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State of Minnesota  
**HOUSE OF REPRESENTATIVES**

EIGHTY-SIXTH  
SESSION

**HOUSE FILE No. 3862**

May 16, 2010

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The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform,  
Technology and Elections

1.1 A bill for an act  
1.2 relating to state government; creating the Minnesota Civic Compact, the  
1.3 Civic Agency, the Minnesota Youth Council, the Volunteer Capacity Building  
1.4 Partnership, and the Civic Innovation Fund; requiring establishment of a state  
1.5 strategic plan, public policy goals, and performance measures; establishing  
1.6 a process for evaluating achievement of performance measures; creating an  
1.7 Office of Ombudsman; requiring reports; appropriating money; amending  
1.8 Minnesota Statutes 2008, section 16A.28, subdivision 1; Minnesota Statutes  
1.9 2009 Supplement, section 4A.01, subdivision 1; Laws 2009, chapter 96, article  
1.10 2, section 67, subdivisions 15, 18; proposing coding for new law in Minnesota  
1.11 Statutes, chapters 3; 15; 16B; 16C; proposing coding for new law as Minnesota  
1.12 Statutes, chapter 4B.

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

1.14 **ARTICLE 1**

1.15 **MINNESOTA CIVIC COMPACT; PLANNING, INNOVATION, AND RESULTS**

1.16 Section 1. **[4B.01] PURPOSE.**

1.17 The Minnesota Civic Compact recognizes that the long-term success and high quality  
1.18 of life of Minnesota will depend on a new approach to governance that brings public  
1.19 officials and citizens together to set a clear vision for the state's future built on a foundation  
1.20 of planning, performance management, accountability, and empowerment. This requires  
1.21 that the state create a strategic plan, that it innovates in the delivery of public services, and  
1.22 that it measures its success in producing superior results for the citizens of the state.

1.23 Sec. 2. **[4B.02] MINNESOTA NORTHSTAR COUNCIL.**

1.24 Subdivision 1. **Establishment.** The commissioner of management and budget must  
1.25 establish and convene the Minnesota Northstar Council to develop a state strategic plan

2.1 which will include: (1) a mission statement for the state; (2) up to ten policy goals; and (3)  
2.2 up to 100 strategic performance measures.

2.3 Subd. 2. **Membership.** (a) The Minnesota Northstar Council shall consist of no  
2.4 more than 20 members. The council shall include the governor, the lieutenant governor,  
2.5 the speaker of the house of representatives, the house of representatives minority leader,  
2.6 the senate majority leader, and the senate minority leader, who serve as the executive  
2.7 committee. The executive committee of the council shall select the remaining members  
2.8 of the council.

2.9 (b) The remaining members of the council must be citizens with knowledge and  
2.10 expertise on major state issues. The council must have ten members from the following  
2.11 communities in Minnesota: business, union, nonprofit, foundation, volunteerism,  
2.12 performance measurement, redesign and planning, cities, counties, and a youth member.  
2.13 The council shall have two additional members selected from the general public. Persons  
2.14 holding the following five positions serve as ex-officio members of the council: the  
2.15 commissioner of management and budget, the president of the University of Minnesota,  
2.16 the state demographer, the state economist, and the ombudsman. The governor, or the  
2.17 governor's designee, shall chair the council. The assistant commissioner of the Planning  
2.18 and Performance Management Division of Minnesota Management and Budget shall  
2.19 serve as executive director of the council.

2.20 (c) Members appointed by the executive committee serve at the pleasure of  
2.21 the executive committee. Citizen members serve without compensation, but may be  
2.22 reimbursed for expenses as provided in section 15.059.

2.23 Subd. 3. **Voting requirements.** While the goal is consensus, all actions of the  
2.24 council must be approved by a majority vote of a quorum of council members present at a  
2.25 meeting. The state strategic plan must be approved by a majority vote of the council and  
2.26 by a majority of the members of the executive committee.

2.27 **Sec. 3. [4B.03] STATE STRATEGIC PLAN; STRATEGIC PERFORMANCE**  
2.28 **MEASURES.**

2.29 Subdivision 1. **Development.** (a) The council, with advice from state departments  
2.30 and agencies and aligned legislative committee chairs and ranking members, shall develop  
2.31 a state strategic plan which must include: (1) a mission statement for the state; (2) up  
2.32 to ten policy goals; and (3) up to 100 outcome-based strategic performance measures.  
2.33 Strategic performance measures are a level of achievement by which the state and its  
2.34 departments can measure their own progress against internal or external standards.  
2.35 Strategic performance measures must be outcome-based measures.

3.1 (b) In developing the state strategic plan, the council shall reach out to gather and  
3.2 coordinate citizen input from citizens across the state. The council must use the work and  
3.3 process of the Minnesota Milestones in developing the strategic plan and in the council's  
3.4 other work. The commission must include the use of social media in soliciting input.

3.5 (c) The council must complete the initial state strategic plan by March 2012.  
3.6 The council shall review and approve changes to the strategic plan by January of each  
3.7 even-numbered year. The strategic plan shall undergo continuous review and improvement  
3.8 by the Northstar Council. Each of the ten goal areas and aligned strategic measures must  
3.9 undergo an in-depth review at least once every four years by the Northstar Council.

3.10 Subd. 2. **Strategic performance measures.** The council or Minnesota Management  
3.11 and Budget must designate an owner for each strategic performance measure that the  
3.12 council establishes as a means of measuring progress toward accomplishment of the public  
3.13 policy goals established by the council. The owner is responsible for the tracking of the  
3.14 measure, the results of the strategic performance measures, and the strategies implemented  
3.15 to improve performance in this area.

3.16 Subd. 3. **Performance improvement plans.** Upon request of the commissioner of  
3.17 management and budget, the head of an executive agency must develop a performance  
3.18 improvement plan for each public policy goal and its aligned strategic performance  
3.19 measure. The performance improvement plan must include proposals and actions for  
3.20 achieving the goals and measurements and must include input from aligned legislative  
3.21 committees and their chairs and Minnesota Management and Budget. In addition, the  
3.22 performance improvement plan may include a description of how the volunteerism,  
3.23 service, nonprofit, and business sectors will be engaged in improving the strategic  
3.24 performance measurement. The department or agency officer in charge of this strategic  
3.25 performance measurement may designate an existing working group or create a new  
3.26 working group in order to receive feedback, develop the performance improvement plan,  
3.27 and carry out the performance improvement plan. Working groups may include members  
3.28 from the public and private sector but shall not include vendors that would directly benefit  
3.29 from contracts with this department or agency.

3.30 **Sec. 4. [4B.04] AGENCY STRATEGIC PLANS; PERFORMANCE**  
3.31 **MANAGEMENT SYSTEMS.**

3.32 Subdivision 1. **Development of strategic plan.** Each state agency and department  
3.33 listed in section 15.06 must work with the aligned legislative committees and their chairs  
3.34 and Minnesota Management and Budget to prepare a strategic plan using an outcome-based  
3.35 approach for the agency or department under the commissioner's jurisdiction.

4.1 Subd. 2. **Required content.** The strategic plan must be aligned with the state  
4.2 strategic plan and must identify key strategic outcomes for the next two bienniums and  
4.3 must include:

4.4 (1) a mission statement for the agency or department;

4.5 (2) outcome-based strategic performance measures within the state strategic plan  
4.6 that fall under the jurisdiction of this agency or department;

4.7 (3) quality and productivity department or agency performance measures for  
4.8 determining performance for each major activity within the agency or department's  
4.9 budget. Performance measures must measure the performance of state-mandated services  
4.10 or operations. All budget items must be assigned an outcome-based goal within the state  
4.11 strategic plan;

4.12 (4) the methodology used to create the metrics to measure the performance measures;

4.13 (5) the goal level of performance for each performance measure;

4.14 (6) if progress has been made from the previous year on each performance measure;

4.15 (7) a method by which the success or failure to achieve the outcome will be  
4.16 measured;

4.17 (8) the executive official or owner responsible for achieving each performance  
4.18 measure;

4.19 (9) the agency's or department's plans to achieve the goals and improve the  
4.20 department's performance within the department or agency plan; and

4.21 (10) the projected costs for achieving the department or agency strategic plan.

4.22 Subd. 3. **Private sector engagement.** The department or agency may collaborate  
4.23 with the volunteerism, nonprofit, and business sectors to develop the department or  
4.24 agency strategic plan.

4.25 Subd. 4. **Performance improvement plans.** Upon request of the commissioner  
4.26 of the agency or department of the aligned strategic plan, employees must develop  
4.27 a performance improvement plan for each performance measure. The performance  
4.28 improvement plan must include proposals and actions for achieving the goals and  
4.29 measurements. In addition, the performance improvement plan may include a description  
4.30 of how the volunteerism, service, nonprofit, and business sectors will be engaged in  
4.31 improving performance in that area. The department or agency officer in charge of this  
4.32 performance measurement may designate an existing working group or create a new  
4.33 working group in order to receive feedback, develop the performance improvement plan,  
4.34 and carry out the performance improvement plan. Working groups may include members  
4.35 from the public and private sector but shall not include vendors that would directly benefit  
4.36 from contracts with this department or agency.

5.1 Subd. 5. **Council review.** The council must review the department and agency  
5.2 strategic plans developed under subdivision 1. The head of each agency or department  
5.3 must designate an owner for each strategic performance measure. The owner is  
5.4 responsible for the tracking and results of the performance measure. The council may  
5.5 make suggestions to the governor on alignment between the state's and departments'  
5.6 strategic plans.

5.7 Subd. 6. **Technical assistance.** Minnesota Management and Budget shall provide  
5.8 technical assistance to departments or agencies in the development of the department  
5.9 or agency plans, performance measures, and outcome-based budgeting. The Office of  
5.10 Enterprise Technology shall provide technological support in order to track performance  
5.11 and make information available to the public.

5.12 **Sec. 5. [4B.05] IMPROVING AGENCY OPERATIONS AND PRODUCTIVITY.**

5.13 Subdivision 1. **Employee objectives and learning.** Each state department and  
5.14 agency listed in section 15.06 must align all employee objectives and learning to the state  
5.15 and agency strategic plans, performance measures, and improvement plans.

5.16 Subd. 2. **Report.** Each state department and agency listed in section 15.06 shall  
5.17 report to the governor and the legislature by January 15 of each even-numbered year on  
5.18 statutory changes that will improve performance measures.

5.19 Subd. 3. **Performance objectives.** All state managers must set performance  
5.20 objectives for their units annually to be used in the annual performance appraisals of  
5.21 their employees. Each employee must have a learning and development plan. The  
5.22 commissioner of management and budget must conduct annual employee surveys to  
5.23 gather employee input on how agencies can improve performance.

5.24 Subd. 4. **Methods of improving agency performance.** (a) All state departments  
5.25 and agencies must in implementing performance improvement measures, ensure to the  
5.26 greatest extent practical that there will not be layoffs of current employees as a result of  
5.27 implementation of changes that improve agency performance.

5.28 (b) The commissioner of management and budget must develop a system for  
5.29 employees to gain from efficiencies and cost savings. Management in partnership with  
5.30 their exclusive bargaining representative shall develop work performance teams, or use  
5.31 existing labor-management teams, to spend excess money gained by productivity gains  
5.32 or efficiencies. This money may be spent on training, retraining, better equipment to  
5.33 improve performance, or tuition reimbursement.

5.34 Subd. 5. **Employee evaluations.** Evaluations of employee performance should  
5.35 include an evaluation of how an employee has impacted state performance. The

6.1 evaluations should note the extent external factors beyond the control of the employee are  
6.2 responsible for the level of achievement of performance measures.

6.3 Subd. 6. **Governor review of agency performance.** The governor shall hold an  
6.4 annual performance review with all of the state departments and agencies listed in section  
6.5 15.06 to ensure that they are making progress in implementing their strategic plans,  
6.6 performance measures, and improvement plans.

6.7 **Sec. 6. [4B.06] PUBLIC "REPORT CARD" ON STATE PERFORMANCE.**

6.8 (a) The Planning and Performance Management Division of Minnesota Management  
6.9 and Budget shall propose the form of a Minnesota State Performance Report Card to  
6.10 the council for approval.

6.11 (b) The report card shall be made public by January 15 of each year and shall, in a  
6.12 format easily understood by the public starting in the year 2013, show:

6.13 (1) state policy goals;

6.14 (2) the strategic performance measures;

6.15 (3) the methodology used to create the metrics to measure the strategic performance  
6.16 measures;

6.17 (4) the goal level of performance for each performance measure determined by the  
6.18 Northstar Council;

6.19 (5) if progress has been made from the previous year on each performance measure;

6.20 (6) a statement of value to the taxpayer when possible;

6.21 (7) a statement relating if the value has gone down or up from the previous year  
6.22 based on an indexed rate of change when possible;

6.23 (8) the executive official responsible for achieving each performance measure; and

6.24 (9) the legislative committee that has jurisdiction for the department or agency.

6.25 (c) The commissioner of management and budget shall conduct an annual citizen  
6.26 survey to determine the citizen perception of achievement of the state's goals and  
6.27 performance measures where applicable.

6.28 **Sec. 7. [4B.07] PERFORMANCE QUALITY GUARANTEE.**

6.29 The commissioner of management and budget shall conduct an audit which includes  
6.30 recommendations for an improvement plan after the first year the commissioner has  
6.31 determined that a state department or agency is not meeting performance measure  
6.32 or measures at an acceptable level. After the second consecutive year in which the  
6.33 commissioner has determined a state agency or department is not meeting a performance  
6.34 measure or measures, the department or agency is considered on probationary status,

7.1 and must report monthly on its performance, to the commissioner of management and  
7.2 budget and the governor. After the third consecutive year in which the commissioner  
7.3 has determined a state agency or department is not meeting a performance measure or  
7.4 measures, the governor shall take corrective action which may include one or more of  
7.5 the following:

7.6 (1) external restructuring of the department;

7.7 (2) dismissal of management;

7.8 (3) consolidation of the department with another; and

7.9 (4) a proposal to the legislature to abolish the department or one or more of its  
7.10 programs and return the revenues used to fund the department or its programs back to  
7.11 the citizens of Minnesota.

7.12 **Sec. 8. [4B.08] BUDGETING BASED ON STATE'S STRATEGIC PLAN.**

7.13 (a) The governor shall propose a budget based on the state's strategic plan. The  
7.14 commissioner of management and budget must work with state departments and agencies  
7.15 in developing their budgets based on the ten public goals in the state strategic plan as well  
7.16 as the department and agency strategic plans, performance measures, and improvement  
7.17 plans. The governor's budget proposal must indicate the impact on achieving the state's  
7.18 goals. The budget must be able to be presented by department or by goal achievement as  
7.19 outlined in the state strategic plan.

7.20 (b) Department or agency budget proposals must include integration of performance  
7.21 measures that allow objective determination of an activity's success in achieving its  
7.22 strategic goals. Each department or agency shall include in the budget proposal an  
7.23 explanation of how the budget request promotes the strategic goals, performance  
7.24 measures, and outcomes outlined in the applicable strategic plan. For each change item in  
7.25 the budget proposal, the goal or performance measure to be achieved by the cost increase  
7.26 must be identified along with the method to evaluate whether or not the outcome has  
7.27 been achieved. The governor's budget may include proposals to eliminate mandates and  
7.28 maintenance of effort provisions if certain performance outcomes can be reached.

7.29 (c) Budget targets shall be set by goal or outcome achieved rather than by department.  
7.30 Budget items shall be evaluated and ranked within each budget to determine how well that  
7.31 budget item contributes to the achievement of state's strategic goals. Budget items that  
7.32 lead to high outcome achievement will receive high budget priority and budget items that  
7.33 lead to low outcome achievement will be ranked lower and may not receive funding.

7.34 (d) The departments must present biannually to the aligned legislative committees  
7.35 on the achievement of the state's strategic goals through aligned strategic plans and

8.1 performance measures. The chair of the aligned legislative committees may request  
8.2 updates at any time. The commissioner of management and budget shall work with  
8.3 department and agency staff to prepare fiscal notes that in addition to financial impacts  
8.4 also indicate how a bill will impact the achievement levels of the state's and departments'  
8.5 strategic plans and performance measures.

8.6 (e) The legislature may use the performance measurement system to mandate  
8.7 performance measure outcomes rather than mandating a service delivery mandate or  
8.8 maintenance of effort. The legislature must take into account costs when setting mandates  
8.9 for performance-based outcomes.

8.10 (f) The Revisor of Statutes must insert, upon the request of the author of a bill, an  
8.11 additional legal size sheet of paper during bill jacketing. This sheet shall include the  
8.12 author's rationale for the bill. The author of the bill may use this sheet to describe how that  
8.13 piece of legislation will impact state performance, create better outcomes for the state, and  
8.14 create better value for the taxpayer as well as other rationale for the bill. This sheet must  
8.15 be posted online in a digital form along with the bill after bill introduction.

8.16 **Sec. 9. [4B.09] PROMOTING EXCELLENCE, ACCOUNTABILITY, AND**  
8.17 **PUBLIC SERVICE REDESIGN.**

8.18 The commissioner of management and budget must establish a Planning and  
8.19 Performance Management Division. The governor shall appoint an assistant commissioner  
8.20 for management and budget to oversee the Planning and Performance Management  
8.21 Division. The division must:

8.22 (1) establish and convene the Minnesota Northstar Council;

8.23 (2) work with the council to set up the process to develop the strategic plan;

8.24 (3) assist the council in developing the state strategic plan;

8.25 (4) consult on management with state agencies;

8.26 (5) develop the report card and the state departments' and agencies' strategic  
8.27 planning process and reporting requirements;

8.28 (6) develop a transparent way to show the progress of the state on its performance  
8.29 measures online and in print;

8.30 (7) work with departments and agencies in setting their strategic plans;

8.31 (8) develop a planning infrastructure for the state in addition to the state strategic  
8.32 plan and serve as the state planning office;

8.33 (9) research topics and complete ongoing projects on public sector redesign,  
8.34 state planning, performance measurement, and effective management approaches in  
8.35 collaboration with the University of Minnesota and others as directed by the council;



9.1 (10) report on demographic trends in the state of Minnesota; and  
 9.2 (11) assess training needs and work with agencies and departments and exclusive  
 9.3 representatives of the agency on training and retraining of state employees.

9.4 Sec. 10. **[4B.10] MINNESOTA OFFICE OF OMBUDSMAN; "ONE-STOP**  
 9.5 **SHOP" FOR CITIZENS.**

9.6 Subdivision 1. **Creation.** The Minnesota Office of Ombudsman is created in the  
 9.7 Department of Management and Budget to respond to citizens' concerns about state  
 9.8 government. The Office of Ombudsman must report regularly to the governor and the  
 9.9 legislature about its findings.

9.10 Subd. 2. **Telephone service.** The Minnesota Office of Ombudsman must establish  
 9.11 a 311 telephone service as a way to direct Minnesotans to the people serving in state  
 9.12 government. This will be a connector for citizens. When practical, this service must  
 9.13 serve as a "one-stop shop" for state services and an information line. Among other  
 9.14 functions, the service may serve as a way to find a polling place, find a local division of  
 9.15 motor vehicles location, or be transferred to a person that can help with a problem within  
 9.16 state government.

9.17 Subd. 3. **Resolution of problems.** When a person needs help accessing state  
 9.18 services and is not being served well, the ombudsman must work to resolve the problem or  
 9.19 determine that the problem is not resolvable.

9.20 Subd. 4. **Complaints and comments.** The office must serve as a place that citizens  
 9.21 may bring complaints or comments about the state. This office may investigate claims,  
 9.22 including breaches of the public trust, or suggest topics to the Office of the Legislative  
 9.23 Auditor. The ombudsman shall file an annual report to the legislature, governor, and the  
 9.24 public detailing what types of cases the ombudsman has made as a connector, caseworker,  
 9.25 mediator, or complaint receiver.

9.26 Subd. 5. **Mediation role.** The office shall serve as a third party in cases of  
 9.27 disputes between the state and citizens when mediation would be helpful. In any case the  
 9.28 ombudsman may refer parties to take part in legal services.

9.29 Sec. 11. **[16C.051] TAXPAYER ACCOUNTABILITY PROVISIONS.**

9.30 Subdivision 1. **Application.** This section applies to a contract with an estimated  
 9.31 value of \$100,000 or more. The requirements imposed by this section are in addition  
 9.32 to, and do not supersede, the requirements of any other applicable section of law. This  
 9.33 section does not apply to a Department of Transportation contract that is subject to  
 9.34 section 161.3203.

10.1 Subd. 2. **Required review.** (a) Before entering into a contract subject to this section,  
10.2 the agency head must prepare a comprehensive written estimate of the cost of having the  
10.3 same work provided in the most cost-effective manner by agency employees. The cost  
10.4 estimate must include all costs of having agency employees provide the work, including  
10.5 the cost of pension, insurance, and all other employee benefits. The cost estimate is  
10.6 nonpublic data, as defined in section 13.02, subdivision 9, until the day after the deadline  
10.7 for receipt of responses under paragraph (b).

10.8 (b) After soliciting and receiving responses, the agency head shall publicly designate  
10.9 the responder to which it proposes to award the contract. The commissioner shall prepare  
10.10 a comprehensive written estimate of the cost of the proposal based on the designated  
10.11 responder's bid, including costs associated with monitoring the proposed contract. If the  
10.12 designated responder proposes to perform any or all of the desired services outside the  
10.13 state, the commissioner shall include in the cost estimate, as nearly as possible, any loss of  
10.14 sales and income tax revenue to the state. The cost estimate must not include trade secret  
10.15 data which is classified as nonpublic data under section 13.37, subdivision 2.

10.16 (c) An agency may not enter into a contract subject to this section unless the agency  
10.17 head determines that:

10.18 (1) the cost estimated under paragraph (b) will be lower than the cost estimated  
10.19 under paragraph (a);

10.20 (2) the quality of the work to be provided by the designated responder is likely to  
10.21 equal or exceed the quality of services that could be provided by state employees;

10.22 (3) the contract, together with other contracts to which the department is or has been  
10.23 a party, will not violate section 16C.08 or 16C.09, or otherwise reduce full-time equivalent  
10.24 positions within the department; and

10.25 (4) the proposed contract is in the public interest.

10.26 Subd. 3. **Reports.** The commissioner of administration must report to the legislature  
10.27 by September 1 each year, in compliance with sections 3.195 and 3.197, on implementation  
10.28 of this section. The report must list all contracts subject to this section that were executed  
10.29 or performed, whether wholly or in part, in the previous fiscal year. The report must  
10.30 identify, with respect to each contract: the contractor; contract amount; duration; work,  
10.31 provided or to be provided; the comprehensive estimate derived under subdivision 2,  
10.32 paragraph (a); the comprehensive estimate derived under subdivision 2, paragraph (b); the  
10.33 actual cost to the agency of the contractor's performance of the contract; and a statement  
10.34 containing the agency head's determinations under subdivision 2, paragraph (c).

11.1 **ARTICLE 2**

11.2 **CIVIC AGENCY**

11.3 Section 1. **[15.93] CIVIC AGENCY.**

11.4 Subdivision 1. **Purposes.** In order to create the outcome of vital and livable  
 11.5 communities with civically engaged Minnesotans, the Civic Agency is created. It is  
 11.6 created to empower Minnesota citizens to be active stewards and stakeholders in the  
 11.7 state's future.

11.8 Subd. 2. **Establishment.** There is established a Civic Agency under the direction  
 11.9 and supervision of a commissioner who shall be appointed by the governor under the  
 11.10 provisions of section 15.06. The name "Civic Agency" is both the label of an agency of  
 11.11 government and an expression recognizing the ability of humans to create change.

11.12 Subd. 3. **Outcome-based agency.** The Civic Agency shall be an agency  
 11.13 organized around outcome attainment rather than a central bureaucracy. All entities  
 11.14 receiving state funds working to achieve the outcomes of increased volunteerism, civic  
 11.15 engagement, service learning, civic education, national and community service, political  
 11.16 participation, democratic participation, and increased voting shall be involved in creating  
 11.17 an outcome-based strategic plan but shall not be integrated into a central bureaucracy.

11.18 Subd. 4. **Staffing.** The commissioner shall hire staff in order to assist the  
 11.19 commissioner in carrying out the power and duties of the office.

11.20 Sec. 2. **[15.94] POWERS AND DUTIES OF COMMISSIONER.**

11.21 The commissioner of the Civic Agency shall formulate policies to effectuate the  
 11.22 purposes of section 15.93 and shall do the following:

11.23 (1) exercise leadership under the direction of the governor in the development of  
 11.24 civic engagement policies and programs, and make recommendations to the governor and  
 11.25 the legislature for their consideration and implementation;

11.26 (2) establish and maintain a principal office in St. Paul;

11.27 (3) establish a process to colocate existing civic engagement organizations in  
 11.28 a central facility and develop a system of mutually beneficial resource sharing for  
 11.29 non-mission-based organizational needs when practical;

11.30 (4) develop a strategic planning process for all entities receiving state funds working  
 11.31 to achieve the outcomes of increased volunteerism, civic engagement, service learning,  
 11.32 civic education, national and community service, political participation, democratic  
 11.33 participation, and increased voting. This plan shall include formal or informal partners

- 12.1 and shall focus on setting goals, increasing the collaboration between partners, and setting  
 12.2 up a collaborative plan for outcome achievement for the goals of the streams of service;  
 12.3 (5) whenever possible, defer programmatic responsibilities to credible, responsible  
 12.4 partners amongst the strategic planning process partners of the agency;  
 12.5 (6) provide resource sharing opportunities as well as organizational, financial, and  
 12.6 technical support;  
 12.7 (7) make every effort not to structurally merge or absorb responsibilities of strategic  
 12.8 planning partners;  
 12.9 (8) work to make sure strategic planning partners remain strong, independent, and  
 12.10 collaborative;  
 12.11 (9) advocate and consult with the legislature, the governor, and other entities about  
 12.12 the importance of civic engagement;  
 12.13 (10) serve as a one-stop shop for referrals and questions about civic engagement.  
 12.14 The Civic Agency's role is to refer or provide information about existing programs among  
 12.15 strategic planning partners;  
 12.16 (11) maintain a Web site of the various civic engagement initiatives in Minnesota;  
 12.17 (12) consult with strategic planning partners on attainment of the outcomes outlined  
 12.18 in the strategic plan. The commissioner may also work with a community advisory team  
 12.19 on issues relating to the operation of the agency;  
 12.20 (13) create a united marketing and development plan to increase collaboration and  
 12.21 visibility within the streams of service; and  
 12.22 (14) create a way to track the budgets of the streams of service across multiple  
 12.23 budgets within state government.

### ARTICLE 3

#### VOLUNTEERISM

##### Section 1. [3.9228] MINNESOTA YOUTH COUNCIL.

12.27 Subdivision 1. **Establishment and membership.** The Minnesota Youth Council  
 12.28 is established. The council shall consist of three members from each congressional  
 12.29 district in Minnesota and additional four members selected at large. Members shall be  
 12.30 selected through an application and interview process open to anyone ages 13 through  
 12.31 18. Members shall serve a two-year term, except that one-half of the initial members  
 12.32 shall serve a one-year term.

##### Subd. 2. **Duties.** The Minnesota Youth Council shall:

12.34 (1) provide advice and recommendation to the legislature and governor on issues  
 12.35 affecting youth;

- 13.1 (2) serve as liaisons for youth around the state to the legislature and the governor; and  
13.2 (3) serve as mentors for political education in the members' communities.  
13.3 Subd. 3. **Partnerships.** The Minnesota Youth Council shall partner with nonprofits  
13.4 and educational resources to fulfill the duties of this section.

13.5 **Sec. 2. [16B.90] VOLUNTEER CAPACITY BUILDING PARTNERSHIP.**

13.6 Subdivision 1. **Formation.** The commissioner of administration shall form a  
13.7 public-private partnership established as the Volunteer Capacity Building Partnership  
13.8 to support volunteer infrastructure and promote volunteerism in order to engage  
13.9 Minnesotans in the achievement of state and community outcomes. The commissioner  
13.10 of administration shall contract with an existing statewide organization that focuses on  
13.11 volunteer infrastructure.

13.12 Subd. 2. **Duties.** (a) The partnership shall bring to scale current efforts to provide  
13.13 training, consultation, and resources on volunteer engagement. The partnership shall  
13.14 provide technical assistance and training as needed to the public and private sector for the  
13.15 development and sustainment of volunteer programs throughout Minnesota to:

- 13.16 (1) offer widely available training on best practices of leadership of volunteers;  
13.17 (2) convene key organizations and leaders to address pressing issues; and  
13.18 (3) build citizen access to opportunities for volunteer service and create pathways  
13.19 for service to support state goals set by the Northstar Council.

13.20 (b) The partnership shall conduct research on volunteerism to ensure accessibility  
13.21 for all state citizens and identify the need of volunteer programs. The partnership may  
13.22 issue informational materials relating to volunteer programs in Minnesota and the results  
13.23 of the research.

13.24 (c) The partnership shall develop and execute a plan to promote volunteerism. This  
13.25 plan must include ways to recognize volunteers and encourage volunteerism.

13.26 (d) The partnership shall serve as an organization with the ability to keep Minnesota  
13.27 in the forefront of civic engagement. The partnership shall:

- 13.28 (1) monitor progress on a comprehensive volunteerism plan and update this plan  
13.29 on a periodic basis;  
13.30 (2) act proactively to bring opportunities in civic engagement forward for the state;  
13.31 (3) create an information system on volunteerism resources to serve as a  
13.32 clearinghouse to allow organizations and individuals with new ideas to connect with  
13.33 similar endeavors in the state;

14.1 (4) serve as a consultant to state agencies, policymakers, and departments on best  
14.2 practices in volunteerism and on opportunities in volunteerism to meet the goals outlined  
14.3 in the state strategic plan;

14.4 (5) promote and support efforts by citizens, community-based organizations,  
14.5 nonprofits, churches, and local government to collaborate in solving community problems;

14.6 (6) recognize and publicize models of effective public problem solving by citizens;  
14.7 and

14.8 (7) build citizen access to opportunities for volunteer service and create pathways  
14.9 for service to support state goals set by the Northstar Council.

14.10 (e) The partnership shall advance the goals outlined in the state strategic plan. The  
14.11 partnership shall assist the Northstar Council in tracking strategic performance measures  
14.12 in the area of civic engagement and volunteerism.

14.13 Subd. 3. **Coordination.** The partnership shall cooperate with national, state, and  
14.14 local groups in collecting information on federal, state, and private resources which  
14.15 may encourage and improve volunteer projects within the state. The partnership shall  
14.16 coordinate its research and other work on citizen engagement with other entities including,  
14.17 but not limited to, foundations, state boards, state commissions, the Minnesota Extension  
14.18 Service, the University of Minnesota, nonprofits, businesses, state agencies, and state  
14.19 departments.

14.20 Subd. 4. **Fees.** A private member of the partnership may charge a fee for service to  
14.21 state agencies, political subdivisions, private and nonprofit organizations, and individuals  
14.22 for services provided under this section.

14.23 **Sec. 3. [16B.91] CIVIC INNOVATION FUND.**

14.24 The civic innovation fund is established to promote and support new initiatives  
14.25 focused on developing citizen engagement in creating better outcomes to our state's  
14.26 volunteerism goals. The Volunteer Capacity Building Partnership shall solicit proposals  
14.27 from community organizations, individuals, foundations, and various units of government.  
14.28 The partnership shall determine grant amounts based on the proposal's ability to: (1)  
14.29 improve state goal or outcomes attainment, (2) meaningfully engage Minnesotans in  
14.30 improve goal attainment, and (3) become self-sustaining within five years. Grants shall be  
14.31 awarded from the civic innovation fund. The account consists of the amounts appropriated  
14.32 to the account by law and of contributions to the account from private sources. Money  
14.33 in the account is appropriated to the partnership for purposes of making grants under  
14.34 this section.

15.1 Sec. 4. Laws 2009, chapter 96, article 2, section 67, subdivision 15, is amended to read:

15.2 Subd. 15. **Youth works program.** For funding youth works programs under  
15.3 Minnesota Statutes, sections 124D.37 to 124D.45:

15.4		<del>900,000</del>		
15.5	\$	<u>1,080,000</u>	.....	2010
15.6		<del>900,000</del>		
15.7	\$	<u>1,080,000</u>	.....	2011

15.8 A grantee organization may provide health and child care coverage to the dependents  
15.9 of each participant enrolled in a full-time youth works program to the extent such coverage  
15.10 is not otherwise available.

15.11 Sec. 5. Laws 2009, chapter 96, article 2, section 67, subdivision 18, is amended to read:

15.12 Subd. 18. **Early childhood literacy programs.** For early childhood literacy  
15.13 programs under Minnesota Statutes, section 119A.50, subdivision 3:

15.14		<del>1,375,000</del>		
15.15	\$	<u>1,650,000</u>	.....	2010
15.16		<del>1,375,000</del>		
15.17	\$	<u>1,650,000</u>	.....	2011

15.18 Up to ~~\$1,375,000~~ \$1,650,000 each year is for leveraging federal and private funding  
15.19 to support AmeriCorps members serving in the Minnesota Reading Corps program  
15.20 established by Serve Minnesota, including costs associated with the training and teaching  
15.21 of early literacy skills to children age three to grade 3 and the evaluation of the impact of  
15.22 the program under Minnesota Statutes, sections 124D.38, subdivision 2, and 124D.42,  
15.23 subdivision 6.

15.24 Any balance in the first year does not cancel but is available in the second year.

15.25 Sec. 6. **ASSESSMENT OF VOLUNTEER INFRASTRUCTURE.**

15.26 Subdivision 1. **Volunteer Assessment Oversight Task Force.** The commissioner of  
15.27 administration or a designee shall conduct an assessment on volunteer infrastructure in  
15.28 Minnesota. The commissioner or designee shall create a Volunteer Assessment Oversight  
15.29 Task Force comprised of leaders in the volunteerism and volunteer infrastructure  
15.30 community to oversee the assessment. The commissioner or a designee shall appoint  
15.31 members to this task force. This task force must represent unpaid and paid leaders in the  
15.32 volunteerism field. This task force must be geographically balanced. All members of the  
15.33 task force must serve voluntarily and without compensation.

15.34 Subd. 2. **Report.** (a) The assessment shall:

16.1 (1) identify gaps and challenges in volunteer infrastructure in Minnesota and  
16.2 propose solutions;  
16.3 (2) identify duplication of efforts and suggest opportunities for collaboration;  
16.4 (3) identify ways of leveraging what organizations do best to develop creative and  
16.5 innovative solutions to critical issues;  
16.6 (4) recommend to the legislature and the service and volunteerism community  
16.7 on the creation of a council of experts or other entity to foster collaboration within the  
16.8 community; and

16.9 (5) create a comprehensive plan for advancing volunteerism in Minnesota.

16.10 (b) By January 15, 2012, this report must be submitted to the commissioner of  
16.11 administration and the chairs and ranking minority members of the legislative divisions  
16.12 and committees with jurisdiction over state government.

16.13 Subd. 3. **Delegation.** The commissioner of administration may delegate the duties  
16.14 under this section to an existing private nonprofit corporation that is exempt from taxation  
16.15 under section 501(c)(3) of the Internal Revenue Code of 1986. The private nonprofit  
16.16 corporation must have a volunteer infrastructure focus, be committed to excellence in  
16.17 building capacity for volunteerism, and have a statewide focus. Notwithstanding any  
16.18 law to the contrary, the private nonprofit is not subject to laws governing state agencies  
16.19 or political subdivisions, except the provisions of Minnesota Statutes, chapter 13; the  
16.20 open meeting law under Minnesota Statutes, chapter 13D; salary limits under Minnesota  
16.21 Statutes, section 15A.0815, subdivision 2; and audits by the legislative auditor under  
16.22 Minnesota Statutes, chapter 3. The board of directors and the executive director of the  
16.23 nonprofit corporation are considered an "official" for purposes of Minnesota Statutes,  
16.24 section 10A.071. Notwithstanding any law to the contrary, this contract does not interfere  
16.25 with the nonprofit's ability to direct other work, raise resources, and apply for nonprofit  
16.26 funding to engage in its work.

16.27 **Sec. 7. SENIOR VOLUNTEER TRANSPORTATION.**

16.28 The Metropolitan Council, in coordination with Volunteers of America's senior corps  
16.29 program, must develop a program to provide free rides on public transportation for seniors  
16.30 60 years old or older to and from volunteer opportunities when the volunteer experience is  
16.31 at least four hours long. By January 15, 2011, the Metropolitan Council shall report to the  
16.32 chairs and ranking minority members of the house of representatives and senate divisions  
16.33 and committees with jurisdiction over state government the details of this program.

16.34 **Sec. 8. APPROPRIATION; MINNESOTA YOUTH COUNCIL.**



17.1 \$100,000 in fiscal year 2011 is appropriated from the general fund to the Minnesota  
17.2 Youth Council under Minnesota Statutes, section 3.9228.

17.3 Sec. 9. **APPROPRIATION; CAMPUS COMPACT.**

17.4 \$240,000 in fiscal year 2011 is appropriated from the general fund to the Minnesota  
17.5 Office of Higher Education for grants to increase campus-community collaboration  
17.6 and service learning statewide. The appropriation must be used for the operations of  
17.7 the Minnesota campus compact, grants to member institutions, and grants for member  
17.8 institution initiatives. At least one-half of the grants under this section must be made for  
17.9 projects that promote economic recovery. For every \$1 in state funding, grant recipients  
17.10 must contribute \$2 in campus or community-based support. The base appropriation for  
17.11 fiscal years 2012 and 2013 is \$240,000.

17.12 **ARTICLE 4**

17.13 **CONFORMING CHANGES**

17.14 Section 1. Minnesota Statutes 2009 Supplement, section 4A.01, subdivision 1, is  
17.15 amended to read:

17.16 Subdivision 1. **Duties.** The commissioner of ~~administration~~ management and  
17.17 budget is the state planning officer and is responsible for the coordination, development,  
17.18 assessment, and communication of information, performance measures, planning, and  
17.19 policy concerning the state's future. The commissioner must carry out duties under this  
17.20 chapter through the Planning and Performance Management Division of the Department  
17.21 of Management and Budget. The commissioner may contract with another agency for  
17.22 the provision of administrative services.

17.23 Sec. 2. Minnesota Statutes 2008, section 16A.28, subdivision 1, is amended to read:

17.24 Subdivision 1. **Carryforward.** Agencies may carry forward unexpended and  
17.25 unencumbered nongrant operating balances: (1) from the first year of a biennium into  
17.26 the second year of the biennium; and (2) from the second year of the biennium into the  
17.27 following biennium if the commissioner of management and budget determines that the  
17.28 balance is a result of savings from enhanced efficiency in the performance of agency  
17.29 duties and is justified.

17.30 Sec. 3. **TRANSFER OF DUTIES.**

17.31 The Management Analysis Division in the Department of Management and Budget  
17.32 is renamed the Planning and Performance Management Division. Powers and duties of the

- 18.1 commissioner of administration relating to the state demographer and relating to strategic  
18.2 and long-range planning are transferred to the Planning and Performance Management  
18.3 Division of the Department of Management and Budget. Minnesota Statutes, section  
18.4 15.039, applies to this transfer.

APPENDIX  
Article locations in 10-6490

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