

**HOUSE OF REPRESENTATIVES**

EIGHTY-NINTH SESSION

**H. F. No. 1520**

03/05/2015 Authored by Hoppe

The bill was read for the first time and referred to the Committee on Government Operations and Elections Policy

03/29/2016 Adoption of Report: Placed on the General Register as Amended  
Read Second Time

1.1 A bill for an act  
 1.2 relating to state government; changing Legislative Coordinating Commission  
 1.3 provisions; modifying ethnic councils provisions; amending Minnesota Statutes  
 1.4 2014, sections 3.225, subdivisions 2, 3, 5; 3.303, subdivisions 3, 10; Minnesota  
 1.5 Statutes 2015 Supplement, section 15.0145, subdivisions 4, 5, 8.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2014, section 3.225, subdivision 2, is amended to read:

1.8 Subd. 2. **Requirements for all contracts.** Before entering into a contract for  
 1.9 professional or technical services, the contracting entity must determine that:

1.10 (1) ~~all provisions of section 16C.16, subdivision 3, relating to purchases from small~~  
 1.11 ~~businesses, have been verified or complied with~~ no current legislative employee is able  
 1.12 and available to perform the services called for by the contract;

1.13 (2) the work to be performed under the contract is necessary to the entity's  
 1.14 achievement of its responsibilities;

1.15 (3) the contract will not establish an employment relationship between the state or  
 1.16 the entity and any persons performing under the contract;

1.17 (4) no current legislative employees will engage in the performance of the contract;

1.18 (5) ~~no state agency has previously performed or contracted for the performance of~~  
 1.19 ~~tasks which would be substantially duplicated under the proposed contract;~~ the entity will  
 1.20 assign personnel to manage the contract; and

1.21 (6) ~~the contracting entity has specified a satisfactory method of evaluating and using~~  
 1.22 ~~the results of the work to be performed; and~~

1.23 (7) ~~(6)~~ the combined contract and amendments will not extend for more than five  
 1.24 years.

2.1 Sec. 2. Minnesota Statutes 2014, section 3.225, subdivision 3, is amended to read:

2.2 Subd. 3. **Contracts over \$5,000 \$25,000.** Before an entity may seek to enter into a  
2.3 professional or technical services contract valued in excess of \$5,000 \$25,000, it must  
2.4 determine that:

2.5 ~~(1) no current legislative employee is able and available to perform the services~~  
2.6 ~~called for by the contract;~~

2.7 ~~(2) (1) reasonable efforts were made to publicize the availability of the contract~~  
2.8 ~~to the public; and~~

2.9 ~~(3) (2) the entity has received, reviewed, and accepted a detailed work plan from~~  
2.10 ~~the contractor for performance under the contract; and has established any performance~~  
2.11 ~~measures or other tools that the entity determines are necessary to evaluate contractor~~  
2.12 ~~performance.~~

2.13 ~~(4) the entity has developed, and fully intends to implement, a written plan providing~~  
2.14 ~~for: the assignment of personnel to a monitoring and liaison function; the periodic review~~  
2.15 ~~of interim reports or other indications of past performance; and the ultimate utilization of~~  
2.16 ~~the final product of the services.~~

2.17 Sec. 3. Minnesota Statutes 2014, section 3.225, subdivision 5, is amended to read:

2.18 Subd. 5. **Reports.** (a) The house of representatives, the senate, and the Legislative  
2.19 Coordinating Commission shall submit to the Legislative Reference Library by September  
2.20 1 of each year a monthly listing of all contracts for professional or technical services  
2.21 executed in the preceding ~~month~~ fiscal year. The report must identify the parties and the  
2.22 contract amount, duration, and tasks to be performed.

2.23 (b) The ~~monthly~~ yearly report must:

2.24 (1) be sorted by contracting entity and by contractor;

2.25 (2) show the aggregate value of contracts issued by each agency and issued to each  
2.26 contractor;

2.27 (3) distinguish between contracts that are being issued for the first time and contracts  
2.28 that are being renewed;

2.29 (4) state the termination date of each contract; and

2.30 (5) categorize contracts according to subject matter, including topics such as contracts  
2.31 for training, contracts for research and opinions, and contracts for computer systems.

2.32 (c) Within 30 days of final completion of a contract over \$40,000 covered by this  
2.33 subdivision, the chief executive of the entity entering into the contract must file a one-page  
2.34 performance report with the Legislative Reference Library. The report must:

3.1 (1) summarize the purpose of the contract, including why it was necessary to enter  
3.2 into a contract;

3.3 (2) state the amount spent on the contract; and

3.4 (3) explain why this amount was a cost-effective way to enable the entity to provide  
3.5 its services or products better or more efficiently.

3.6 Sec. 4. Minnesota Statutes 2014, section 3.303, subdivision 3, is amended to read:

3.7 Subd. 3. **Chair.** The president of the senate and the speaker of the house shall  
3.8 alternate ~~annually~~ biennially as chair of the commission.

3.9 Sec. 5. Minnesota Statutes 2014, section 3.303, subdivision 10, is amended to read:

3.10 Subd. 10. **Constitutionally dedicated funding accountability.** (a) The Legislative  
3.11 Coordinating Commission shall develop and maintain a user-friendly, public-oriented  
3.12 Web site that informs, educates, and demonstrates to the public how the constitutionally  
3.13 dedicated funds in the arts and cultural heritage fund, outdoor heritage fund, clean water  
3.14 fund, parks and trails fund, and environment and natural resources trust fund are being  
3.15 expended to meet the requirements established for each fund in the state constitution.  
3.16 Information provided on the Web site must include, but is not limited to:

3.17 (1) information on all project proposals received by the Outdoor Heritage Council  
3.18 and the Legislative-Citizen Commission on Minnesota Resources;

3.19 (2) information on all projects receiving funding, including:

3.20 (i) the name of the project and a project description;

3.21 (ii) the name, telephone number, members of the board or equivalent governing  
3.22 body, and e-mail address of the funding recipient and, when applicable, the Web site  
3.23 address where the public can directly access detailed information on the recipient's receipt  
3.24 and use of money for the project;

3.25 (iii) the amount and source of funding, including the fiscal year of the appropriation;

3.26 (iv) the amount and source of any additional funding or leverage;

3.27 (v) the duration of the project;

3.28 (vi) the number of full-time equivalents funded under the project. For the purposes  
3.29 of this item, "full-time equivalent" means a position directly attributed to the receipt of  
3.30 money from one or more of the funds covered under this section, calculated as the total  
3.31 number of hours planned for the position divided by 2,088;

3.32 (vii) the direct expenses and administration costs of the project;

3.33 (viii) proposed measurable outcomes and the plan for measuring and evaluating  
3.34 the results;

4.1 (ix) for pass-through, noncompetitive grants, the entity acting as the fiscal agent or  
4.2 administering agency and a point of contact for additional information; and

4.3 (x) for competitive grants, the name and a brief description of the qualifications of  
4.4 all board members or members of an equivalent governing body ultimately responsible  
4.5 for awarding the grants, as well as any grant-making advisory group. In addition, an  
4.6 entity that awards competitive grants, including but not limited to a state agency or any  
4.7 statewide, regional, or local organization, must report whether an employee, decision  
4.8 maker, advisory group member, or other person involved in the grant process disclosed  
4.9 a conflict of interest or potential conflict of interest. If the entity reports that a conflict  
4.10 of interest or potential conflict of interest was disclosed, the entity must provide the  
4.11 Legislative Coordinating Commission with a contact person for additional information and  
4.12 the Legislative Coordinating Commission must post this information on the Web site. An  
4.13 entity that awards competitive grants must obtain and apply the conflict of interest policies  
4.14 developed by the commissioner of administration under section 16B.98, subdivision 3,  
4.15 unless the entity maintains and applies its own documented conflict of interest policies  
4.16 which are substantially similar to the commissioner of administration's policies;

4.17 (3) actual measured outcomes and evaluation of projects as required under sections  
4.18 85.53, subdivision 2; 114D.50, subdivision 4; and 129D.17, subdivision 2;

4.19 (4) education about the areas and issues the projects address, including, when  
4.20 feasible, maps of where projects have been undertaken;

4.21 (5) all frameworks developed for future uses of each fund; and

4.22 (6) methods by which members of the public may apply for project funds under  
4.23 any of the constitutionally dedicated funds.

4.24 Information that could be used to identify, contact, or locate an individual minor  
4.25 shall be withheld from the information required for the Web site.

4.26 (b) As soon as practicable or by January 15 of the applicable fiscal year, whichever  
4.27 comes first, a state agency or other recipient of a direct appropriation from a fund covered  
4.28 under this section shall submit the information required under paragraph (a) and, when  
4.29 applicable, compile and submit the same information for any grant recipient or other  
4.30 subrecipient of funding. All information for proposed and funded projects, including  
4.31 the proposed measurable outcomes, must be made available on the Web site as soon  
4.32 as practicable. Information on the measured outcomes and evaluation must be posted  
4.33 as soon as it becomes available. The costs of these activities shall be paid out of the  
4.34 arts and cultural heritage fund, outdoor heritage fund, clean water fund, parks and  
4.35 trails fund, and the environment and natural resources trust fund proportionately. For  
4.36 purposes of this section, "measurable outcomes" means outcomes, indicators, or other

5.1 performance measures that may be quantified or otherwise measured in order to measure  
5.2 the effectiveness of a project or program in meeting its intended goal or purpose.

5.3 If, in addition to providing the information directly to the Web site, an agency  
5.4 submits a formal report to the Legislative Coordinating Commission, the report must be  
5.5 submitted electronically.

5.6 (c) The Legislative Coordinating Commission shall be responsible for receiving all  
5.7 ten-year plans and 25-year frameworks for each of the constitutionally dedicated funds. To  
5.8 the extent practicable, staff for the commission shall provide assistance and oversight to  
5.9 these planning efforts and shall coordinate public access to hearings and public meetings  
5.10 for all planning efforts.

5.11 Sec. 6. Minnesota Statutes 2015 Supplement, section 15.0145, subdivision 4, is  
5.12 amended to read:

5.13 Subd. 4. **Training; executive committee; meetings; support.** (a) A member  
5.14 appointed by the governor must attend orientation training within the first six months of  
5.15 service for ~~each~~ the member's initial term. The commissioner of administration must  
5.16 arrange for the training to include but not be limited to the legislative process, government  
5.17 data practices, open meeting law, Robert's Rules of Order, fiscal management, and human  
5.18 resources. The governor must remove a member who does not complete the training.

5.19 (b) Each council shall annually elect from among the members appointed by the  
5.20 governor a chair and other officers it deems necessary. These officers and one legislative  
5.21 member selected by the council shall serve as the executive committee of the council.

5.22 (c) Forty percent of voting members of a council constitutes a quorum. A quorum is  
5.23 required to conduct council business. A council member may not vote on any action if the  
5.24 member has a conflict of interest under section 10A.07.

5.25 (d) Each council shall receive administrative support from the commissioner of  
5.26 administration under section 16B.371. The council may contract in its own name but may  
5.27 not accept or receive a loan or incur indebtedness except as otherwise provided by law.  
5.28 Contracts must be approved by a majority of the members of the council and executed by  
5.29 the chair and the executive director. The council may apply for, receive, and expend in  
5.30 its own name grants and gifts of money consistent with the powers and duties specified  
5.31 in this section.

5.32 (e) The attorney general shall provide legal services to the councils on behalf of the  
5.33 state on all matters relating to the councils, including matters relating to the state as the  
5.34 employer of the executive directors of the council, and other council staff.

6.1 Sec. 7. Minnesota Statutes 2015 Supplement, section 15.0145, subdivision 5, is  
6.2 amended to read:

6.3 Subd. 5. **Executive director; staff.** (a) The Legislative Coordinating Commission  
6.4 must appoint an executive director for each council. The executive director must be  
6.5 experienced in administrative activities and familiar with the challenges and needs of  
6.6 the ethnic council's larger community. The executive director serves in the unclassified  
6.7 service at the pleasure of the Legislative Coordinating Commission.

6.8 (b) The Legislative Coordinating Commission must establish a process for recruiting  
6.9 and selecting applicants for the executive director positions. This process must include  
6.10 consultation and collaboration with the applicable council.

6.11 (c) The executive director and applicable council members must work together in  
6.12 fulfilling council duties. The executive director must consult with the ~~commissioners~~  
6.13 commissioner of administration and management and budget to ensure appropriate  
6.14 financial, purchasing, human resources, and other services for operation of the council.

6.15 (d) Once appointed, each council is responsible for supervising the work of  
6.16 its executive director. The council chair must report to the chair of the Legislative  
6.17 Coordinating Commission regarding the performance of the executive director, including  
6.18 any recommendations regarding disciplinary actions. The executive director must appoint  
6.19 and supervise the work of other staff necessary to carry out the duties of the council.  
6.20 The executive director must consult with the council chair prior to taking the following  
6.21 disciplinary actions with council staff: written reprimand, suspension, demotion, and  
6.22 discharge. The executive director and other council staff are executive branch employees.

6.23 (e) The executive director must submit the council's biennial budget request to the  
6.24 commissioner of management and budget as provided under section 16A.10.

6.25 Sec. 8. Minnesota Statutes 2015 Supplement, section 15.0145, subdivision 8, is  
6.26 amended to read:

6.27 Subd. 8. **Reports.** A council must report on the measurable outcomes achieved in  
6.28 the council's current strategic plan to meet its statutory duties, along with the specific  
6.29 objectives and outcome measures proposed for the following year. The council must  
6.30 submit the report by January 15 each year to the chairs of the committees in the house of  
6.31 representatives and the senate with primary jurisdiction over state government operations.  
6.32 Each report must cover the calendar year of the year before the report is submitted. The  
6.33 specific objectives and outcome measures for the following current year must focus on  
6.34 three or four achievable objectives, action steps, and measurable outcomes for which the  
6.35 council will be held accountable. The strategic plan may include other items that support

7.1 the statutory purposes of the council but should not distract from the primary statutory  
7.2 proposals presented. The ~~funding request~~ biennial budget of each council, ~~after approval~~  
7.3 ~~by~~ must be submitted to the Legislative Coordinating Commission, ~~must also be presented~~  
7.4 by February 1 in each odd-numbered year.