

1.1 A bill for an act

1.2 relating to state government; specifying the development of budget
1.3 recommendations and requiring state agencies to provide information; requiring
1.4 disclosure of status of fiscal note requests; requiring a report on Minnesota
1.5 milestones performance measures; modifying state budget requirements;
1.6 requiring a forecast of cash flow for the general fund; specifying format for
1.7 detailed budget estimates of expenditures; imposing deadline for notice of
1.8 deficiency requests; requiring a searchable database of state expenditures;
1.9 requiring a map of money used to support children; reducing the number of
1.10 deputy commissioners and eliminating assistant commissioner positions in the
1.11 unclassified service; providing additional whistleblower protection to state
1.12 employees; requiring a budget working group; creating pilot program for
1.13 driver's license reinstatement diversion for individuals charged with driving
1.14 without valid license; eliminating obsolete requirements; appropriating money;
1.15 amending Minnesota Statutes 2008, sections 3.885, by adding a subdivision;
1.16 3.98, subdivision 4; 3.987, subdivision 1; 4A.01; 4A.02; 15.06, subdivision 8;
1.17 16A.055, subdivision 1; 16A.10, subdivisions 1, 2; 16A.11, subdivision 3, by
1.18 adding a subdivision; 16B.03; 43A.08, subdivision 1; 45.013; 84.01, subdivision
1.19 3; 116.03, subdivision 1; 116J.01, subdivision 5; 116J.035, subdivision 4;
1.20 174.02, subdivision 2; 181.932, subdivision 1; 241.01, subdivision 2; proposing
1.21 coding for new law in Minnesota Statutes, chapters 4A; 16A; 43A; repealing
1.22 Minnesota Statutes 2008, sections 4A.06; 16A.152, subdivision 1b; 16C.046;
1.23 43A.08, subdivision 1b.

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

1.25 **ARTICLE 1**

1.26 **BUDGET**

1.27 Section 1. Minnesota Statutes 2008, section 3.885, is amended by adding a subdivision
1.28 to read:

1.29 Subd. 11. **Budget development.** The commission may develop budget
1.30 recommendations to present to the legislature. If the commission proceeds with the
1.31 development of budget recommendations, state agencies must provide information to the

2.1 commission as requested by the commission to develop those recommendations. That
2.2 information includes the base budget, information on how the base budget is determined
2.3 and how it is allocated, recommendations from agency staff for changes in the base level
2.4 appropriations to improve agency operations and efficiency or to improve or increase
2.5 efficiency of programs operated by the agency, and responses to proposals for reductions
2.6 in agency budgets.

2.7 Sec. 2. Minnesota Statutes 2008, section 3.98, subdivision 4, is amended to read:

2.8 Subd. 4. **Uniform procedure.** The commissioner of finance shall prescribe a
2.9 uniform procedure to govern the departments and agencies of the state in complying
2.10 with the requirements of this section. The uniform procedure must include a system
2.11 for posting the date a fiscal note was requested, the requested completion date, and the
2.12 estimated completion date, as well as the display of those dates on the front page of each
2.13 completed fiscal note.

2.14 Sec. 3. Minnesota Statutes 2008, section 3.987, subdivision 1, is amended to read:

2.15 Subdivision 1. **Local impact notes.** The commissioner of finance shall coordinate
2.16 the development of a local impact note for any proposed legislation introduced after June
2.17 30, 1997, upon request of the chair or the ranking minority member of either legislative
2.18 Tax or Finance Committee, or the house of representatives Committee on Ways and
2.19 Means. Upon receipt of a request to prepare a local impact note, the commissioner must
2.20 notify the authors of the proposed legislation that the request has been made. The local
2.21 impact note must be made available to the public upon request. If the action is among the
2.22 exceptions listed in section 3.988, a local impact note need not be requested nor prepared.
2.23 The commissioner shall make a reasonable and timely estimate of the local fiscal impact
2.24 on each type of political subdivision that would result from the proposed legislation.
2.25 The commissioner of finance may require any political subdivision or the commissioner
2.26 of an administrative agency of the state to supply in a timely manner any information
2.27 determined to be necessary to determine local fiscal impact. The political subdivision,
2.28 its representative association, or commissioner shall convey the requested information to
2.29 the commissioner of finance with a signed statement to the effect that the information is
2.30 accurate and complete to the best of its ability. The political subdivision, its representative
2.31 association, or commissioner, when requested, shall update its determination of local
2.32 fiscal impact based on actual cost or revenue figures, improved estimates, or both.
2.33 Upon completion of the note, the commissioner must provide a copy to the authors

3.1 of the proposed legislation, as well as to the chair and ranking minority member of all
3.2 committees to which a bill is referred.

3.3 Sec. 4. Minnesota Statutes 2008, section 4A.01, is amended to read:

3.4 **4A.01 OFFICE OF STRATEGIC AND LONG-RANGE PLANNING.**

3.5 Subdivision 1. Duties. The Office of Strategic and Long-Range Planning is created,
3.6 with a director appointed by the governor. The commissioner of administration is the state
3.7 planning officer and is responsible for the coordination, development, assessment, and
3.8 communication of information, performance measures, planning, and policy concerning
3.9 the state's future. The commissioner may contract with another agency for the provision of
3.10 administrative services.

3.11 Subd. 2. Long-range plan. By September 15, 2010, and every five years thereafter,
3.12 the Office of Strategic and Long-Range Planning commissioner must develop an integrated
3.13 long-range plan for the state based upon the plans and strategies of state agencies,
3.14 public advice about the future, and other information developed under this chapter. The
3.15 office commissioner must coordinate activities among all levels of government and must
3.16 stimulate public interest and participation in the future of the state.

3.17 The office commissioner must act in coordination with the commissioner of finance,
3.18 affected state agencies, and the legislature in the planning and financing of major public
3.19 programs.

3.20 Subd. 3. Report. The commissioner must submit a report to the governor and
3.21 legislature by January 15 of each year that provides economic, social, and environmental
3.22 demographic information to assist public and elected officials with long-term management
3.23 decisions. The report must identify and assess the information important to understanding
3.24 the state's two-, ten-, and 50-year outlook, including the budget implications for those time
3.25 periods. The report must include the demographic forecast required by section 4A.02,
3.26 paragraph (e), and information to assist with the preparation of the milestones report
3.27 required by section 4A.06, and may include policy recommendations based upon the
3.28 information and assessment provided.

3.29 Sec. 5. Minnesota Statutes 2008, section 4A.02, is amended to read:

3.30 **4A.02 STATE DEMOGRAPHER.**

3.31 (a) The director commissioner shall appoint a state demographer. The demographer
3.32 must be professionally competent in demography and must possess demonstrated ability
3.33 based upon past performance.

3.34 (b) The demographer shall:

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4.1 (1) continuously gather and develop demographic data relevant to the state;

4.2 (2) design and test methods of research and data collection;

4.3 (3) periodically prepare population projections for the state and designated regions
4.4 and periodically prepare projections for each county or other political subdivision of the
4.5 state as necessary to carry out the purposes of this section;

4.6 (4) review, comment on, and prepare analysis of population estimates and
4.7 projections made by state agencies, political subdivisions, other states, federal agencies, or
4.8 nongovernmental persons, institutions, or commissions;

4.9 (5) serve as the state liaison with the United States Bureau of the Census, coordinate
4.10 state and federal demographic activities to the fullest extent possible, and aid the
4.11 legislature in preparing a census data plan and form for each decennial census;

4.12 (6) compile an annual study of population estimates on the basis of county, regional,
4.13 or other political or geographical subdivisions as necessary to carry out the purposes of
4.14 this section and section 4A.03;

4.15 (7) by January 1 of each year, issue a report to the legislature containing an analysis
4.16 of the demographic implications of the annual population study and population projections;

4.17 (8) prepare maps for all counties in the state, all municipalities with a population
4.18 of 10,000 or more, and other municipalities as needed for census purposes, according to
4.19 scale and detail recommended by the United States Bureau of the Census, with the maps
4.20 of cities showing precinct boundaries;

4.21 (9) prepare an estimate of population and of the number of households for each
4.22 governmental subdivision for which the Metropolitan Council does not prepare an annual
4.23 estimate, and convey the estimates to the governing body of each political subdivision
4.24 by June 1 of each year;

4.25 (10) direct, under section 414.01, subdivision 14, and certify population and
4.26 household estimates of annexed or detached areas of municipalities or towns after being
4.27 notified of the order or letter of approval by the chief administrative law judge of the
4.28 State Office of Administrative Hearings;

4.29 (11) prepare, for any purpose for which a population estimate is required by law
4.30 or needed to implement a law, a population estimate of a municipality or town whose
4.31 population is affected by action under section 379.02 or 414.01, subdivision 14; and

4.32 (12) prepare an estimate of average household size for each statutory or home rule
4.33 charter city with a population of 2,500 or more by June 1 of each year.

4.34 (c) A governing body may challenge an estimate made under paragraph (b) by filing
4.35 their specific objections in writing with the state demographer by June 24. If the challenge
4.36 does not result in an acceptable estimate, the governing body may have a special census

5.1 conducted by the United States Bureau of the Census. The political subdivision must
5.2 notify the state demographer by July 1 of its intent to have the special census conducted.
5.3 The political subdivision must bear all costs of the special census. Results of the special
5.4 census must be received by the state demographer by the next April 15 to be used in that
5.5 year's June 1 estimate to the political subdivision under paragraph (b).

5.6 (d) The state demographer shall certify the estimates of population and household
5.7 size to the commissioner of revenue by July 15 each year, including any estimates still
5.8 under objection.

5.9 (e) The state demographer shall release a demographic forecast in conjunction with
5.10 the commissioner of finance and the November state economic forecast.

5.11 (f) The state demographer may contract for the development of data and research
5.12 required under this chapter, including, but not limited to, population estimates and
5.13 projections, the preparation of maps, and other estimates.

5.14 Sec. 6. **[4A.11] MILESTONES REPORT.**

5.15 The commissioner must review the statewide system of economic, social, and
5.16 environmental performance measures in use under section 16A.10, subdivision 1c, and
5.17 known as Minnesota milestones. The commissioner must provide the economic, social,
5.18 and environmental information necessary to assist public and elected officials with
5.19 understanding and evaluating Minnesota milestones. The commissioner must report on
5.20 the trends and their implications for Minnesota milestones each year and provide the
5.21 commissioner of finance with recommendations for the use of Minnesota milestones in
5.22 budget documents. The commissioner may contract for the development of information
5.23 and measures.

5.24 Sec. 7. Minnesota Statutes 2008, section 16A.055, subdivision 1, is amended to read:

5.25 Subdivision 1. **List.** (a) The commissioner shall:

5.26 (1) receive and record all money paid into the state treasury and safely keep it until
5.27 lawfully paid out;

5.28 (2) manage the state's financial affairs;

5.29 (3) keep the state's general account books according to generally accepted
5.30 government accounting principles;

5.31 (4) keep expenditure and revenue accounts according to generally accepted
5.32 government accounting principles;

5.33 (5) develop, provide instructions for, prescribe, and manage a state uniform
5.34 accounting system;

6.1 (6) provide to the state the expertise to ensure that all state funds are accounted for
6.2 under generally accepted government accounting principles; ~~and~~

6.3 (7) coordinate the development of, and maintain standards for, internal auditing in
6.4 state agencies and, in cooperation with the commissioner of administration, report to the
6.5 legislature and the governor by January 31 of odd-numbered years, on progress made;

6.6 (8) monitor and oversee implementation of recommendations made to state agencies
6.7 by the legislative auditor; and

6.8 (9) develop and disseminate training materials and policies on internal controls and
6.9 ensure that employees in the executive branch with accounting or financial management
6.10 responsibilities, or those responsible for supervising employees with those duties,
6.11 participate in a regular course of training on internal controls and financial management.

6.12 (b) In addition to the duties in paragraph (a), the commissioner has the powers and
6.13 duties given to the commissioner in chapter 43A.

6.14 Sec. 8. **[16A.056] WEB SITE WITH SEARCHABLE DATABASE ON STATE**
6.15 **EXPENDITURES.**

6.16 Subdivision 1. Web database requirement. The commissioner, in consultation
6.17 with the commissioners of administration and revenue and the legislative auditor, must
6.18 maintain a Web site with a searchable database providing the public with information on
6.19 state contracts, state appropriations, state expenditures, state tax expenditures, and state
6.20 entities that are the subject of audits. The Web site must not include information that is not
6.21 public data, as defined in section 13.02, subdivision 8a. For each data field identified in
6.22 subdivisions 2 to 6, the searchable database must allow a user of the Web site to:

6.23 (1) perform a search using that field;

6.24 (2) sort by that field;

6.25 (3) obtain information grouped or aggregated by that field, where groups or subtotals
6.26 are feasible; and

6.27 (4) view information in that field by each fiscal year.

6.28 The searchable database may accommodate grouping and aggregating by allowing
6.29 the user to download the data into a user-controlled database.

6.30 Subd. 2. Contracts. (a) The searchable database on the Web site must include at
6.31 least the following data fields on state contracts:

6.32 (1) the name of the entity receiving the contract;

6.33 (2) the name of the agency entering into the contract;

6.34 (3) an indication if the contract is for (i) goods; (ii) professional or technical services;
6.35 (iii) services other than professional and technical services; or (iv) a grant; and

7.1 (4) the fund or funds from which the entity receiving the contract will be paid.

7.2 (b) For each contract, the database must also include:

7.3 (1) an address for each entity receiving a contract; and

7.4 (2) a brief statement of the purpose of the contract or grant.

7.5 (c) Information on a new contract or grant must be entered into the database within

7.6 30 days after the contract or grant is entered into.

7.7 (d) For purposes of this section, a "grant" is a contract between a state agency and

7.8 a recipient, the primary purpose of which is to transfer cash or a thing of value to the

7.9 recipient to support a public purpose. Grant does not include aid payments to units of local

7.10 government, payments to state employees, or payments made under laws providing for

7.11 assistance to individuals.

7.12 Subd. 3. **Appropriations.** The searchable database on the Web site must include

7.13 at least the following data fields on state appropriations:

7.14 (1) the agency receiving the appropriation, or the name of the nonstate entity
7.15 receiving state money;

7.16 (2) the agency program, to the extent applicable;

7.17 (3) the agency activity, to the extent applicable;

7.18 (4) an item within an activity if applicable;

7.19 (5) the fund from which the appropriation is made; and

7.20 (6) the object of expenditure.

7.21 Subd. 4. **State expenditures.** The searchable database on the Web site must include

7.22 at least the following data fields on state expenditures:

7.23 (1) the name of the agency or nonstate entity making the expenditure;

7.24 (2) the agency program, to the extent applicable;

7.25 (3) the agency activity, to the extent applicable;

7.26 (4) an item within an activity if applicable;

7.27 (5) the fund from which the expenditure is made; and

7.28 (6) the object of expenditure.

7.29 Subd. 5. **Tax expenditures.** The Web site must include a searchable database of

7.30 state tax expenditures. For each fiscal year, the database must include data fields showing

7.31 the estimated impact on state revenues of each tax expenditure item listed in the report

7.32 prepared under section 270C.11.

7.33 Subd. 6. **Audits.** The Web site required by this section must include a link to a

7.34 Web site containing the findings and results from the audits completed by the legislative

7.35 auditor that have been released to the public.

8.1 Subd. 7. **Retention of data.** The database required under this section must include
8.2 information beginning with fiscal year 2010 appropriations and must retain data for at
8.3 least ten years.

8.4 Subd. 8. **Consultation.** The commissioner of finance must consult with the
8.5 chairs of the house of representatives Ways and Means and senate Finance Committees
8.6 before encumbering any money appropriated on or after July 1, 2009, for the planning,
8.7 development, and implementation of state accounting or procurement systems. No money
8.8 appropriated for these purposes may be spent unless the commissioner certifies that the
8.9 systems will allow compliance with requirements of this section.

8.10 **EFFECTIVE DATE.** This section is effective the day following certification by the
8.11 commissioner of finance that a new statewide accounting and procurement system has
8.12 been implemented.

8.13 Sec. 9. Minnesota Statutes 2008, section 16A.10, subdivision 1, is amended to read:

8.14 Subdivision 1. **Budget format.** In each even-numbered calendar year the
8.15 commissioner shall prepare budget forms and instructions for all agencies, including
8.16 guidelines for reporting agency performance measures, subject to the approval of the
8.17 governor. The commissioner shall request and receive advisory recommendations from
8.18 the chairs of the senate Finance Committee and house of representatives Ways and
8.19 Means Committee before adopting a format for the biennial budget document. By June
8.20 15, the commissioner shall send the proposed budget forms to the appropriations and
8.21 finance committees. The committees have until July 15 to give the commissioner their
8.22 advisory recommendations on possible improvements. To facilitate this consultation, the
8.23 commissioner shall establish a working group consisting of executive branch staff and
8.24 designees of the chairs of the senate Finance and house of representatives Ways and Means
8.25 Committees. The commissioner must involve this group in all stages of development of
8.26 budget forms and instructions. The budget format must show actual expenditures and
8.27 receipts for the three most recent fiscal ~~year~~ years, estimated expenditures and receipts for
8.28 the current fiscal year, and estimates for each fiscal year of the next biennium. Estimated
8.29 expenditures must be classified by funds and character of expenditures and may be
8.30 subclassified by programs and activities. Agency revenue estimates must show how the
8.31 estimates were made and what factors were used. Receipts must be classified by funds,
8.32 programs, and activities. Expenditure and revenue estimates must be based on the law in
8.33 existence at the time the estimates are prepared.

8.34 Sec. 10. Minnesota Statutes 2008, section 16A.10, subdivision 2, is amended to read:

9.1 Subd. 2. **By October 15 and November 30.** By October 15 of each even-numbered
9.2 year, an agency must file the following with the commissioner:

9.3 (1) ~~budget estimates~~ actual spending for the three most recent and budget estimates
9.4 for the current fiscal years;

9.5 (2) its upcoming biennial budget estimates;

9.6 (3) a comprehensive and integrated statement of agency missions and outcome
9.7 and performance measures; and

9.8 (4) a concise explanation of any planned changes in the level of services or new
9.9 activities.

9.10 The commissioner shall prepare and file the budget estimates for an agency failing
9.11 to file them.

9.12 By November 30, the commissioner shall send the final budget format, agency
9.13 budget estimates for the next biennium, and copies of the filed material to the Ways and
9.14 Means and Finance Committees, except that the commissioner shall not be required to
9.15 transmit information that identifies executive branch budget decision items.

9.16 Sec. 11. **[16A.107] CASH FLOW FORECAST.**

9.17 Within 30 days after the November forecast of state revenue and expenditures under
9.18 section 16A.103, the commissioner shall deliver to the governor and the legislature a
9.19 forecast of cash flow for the general fund, showing the expected maximum and minimum
9.20 cash balance in the fund for each month of the forecast period.

9.21 Sec. 12. Minnesota Statutes 2008, section 16A.11, subdivision 3, is amended to read:

9.22 Subd. 3. **Part two: detailed budget.** (a) Part two of the budget, the detailed budget
9.23 estimates both of expenditures and revenues, must contain any statements on the financial
9.24 plan which the governor believes desirable or which may be required by the legislature.

9.25 The detailed estimates shall include the budget request of each organizational unit within
9.26 an agency arranged in tabular form so it may readily be compared with the governor's
9.27 budget ~~arranged in tabular form~~ for the organizational unit and agency.

9.28 (b) Tables listing expenditures for the next biennium must show the appropriation
9.29 base for each year in column form broken down by appropriation allotments at budget
9.30 activity level relative to proposed appropriation and appropriation allotment levels by
9.31 budget activity. The appropriation base is the amount appropriated for the second year
9.32 of the current biennium. The tables must separately show any adjustments to the base
9.33 required by current law or policies of the commissioner of finance. For forecasted
9.34 programs, the tables must also show the amount of the forecast adjustments, based on the

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10.1 most recent forecast prepared by the commissioner of finance under section 16A.103.
10.2 Any appropriation change requested by an agency or an organizational unit within an
10.3 agency must be submitted in writing and include information that supports the requested
10.4 change. For all programs, the tables must show the agency requests, the amount of
10.5 appropriation changes recommended by the governor, after adjustments to the base and
10.6 forecast adjustments, and the total recommendation of the governor for that year.

10.7 (c) The detailed estimates must include a separate line listing the total cost of
10.8 professional and technical service contracts for the prior biennium and the projected costs
10.9 of those contracts for the current and upcoming biennium. They must also include a
10.10 summary of the personnel employed by the agency, reflected as full-time equivalent
10.11 positions.

10.12 (d) The detailed estimates for internal service funds must include the number of
10.13 full-time equivalents by program; detail on any loans from the general fund, including
10.14 dollar amounts by program; proposed investments in technology or equipment of \$100,000
10.15 or more; an explanation of any operating losses or increases in retained earnings; and a
10.16 history of the rates that have been charged, with an explanation of any rate changes and
10.17 the impact of the rate changes on affected agencies.

10.18 (e) The detailed estimates must provide a spending trend analysis by program
10.19 showing at least the three most recent years of actual spending, or as many years of actual
10.20 spending as are available for new programs.

10.21 **EFFECTIVE DATE.** This section is effective January 1, 2011.

10.22 Sec. 13. Minnesota Statutes 2008, section 16A.11, is amended by adding a subdivision
10.23 to read:

10.24 Subd. 8. **Deficiency requests.** By January 15 of each year, the commissioner
10.25 of finance must notify the chair and ranking minority member of the senate Finance
10.26 Committee and the chair and ranking minority member of the house of representatives
10.27 Ways and Means Committee of any state agency requests to eliminate budget shortfalls
10.28 likely to occur before the end of the legislative session.

10.29 Sec. 14. **[16A.89] MAP OF MONEY USED TO SUPPORT CHILDREN.**

10.30 Subdivision 1. **Resource map.** (a) After soliciting public input as required by
10.31 paragraph (b), the commissioner shall use existing resources available to the department
10.32 to design and oversee a pilot project to map all state expenditures, regardless of source,
10.33 that serve the primary function of supporting the health, safety, permanence, growth,

11.1 development, and education of children in this state. For purposes of this section,
11.2 "children" includes individuals under 21 years of age.

11.3 (b) The commissioner shall solicit public input regarding the resource mapping
11.4 required by this section by providing public notice of the mapping project and subsequent
11.5 revisions on the Department of Finance Web site. The commissioner shall provide
11.6 an opportunity for members of the public to provide suggestions for the design and
11.7 development of the project. In particular, the commissioner shall seek suggestions and
11.8 comments from individuals who have conducted relevant research at higher education
11.9 institutions and from individuals with relevant experience at nonprofit institutions and
11.10 foundations.

11.11 (c) The resource mapping must include, but is not limited to:

11.12 (1) an inventory of all federal and state funding sources that support children in this
11.13 state, including prenatal services for pregnant women, grouped in a manner that would
11.14 assist the legislature in determining whether there are overlapping programs that lead to
11.15 duplication within the state, gaps in service delivery, and any administrative inefficiencies
11.16 generally; and

11.17 (2) a description of the manner in which the money is being used within the agencies
11.18 or organizations, the performance measures in place to assess the use of the money, and the
11.19 intended outcomes of the programs and services, to the extent this information is available.

11.20 Subd. 2. **Updates.** As part of the report required under subdivision 4, the
11.21 commissioner shall provide a description of the experience gained from the pilot project,
11.22 including any necessary draft legislation regarding possible updates and enhancements to
11.23 the map of the money used to support children in the state, and an opinion regarding the
11.24 potential for expanding resource mapping to other areas of the state budget.

11.25 Subd. 3. **Agency assistance.** Upon request, each state department or agency shall
11.26 provide assistance to the commissioner for the purposes of this section.

11.27 Subd. 4. **Report.** By January 15, 2010, the commissioner shall report to the
11.28 legislative committees and budget divisions with jurisdiction over children, family
11.29 security, education, health, human services, housing, public safety, corrections, and the
11.30 judiciary by providing an electronic version of the executive summary included in the
11.31 report required by this subdivision. The report must be available online.

11.32 **EFFECTIVE DATE.** This section is effective July 1, 2009.

11.33 **Sec. 15. [16A.90] EMPLOYEE SUGGESTION SYSTEM.**

11.34 The commissioner shall establish a program to solicit suggestions from state
11.35 employees for ways to reduce the costs of operating state government or for ways of

12.1 providing better or more efficient state services. The commissioner may make a onetime
12.2 award to an employee or group of employees whose suggestion is determined by the
12.3 commissioner to have resulted in documented cost-savings to the state. The maximum
12.4 award is the lesser of ten percent of the documented savings in the first fiscal year in which
12.5 the employee's suggestion is implemented or \$2,500. The award must be paid from the
12.6 appropriation to which the savings accrued.

12.7 Sec. 16. **[43A.015] DUTIES AND RIGHTS OF CLASSIFIED EMPLOYEES.**

12.8 State employees in the classified service, including employees of the attorney
12.9 general in the classified service, are expected during their work hours to be nonpartisan
12.10 resources for information, analysis, and advice, within their area of responsibility and
12.11 expertise, to elected officials and their staffs in both executive and legislative branches of
12.12 government. Workload concerns related to requests for information, analysis, and advice
12.13 shall be mediated, if necessary, by management staff in a manner that ensures adequate
12.14 and equitable access to the knowledge and expertise of the staff by both the executive
12.15 and legislators. This section does not authorize or require an employee to disclose data
12.16 that is not public data under chapter 13.

12.17 Sec. 17. Minnesota Statutes 2008, section 181.932, subdivision 1, is amended to read:

12.18 Subdivision 1. **Prohibited action.** An employer shall not discharge, discipline,
12.19 threaten, otherwise discriminate against, or penalize an employee regarding the employee's
12.20 compensation, terms, conditions, location, or privileges of employment because:

12.21 (1) the employee, or a person acting on behalf of an employee, in good faith, reports
12.22 a violation or suspected violation of any federal or state law or rule adopted pursuant to
12.23 law to an employer or to any governmental body or law enforcement official;

12.24 (2) the employee is requested by a public body or office to participate in an
12.25 investigation, hearing, inquiry;

12.26 (3) the employee refuses an employer's order to perform an action that the employee
12.27 has an objective basis in fact to believe violates any state or federal law or rule or
12.28 regulation adopted pursuant to law, and the employee informs the employer that the order
12.29 is being refused for that reason;

12.30 (4) the employee, in good faith, reports a situation in which the quality of health care
12.31 services provided by a health care facility, organization, or health care provider violates a
12.32 standard established by federal or state law or a professionally recognized national clinical
12.33 or ethical standard and potentially places the public at risk of harm; ~~or~~

13.1 (5) a public employee communicates the findings of a scientific or technical study
13.2 that the employee, in good faith, believes to be truthful and accurate, including reports to a
13.3 governmental body or law enforcement official; or

13.4 (6) an employee in the classified service of state government communicates
13.5 information that the employee, in good faith, believes to be truthful and accurate, and that
13.6 relates to state services, including the financing of state services to:

13.7 (i) a legislator or the legislative auditor; or

13.8 (ii) a constitutional officer.

13.9 The disclosures protected pursuant to this section do not authorize the disclosure of data
13.10 otherwise protected by law.

13.11 Sec. 18. **BUDGET WORKING GROUP.**

13.12 By July 14, 2009, the commissioner of finance must convene a joint
13.13 executive-legislative working group to evaluate the usefulness and benefits of the budget
13.14 documents prepared in accordance with the requirements of Minnesota Statutes, section
13.15 16A.11. The members of the working group must include executive branch staff and
13.16 designees of the chairs of the senate Finance and house of representatives Ways and
13.17 Means committees, including representatives of both the majority and minority parties.
13.18 The appointing authorities from the legislative branch must complete their designations by
13.19 July 1, 2009.

13.20 The working group must also examine the current availability and usefulness to
13.21 the legislature and the public of state budget information, in both printed and electronic
13.22 form. The working group must make recommendations, including draft legislation, if
13.23 necessary, to improve the ability of the legislature and the public to use the information on
13.24 state revenues and expenditures.

13.25 By December 10, 2009, the commissioner must report the progress of the working
13.26 group to the Legislative Commission on Planning and Fiscal Policy, and other committees
13.27 as appropriate.

13.28 The working group expires when the commissioner submits the report required
13.29 by this section.

13.30 Sec. 19. **LICENSE REINSTATEMENT DIVERSION PILOT PROGRAM.**

13.31 Subdivision 1. **Establishment.** An eligible city may establish a license reinstatement
13.32 diversion pilot program for holders of class D drivers' licenses who have been charged
13.33 with violating Minnesota Statutes, section 171.24, subdivision 1 or 2, but have not yet
13.34 entered a plea in the proceedings. An individual charged with driving after revocation

14.1 under Minnesota Statutes, section 171.24, subdivision 2, is eligible for diversion only if
14.2 the revocation was due to a violation of Minnesota Statutes, section 169.791; 169.797;
14.3 169A.52; 169A.54; or 171.17, subdivision 1, paragraph (a), clause (6). An individual
14.4 who is a holder of a commercial driver's license or who has committed an offense in a
14.5 commercial motor vehicle is ineligible for participation in the diversion pilot program.

14.6 Subd. 2. **Eligible cities.** Each of the cities of Duluth, St. Paul, South St. Paul,
14.7 West St. Paul, and Inver Grove Heights is eligible to establish the license reinstatement
14.8 diversion pilot program within its city.

14.9 Subd. 3. **Contract.** An eligible city may contract with a third party to create and
14.10 administer the diversion program.

14.11 Subd. 4. **Diversion of individual.** A prosecutor for a participating city may
14.12 determine whether to accept an individual for diversion, and in doing so shall consider:

14.13 (1) whether the individual has a record of driving without a valid license or other
14.14 criminal record, or has previously participated in a diversion program;

14.15 (2) the strength of the evidence against the individual, along with any mitigating
14.16 factors; and

14.17 (3) the apparent ability and willingness of the individual to participate in the
14.18 diversion program and comply with its requirements.

14.19 Subd. 5. **Diversion driver's license.** (a) The commissioner of public safety may
14.20 issue a diversion driver's license to a person who is a participant in a pilot program for
14.21 diversion, following receipt of an application and payment of:

14.22 (1) the reinstatement fee under Minnesota Statutes, section 171.20, subdivision 4, by
14.23 a participant whose driver's license has been suspended;

14.24 (2) the reinstatement fee under Minnesota Statutes, section 171.29, subdivision 2,
14.25 paragraph (a), by a participant whose driver's license has been revoked under Minnesota
14.26 Statutes, section 169.791; 169.797; or 171.17, subdivision 1, paragraph (a), clause (6); or

14.27 (3) the reinstatement fee under Minnesota Statutes, section 171.29, subdivision 2,
14.28 paragraph (a), by a participant whose driver's license has been revoked under Minnesota
14.29 Statutes, section 169A.52 or 169A.54. The reinstatement fee and surcharge, both of which
14.30 are provided under Minnesota Statutes, section 171.29, subdivision 2, paragraph (b), also
14.31 must be paid during the course of, and as a condition of, the diversion program.

14.32 The diversion driver's license may bear restrictions imposed by the commissioner suitable
14.33 to the licensee's driving ability or other restrictions applicable to the licensee as the
14.34 commissioner may determine to be appropriate to ensure the safe operation of a motor
14.35 vehicle by the licensee.

15.1 (b) Payments by participants in the diversion program of the reinstatement fee and
15.2 surcharge under Minnesota Statutes, section 171.29, subdivision 2, paragraph (b), must be
15.3 applied first toward payment of the reinstatement fee, and after the reinstatement fee has
15.4 been fully paid, toward payment of the surcharge. Each payment that is applied toward
15.5 the reinstatement fee must be credited as provided in Minnesota Statutes, section 171.29,
15.6 subdivision 2, paragraph (b), and each payment that is applied toward the surcharge must
15.7 be credited as provided in Minnesota Statutes, section 171.29, subdivision 2, paragraphs
15.8 (c) and (d).

15.9 **Subd. 6. Components of program.** (a) At a minimum, the diversion program
15.10 must require individuals to:

15.11 (1) successfully attend and complete, at the individual's expense, educational classes
15.12 that provide, among other things, information on drivers' licensure;

15.13 (2) pay, according to a schedule approved by the prosecutor, all required fees,
15.14 finer, and charges, including applicable statutory license reinstatement fees and costs
15.15 of participation in the program;

15.16 (3) comply with all traffic laws; and

15.17 (4) demonstrate compliance with vehicle insurance requirements.

15.18 (b) An individual who is accepted into the pilot program is eligible to apply for a
15.19 diversion driver's license.

15.20 **Subd. 7. Termination of participation in diversion program.** (a) An individual's
15.21 participation in the diversion program may terminate when:

15.22 (1) during participation in the program, the individual is guilty of a moving traffic
15.23 violation or failure to provide vehicle insurance;

15.24 (2) the third-party administrator of the diversion program informs the court and the
15.25 commissioner of public safety that the individual is no longer satisfying the conditions
15.26 of the diversion; or

15.27 (3) the third-party administrator informs the court, the prosecutor, and the
15.28 commissioner of public safety that the individual has met all conditions of the diversion
15.29 program, including, at a minimum, satisfactory fulfillment of the components in
15.30 subdivision 6, whereupon the court shall dismiss the charge or the prosecutor shall decline
15.31 to prosecute.

15.32 (b) Upon termination of an individual's participation in the diversion program, the
15.33 commissioner shall cancel the individual's diversion driver's license.

15.34 (c) The original charge against the individual of violation of Minnesota Statutes,
15.35 section 171.24, may be reinstated against an individual whose participation in the
15.36 diversion program terminates under paragraph (a), clause (1) or (2).

16.1 (d) The commissioner shall reinstate the driver's license of an individual whose
16.2 participation in the diversion program terminates under paragraph (a), clause (3).

16.3 Subd. 8. **Report.** (a) By February 1, 2011, the commissioner of public safety and
16.4 each eligible city that participates in the diversion program shall report to the legislative
16.5 committees with jurisdiction over transportation and the judiciary concerning the results of
16.6 the program. The report must be made electronically and be available in print only upon
16.7 request. The report must include, without limitation, the effect of the program on:

16.8 (1) recidivism rates for participants in the diversion pilot program;

16.9 (2) the number of unlicensed drivers who continue to drive in violation of Minnesota
16.10 Statutes, section 171.24;

16.11 (3) payment of the fees and fines collected in the diversion pilot program to cities,
16.12 counties, and the state;

16.13 (4) educational support provided to participants in the diversion pilot program; and

16.14 (5) the total number of participants in the diversion pilot program and the number of
16.15 participants who have terminated from the pilot program under subdivision 7, paragraph
16.16 (a), clauses (1) to (3).

16.17 (b) The report must include recommendations regarding the future of the program
16.18 and any necessary legislative changes.

16.19 Subd. 9. **Sunset.** The pilot project under this section expires June 30, 2011.

16.20 **EFFECTIVE DATE.** This section is effective July 1, 2009.

16.21 Sec. 20. **APPROPRIATION.**

16.22 \$763,000 in the fiscal year ending June 30, 2010, and \$536,000 in the fiscal year
16.23 ending June 30, 2011, is appropriated from the general fund to the commissioner of
16.24 finance to carry out the duties imposed by this article.

16.25 \$187,000 in the fiscal year ending June 30, 2010, and \$180,000 in the fiscal year
16.26 ending June 30, 2011, is appropriated from the general fund to the commissioner of
16.27 administration to carry out the duties imposed by this article.

16.28 Sec. 21. **REPEALER.**

16.29 (a) Minnesota Statutes 2008, sections 4A.06; and 16A.152, subdivision 1b, are
16.30 repealed.

16.31 (b) Minnesota Statutes 2008, section 16C.046, is repealed.

17.1 EFFECTIVE DATE. Paragraph (b) is effective the day following certification by
17.2 the commissioner of finance that a new statewide accounting and procurement system has
17.3 been implemented.

17.4 Sec. 22. EFFECTIVE DATE.

17.5 Sections 1 to 3, 9 to 11, 13, 16 to 18, and 21 are effective the day following final
17.6 enactment.

17.7 ARTICLE 2

17.8 UNCLASSIFIED POSITIONS

17.9 Section 1. Minnesota Statutes 2008, section 15.06, subdivision 8, is amended to read:

17.10 Subd. 8. **Number of deputy commissioners.** ~~Unless specifically authorized by~~
17.11 ~~statute, other than section 43A.08, subdivision 2,~~ No department or agency specified in
17.12 subdivision 1 shall have more than one deputy commissioner.

17.13 Sec. 2. Minnesota Statutes 2008, section 16B.03, is amended to read:

17.14 **16B.03 APPOINTMENTS.**

17.15 The commissioner is authorized to appoint staff, including ~~two~~ one deputy
17.16 ~~commissioners~~ commissioner, in accordance with chapter 43A.

17.17 Sec. 3. Minnesota Statutes 2008, section 43A.08, subdivision 1, is amended to read:

17.18 Subdivision 1. **Unclassified positions.** Unclassified positions are held by employees
17.19 who are:

17.20 (1) chosen by election or appointed to fill an elective office;

17.21 (2) heads of agencies required by law to be appointed by the governor or other
17.22 elective officers, and the executive or administrative heads of departments, bureaus,
17.23 divisions, and institutions specifically established by law in the unclassified service;

17.24 (3) deputy ~~and assistant~~ agency heads and one confidential secretary in the agencies
17.25 listed in ~~subdivision 1a and in the Office of Strategic and Long-Range Planning~~ section
17.26 15.06, subdivision 1;

17.27 (4) the confidential secretary to each of the elective officers of this state and, for the
17.28 secretary of state and state auditor, an additional deputy, clerk, or employee;

17.29 (5) intermittent help employed by the commissioner of public safety to assist in
17.30 the issuance of vehicle licenses;

17.31 (6) employees in the offices of the governor and of the lieutenant governor and one
17.32 confidential employee for the governor in the Office of the Adjutant General;

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- 18.1 (7) employees of the Washington, D.C., office of the state of Minnesota;
- 18.2 (8) employees of the legislature and of legislative committees or commissions;
- 18.3 provided that employees of the Legislative Audit Commission, except for the legislative
- 18.4 auditor, the deputy legislative auditors, and their confidential secretaries, shall be
- 18.5 employees in the classified service;
- 18.6 (9) presidents, vice-presidents, deans, other managers and professionals in
- 18.7 academic and academic support programs, administrative or service faculty, teachers,
- 18.8 research assistants, and student employees eligible under terms of the federal Economic
- 18.9 Opportunity Act work study program in the Perpich Center for Arts Education and the
- 18.10 Minnesota State Colleges and Universities, but not the custodial, clerical, or maintenance
- 18.11 employees, or any professional or managerial employee performing duties in connection
- 18.12 with the business administration of these institutions;
- 18.13 (10) officers and enlisted persons in the National Guard;
- 18.14 (11) attorneys, legal assistants, and three confidential employees appointed by the
- 18.15 attorney general or employed with the attorney general's authorization;
- 18.16 (12) judges and all employees of the judicial branch, referees, receivers, jurors, and
- 18.17 notaries public, except referees and adjusters employed by the Department of Labor
- 18.18 and Industry;
- 18.19 (13) members of the State Patrol; provided that selection and appointment of State
- 18.20 Patrol troopers must be made in accordance with applicable laws governing the classified
- 18.21 service;
- 18.22 (14) examination monitors and intermittent training instructors employed by
- 18.23 the Departments of Finance and Commerce and by professional examining boards and
- 18.24 intermittent staff employed by the technical colleges for the administration of practical
- 18.25 skills tests and for the staging of instructional demonstrations;
- 18.26 (15) student workers;
- 18.27 (16) executive directors or executive secretaries appointed by and reporting to any
- 18.28 policy-making board or commission established by statute;
- 18.29 (17) employees unclassified pursuant to other statutory authority;
- 18.30 (18) intermittent help employed by the commissioner of agriculture to perform
- 18.31 duties relating to pesticides, fertilizer, and seed regulation;
- 18.32 (19) the administrators and the deputy administrators at the State Academies for the
- 18.33 Deaf and the Blind; and
- 18.34 (20) chief executive officers in the Department of Human Services.

19.1 Sec. 4. Minnesota Statutes 2008, section 45.013, is amended to read:

19.2 **45.013 POWER TO APPOINT STAFF.**

19.3 The commissioner of commerce may appoint ~~four~~ one deputy ~~commissioners, four~~
19.4 ~~assistant commissioners, and an assistant to the commissioner. Those positions, as well as~~
19.5 ~~that of~~ and a confidential secretary, are in the unclassified service. The commissioner may
19.6 appoint other employees necessary to carry out the duties and responsibilities entrusted to
19.7 the commissioner.

19.8 Sec. 5. Minnesota Statutes 2008, section 84.01, subdivision 3, is amended to read:

19.9 Subd. 3. **Employees; delegation.** ~~Subject to the provisions of Laws 1969, chapter~~
19.10 ~~1129, and to other applicable laws~~ The commissioner shall organize the department and
19.11 employ ~~up to three assistant commissioners, each of whom shall serve at the pleasure of~~
19.12 ~~the commissioner in the unclassified service, one of whom shall have responsibility for~~
19.13 ~~coordinating and directing the planning of every division within the agency, and such other~~
19.14 officers, employees, and agents as the commissioner may deem necessary to discharge the
19.15 functions of the department, define the duties of such officers, employees, and agents and
19.16 to delegate to them any of the commissioner's powers, duties, and responsibilities subject
19.17 to the control of, and under the conditions prescribed by, the commissioner. Appointments
19.18 to exercise delegated power shall be by written order filed with the secretary of state.

19.19 Sec. 6. Minnesota Statutes 2008, section 116.03, subdivision 1, is amended to read:

19.20 Subdivision 1. **Office.** (a) The office of commissioner of the Pollution Control
19.21 Agency is created and is under the supervision and control of the commissioner, who is
19.22 appointed by the governor under the provisions of section 15.06.

19.23 (b) The commissioner may appoint a deputy commissioner ~~and assistant~~
19.24 ~~commissioners~~ who shall be in the unclassified service.

19.25 (c) The commissioner shall make all decisions on behalf of the agency that are not
19.26 required to be made by the agency under section 116.02.

19.27 Sec. 7. Minnesota Statutes 2008, section 116J.01, subdivision 5, is amended to read:

19.28 Subd. 5. **Departmental organization.** (a) The commissioner shall organize the
19.29 department as provided in section 15.06.

19.30 (b) The commissioner may establish divisions and offices within the department.
19.31 ~~The commissioner may employ four deputy commissioners in the unclassified service.~~

19.32 (c) The commissioner shall:

20.1 (1) employ assistants and other officers, employees, and agents that the commissioner
20.2 considers necessary to discharge the functions of the commissioner's office;

20.3 (2) define the duties of the officers, employees, and agents, and delegate to them any
20.4 of the commissioner's powers, duties, and responsibilities, subject to the commissioner's
20.5 control and under conditions prescribed by the commissioner.

20.6 (d) The commissioner shall ensure that there are at least three employment and
20.7 economic development officers in state offices in nonmetropolitan areas of the state who
20.8 will work with local units of government on developing local employment and economic
20.9 development.

20.10 Sec. 8. Minnesota Statutes 2008, section 116J.035, subdivision 4, is amended to read:

20.11 Subd. 4. **Delegation of powers.** The commissioner may delegate, in written orders
20.12 filed with the secretary of state, any powers or duties subject to the commissioner's
20.13 control to officers and employees in the department. Regardless of any other law, the
20.14 commissioner may delegate the execution of specific contracts or specific types of
20.15 contracts to the commissioner's ~~deputies~~ deputy, an assistant commissioner, or a program
20.16 director if the delegation has been approved by the commissioner of administration and
20.17 filed with the secretary of state.

20.18 Sec. 9. Minnesota Statutes 2008, section 174.02, subdivision 2, is amended to read:

20.19 Subd. 2. **Unclassified positions.** The commissioner may ~~establish four positions~~
20.20 ~~in the unclassified service at the~~ appoint a deputy and assistant commissioner, assistant
20.21 ~~to commissioner or~~ and a personal secretary levels. ~~No more than two of these positions~~
20.22 ~~shall be at the deputy commissioner level in the unclassified service.~~

20.23 Sec. 10. Minnesota Statutes 2008, section 241.01, subdivision 2, is amended to read:

20.24 Subd. 2. ~~Deputies~~ **Deputy.** The commissioner of corrections may appoint and
20.25 employ ~~no more than two~~ a deputy commissioner's commissioner. The commissioner may
20.26 also appoint a personal secretary, who shall serve at the commissioner's pleasure in the
20.27 unclassified civil service.

20.28 Sec. 11. **APPROPRIATION REDUCTION.**

20.29 The commissioner of finance shall determine the costs of salaries and economic
20.30 benefits attributable to the positions eliminated by this article and reduce the appropriation
20.31 to each affected agency accordingly. The total reduction to general fund appropriations

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21.1 must be at least \$3,871,000 for the fiscal year ending June 30, 2010, and \$3,871,000
21.2 for the fiscal year ending June 30, 2011.

21.3 Sec. 12. **REPEALER.**

21.4 Minnesota Statutes 2008, section 43A.08, subdivision 1b, is repealed.

APPENDIX
Article locations in s0002-3

ARTICLE 1 BUDGET Page.Ln 1.25
ARTICLE 2 UNCLASSIFIED POSITIONS Page.Ln 17.7

4A.06 FIREARMS REPORT REQUIRED.

The Criminal Justice Statistical Analysis Center of the Office of Strategic and Long-Range Planning shall report to the legislature no later than January 31 of each year on the number of persons arrested, charged, convicted, and sentenced for violations of each state law affecting the use or possession of firearms. The report must include complete statistics, including the make, model, and serial number of each firearm involved, where that information is available, on each crime committed affecting the use or possession of firearms and a breakdown by county of the crimes committed.

16A.152 BUDGET RESERVE AND CASH FLOW ACCOUNTS.

Subd. 1b. **Budget reserve increase.** On July 1, 2003, the commissioner of finance shall transfer \$300,000,000 to the budget reserve account in the general fund. On July 1, 2004, the commissioner of finance shall transfer \$296,000,000 to the budget reserve account in the general fund. The amounts necessary for this purpose are appropriated from the general fund.

16C.046 WEB SITE; SEARCHABLE DATABASE; STATE CONTRACTS; GRANTS.

(a) The commissioner of administration must maintain a Web site with a searchable database providing the public with information on state contracts, including grant contracts. The database must include the following information for each state contract valued in excess of \$25,000:

- (1) the name and address of the entity receiving the contract;
- (2) the name of the agency entering into the contract;
- (3) whether the contract is:
 - (i) for goods;
 - (ii) for professional or technical services;
 - (iii) for services other than professional and technical services; or
 - (iv) a grant;
- (4) a brief statement of the purpose of the contract or grant;
- (5) the amount of the contract or grant and the fund from which this amount will be paid; and

(6) the dollar value of state contracts, other than grants, the entity has received in each fiscal year and the dollar value of state grants the entity has received in each fiscal year.

(b) Required information on a new contract or grant must be entered into the database within 30 days of the time the contract is entered into.

(c) For purposes of this section, a "grant" is a contract between a state agency and a recipient, the primary purpose of which is to transfer cash or a thing of value to the recipient to support a public purpose. Grant does not include payments to units of local government, payments to state employees, or payments made under laws providing for assistance to individuals.

(d) The database must include information on grants and contracts entered into beginning with fiscal year 2008 funds, and must retain that data for ten years.

43A.08 UNCLASSIFIED SERVICE.

Subd. 1b. **Exception.** The provisions of Laws 1982, chapter 634 do not apply to the positions contained in Minnesota Statutes 1981 Supplement, section 43A.08, subdivision 1, clause (g).