

1.1 moves to amend H.F. No. 1837, the delete everything amendment
1.2 (H1837DE2), as follows:

1.3 Page 12, line 28, reinstate "~~even-numbered~~"

1.4 Page 12, line 29, delete "odd-numbered"

1.5 Page 17, after line 6, insert:

1.6 "Sec. 28. Minnesota Statutes 2024, section 16B.97, subdivision 1, is amended to read:

1.7 Subdivision 1. ~~Grant agreement~~ **Definitions.** (a) For the purposes of this section, the
1.8 following terms have the meanings given:

1.9 ~~A grant agreement is~~ (1) "grant agreement" means a written instrument or electronic
1.10 document defining a legal relationship between a granting agency and a grantee when the
1.11 principal purpose of the relationship is to transfer cash or something of value to the recipient
1.12 to support a public purpose authorized by law instead of acquiring by professional or technical
1.13 contract, purchase, lease, or barter property or services for the direct benefit or use of the
1.14 granting agency; and

1.15 (2) "grantee" means a potential or current recipient of a state-issued grant.

1.16 (b) This section does not apply to general obligation grants as defined by section 16A.695
1.17 ~~and,~~ capital project grants to political subdivisions as defined by section 16A.86, or capital
1.18 project grants otherwise subject to section 16A.642.

1.19 Sec. 29. Minnesota Statutes 2024, section 16B.98, subdivision 1, is amended to read:

1.20 Subdivision 1. **Limitation.** (a) As a condition of receiving a grant from an appropriation
1.21 of state funds, the recipient of the grant must agree to ~~minimize~~ that administrative costs
1.22 must be necessary and reasonable. The granting agency is responsible for negotiating

2.1 appropriate limits to these costs so that the state derives the optimum benefit for grant
2.2 funding.

2.3 (b) This section does not apply to general obligation grants as defined by section 16A.695
2.4 and also capital project grants to political subdivisions as defined by section 16A.86, or
2.5 capital project grants otherwise subject to section 16A.642."

2.6 Page 18, after line 14, insert:

2.7 "Sec. 32. Minnesota Statutes 2024, section 16B.981, subdivision 4, is amended to read:

2.8 Subd. 4. **Agency authority to not award grant.** (a) If, while performing the required
2.9 steps in subdivision 2 and pursuant to sections 16B.97, 16B.98, and 16B.991, the agency
2.10 requires additional information to determine whether there is a substantial risk that the
2.11 potential grantee cannot or would not perform the required duties of the grant agreement,
2.12 the agency must give the grantee ~~30-business~~ 15 calendar days within which the grantee
2.13 can respond to the agency for the purpose of satisfying the agency's concerns or work with
2.14 the agency to develop a plan to satisfy the concerns.

2.15 (b) If, after performing the required steps in subdivision 2 and pursuant to sections
2.16 16B.97, 16B.98, and 16B.991, and after reviewing any additional requested information
2.17 from the grantee, the agency still has concerns that there is a substantial risk that a potential
2.18 grantee cannot or would not perform the required duties under the grant agreement, the
2.19 agency must either create a plan to satisfy remaining concerns with the grantee or must not
2.20 award the grant.

2.21 (c) If, pursuant to paragraphs (a) and (b), the agency does not award a competitive,
2.22 single-source, or sole-source grant, the agency must provide notification to the grantee and
2.23 the commissioner of administration of the determination. The notification to the grantee
2.24 must include the agency's reason for postponing or forgoing the grant, including information
2.25 sufficient to explain and support the agency's decision, and notify the applicant of the process
2.26 for contesting the agency's decision ~~with the agency and the applicant's options under~~
2.27 ~~paragraph (d). If the applicant contests the agency's decision no later than 15 business days~~
2.28 ~~after receiving the notice, the agency must consider any additional written information~~
2.29 ~~submitted by the grantee. The agency has 15 business days to consider this information,~~
2.30 ~~during which the agency may reverse or modify the agency's initial decision to postpone~~
2.31 ~~or forgo the grant.~~

3.1 (d) The final decision by an agency under paragraph (c) may be challenged as a contested
 3.2 case under chapter 14. The contested case proceeding must be initiated within 30 ~~business~~
 3.3 calendar days of the date of written notification of a final decision by the agency.

3.4 (e) If, pursuant to paragraphs (a) and (b), the agency does not award a legislatively named
 3.5 grant, the agency must delay award of the grant until adjournment of the next regular or
 3.6 special legislative session for action from the legislature. The agency must provide
 3.7 notification to the potential grantee, the commissioner of administration, and the chairs and
 3.8 ranking minority members of the Ways and Means Committee in the house of representatives
 3.9 and the chairs and ranking minority members of the Finance Committee in the senate. The
 3.10 notification to the grantee must include the agency's reason for postponing or forgoing the
 3.11 grant, including information sufficient to explain and support the agency's decision and
 3.12 notify the applicant of the process for contesting the agency's decision under paragraph (d).
 3.13 ~~If the applicant contests the agency's decision no later than 15 business days after receiving~~
 3.14 ~~the notice, the agency must consider any additional written information submitted by the~~
 3.15 ~~grantee. The agency has 15 business days to consider this information, during which the~~
 3.16 ~~agency may reverse or modify the agency's initial decision to postpone or forgo the grant.~~
 3.17 The notification to the commissioner of administration and legislators must identify the
 3.18 legislatively named potential grantee and the agency's reason for postponing or forgoing
 3.19 the grant. After hearing the concerns of the agency, the legislature may reaffirm the award
 3.20 of the grant or reappropriate the funds to a different legislatively named grantee. Based on
 3.21 the action of the legislature, the agency must award the grant to the legislatively named
 3.22 grantee. If the legislature does not provide direction to the agency on the disposition of the
 3.23 grant, the funds revert to the original appropriation source.

3.24 Sec. 33. Minnesota Statutes 2024, section 16B.991, subdivision 2, is amended to read:

3.25 Subd. 2. **Authority.** A grant agreement must by its terms permit the commissioner to
 3.26 unilaterally terminate the grant agreement prior to completion if the commissioner determines
 3.27 that further performance under the grant agreement would not serve agency purposes or
 3.28 performance under the grant agreement is not in the best interests of the state."

3.29 Page 18, line 19, before the semicolon, insert ", unless specifically authorized by statute"

3.30 Page 18, line 20, delete "the state" and insert "a party"

3.31 Page 18, line 23, delete everything after "obligations"

3.32 Page 18, line 26, after "renewal" insert ", as defined in section 325G.56, subdivision 2"

3.33 Page 26, lines 8 and 9, delete "\$500,000" and insert "\$750,000"

4.1 Page 26, after line 15, insert:

4.2 "Sec. 47. **2025 COMPENSATION COUNCIL REVIVED.**

4.3 The Compensation Council appointed under Minnesota Statutes, section 15A.082, in
4.4 2025 is revived on June 1, 2026, and expires upon the council's submission of judicial salary
4.5 recommendations in accordance with Minnesota Statutes, section 15A.082, subdivision 3,
4.6 paragraph (a), as amended in section 21."

4.7 Page 31, delete sections 11 and 12

4.8 Page 34, after line 15, insert:

4.9 "Sec. 18. Minnesota Statutes 2024, section 43A.18, subdivision 2, is amended to read:

4.10 Subd. 2. ~~Commissioner's~~ **Nonrepresented employees compensation plan.** Except as
4.11 provided in section 43A.01, the compensation, terms and conditions of employment for all
4.12 classified and unclassified employees, except unclassified employees in the legislative and
4.13 judicial branches, who are not covered by a collective bargaining agreement and not otherwise
4.14 provided for in chapter 43A or other law are governed solely by a plan developed by the
4.15 commissioner. The Legislative Coordinating Commission shall review the plan under section
4.16 3.855, subdivision 2. The plan need not be adopted in accordance with the rulemaking
4.17 provisions of chapter 14."

4.18 Renumber the sections in sequence and correct the internal references

4.19 Amend the title accordingly