to the contrary, during the period from January 1 in any year ending in zero to the time when the legislature has been redistricted in a year ending in one or two, no changes may be made in the boundaries of any election precinct except as provided in this subdivision.

~~(a)~~ (b) If a city annexes an unincorporated area located in the same county as the city and adjacent to the corporate boundary, the annexed area may be included in an election precinct immediately adjacent to it.

~~(b)~~ (c) A municipality or county may establish new election precincts lying entirely within the boundaries of any existing precinct and shall assign names to the new precincts which include the name of the former precinct.

~~(c)~~ (d) Precinct boundaries in a city of the first class electing council members by wards may be reestablished within four weeks of the adoption of ward boundaries in a year ending in one, as provided in section 204B.135, subdivision 1. If precinct boundaries are reestablished in a year ending in one, the city council must designate polling places for each election precinct pursuant to section 204B.16, subdivision 1, within 30 days establishing precinct boundaries. The polling place designations are effective for the year ending in one.

~~(d)~~ (e) Precinct boundaries must be reestablished within 60 days of the time when the legislature has been redistricted, or at least 19 weeks before the state primary election in a

year ending in two, whichever comes first. The governing body of each municipality and of each county with precincts in unorganized territory must designate polling places for each election precinct pursuant to section 204B.16, subdivision 1, within 30 days of establishing precinct boundaries or at least 19 weeks before the state primary election in a year ending in two, whichever comes first. The adoption of reestablished precinct boundaries and polling places becomes effective on the date of the state primary election in the year ending in two.

(f) Precincts must be arranged so that no precinct lies in more than one legislative or congressional district.

Sec. 8. Minnesota Statutes 2020, section 204B.16, subdivision 1, is amended to read:

Subdivision 1. **Authority; location.** By December 31 of each year, the governing body of each municipality and of each county with precincts in unorganized territory must designate by ordinance or resolution a polling place for each election precinct. The polling places designated in the ordinance or resolution are the polling places for the following calendar year, unless a change is made:

(1) pursuant to section 204B.175;

(2) because a polling place has become unavailable; ~~or~~

(3) because a township designates one location for all state and federal elections and one location for all township only elections; and

(4) pursuant to section 204B.14, subdivision 3.

(b) Polling places must be designated and ballots must be distributed so that no one is required to go to more than one polling place to vote in a school district and municipal election held on the same day. The polling place for a precinct in a city or in a school district located in whole or in part in the metropolitan area defined by section 200.02, subdivision 24, shall be located within the boundaries of the precinct or within one mile of one of those boundaries unless a single polling place is designated for a city pursuant to section 204B.14, subdivision 2, or a school district pursuant to section 205A.11. The polling place for a precinct in unorganized territory may be located outside the precinct at a place which is convenient to the voters of the precinct. If no suitable place is available within a town or within a school district located outside the metropolitan area defined by section 200.02, subdivision 24, then the polling place for a town or school district may be located outside the town or school district within five miles of one of the boundaries of the town or school district.

56.1 Sec. 9. Minnesota Statutes 2020, section 204B.18, subdivision 1, is amended to read:

56.2 Subdivision 1. **Booths; voting stations.** (a) Each polling place must contain a number  
56.3 of voting booths or voting stations in proportion to the number of individuals eligible to  
56.4 vote in the precinct. The booth or station shall permit the voter to vote privately and  
56.5 independently.

56.6 (b) Each polling place must have at least one accessible voting booth or other accessible  
56.7 voting station and beginning with federal and state elections held after December 31, 2005,  
56.8 and county, municipal, and school district elections held after December 31, 2007, one  
56.9 voting system that conforms to section 301(a)(3)(B) of the Help America Vote Act, Public  
56.10 Law 107-252.

56.11 (c) Local jurisdictions must make accessible voting stations purchased with funds  
56.12 provided from the Help America Vote Act account available to other local jurisdictions  
56.13 holding stand-alone elections. The jurisdiction providing the equipment may require the  
56.14 jurisdiction using the equipment to reimburse any direct actual costs incurred as a result of  
56.15 the equipment's use and any prorated indirect costs of maintaining and storing the equipment.  
56.16 A rental or other similar use fee may not be charged.

56.17 Any funds received under this paragraph for expenses incurred by that local jurisdiction  
56.18 as a direct result of making the equipment available that were not paid for in whole or in  
56.19 part with funds from the Help America Vote Act account are not program income under  
56.20 the Help America Vote Act, Public Law 107-252.

56.21 Any funds received by a local jurisdiction making the equipment available as  
56.22 reimbursement for expenses as defined as "operating costs" under Laws 2005, chapter 162,  
56.23 section 34, subdivision 1, paragraph (b), and paid for in whole or in part with funds from  
56.24 the Help America Vote Act account must be treated as program income and deposited into  
56.25 the jurisdiction's Help America Vote Act account in the direct proportion that funds from  
56.26 the Help America Vote Act account were used to pay for those "operating costs."

56.27 (d) All booths or stations must be constructed so that a voter is free from observation  
56.28 while marking ballots. During the hours of voting, the booths or stations must have  
56.29 instructions, a ~~pencil~~ pen or other marking device suitable for the voting system being used,  
56.30 and other supplies needed to mark the ballots. A chair must be provided for elderly voters  
56.31 and voters with disabilities to use while voting or waiting to vote. Stable flat writing surfaces  
56.32 must also be made available to voters who are completing election-related forms.

56.33 (e) All ballot boxes, voting booths, voting stations, and election judges must be in open  
56.34 public view in the polling place.



57.1 (f) The jurisdiction providing supplies must only provide pens or marking devices suitable  
57.2 for the voting system being used.

57.3 Sec. 10. Minnesota Statutes 2020, section 204B.40, is amended to read:

57.4 **204B.40 BALLOTS; ELECTION RECORDS AND OTHER MATERIALS;**  
57.5 **DISPOSITION; INSPECTION OF BALLOTS.**

57.6 The county auditors, municipal clerks, and school district clerks shall retain all election  
57.7 materials returned to them after any election for at least 22 months from the date of that  
57.8 election. All records and materials must be stored in a locked container or other secured  
57.9 and locked space. All election materials involved in a contested election must be retained  
57.10 for 22 months or until the contest has been finally determined, whichever is later. Abstracts  
57.11 filed by canvassing boards shall be retained permanently by any officer with whom those  
57.12 abstracts are filed. Election materials no longer required to be retained pursuant to this  
57.13 section shall be disposed of in accordance with sections 138.163 to 138.21. Sealed envelopes  
57.14 containing voted ballots must be retained unopened, except as provided in this section, in  
57.15 a secure location. The county auditor, municipal clerk, or school district clerk shall not  
57.16 permit any voted ballots to be tampered with or defaced.

57.17 After the time for filing a notice of contest for an election has passed, the secretary of  
57.18 state may, for the purpose of monitoring and evaluating election procedures: (1) open the  
57.19 sealed ballot envelopes and inspect the ballots for that election maintained by the county  
57.20 auditors, municipal clerks, or school district clerks; (2) inspect the polling place rosters and  
57.21 completed voter registration applications; or (3) examine other forms required in the  
57.22 Minnesota election laws for use in the polling place. No inspected ballot or document may  
57.23 be marked or identified in any manner. After inspection, all ballots must be returned to the  
57.24 ballot envelope and the ballot envelope must be securely resealed. Any other election  
57.25 materials inspected or examined must be secured or resealed. No polling place roster may  
57.26 be inspected until the voting history for that precinct has been posted. No voter registration  
57.27 application may be inspected until the information on it has been entered into the statewide  
57.28 registration system.

57.29 Sec. 11. Minnesota Statutes 2020, section 204C.13, subdivision 3, is amended to read:

57.30 Subd. 3. **Marking ballots.** (a) The voter shall mark each ballot in the following manner:  
57.31 as provided in this subdivision.

57.32 ~~(a)~~ (b) The voter shall fill in the oval or similar mark if a different target shape is used,  
57.33 opposite the printed name of each candidate for whom the individual desires to vote, and

58.1 in the oval or other target shape before the "Yes" or "No" if the individual desires to vote  
58.2 for or against a question.

58.3 ~~(b)~~ (c) The voter may write in other names on the lines provided under the printed names  
58.4 of the candidates, except that no names shall be written in on primary ballots.

58.5 ~~(e)~~ (d) At a state primary an individual may vote for candidates of only one major political  
58.6 party on the partisan primary ballot. If a partisan primary ballot contains votes for the  
58.7 candidates of more than one major political party, the ballot is totally defective and no vote  
58.8 on the partisan section of the ballot shall be counted.

58.9 ~~(d)~~ (e) An individual who spoils a ballot may return it to the election judges and receive  
58.10 another.

58.11 Sec. 12. Minnesota Statutes 2020, section 204C.35, is amended by adding a subdivision  
58.12 to read:

58.13 Subd. 2a. **Constitutional amendment recount.** In a state general election when the  
58.14 difference between the number of "yes" votes cast on ratification of a proposed constitutional  
58.15 amendment is within one-quarter percent of the number of all other ballots cast at the  
58.16 election, the canvassing board shall manually recount the votes on that question, including  
58.17 the number of "yes" or "no" votes on the question, and the number of ballots that did not  
58.18 cast a vote on the question. The results of the recount must be certified by the canvassing  
58.19 board as soon as possible.

58.20 Sec. 13. Minnesota Statutes 2020, section 204C.35, subdivision 3, is amended to read:

58.21 Subd. 3. **Scope of recount.** A recount conducted as provided in this section is limited  
58.22 in scope to the determination of the number of votes validly cast for the office or question  
58.23 to be recounted. Only the ballots cast in the election and the summary statements certified  
58.24 by the election judges may be considered in the recount process. Original ballots that have  
58.25 been duplicated under section 206.86, subdivision 5, are not within the scope of a recount  
58.26 and must not be examined except as provided by a court in an election contest under chapter  
58.27 209."

58.28 Delete the title and insert:

58.29 "A bill for an act

58.30 relating to state government operation; appropriating money for certain  
58.31 constitutional offices, legislature, certain state agencies, offices, departments,  
58.32 boards, commissions, certain retirement accounts, general contingent accounts,  
58.33 tort claims, state lottery, Minnesota Historical Society, Minnesota Humanities  
58.34 Center, and military and veteran affairs; cancelling certain fiscal year

59.1 appropriations; making changes to policy provisions in state government operations;  
59.2 changing military and veteran affairs policy provisions; modifying election policy  
59.3 provisions; amending Minnesota Statutes 2020, sections 10.578; 14.389, subdivision  
59.4 5; 15.057, as amended; 16A.06, by adding a subdivision; 16B.24, by adding a  
59.5 subdivision; 138.38; 155A.23, subdivision 16; 190.07; 197.791, subdivisions 4,  
59.6 5, 5a, 5b; 198.006; 198.03, subdivision 2; 201.071, subdivision 2; 201.121,  
59.7 subdivision 3; 203B.08, subdivisions 1, 3; 203B.121, subdivision 1; 204B.14,  
59.8 subdivision 3; 204B.16, subdivision 1; 204B.18, subdivision 1; 204B.40; 204C.13,  
59.9 subdivision 3; 204C.35, subdivision 3, by adding a subdivision; 240.01, subdivision  
59.10 18; 240.06, subdivision 7; 240.11; 240.131, subdivision 7; 240.24, subdivisions  
59.11 2a, 3; 240.30, subdivision 5; 270C.21; 477A.03, subdivision 2b; 609.095; 645.071;  
59.12 Laws 2019, First Special Session chapter 10, article 1, section 40; Laws 2020,  
59.13 chapter 77, section 3, subdivision 6; proposing coding for new law in Minnesota  
59.14 Statutes, chapters 3; 10; 16A; 43A; 196; 198; 203B; 609."