

S.F. No. 1426 – State Government Finance Omnibus (1st engrossment)

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SF 1426, as proposed to be amended by the author’s DE amendment, is the omnibus finance bill for state government.

Article 1 - Appropriations

Article 1 appropriates money for operations of constitutional officers, the legislature, and several state agencies and for other expenditures specified on the spreadsheet prepared by Andrew Erickson, Fiscal Analyst with the office of Senate Counsel, Research, and Fiscal Analysis.

Article 2 - Miscellaneous Policy

Article 2 contains provisions from the following bills:

Bill	Chief Author	Short Description	Sections in the DE Amendment
SF 83	McEwen	Legislative employees authorization to obtain elections for exclusive representation to bargain collectively as to terms of employment	6, 7, 30, 41, 42
SF 194	Cwodzinski	Minnesota Youth Advisory Council establishment	9, 50, 55(b)
SF 386	Kunesh	Commission creation to redesign the official state flag and the official state seal	1-5, 48, 55(a)
SF 1022	Morrison	Legislative task force establishment to review and prioritize resources to support an aging demographic in the state	49
SF 1259	Mann	Hair technician licenses creation and salon license simplification	32-40
SF 1659	Carlson	Grant program to perpetuate public land survey system monuments and associated data	44, 45

SF 2156	Murphy	Requiring the establishment of global warming impact standards for certain construction materials used in state buildings and roads	16
SF 2246	Mitchell	Commissioner of management and budget authority establishment to receive certain grants	12
SF 2431	Maye Quade	Council on LGBTQIA Minnesotans establishment	10, 51
SF 2979	Murphy	Select provisions from Governor's State Government omnibus bill	8, 13-15, 17-29, 31, 43, 52-54, 55(c), 55(d)
Governor's supplemental recommendation	Murphy	Capitol Campus Design Framework	11
Chair's initiative	Murphy	Move up the effective date for the law passed this session to make Juneteenth a state holiday	46, 47

Sections 1-5 adopt a new official state Great Seal and Flag to be designed by a commission established under an uncoded section in this article. These sections are from SF 386 (Kunesh).

Section 1 [Official seal; §1.135, subd. 2] is a conforming change, to reference a new statute section that identifies a new Great Seal.

Section 2 [Official seal; May 11, 2024, and thereafter; §1.135, subd. 3a] adopts the design certified in a report of a new commission as the new Great Seal of the State, effective May 11, 2024.

Section 3 [Additional effects; size; §1.135, subd. 4] removes constraints on the design of the Great Seal and makes conforming changes. Eliminates a prohibition on enlarging, reducing, or embossing the seal for use in unofficial acts.

Section 4 [State's duties; §1.135, subd. 6] requires phasing out use of expendable materials with the current Great Seal by January 1, 2025.

Section 5 [Adoption; §1.141, subd. 1] adopts the design of the flag certified by the new State Emblems Redesign Commission as the new state flag, effective May 11, 2024.

Section 6 [Additional employees; §3.07] constrains the authority of the senate and house of representatives to appoint and remove employees by making that authority subject to terms and conditions of employment under applicable collective bargaining agreements. This is from SF 83 (McKewen).

Section 7 [Compensation of employees; §3.09] constrains the authority of the senate and the house of representatives to fix compensation of officers and employees by making that authority subject to terms and conditions of employment under applicable collective bargaining agreements. This is from SF 83 (McKewen).

Section 8 [Children's Cabinet; § 4.045] removes the director of the Office of Strategic and Long-Range Development from the Children's Cabinet. Duties for the Office regarding children and

education were previously transferred to the Department of Education. This is from SF 2979 (Murphy).

Section 9 [Council established; §15.0146] creates a Minnesota Youth Advisory Council. This is from SF 194 (Cwodziński).

Section 10 [Council on LGBTQIA Minnesotans; §15.0147] creates a Council on LGBTQIA Minnesotans. This is from SF 2431 (Maye Quade).

Section 11 [Capitol Campus Design Framework; §15B.18] specifies requirements for an updated Capitol Campus Design Framework. This section is from the supplemental recommendations proposed by the Governor.

Section 12 [Grant acceptance; §16A.055, subd. 7] authorizes the commissioner of administration to apply for and receive grants. Grant funds are appropriated to the commissioner of administration. This is from SF 2246 (Mitchell).

Section 13 [Planning, Strategy, and Performance Management; §16A.091] makes the commissioner of management and budget responsible for the coordination, development, assessment, and communication of information, performance measures, planning, and policy concerning the state's future. Requires the commissioner of management and budget to develop a statewide system of economic, social, and environmental performance measures. The commissioner must provide information to assist public and elected officials with understanding the status of these performance measures. Authorizes the commissioner to appoint one deputy with principle responsibility for planning, strategy, and performance management. This is from SF 2979 (Murphy).

Section 14 [Set rates; §16A.126, subd. 1] requires approval of the commissioner of management and budget for the rate one agency charges another for services paid from the statewide systems account. This is from SF 2979 (Murphy).

Section 15 [Billing procedures; §16A.1286, subd. 2] eliminates the annual limit on the amount the commissioner of administration may bill for statewide system services. Adds authority for Administration to charge the legislature for services. Eliminates authority for Administration to charge the University of Minnesota for services. Eliminates a requirement for the commissioner of administration to consult with the commissioner of management and budget, the University of Minnesota, and Minnesota State Colleges and Universities on billing policies and procedures. This section is effective July 1, 2025. This is from SF 2979 (Murphy).

Section 16 [Construction Materials; Environmental Analysis; §16B.312] establishes requirements for certain materials and products used in the construction of buildings funded in whole or in part with state bond proceeds. This section is effective the day after final enactment. This section is from SF 2156 (Murphy).

Subdivision 1 [Definitions] defines terms.

Subdivision 2 [Standard; maximum global warming potential] requires the commissioner of administration to gather input from task forces and other stakeholders to establish a public maximum acceptable global warming potential for each eligible material used in an eligible project by specified dates, depending on the material. Requires the

commissioner to establish a maximum acceptable global warming potential for each eligible material, after considering specified information. The commissioner must set maximum global warming potentials for specific products that serve as examples of the same eligible material. Three years after establishing the maximum global warming potential for an eligible material, the commissioner may lower the maximum global warming potential of eligible materials and specific products if the commissioner determines that the industry average has declined.

Subdivision 3 [Procurement process] requires the commissioners of transportation and administration to establish processes for incorporating the maximum allowable global warming potential of eligible materials into their bidding process based upon the recommendations of the Environmental Procurement Task Force.

Subdivision 4 [Pilot program] requires the commissioners of administration and transportation to establish a pilot program by July 1, 2024, to obtain estimates from vendors on the lifecycle greenhouse gas emissions of select products. The pilot program must encourage, but not require, a vendor to submit specified data for each selected product that represents 90 percent of the total cost of the materials or components that compose the selected product. The commissioners of administration and transportation must each post a database on their website containing the data reported to them in a manner that does not identify the product manufacturer.

Subdivision 5 [Environmental Standards Procurement Task Force] creates the Environmental Standards Procurement Task Force. Requires the task force to examine issues surrounding implementation of a program requiring vendors of certain construction materials purchased to:

- submit environmental product declarations that assess the lifecycle environmental impacts; and
- meet greenhouse gas emission reduction standards established by the commissioner of administration.

Subdivision 6 also requires the task force to examine:

- which construction materials should be subjected to program requirements;
- what factors should be considered for greenhouse gas emission reduction targets in material production and manufacturing processes;
- a schedule for the development of standards for specific materials and to include those standards into the purchasing process;
- financial incentives for vendors developing products;
- the provision of grants to defer vendor costs;
- how to coordinate with federal programs; and
- how the issues set forth in this subdivision interact with other state agencies and policies.

Subdivision 6 requires the task force to make recommendations to the commissioners of transportation and administration on how to implement the requirements of this section and specifies factors to be made in the recommendations. Specifies the members of the task force. Requires a legislative report on the task force's recommendations. Sets the meeting

schedule and assigns the Department of Administration administrative responsibilities. Sunsets the task force on January 1, 2029.

Section 17 [Environmental Sustainability Government Operations; §16B.372] creates an enabling statute for the Office of Enterprise Sustainability, to assist state agencies in making progress toward improving the sustainability of government operations by reducing the impact on the environment, controlling unnecessary waste of natural resources and public funds, and spurring innovation. This section is from SF 2979 (Murphy).

Section 18 [Office of Enterprise Translations] establishes an Office of Enterprise Translations to provide translations services for written materials for executive branch agencies, and other duties related to translations. Requires the commissioner of management and budget to determine a process and requirements for an agency to request translations of written materials. This section is from SF 2979 (Murphy).

Section 19 [Definitions; §16B.4805, subd. 1] lowers the threshold for the amount of a onetime expense for the cost of a reasonable accommodation that agencies may be reimbursed for, from the accommodation account. This section is from SF 2979 (Murphy).

Sections 20-28 provide additional authority and resources for the commissioner of administration to oversee grants. These sections are from SF 2979 (Murphy).

Section 20 [Grants governance; §16B.97, subd. 2] requires executive agencies to cooperate with the commissioner of administration in the creation, management, and oversight of state grants. Authorizes the commissioner to adopt rules to carry out grant governance, oversight, and management. This section is effective August 1, 2023. This section is from SF 2979 (Murphy).

Section 21 [Discretionary powers; §16B.97, subd. 3] authorizes the commissioner of administration to suspend or debar grantees from eligibility to receive state-issued grants for up to three years, for reasons specified in rules. Allows a grantee to obtain an administrative hearing before a suspension or debarment is effective by filing a written request for a hearing within 20 days of notice of suspension or debarment. Authorizes the commissioner of administration to establish an office to carry out grants governance, oversight, and management. Requires granting agencies to submit grant solicitation documents for review prior to issuance at dollar levels determined by the commissioner. This section is effective August 1, 2023. This section is from SF 2979 (Murphy).

Section 22 [Duties; §16B.97, subd. 4] authorizes the commissioner of administration to oversee executive agency grants management “systems.” This section is effective August 1, 2023. This section is from SF 2979 (Murphy).

Section 23 [Creation and validity of grant agreements; §16B.98, subd. 5] makes grant agreements and amendments void unless approved by the commissioner of administration. This section is effective April 1, 2024, and applies to grants issued on or after that date. This section is from SF 2979 (Murphy).

Section 24 [Grant administration; §16B.98, subd. 6] authorizes the commissioner of administration to require an agency to report to the commissioner on the status of a grant at any time. This section is effective August 1, 2023, and applies to grants issued on or after that date. This section is from SF 2979 (Murphy).

Section 25 [Audit; §16B.98, subd. 8] adds the commissioner of administration to the list of those who must be allowed to audit records of a grantee that receives a grant of state money for at least six years from the grant agreement end date or later under some circumstances. Current law authorizes the granting agency, the legislative auditor, or the state auditor to audit these records. This section is effective August 1, 2023, and applies to grants issued on or after that date. This section is from SF 2979 (Murphy).

Section 26 [Grantee evaluations; §16B.98m subd. 12] requires an agency head to report specified information for grants in excess of \$25,000 to the commissioner of administration who must make the report publicly available online. This section is effective August 2, 2024, and applies to grants issued on or after that date. This section is from SF 2979 (Murphy).

Section 27 [Termination of Grant; §16B.991, subd. 2] requires grant agreements to include authorization for the commissioner of administration to unilaterally terminate a grant agreement prior to completion if the commissioner determines that further performance would not serve agency purposes or is not in the best interests of the state. This section is from SF 2979 (Murphy).

Section 28 [Unclassified positions; §43A.08, subd. 1] eliminates a reference to the Office of Strategic and Long-Range Planning. This section is from SF 2979 (Murphy).

Section 29 [Legislative and judicial branch compensation; §43A.18, subd. 6] constrains the authority of the senate, house of representatives, and legislative commissions to determine compensation plans for unclassified employees by making that authority subject to terms and conditions of employment under applicable collective bargaining agreements. This is from SF 83 (McKewen).

Section 30 [Implementation Plan; Statewide Program for Families; §145.951] deletes a reference to the Office of Strategic and Long-Range Planning. This is from SF 2979 (Murphy).

Section 31-39 institute a license for hair technicians in the licensing scheme of the board of cosmetology. This is from SF 1259 (Mann).

Section 31 [Manager; §155A.23, subd. 8] adds hair technician to the list of practitioners who may be a salon manager.

Section 32 [Practitioner; §155A.23, subd. 18] adds certain licensed professions to the definition of “practitioner.”

Section 33 [Hair technician; §155A.23, subd. 21] adds a definition for a “hair technician.” A hair technician is a person who, for compensation, performs personal services for the cosmetic care of the hair on the scalp. These services include cutting hair, applying dyes, bleach, reactive chemicals, keratin, or other preparations to color or alter the structure of hair. A person who only performs hairstyling is not a hair technician. This section is effective July 1, 2024.

Section 34 [Licensing; §155A.27, subd. 1] adds hair technician to the list of practices that cannot be performed without a license from the board of cosmetology.

Section 35 [Temporary military license; §155A.27, subd. 5a] adds hair technician to the list of practices for which the board of cosmetology must offer temporary licenses for active duty military

members and their spouses and to veterans who left service in the two years preceding the license with an honorable or general discharge.

Section 36 [Nonresident licenses; §155A.27, subd. 10] adds hair technician to the list of practices for which the board of cosmetology may issue license based on qualifications obtained in other states or countries.

Section 37 [Hair Technician Requirements and Training; §155A.2705] specifies application and training requirements to obtain a license as a hair technician. This section is effective July 1, 2024.

Section 38 [Continuing education requirements; §155A.271, subd. 1] adds hair technician to the list of practices for which a person must meet continuing education requirements to maintain a license.

Section 39 [Licensing; §155A.29, subd. 1] eliminates requirements to have particular types of salon licenses.

Section 40 [Public policy; §179A.01] eliminates a preclusion on the Public Employee Relations Act (PELRA) impairing, modifying or altering the authority of the legislature to establish rates of pay or retirement or other benefits for legislative employees. This is from SF 83 (McKewen).

Section 41 [Public employer or employer; §179A.03, subd. 15] makes the secretary of the senate, the chief clerk of the house of representatives, and the executive director of the Legislative Coordinating Commission (LCC) a “public employer” for purposes of the Public Employment Labor Relations Act. This is from SF 83 (McKewen).

Section 42 [Damages; Illegal Molestation of Human Remains; Burials; Cemeteries; Penalty; Assessment; §307.08] makes changes to the existing program for treatment of American Indian remains and cemeteries. This section is from SF 2979 (Murphy).

Subd. 1. [Legislative intent; scope] declares that nothing in this act as it applies within boundaries of Tribal Nation reservations, should be interpreted to conflict with federal law.

Subd. 2. [Felony; gross misdemeanor] makes no changes.

Subd. 3. [Protective posting] makes clarifying changes.

Subd. 3a. [Cemeteries; records and condition assessments.] changes an authentication process for burial grounds to an assessment of cemeteries. Requires the state archaeologist to maintain a system of records identifying the location of known, recorded, or suspected cemeteries and shall provide access to the records in a manner specified in subdivision 11. Allows the state archaeologist discretion whether to assess the condition of non-American Indian cemeteries based on the specified needs or at the request of an agency, landowner, or other appropriate authority. Conducting a condition assessment of an American Indian cemetery is at the discretion of the Indian Affairs Council based on specified needs or at the request of an agency, landowner, or other appropriate authority. If the Indian Affairs Council has possession or takes custody of remains, they are permitted to follow federal law. Cemeteries that contain remains of American Indians and non-American Indians shall be assessed at the discretion of the state archaeologist in collaboration with the Indian Affairs Council based on specified needs or at the request of an agency, landowner, or other

appropriate authority. The state archaeologist or the Indian Affairs Council has 90 days from the date a request is made to begin a cemetery condition assessment or provide notice to the requester whether an assessment is needed. Authorizes the state archaeologist and the Indian Affairs Council to retain a qualified professional archaeologist, a qualified forensic anthropologist, or other experts to gather information that the archaeologist or council can use to assess or identify cemeteries.

Subd. 5 [Cost] eliminates a requirement that the state pay costs of condition assessment, recording, surveying, and marking burial grounds and identification, analysis, rescue, and reburial of human remains on private lands or waters. Eliminates a requirement that the state archaeologist make data available that has been collected during authentication and reburial of human remains. Makes conforming changes.

Subd. 7 [Remains found outside of recorded cemeteries] specifies that human remains be treated with utmost respect for all human dignity. Provides a role for the Indian Affairs Council and experts designated by the council in identifying burials of American Indians. Removes a requirement to turn remains of American Indians whose Tribal identity can be ascertained over to Tribal leaders. Eliminates the involvement of the state archeologist in establishing how to deal with American Indian remains for which no tribal identity can be determines. Requires that burials of American Indians be handled according to federal laws.

Subd. 7a [Landowners responsibilities] makes technical and conforming changes.

Subd. 8 [Burial ground location] makes technical and conforming changes.

Subd. 9. [Interagency cooperation] requires the state archaeologist and the Indian Affairs Council to enter into a memorandum of understanding to coordinate their responsibilities under this section.

Subd. 10. [Construction and development plan review] requires that construction plans be submitted to the state archaeologist before plans are finalized when burials are suspected to exist. Current law requires this submission when bids are advertised. Extends the time, from 30 days to 45 days that the archaeologist and the Indian Affairs Council may take to review the plans.

Subd. 11 [Burial sites data] clarifies the status of data held by the state archaeologist and makes the provision applicable to data under the authority of the Indian Affairs Council. Requires approval by the appropriate authority to make use of the information.

Subd. 12 [Right of entry] authorizes a designee of the state archaeologist to enter property to authenticate burial sites. Authorizes the Indian Affairs Council or a designated representative to enter property to assess or identify American Indian cemeteries.

Subd. 13 [Definitions] modifies the definition of “human remains;” adds a definition of “person” and “business”. Makes technical and conforming changes.

Section 43 [Expense, tax levy; §381.12, subd. 2] is a conforming change for the public land survey system monument grant program established in this article. This reduces the amount that a county can tax property owners for the preservation of land survey monuments by the amount received through a grant under the program. This is from SF 1659 (Carlson)

Section 44 [Public Land Survey System Monument Grant Program; §381.125] establishes a grant program for counties to perpetuate public land survey monuments. This is from SF 1659 (Carlson).

Subd. 1 [Grant program] requires the chief geospatial information officer to work with land surveyors to develop a process for accepting applications from counties to fund the perpetuation of public land survey monuments that mark public land survey corners. Grants may be used for updating records and data regarding the monuments. The chief geospatial information officer must establish criteria for prioritizing applicants for grants. The criteria must favor grants to counties that demonstrate financial need for assistance.

Subd. 2 [Report] requires the chief information officer to report in odd years to the legislature with specified information regarding the grant program, with an assessment of progress and a forecast of work needed to complete monument recertification.

Subd. 3 [Nonstate match] specifies that no nonstate match is required for grants under the program.

Section 45 [Effective date] and **Section 46 [Effective date]** amends the effective date of the law passed earlier this session to make Juneteenth a state holiday and to change the date of recognition. These sections make the changes effective the day after enactment of this act. This section is a chair's initiative.

Section 47 [State Emblems Redesign Commission] creates a commission to develop and adopt a new design for the official state flag and official state seal by January 1, 2024. This is from SF 386 (Kunesh).

Subdivision 1 [Establishment] establishes a new State Emblems Redesign Commission and states its purpose.

Subd. 2 [Membership; meetings] specifies the membership of the commission. Requires members to elect a chair and vice-chair. Requires a majority vote of the commission to make a decision. Requires the Historical Society to provide office space and administrative support.

Subd. 3 [Meetings] makes meetings of the commission subject to the open meeting law.

Subd. 4 [Duties; form and style of recommended state emblems] requires the commission to develop and adopt a new design for the official state seal and a new design for the official state flag. Requires the designs to accurately and respectfully reflect the state's shared history, resources, and diverse cultural communities. Precludes elements that reflect only a single community or person. Authorizes the commission to use voluntary assistance from vexillologists or others with technical or artistic skill in flag construction or design, or the design of official seals. Requires the commission to solicit public feedback.

Subd. 5 [Report] requires the commission to report on adopted designs by January 1, 2024, with a description of the symbols and other meanings incorporated in the design. The commission expires on submission of its report.

Section 48 [Legislative Task Force on Aging] creates a legislative task force on aging. This is from SF 1022 (Morrison).

Section 49 [Initial Appointments; Youth Advisory Council] sets deadlines for initial appointments and for the first meeting of the Youth Advisory Council. This section is from SF 194 (Cwodziński).

Section 50 [Initial Appointments; Council on LGBTQIA Minnesotans] sets deadlines for initial appointments and for the first meeting of the Council on LGBTQIA Minnesotans. This is a new section related to SF 2431 (Maye Quade).

Section 51 [Enterprise Grants Management System Feasibility Study] requires the commissioner of administration to assess the viability of implementing a single grants management system for executive agencies. If the study determines one system is feasible, the study must include additional specified information. This section is from SF 2979 (Murphy).

Section 52 [Office of Small Agencies; Study] requires the commissioner of administration to review unique issues faced by small agencies. The commissioner must examine whether the current support model is adequate and must examine how other states support small agencies. The commissioner must provide recommendations on how to most effectively support small agencies. The commissioner must report to the governor and the legislature by February 1, 2024. This section is from SF 2979 (Murphy).

Section 53 [Enterprise Grants Management System Feasibility Study] requires the commissioner of administration to assess the viability of implementing a single grants management system for executive agencies. If the study determines one system is feasible, the study must include additional specified information. This section is from SF 2979 (Murphy).

Section 54 [Repealer]

Paragraph (a) [§1.135, subd. 3 and 5; §1.141, subd. 3, 4, and 6] repeals the description of the current emblem, effective May 11, 2024. Repeals designation of an official state flag. Repeals a description of a proper procedure for folding a state flag for presentation or display. This repeal is effective May 11, 2024. This is from SF 386 (Kunesh).

Paragraph (b) [§124D.957] repeals the current enabling statute for the Minnesota Youth Council Committee that is organized under the nonprofit Minnesota Alliance with Youth. This is from SF 194 (Cwodziński).

Paragraph (c) [§4A.01; 4A.04; 4A.06; 4A.07; 4A.11; and 124D.23] repeals sections relating to the Office of Strategic and Long-Range Planning. This section is from SF 2979 (Murphy).

Paragraph (d) [Laws 2014, chapter 287, section 25, as amended by Laws 2015, chapter 77, articles 2, section 78] repeals a law that transferred an amount equal to the debt service for construction of the legislative parking garage to the general fund to offset appropriations made to the senate for debt service payments for the legislative parking garage. This section is from SF 2979 (Murphy).

All sections in this article are effective July 1, 2023, unless otherwise specified.

Article 3 - Information Technology

Article 3 contains SF 2253 (Murphy) and one section from SF 2979 (Murphy) and relates to the department of information technology.

Section 1 [Responsibilities; §16E.01, subd. 1a] requires the department of information technology to partner with executive branch state agencies in fulfilling its duty to manage strategic investments in information and telecommunications technology systems and services.

Section 2 [Deputy; appointments; §16E.01, subd. 1b] authorizes the commissioner of information technology to appoint a deputy, assistant commissioners, and a confidential secretary. These positions serve at the commissioner's pleasure and are in the unclassified service.

Section 3 [Duties; §16E.01, subd. 3] eliminates obsolete duties related to the North Star system. Updates the list of equipment for which the chief information officer must determine when it is cost-effective for agencies to share. Specifies that agency project leaders' requests for IT projects from MN.IT must be in accord with MN.IT's policies and standards. Modifies the list of information required in the chief information officer's annual report to the legislature.

Section 4 [Responsibility for Information Technology Services and Equipment; §16E.016] adds lifecycle management to list of responsibilities that the chief information officer has regarding specified IT equipment and software.

Section 5 [Chief information officer's responsibility; §16E.03, subd. 2] changes "master plan" to "strategic plan" in the chief information officer's duties. Adds "services" to the things for which the chief information officer must establish and enforce standards.

Section 6 [Cash flow; §16E.14, subd. 4] authorizes the commissioner of management and budget to provide the department of information technology up to \$60 million from a special revenue fund or the general fund, for the purposes of managing revenue and expenditure differences. Requires the funds to be repaid with interest by the end of the closing period of the second fiscal year of the same biennium.

Section 7 [Account established; appropriation; §16E.21, subd. 1] expands the purposes for which the department of information technology can use money in a specific account in the special revenue fund.

Section 8 [Charges; §16E.21, subd. 2] expands the list of things for which an agency may use funds from the Odyssey account.

Section 9 [County and Local Cybersecurity Grants; §16E.35]

Subd. 1. [Cybersecurity grant program established] authorizes the commissioner of information technology services to make grants to political subdivisions to support addressing cybersecurity risks or threats to the information systems of state, local, or Tribal governments, as provided in the federal Infrastructure, Investment, and Jobs Act.

Subd. 2 [Match requirement] requires a political subdivision receiving a grant to provide the remainder of the project costs that exceed available state match appropriated funds, or that exceed goals defined in the statewide cybersecurity plan.

Subd. 3 [Criteria] authorizes the commissioner of information technology to set criteria for program priorities and standards of review.

This section is from SF 2979 (Murphy).

Section 10 [Repealer] repeals section 16E.0466, subd. 2, that requires the chief information officer to report to the legislature annually on specified things regarding agency-requested IT projects. The listed things are added to the list of things required in a report under section 3 of this bill.

All sections in this article are effective July 1, 2023.

Article 4 - State Employees with Disabilities

Article 4 contains SF 1261 (Maye Quade). This bill reflected recommendations of the Advisory Task Force on State Employment and Retention of Employees with Disabilities.

Section 1 [Precedence of merit principles and nondiscrimination; §43A.01, subd. 2] modifies the state's affirmative action requirements. Specifies that the state's affirmative action policy includes supporting full and equal participation in the social and economic life in the state. Requires managers and supervisors responsible for hiring to be made aware of bias in the hiring process.

Section 2 [Accommodation fund; §43A.02, subd. 1a] establishes a fund for reimbursing state agencies for eligible expenses for providing reasonable accommodations to state employees with disabilities.

Section 3 [Americans with Disabilities Act; §43A.02] provides a short title of the "Americans with Disabilities Act" to reference the federal Americans with Disabilities Act of 1990, as amended.

Section 4 [Digital accessibility; §43A.02, subd. 18a] defines "digital accessibility."

Section 5 [Reasonable accommodation; §43A.02, subd. 35a] defines "reasonable accommodation" for purposes of the state employment chapter by cross-referencing the definition of the same term in the section of statute that precludes unfair discrimination in employment.

Section 6 [Mission; efficiency; §43A.04, subd. 1a] adds two items to the list of the mission of the department of management and budget: (1) to ensure technology used by employees is accessible and provided in a timely manner; and (2) to endeavor to use equitable and inclusive practices to attract and recruit protected class employees, eliminate discrimination against protected group employees, and provide equitable access to development and training, advancement, and promotional opportunities.

Section 7 [Administrative procedures; §43A.04, subd. 4] requires that certain administrative procedures to implement chapter 43A be reproduced in accessible digital formats. Requires public notice for pilot employee selection processes to be accessible and requires the process for the public to provide comment to be in multiple formats.

Section 8 [Reporting; §43A.04, subd. 7] requires online posting of a report that is currently required of the commissioner of management and budget on appointments made without following

full appointment procedures, as allowed under current law. (Under current law, the following are appointments that are allowed to be filled other than by appointment from a finalist pool, under specified circumstances: emergency appointments, temporary appointments, provisional appointments, noncompetitive promotions, appointments through transfer or demotion, appointments for unclassified incumbents of newly classified positions, routine service of unskilled tasks, probational appointment of people who have completed certain on-the-job state training programs, seasonal employees in the department of revenue, on-the-job demonstration process for applicants with disabilities, and reinstatement of a former or probationary employee.) Requires the commissioner of management and budget to advertise the report in multiple formats to ensure broad dissemination.

Section 9 [Recruitment; §43A.09] specifies that qualified people with disabilities must be given special emphasis in recruitment for state employment. Requires that all technology and digital content related to recruiting and hiring must be accessible to people with disabilities.

Section 10 [Application requirements; §43A.10, subd. 2a] requires that a posting for a job description for state employment be relevant to the duties of the job and be nondiscriminatory. Specifies that a job experience demonstration process, detailed and amended in section 13, is considered an alternative noncompetitive hiring process for classified positions for qualified people with disabilities. Hiring managers and people involved in the candidate selection process must be aware of the accommodation fund. Requires the commissioner to make the online application process and all digital content related to a database of applicants for state employment to be accessible for people with disabilities.

Section 11 [Selection process accommodations; §43A.10, subd. 7] requires the commissioner of management and budget or the appointing authority to use the accommodation fund during the selection process to provide reasonable accommodations to a qualified applicant with a disability. Requires the commissioner of management and budget to ensure agencies are made aware of the accommodation fund and its function.

Section 12 [Appointments; §43A.14] adds a specific reference to people with disabilities to a requirement that appointments in the classified service be representative.

Section 13 [700-hour on-the-job demonstration experience; §43A.15, subd. 14] makes modifications to the existing process that allows an applicant with a disability of a significant nature to work on the job for which the applicant is unable to demonstrate their abilities in the selection process.

Paragraph (a) adds a requirement that the commissioner of management and budget consult with DEED's Vocational Rehabilitation Services and State Services for the Blind and other disability experts to establish, review, and modify the procedures for the program. Eliminates a procedure for up to three people to demonstrate job competence as a unit. Specifies that the on-the-job demonstration experience is for qualified applicants with disabilities. All permanent classified positions in the executive branch must offer on-the-job demonstration experience to qualified applicants with disabilities and all job postings for these positions must provide information about the on-the-job demonstration experience.

Paragraph (b) specifies that qualified applicants should be converted to permanent probationary appointments after the qualified applicant demonstrates the ability to perform the essential functions of the job.

Paragraph (c) makes the commissioner of management and budget and the ADA and disability employment director responsible for the administration and oversight of the on-the-job demonstration experience. Requires them to develop policies and procedures, data collection and reporting requirement, and compliance.

Paragraph (d) requires the commissioner to design and implement training curriculum for the on-the-job demonstration experience. Requires annual training on the program for all executive leaders, managers, supervisors, human resources professionals, affirmative action officers, and ADA coordinators.

Paragraph (e) requires the commissioner of management and budget to establish a formal grievance process for people in the on-the-job demonstration experience and people in a supported work program.

Paragraph (f) requires that agencies provide reasonable accommodations in a timely manner to an applicant with a disability. The reasonable accommodations include providing accessible technology or alternative formats. The accommodations must be provided during the application and hiring process and through the on-the-job demonstration experience. Makes requirements for accessibility for public records, continuing education for employees, and technology used by employees applicable during the application and hiring process and during the on-the-job training experience.

Section 14 [Report and survey; §43A.15] requires the commissioner of management and budget to report annually on specified enterprise-wide statistics on the on-the-job demonstration experience. Requires the commissioner to administer a survey annually to participants in the on-the-job demonstration experience. Requires the commissioner to consult annually with DEED's Vocational Rehabilitation Services and the State Services for the Blind and other disability experts on the survey results and to assess program satisfaction and make recommendations for improvement. Requires the commissioner to publish a report on the MMB's website with data from the survey and the recommendations for improvement.

Section 15 [Statewide affirmative action program; §43A.19, subd. 1] makes modifications to the state's affirmative action program for employees of the civil service in the executive branch.

Paragraph (a) modifies the stated purpose of the state's affirmative action program. Under current law the program is "to eliminate the underutilization of qualified members of protected groups." This section changes that purpose to "to eliminate the effects of past and present discrimination, intended or unintended, on the basis of protected group status." Requires agency heads to report the analysis of separation patterns to determine the impact on protected group members to the state Director of Recruitment, Retention, and Affirmative Action and the state ADA coordinator and to make the information available on request. Requires the commissioner of management and budget to annually post the aggregate and agency-level reports.

Paragraph (e) requires the commissioner of management and budget to designate a statewide ADA and disability employment director to whom the commissioner may delegate

the preparation, revision, implementation, evaluation, and administration of the state's affirmative action program. Makes the director responsible for the on-the-job demonstration experience under the supported work program and disabled veteran's employment program. Sets qualifications for the director and specifies the position may be in the unclassified service if it meets criteria for an unclassified position established in existing statute.

Paragraph (f) requires agency affirmative action plans and reports to be posted on the agency's public and internal websites within 30 days of approval. Requires the commissioner of management and budget to post links to all executive branch, agency-approved, affirmative action plans on its public website. Accessible copies of the plans must be available to employees and the public on request.

Section 16 [Affirmative action officers; §43A.191] modifies requirements for agency affirmative action plans.

Subd. 1 [Affirmative action officers] precludes an agency affirmative action officer from being an unclassified employee.

Subd. 2 [Agency affirmative action plans] requires that reasonable accommodations for applicants and employees be provided timely.

Subd. 2a [Disability recruitment, hiring, and advancement] requires that agency affirmative action plans include specified information.

Subd. 3 [Audits; sanctions and incentives] requires the commissioner of management and budget to report audit findings to the governor if an agency fails to meet the affirmative action requirements for two consecutive years. Requires making public on MMB's website a currently required biennial report on the progress of each agency and the state as whole with respect to affirmative action.

Section 17 [Authority; purpose; §43A.21, subd. 1] requires the commissioner of management and budget to coordinate with the director of statewide ADA and disability employment (a position established in this bill) and the chief inclusion officer in conducting employee training and development. Adds goals for training and development to include "[building] employee capacity to deliver accessible and inclusive services to the public, including people with disabilities" and "[supporting] an inclusive work environment for employees with disabilities and employees of other protected classes."

Section 18 [Responsibilities; §43a.21, subd. 2] adds requirements for state employees to receive annual training on Title II of the Americans with Disabilities Act, the state's affirmative action policy, equal opportunity employment, and digital accessibility standards.

Section 19 [Programs; §43A.21, subd. 3] requires managers and supervisors to receive training on inclusive work environments, disability awareness, cultural competence, and other equity and diversity areas. Requires agencies to conduct annual Americans with Disabilities Act self-assessment to ensure training programs meet the standards for universal design in learning.

Section 20 [Accessibility; §43A.21] requires the commissioner to ensure that training content and platforms meet accessibility standards. Requires that reasonable accommodations must be implemented in a timely and appropriate manner. All state employees, including ADA coordinators

and human resources staff, must have training and resources to implement an accessible and inclusive workplace.

Section 21 [Cooperation; state agencies; §43A.36, subd. 1] requires the head of each agency in the executive branch to designate an ADA coordinator who shall have primary responsibility for the administration of ADA policies, procedures, trainings, requests, and arbitration. The coordinator must report directly to the commissioner of management and budget.

Section 22 [Supported work program; §43A.421] makes modifications to the supported work program in the executive branch.

Subd. 1 [Program established] eliminates a requirement for a specific number of positions in state agencies to be included in a supported work program. Modifies the standard for participation in the supported work program through which up to three people share job responsibilities from people with “severe” disabilities to people with “significant” disabilities. Requires job postings for classified supported work jobs to link to an overview and application for the supported work program.

Subd. 2 [Responsibilities] requires the commissioner of management and budget to administer and oversee the supported work program. Requires policies, procedures, data collection and reporting requirements, and compliance. Requires the commissioner to implement a training curriculum for the supported work program. Requires all executive leaders, managers, supervisors, human resources professionals, affirmative action officers, and ADA coordinators to receive training regarding the program. Requires the commissioner to provide a grievance process for people in the program.

Section 23 [Americans with Disabilities Act Coordinators; §43A.431] requires state agencies to each designate at least one ADA coordinator. Specifies criteria to be an ADA coordinator. Specifies responsibilities for the ADA coordinators.

Section 24 [Advisory Committee on Service Worker Standards; Uncoded] requires the commissioner of management and budget to convene an advisory committee to make recommendations regarding updates and clarifications to the service worker class specifications. Requires a report by a specified date to the legislature on recommendations for changes to the service worker statute that provides that disability levels and types covered under the service worker category in the state civil service may include people with physical disabilities, mental health disabilities, and developmental disabilities.

All sections in this article are effective July 1, 2023.