

1.1 ..... moves to amend H.F. No. 2297 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. **[3.99] RACIAL EQUITY IMPACT NOTES.**

1.4 Subdivision 1. **Definition.** For purposes of this section, "protected group" means the  
1.5 minority communities listed in section 43A.02, subdivision 33.

1.6 Subd. 2. **Preparation.** The head or chief administrative officer of each department or  
1.7 agency of the state government, including the supreme court, shall prepare a racial equity  
1.8 impact note consistent with the standards and procedures adopted under this section, at the  
1.9 request of the chair or ranking minority member of the standing committee to which a bill  
1.10 has been referred, or the chair or ranking minority member of the house of representatives  
1.11 Ways and Means Committee, or the chair or ranking minority member of the senate  
1.12 Committee on Finance. The Legislative Budget Office shall coordinate the completion of  
1.13 the racial equity impact note.

1.14 Subd. 3. **Contents.** (a) A racial equity impact note shall:

1.15 (1) assess and articulate the racial equity impact of legislation;

1.16 (2) assess and articulate impact of the legislation on furthering inclusive economic  
1.17 growth;

1.18 (3) describe the method used to determine the information required in clause (1) and  
1.19 (2);

1.20 (4) identify the assumptions used in determining the impact of legislation on  
1.21 "communities of color" defined as: American Indian, Hispanic-Latino, Asian-Pacific,  
1.22 African, and African-American communities in protected groups;

2.1 (5) specify any long-range implication to advancing racial equity and or economic parity  
2.2 for undercapitalized Black, Hispanic, Asian or Pacific Islander, and American Indian or  
2.3 Alaskan Native people; and

2.4 (6) other items as determined by the legislative budget office.

2.5 (b) In carrying out these requirements, state agencies shall consult with members of  
2.6 communities that have been historically underrepresented in the state government and  
2.7 underserved by, or subject to discrimination in, state policies and programs.

2.8 Subd. 4. **Distribution.** A copy of the racial equity impact note shall be delivered by the  
2.9 Legislative Budget Office to the chair and ranking minority member of the Ways and Means  
2.10 Committee of the house of representatives, the chair and ranking minority member of the  
2.11 Finance Committee of the senate, the chair and ranking minority member of the standing  
2.12 committee to which the bill has been referred, to the chief author of the bill, and to the  
2.13 commissioner of management and budget.

2.14 **EFFECTIVE DATE.** This section is effective September 1, 2022.

2.15 Sec. 2. **RACIAL EQUITY IMPACT ASSESSMENT WORKING GROUP.**

2.16 Subdivision 1. **Working group established; membership.** (a) A Racial Equity Impact  
2.17 Assessment Working Group is established. The working group consists of the following  
2.18 members:

2.19 (1) the commissioner of human rights or the commissioner's designee;

2.20 (2) a representative of the Center for Economic Inclusion;

2.21 (3) a representative of Voices for Racial Justice;

2.22 (4) three members of the public appointed by the commissioner of human rights;

2.23 (5) two business community representatives designated by the Minnesota Business  
2.24 Partnership;

2.25 (6) four members affiliated with community-based organizations that represent people  
2.26 of color and indigenous communities, appointed by the speaker of the house; and

2.27 (7) four members affiliated with community-based organizations that represent people  
2.28 of color and indigenous communities, appointed by the majority leader of the senate.

2.29 (b) In making appointments, the speaker of the house and the majority leader of the  
2.30 senate must consult with the members of the People of Color and Indigenous Caucus within  
2.31 each respective body. The commissioner of management and budget, the state demographer,

3.1 the state economist, and the director of the Legislative Budget Office serve as ex-officio,  
3.2 nonvoting members of the working group.

3.3 Subd. 2. **Duties.** (a) The working group must develop recommendations for the required  
3.4 contents of a racial equity impact note and on the process for agencies to generate a racial  
3.5 equity impact note. The working group is responsible for engaging members of racial and  
3.6 ethnic groups disproportionately impacted by disparities. The working group must identify  
3.7 sources of disaggregated data for use by agencies to prepare racial equity impact notes and  
3.8 for the Legislative Budget Office to review and coordinate the completion of racial equity  
3.9 impact notes.

3.10 (b) The working group must submit a report describing its recommendations by February  
3.11 1, 2022, to the chairs and ranking minority members of the Legislative Budget Office  
3.12 Oversight Committee. The report may include draft procedures to codify the working group's  
3.13 recommendations.

3.14 (c) At its discretion, the working group may study and make additional reports to the  
3.15 chairs and ranking minority members of the Legislative Budget Office Oversight Committee  
3.16 recommending changes or improvements to the content of racial equity impact notes and  
3.17 the procedures used to create them.

3.18 (d) For purposes of this section, "disparities" includes, but is not limited to, the difference  
3.19 in economic, employment, health, education, housing, or public safety outcomes between  
3.20 the state population as a whole and racial and ethnic subgroups of the population.

3.21 Subd. 3. **Administration; assistance of experts.** (a) The executive director of the  
3.22 Legislative Budget Office shall convene the first meeting of the working group no later than  
3.23 September 1, 2021, and serves as the working group's executive secretary. Upon request of  
3.24 the working group members, the executive director of the Legislative Budget Office must  
3.25 arrange meeting space and provide administrative support for the group.

3.26 (b) In conducting its work, the working group may request the assistance of private  
3.27 sector experts specializing in issues related to the economic impacts of racial inequity.

3.28 Subd. 4. **Chair.** The members of the working group must elect a chair or cochairs at the  
3.29 initial meeting.

3.30 Subd. 5. **Compensation.** Members of the working group may be compensated as provided  
3.31 in Minnesota Statutes, section 15.059, subdivision 3.

3.32 Subd. 6. **Gifts and grants.** The working group may accept gifts and grants, which are  
3.33 accepted on behalf of the state and constitute donations to the state. Funds received under

4.1 this paragraph are appropriated to the Legislative Budget Office for purposes of the working  
4.2 group.

4.3 Subd. 7. **Deadline for appointments and designations.** The appointments and  
4.4 designations authorized by this section must be completed by August 1, 2021.

4.5 Subd. 8. **Expiration.** The working group expires September 1, 2023.

4.6 Sec. 3. **APPROPRIATION.**

4.7 \$..... in fiscal year 2022 is appropriated from the general fund to the Legislative Budget  
4.8 Office for the purposes of the working group established in section 2."

4.9 Delete the title and insert:

4.10 "A bill for an act  
4.11 relating to state government; establishing process for a legislator to request a racial  
4.12 equity impact note on legislation; proposing coding for new law in Minnesota  
4.13 Statutes, chapter 3."