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# Senate

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State of Minnesota

## **S.F. No. 3658 - Legislative Budget Office Provisions Modifications (Minnesota Laws 2018, Chapter 214, Article 5)**

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**Date:** July 12, 2018

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**Article 5 of Laws 2018, Chapter 214**, makes changes to the enabling statutes for the Legislative Budget Office (LBO) as follows:

- Creates a Legislative Budget Office Oversight Commission and makes the executive director of the LBO the executive secretary of the Oversight Commission.
- Moves the operational start date for the LBO to September 1, 2019, and sets July 1, 2018, as the effective date for certain portions of the LBO enabling statutes to permit the LBO to prepare for its responsibility.
- Makes agency heads responsible for preparing fiscal notes and local impact notes, in consultation with the LBO, and consistent with standards set by the LBO.

**Section 1 [Establishment; Duties]** eliminates the Legislative Coordinating Commission's oversight role for the Legislative Budget Office. This section is effective July 1, 2018.

**Section 2 [Staff]** changes the entity that appoints the director of the LBO from the Legislative Coordinating Commission to the Legislative Budget Office Oversight Commission. Specifies that the director serves in the unclassified service. Requires a public hearing before removal for cause. This section is effective July 1, 2018.

**Section 3 [Uniform Standards and Procedures]** requires the LBO to adopt standards and procedures governing the preparation of fiscal notes and to publish them in the State Register and on the LBO's Web site. These standards, guidelines, and procedures are not effective until approved by the Oversight Commission. This section is effective September 1, 2019, but the uniform procedures may be developed and adopted by the Oversight Commission prior to the effective date.

**Section 4 [Access to Data]** requires agencies and the Supreme Court to promptly supply any data relevant to legislation that is the subject of a fiscal note, on request of the director of the LBO. This section specifies treatment for "not public data" and specifies consequences for violation of those requirements. This section is effective September 1, 2019.

**Section 5 [Fiscal Note Delivery and Posting]** sets a deadline for delivery of fiscal notes to chairs and bill authors and posting. This section is effective September 1, 2019.

**Section 6 [Oversight Commission]** creates a Legislative Budget Office Oversight Commission, having eight legislators as members, with equal representation from the house and senate and from the majority and minority. Specifies nonpartisan legal staff and executive branch officials serve as nonvoting members. Provides details about the operation of the commission. This section is effective July 1, 2018.

**Section 7 [Preparation]** clarifies that fiscal notes are prepared by agencies – not by the LBO – in consultation with the LBO in a manner consistent with the standards and procedures adopted by the LBO. This section is effective September 1, 2019.

**Section 8 [Public Official]** adds the director of the LBO to the list of people who are public officials for purposes of Minnesota Statutes, chapter 10A (gift ban, conflict of interest, statement of economic interest, and other provisions). This section is effective July 1, 2018.

**Section 9 [Fiscal Note Data Must be Shared with the Legislative Budget Office]** requires agencies to provide data to the LBO regardless of classification. Agencies may not charge the LBO for providing data. This section is effective September 1, 2019.

**Sections 10 and 11 [Effective Date]** change the effective date to July 1, 2018, from January 8, 2019, for certain provisions from the 2017 laws establishing the LBO.

**Section 12 [Effective Date]** changes the effective date to September 1, 2019, from January 8, 2019, for a provision from the 2017 law establishing the LBO.

**Section 13 [Effective Date]** changes the effective date to September 1, 2019, from January 8, 2019, for a provision from the 2017 law establishing the LBO and specifies that the Oversight Commission must execute a contract with MMB for transfer of the fiscal note tracking system by November 1, 2018, with the LBO having operational control of the system by September 1, 2019.

**Section 14 [Legislative Oversight Commission; First Appointments; First Chair; First Meeting]** sets deadlines for first appointments to and first meeting of the Legislative Budget Office Oversight Commission. Provides for the chair of the Legislative Coordinating Commission to designate the first chair for the Oversight Commission.

**Section 15 [Legislative Budget Office Director Orientation and Training]** requires the commissioner of management and budget to provide orientation and training to the director and staff of the LBO.

**Section 16 [Repealer]** repeals a section that is unnecessary in light of new law in this bill, and repeals a law that established the Legislative Budget Office task force.