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HOUSE RESEARCH

Bill Summary

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Authors: Kahn/DeLaForest

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Analyst: Mark Shepard (651-296-5051), Articles 1 and 3; Jim Cleary (651-296-5053), Article 2

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Overview

This is the 2008 state government finance omnibus appropriation bill. For a summary of the appropriations and appropriation reductions, see the spreadsheet prepared by fiscal analyst Helen Roberts, at:
<http://www.house.leg.state.mn.us/fiscal/files/states08.pdf>

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Article 1

General

- 1 **Summary of appropriations.** Appropriations are additions to or (if in parentheses) subtracted from 2007 appropriations.
- 2 **Legislature.**
- 3 **Governor.**
- 4 **State auditor.**
- 5 **Attorney general.**
- 6 **Secretary of state.**
- 7 **Office of enterprise technology.**

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8 Administration. Provides that the reduction in this section must not be applied to the Land Management Information Center or the Environmental Quality Board.

9 Finance.

10 Employee relations.

11 Revenue. Requires the department to undertake expanded tax compliance and collection activities sufficient to collect \$6.72 million (above the forecast and above the amount appropriated for these collection activities). Authorizes the commissioner to make tax compliance recommendations to the legislature. Requires the commissioner to maximize the use of telecommuting by employees when implementing tax compliance and collection activities.

Appropriates money for compliance activities and for payments to financial institutions to make data matches relating to tax debtors and for administration of the data match system. Appropriates \$14 million from the budget reserve for the budget reserve escrow account. Authorizes the commissioner of finance to use this appropriation to support a guarantee the private money will be raised to pay host committee expenses for the Republican National Convention. Requires repayment by June 30, 2009 , and cancellation of any unspent part of the appropriation on that date.

12 Salaries and compensation plans. Requires the Legislative Coordinating Commission (or a subcommittee that it appoints) to review and approve, reject, or modify a compensation plan for classified employees in the Office of the Legislative Auditor.

13 OLA compensation plan. Provides that compensation for classified employees of the Legislative Auditor is governed by a plan prepared by the legislative auditor and approved by the Legislative Coordinating Commission and the legislature.

14 Returning combat veterans. Provides that if a business organization is dissolved, revoked, or terminated after December 31, 2006, for failure to file a report with the secretary of state while an individual with substantial responsibility for its operation was in active military service or was engaged in employment outside of the United States essential to the prosecution of a war or to national defense, the secretary of state must waive any reinstatement fee otherwise required.

15 Gift ban exceptions. Makes two changes in the law that prohibits lobbyists and principals from making gifts to public officials:

(1) Allows a gift of any plaque or similar memento, striking qualifying language from current law that allows a gift of a plaque only if it is “recognizing individual services in a field of specialty or to a charitable cause.” [Current rules of the Board of Campaign Finance and Public Disclosure define “individual services” to mean “services performed by an official outside of official duties.”]

(2) Current law contains an exclusion for “a trinket or memento costing \$5 or less.” This bill adds the phrase “at resale value.”

16 Tax debtor data matches. Requires the commissioner of revenue to establish a process for comparing account information held by financial institutions with the Department of Revenue’s database of debtors. Requires financial institutions to provide specified information on debtors to the commissioner. Contains provisions governing retention of and access to this data. Authorizes financial institutions to charge the commissioner a fee of up to \$150 per quarter (limited by the available appropriation) for providing account

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- information. Provides specified immunity to financial institutions. Permits account holders to bring civil actions against a financial institution for unauthorized disclosure.
- 17 **Payroll deduction.** Authorizes a state employee to request payroll deduction of an amount to be transmitted to a political action committee covered under a collective bargaining agreement.
- 18 **Use of state funds to misidentify agency.** Provides that a state appropriation may not be used to identify an executive branch state agency by a name other than the name assigned to it by law.
- 19 **Notice to agencies; determination of surplus.** Modifies procedures for sale of state land by striking duty of commissioner of administration to annually review certifications of state agencies.
- 20 **Surveys, appraisals, and sale.** Increases from \$40,000 to \$50,000 the threshold at which the commissioner of administration must have lands appraised before offering them for sale. Requires that appraisals be conducted by licensed appraisers and that appraisals be in conformity with uniform standards. Strikes requirements that appraisers subscribe an oath before undertaking duties. Requires notice of sale to published at least 30 days before the sale in a newspaper of general circulation in the county where the property is located, striking the requirement for publication once a week for four weeks in a legal newspaper. Strikes requirement that each tract or parcel must be sold separately.
- 21 **Terms of payment.** Requires purchaser of state land to pay ten percent at the time of sale and the remainder within 90 days. Provides for rights to terminate upon default.
- 22 **Quitclaim deed.** Strikes provisions dealing with purchases by contract for deed.
- 23 **Payment of expenses.** Clarifies that the commissioner referenced in this section is the commissioner of administration.
- 24 **Standards for state funded outdoor lighting fixtures.** Requires that an outdoor lighting fixture may be installed or replaced using state funds only if it is a cutoff luminaire if the rated output is more than 1800 lumens, and only if specified other conditions are met. Provides exceptions to this requirement if federal law preempts, for certain temporary fixtures or special events, for lighting that is solely aesthetic, for compelling safety reasons, or if additional costs exceed certain thresholds.
- 25 **Targeted groups.** Requires the commissioner of administration to designate as a targeted group for state purchasing programs businesses that are majority owned and operated by veterans who served in active federal service in support of Operation Enduring Freedom or Operation Iraqi Freedom.
- 26 **Duties; Office of Enterprise Technology.** Provides that a state agency information and telecommunications project that costs more than \$1 million must be registered with the Office of Enterprise Technology before project funding is requested. Requires reporting to OET on project status. Requires OET to monitor projects that cost more than \$1 million and report on performance. Requires independent audits, based on the determination of an advisory council. For projects over \$5 million, requires an independent audit. Requires the chief information officer of the Office of Enterprise Technology to report annually regarding the office's review of state agency and intergovernmental information and telecommunications technology systems and services developments efforts. Requires the report to describe the current status of each project reviewed and to include the rationale used for the office's determination for each project.
- 27 **Total expected project cost.** Defines "total expected project cost" for purposes of laws governing OET review of state information and telecommunications projects.

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- 28 Responsibilities; Office of Enterprise Technology.** Requires each state agency to develop a strategic information technology plan. Requires that by December 1 each year the Office of Enterprise Technology report to legislative committees with jurisdiction over the office regarding the plans under this paragraph.
- 29 Leave to care for significant other.** Requires that a state employee be granted leave to the extent the employee's attendance is necessary to care for a significant other due to the significant other's illness or disability, up to a period of five days within a 12-month period. Provides that the leave must be unpaid, except as otherwise provided in a collective bargaining agreement or compensation plan. Defines "significant other" for purposes of this section.
- 30 Blood donation leave.** Provides that a state employee must be granted paid leave, up to three hours in a 12-month period, to donate blood away from the workplace. Requires the employee to give 14 days notice. This section does not apply to MnSCU.
- 31 Legislative Commission to End Poverty.** Extends the sunset date for the Legislative Commission to End Poverty in Minnesota by 2020 to June 30, 2009 , instead of December 31, 2008 .
- 32 HAVA appropriation.** Amends a 2007 appropriation law to provide that the amount necessary to meet federal requirements for interest payments and the additional match for the Help America Vote Act account is transferred from the general fund appropriation to the HAVA account.
- 33 Grants management.** Amends a 2007 appropriation law dealing with the office of grants management to provide that the deduction of up to \$125,000 needed to fund the office comes from grants to nonstate entities, instead of to nongovernmental entities.
- 34 Managerial position reductions.** Requires the governor to reduce by 25 percent the total number of deputy commissioners, assistant commissioners, positions designated as unclassified under section 43A.08, subdivision 1a, and governor's office personnel supported by interagency agreements. Provides the reduction must be achieved by June 30, 2009 .
- 35 Minneapolis Park and Recreation Board condemnation proceeds.** Authorizes the Minneapolis Park and Recreation Board to retain proceeds from the condemnation of park lands for the reconstruction and expansion of I-35W. Requires proceeds to be deposited into a park land acquisition account controlled by the board. Provides that money in the account must be used solely to acquire land for public park purposes adjacent to the Mississippi River in Minneapolis . Provides that land acquired must be included in the metropolitan regional recreation open space system. Requires annually reporting outlining use of funds in the account.
- 36 Legislators' forum.** During the current biennium, requires the Legislative Coordinating Commission to pay expenses associated with Minnesota legislators' participation in a forum involving meeting with counterparts from South Dakota , North Dakota , and Manitoba .
- 37 LCC study.** Requires the Legislative Coordinating Commission (LCC) to report on potential savings that could be achieved by having the LCC perform administrative functions that currently are performed separately by the House and Senate.
- 38 Temporary hours of sale.** Permits units of local government within ten miles of the site of the Republican National Convention to allow on-sale licensees to serve alcohol until 4:00 a.m. and allow off-sale licensees to sell alcohol on Sunday, from August 29 through September 8, 2008 .

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- 39 Repealer.** Repeals:
- 16B.281, subd. 2, 4, and 5: Department of Administration land sale provisions requiring certifications from state agencies, Executive Council approval, and an annual report on land sales.
 - 16B.285: Records of contracts for deed for state land sales.
 - 645.44, subdivision 19: General statutory definition of “tax” and “fee.”
- 40 Effective dates.** Effective the day following final enactment, except as otherwise provided.

Article 2

Military Affairs

- 1 Summary of appropriations.**
- 2 Military affairs.** Specifies new appropriations for: state enhancement of employer support of the guard and reserve program; bonus payments to National Guard medics who meet recertification requirements; state navigator positions to coordinate state agency programs and activities during and after the reintegration process; and the tuition and textbook reimbursement program.
- 3 Support our troops; establishment.** Replaces the need for annual appropriations from the special Support our Troops account with statutory language creating a standing appropriation. Funds in this account are from the special onetime fee paid by individual drivers purchasing “Support our Troops” license plates.
- 4 Support our troops account; uses.** Broadens permissible uses of the funds in this account to include family readiness groups chartered by the Adjutant General.
- 5 State enhanced employer support for guard and reserves (ESGR).** Authorizes the Adjutant General to establish and administer an enhancement program for ESGR, which is a federally funded, state-administered program for encouraging businesses to support their employees who belong to national guard and other military reserve units.
- 6 Medic recertification bonus.** Authorizes the Adjutant General to provide a recertification bonus to certain National Guard members who recertify as emergency medical technicians (EMTs) in the National Guard.
- 7 Tuition and textbook reimbursement.** Allows use of a portion of a National Guard member’s unused tuition reimbursement program eligibility by the member’s spouse, for a member who is serving beyond the standard, initial eight-year enlistment contract in the Guard.
- 8 Expiration.** Removes the 2011 sunset date for the campus representatives assistance program for veterans on Minnesota public higher education campuses.
- 9 Starbase study.** Provides that a 2007 appropriation for a study measuring improvement in academic achievement as a result of the Starbase program is available until June 30, 2009 . Requires the Department of Military Affairs to contract with the Wilder Foundation to conduct the study.

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- 10 National Guard Youth Challenge Program Study.** Requires the Adjutant General and the Department of Military Affairs to study participation by the Minnesota National Guard in the National Guard Youth Challenge Program, and to report to the governor and to legislative committees.

Article 3

Executive Branch Compensation

This article makes two substantive changes and amends other sections of law to conform to these changes. The substantive changes are:

(1) Allows agency heads to be paid up to the salary limit for political subdivision employees (currently \$144,711) instead of being limited to a percentage (95% for most agency heads) of the Governor's salary. (The Governor's salary currently is \$120,303.) Any increases from current salaries would be subject to approval by the Legislative Coordinating Commission (or a subcommittee appointed by the LCC) and ratification by the full legislature.

(2) Section 3 requires the executive branch to use a recognized system for classification analysis and its concurrent point allocation system to attain compensation equity (defined in current law to mean that the primary consideration for total compensation is comparability of the work value in relationship to other executive branch positions). It requires that classification range maximums fall within the system's point allocation window. It provides that market-driven forces are acceptable to maintain employee recruitment and retention efforts when compensation rates exceed allocated points. Requires that 50 percent of the compensation governed by this system must be adjusted in fiscal year 2009 and the remainder in fiscal year 2010.