

**Subject** Governor's State Government Appropriations and Policy

**Authors** Nelson, M.

**Analyst** Matt Gehring

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### Overview

This bill reflects the governor's recommended budget and policy items for departments and agencies within the jurisdiction of the State Government Finance and Elections Committee, and also includes appropriations for the Department of Military Affairs and the Department of Veterans Affairs.

## Article 1: State Government Appropriations

Section	Description
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1-38	<b>Appropriations.</b>
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Enacts appropriations consistent with the governor's budget proposal for FY 2022-23 for the agencies within the jurisdiction of the State Government Finance and Elections Committee, plus the budget items for the Department of Military Affairs and the Department of Veterans Affairs. Appropriation amounts for specific agencies are detailed in the committee's fiscal spreadsheet.

## Article 2: Policy Provisions

Section	Description
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1	<b>Audit of state's use of federal funds; annual appropriation.</b>
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Directs the commissioner of management and budget to contract with a qualified auditor to conduct an annual audit of the state's use of federal grant funds. This audit is required by federal law, and has been managed by the Office of the Legislative Auditor since 1983. A standing appropriation to pay the cost of the audit each year is established.

## Summary

Section	Description
2	<p><b>Virtual payments authorized.</b></p> <p>Authorizes the commissioner of management and budget to establish a virtual payments program. The program would make it possible for the state to make payments to vendors through the distribution of an electronic credit, akin to a credit card, rather than providing payment through a more traditional-style check. To the extent the state receives a rebate for administering the program, the rebate would be deposited in the general fund, with certain exceptions. Among the exceptions is an allowance for the commissioner to retain a portion of each rebate for administration of the virtual payment program.</p>
3	<p><b>Grants administration.</b></p> <p>Authorizes state agencies to retain a portion of an appropriation made to provide grants to support the administrative costs associated with the grant program. For legislatively-named grants (where the specific purpose or amount is directed by the legislature) and for formula-based grants (where the grant award is noncompetitive and based on a formula allocation), an agency is permitted to retain five percent of the appropriation for administrative costs. For competitively-awarded grants, an agency is permitted to retain ten percent of the appropriation for administrative costs. Legislation creating a grant could specify a different amount, which would supersede the allowance provided by this section.</p> <p>Under current law, an agency is not permitted to retain any amount of an appropriation for administrative costs unless expressly authorized by the enacting legislation.</p> <p>This section would apply to new grant programs enacted after the bill's effective date.</p>
4	<p><b>Taxpayer assistance grants.</b></p> <p>Provides a definition of "eligible organization" in the taxpayer assistance grants program, using a reference to a definition provided in federal law. The effect of the change is to expand eligibility for the state's taxpayer assistance grants program so that local governments, higher education institutions, and certain coalitions led by a nonprofit or public group can participate in the program.</p> <p>The taxpayer assistance grant program provides grants to certain groups that coordinate and provide volunteer tax-filing assistance to Minnesotans who are low income, elderly, or otherwise disadvantaged.</p>

<b>Section</b>	<b>Description</b>
5	<p><b>Counties.</b></p> <p>Modifies the process for allocating county program aid, to reflect the change in the structure for providing and paying for public defender services, as detailed in the sections of the bill that follow.</p>
6	<p><b>Request for other appointment of counsel.</b></p> <p>Provides that the chief district public defender may request that the state public defender appoint counsel in a case where the chief district public defender does not believe that the office can provide adequate representation. Under current law, the state public defender must request that the chief judge of the district court appoint counsel.</p>
7	<p><b>Addition of permanent staff.</b></p> <p>Prohibits the state public defender from approving the addition of permanent staff outside of the appropriations made to the Board of Public Defense. Under current law, this prohibition applies to appointment by the chief judge of a district court.</p>
8	<p><b>Appointment of counsel.</b></p> <p>Establishes that, if the state public defender determines that the district public defender cannot provide adequate services, the state public defender may approve the appointment of other counsel. Removes the responsibility of the district court to appoint counsel and also strikes related references to decisions made by the district court and the right to appeal those decisions.</p>
9	<p><b>Correction facility inmates.</b></p> <p>Makes conforming changes consistent with permitting the state public defender, not the district courts, to appoint counsel in a case where the chief district public defender does not believe that the office can provide adequate representation.</p>
10	<p><b>Cost of transcripts.</b></p> <p>Eliminates the requirement that the state public defender forward billings for transcripts and other necessary expenses to the commissioner of management and budget in appeal cases and postconviction cases where the appellate public defender's office does not have sufficient funds to pay because it has spent or committed all of the funds allocated for that purpose in its annual budget.</p>
11	<p><b>Help America Vote Act transfers and appropriations; secretary of state.</b></p> <p>Extends the availability of federal Help America Vote Act funds appropriated to the secretary of state in 2019. Under current law, these funds are required to be used by March 23, 2023. This section would instead make the funds available until expended.</p>

Section	Description
12	<p><b>Availability of appropriations.</b></p> <p>Extends the availability of federal Help America Vote Act funds appropriated to the legislature in 2020. Under current law, these funds are required to be used by December 21, 2024. This section would instead make the funds available until expended.</p>
13	<p><b>Government and citizen services.</b></p> <p>Cancels \$300,000 from the fiscal year 2021 general fund appropriations to the commissioner of administration for government and citizen services.</p>



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