HOUSE RESEARCH

 Bill Summary

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 **Authors:** McFarlane and Marquart

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 **Analyst:** Deborah A. Dyson

Mark Shepard

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#### Overview

Article 1 gives counties authority to act to adopt ordinances, resolutions, and regulations relating to their property, affairs and operations and to provide for the general health, safety and welfare of counties. A county cannot act in conflict or inconsistent with the powers and duties of other political subdivisions within the county.

Article 2 is the Minnesota Accountable Government Innovation and Collaboration (MAGIC) Act. It establishes a pilot program in which counties may apply to develop and test alternative models for service delivery that focus on performance measures and outcomes rather than processes for delivering the services.

Article 3 establishes the Minnesota Northstar Council.

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| Section  |  |
| Article 1: Counties Authorized to Act on Matters of County Concern |
|  | General welfare. Permits a county to adopt ordinances, resolutions, and regulations relating to its property, affairs and operations and to provide for the general health, safety and welfare of the county. A county cannot act in conflict or inconsistent with the powers and duties of other political subdivisions within the county. |

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| Article 2: MAGIC Act |
|  | Minnesota Accountable Government Innovation and Collaboration (MAGIC) Act. Citation. |
|  | Definitions. Defines “county” (includes joint powers boards of which a county is a member and service delivery authorities), “pilot project” and “pilot project coordinator” (to be an existing employee on the governor’s staff or in a state agency, appointed by the governor). |
|  | Pilot project selection process.  Subd. 1. Scope. Limits the number of pilot projects in operation at any time to 10 per state agency and two per county and requires each to be substantively different from any other pilot project. Subd. 2. Coordinator’s duties. General description of duties. Subd. 3. County initiation; notice. Provides that a county applies to the pilot project coordinator. The coordinator works with the commissioner of the appropriate state agency. Requires the application to include the county board resolution, adopted at a regular board meeting after notice. Requires the county to notify the collective bargaining units in the county. Requires the county to permit interested parties to provide comments before the county takes action. Subd. 4. County business plan. Lists the topics to be covered in the plan submitted to the coordinator, including what services are to be provided, what waivers or exemptions are needed, what the performance measures and outcome goals are, and how the county plans to deliver the services. Subd. 5. Review and approval of performance measures, outcome goals. The coordinator and commissioner of the affected state agency have 60 days to review the application and may require changes to the performance measures and outcome goals. Requires approval of the performance measures and outcome goals before the county can proceed with the pilot project. Subd. 6. Review and comment on alternative delivery. Provides for the coordinator and affected state agency to review and comment on the plan for service delivery. Requires the county to explain in writing if it decides not to make changes recommended by the coordinator and state agency. Subd. 7. No prejudice or violation of rights. Requires the coordinator, state agency and county to determine that the proposed waiver or suspension of a law, rule or procedure will not prejudice a substantial legal right of any person or violate due process or any other state or federal law, or jeopardize federal funding. Subd. 8. Modifications. Permits modifications during the project’s life. |
|  | Cancellation of pilot project. Provides for either the county or the coordinator, in consultation with the state agency, to cancel the pilot project. |
|  | Evaluation and report. Requires participating counties to report to the coordinator and state agency each December 15 and the coordinator to compile the reports and submit them to the governor and legislature by January 15. |
|  | Effective the day after enactment. |
| Article 3: Minnesota Northstar Council |
|  | Purpose. |
|  | Minnesota North Star Council. Creates a 17-member Minnesota Northstar Council. Creates a six-member executive committee, which will appoint the remaining 11 members, representing specified groups and areas of expertise. Provides that members serve at the pleasure of the appointing authority. Provides for an additional four non-voting members. Specifies voting requirements. |
|  | State strategic plan; strategic performance measures.  Subd. 1. Development. Requires the council to develop a state strategic plan which must include a mission statement, up to ten policy goals, and up to 100 outcome-based strategic performance measures. Requires citizen input and completion of the initial strategic plan by August 1, 2012, and review at least once every three years.  Subd. 2. Strategic performance measures. Requires the council or Minnesota Management and Budget (MMB) to designate an owner for each strategic performance measure. Provides that the owner is responsible for tracking measures and results. Subd. 3. Performance improvement plans. Provides that upon request of MMB, an executive agency must develop a performance improvement plan for each relevant public policy goal and aligned strategic performance measures.  |
|  | Agency strategic plans; performance management systems.  Subd. 1. Development of strategic plan. Requires each major state agency to prepare an outcome-based strategic plan. Subd. 2. Required content. Requires each agency plan to be aligned with the state strategic plan. Specifies required contents of agency plans. Subd. 3. Private sector engagement. Authorizes state agencies to collaborate with the volunteer, nonprofit, and business sectors to develop agency strategic plans, and to work with the council to seek funds to provide technical assistance. Subd. 4. Performance improvement plan. Provides that upon request of an agency commissioner, employees must develop a performance improvement plan for each performance measure. Subd. 5. Northstar council review. Requires the council to review agency strategic plans. Subd. 6. Technical assistance. Requires MMB to provide technical assistance to state agencies in the development of plans, performance measures, and outcome-based budgeting.  |
|  | Improving agency operations and productivity. Requires major state agencies to align employee objectives to state and agency strategic plans, performance measures, and improvement plans. Requires biennial recommendations to the governor and legislature on statutory changes that will improve performance measures. Requires state managers to set performance objectives. Requires each employee to have a learning and development plan. Requires the governor to hold an annual performance review with each major state agency. |
|  | Public report card on state performance. Requires preparation of an annual report card on state performance. Specifies the contents of the report cards, including goals, measures, and level of performance. |
|  | Budgeting based on state strategic plan. Requires the governor to propose a budget based on the state’s strategic plan. Requires MMB to work with state agencies in developing budgets based on the ten public goals in the state strategic plan, as well as agency plans, performance measures and improvement plans. Requires agency budget proposals to include integration of performance measures. Requires budget targets to be set by goal or outcome achieved, rather than by department. Requires departments to report biannually to legislative committees on achievement of state strategic goals through aligned strategic plans and performance measures. Provides that the legislature may use the performance measurement system to mandate outcomes for agencies than mandating a process or maintenance of effort. |