


# Minnesota Attorney General: Administrative Rules Proceedings

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SF-00906-01

Our File 269

STATE OF MINNESOTA

DEPARTMENT ATTORNEY GENERAL

# Office Memorandum

TO : ARTHUR E. SIDNER
Director
State Planning Agency

DATE: 9/15/80

Attn: LINDA SUTHERLAND
Human Resources Planner

FROM : JERRY ANDERSON
Special Assistant
Attorney General

PHONE: 296-1288

SUBJECT: Rules as Approved In the Matter of the Proposed Adoption of Rules of the State Planning Agency Regarding Provision of State Grants for Human Services Management and Planning Improvement.

Enclosed herewith are the rules you have submitted for approval. These rules have been approved by this office and filed with the Secretary of State. Note that they have NOT been filed with the State Register; this must be done promptly by your agency.

Upon receipt and before transmittal to your agency, however, it is important that you recheck these rules as to:

1. Affixation of the stamps of the Attorney General and Secretary of State to the last page of the rules;

2. Coverage by these stamps of all rules submitted; and

3. Inclusion of all pages of the rules in the approved set.

Directly following the approved rules is a complete set of required documents and transcript which must be retained with the rules by you or your agency.

If you have any questions in this regard, please contact me.

JA/bw
Enclosure
cc: Duane Harves
Susan Robertson

File #629

Permanent Rule ✓

Temporary Rule _____

RULES REVIEW CHECKLIST

DATE RULES RECEIVED 9/3 DUE DATE 9/23

Resubmitted and Received _____

a. Returned to Agency w/o Filing w/Secretary of State _____
b. Approved _____ Date Sent Back to Agency _____

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

1. Rules as Adopted ✓
2. Rules as Proposed ✓ and explanation of changes.
3. Certificate of Board's Authorizing Resolution, where applicable N/A
4. Order for Hearing ✓
5. Notice of Hearing ✓ 7.11.80
   Sufficiency ✓ incorrect statutory cite
6. Secretary of State's List ✓ (one copy only)
7. Certificate of Acquisition of Secretary of State's List ✓
8. Secretary of State's Certification of Delivery of Secretary of State's List to Agency ✓
9. Affidavit of Mailing ✓
   At least 30 days prior to hearing ✓ 6.10.80
10. Publication in State Register ✓
    At least 30 days prior to hearing ✓ 6.2.80
11. Statement of Need and Evidence ✓
12. Hearing Examiner's Report ✓
13. Agency's Findings of Fact ✓
14. Certificate of Board's Resolution Adopting Rules, where applicable N/A
15. Order Adopting ✓
16. Report of Chief Hearing Examiner N/A
17. Order Approving Incorporation by Reference, where applicable N/A
18. Certificate of Compliance with Rulemaking Procedures ✓
19. Copy of Notice of Intent to Solicit Outside Opinion, where applicable ✓
20. Petition by Public, where applicable N/A

STATE OF MINNESOTA

STATE PLANNING AGENCY

IN THE MATTER OF THE PROPOSED ADOPTION
OF RULES OF THE STATE PLANNING AGENCY
GOVERNING THE PROVISION OF STATE GRANTS
FOR HUMAN SERVICES MANAGEMENT AND PLANNING
IMPROVEMENT

ORDER FOR HEARING

IT IS HEREBY ORDERED that a public hearing on the above captioned rules be held in Conference Room 101, Capitol Square Building, 550 Cedar Street, St. Paul Minnesota on July 11, 1980 commencing at 8:30 a.m. and continuing until all persons have had an opportunity to be heard.

IT IS FURTHER ORDERED that a Notice of Hearing be mailed to all persons or representatives of associations or other interested groups who have registered their names with the Secretary of State for that purpose.

IT IS FURTHER ORDERED that the Notice of Hearing be published in the State Register.

/s/ Arthur E. Sidner
Arthur Sidner, Director
State Planning Agency

Date: 5-12-80

SF-00006-01

DEPARTMENT State Planning - Human Resources

STATE OF MINNESOTA

# Office Memorandum

TO : Mike Miles, Assistant Attorney General
G-25 Administration

DATE: September 3, 1980

FROM : Linda Sutherland, Human Resources Planner
Room 101 Capitol Square

PHONE: 296-3983

SUBJECT: Enclosed rules hearing record: In the Matter of Proposed Rules of the Minnesota State Planning Agency Regarding Provision of State Grants for Human Services Management and Planning Improvement. ( PLAN 80-002-RL)

Enclosed for your review:

1. Rules as proposed (2 copies)
2. Rules as adopted (3 copies)
3. Explanation of changes made per hearings examiner report
4. Order for hearing (2 copies)
5. Notice for hearing ( 2 copies)
6. Secretary of State mailing list (1 copy)
7. Secretary of State Certificate - Label Issuance ( 2 copies)
8. Affidavit of Reciept of Labels (2 copies)
9. Certificate of Mailing (2 copies)
10. Statement of Need and Reasonableness (2 copies)
11. Hearing Examiner Report ( 2 copies)
12. Agency Findings of Fact (2 copies)
13. Order Adopting Rules ( 3 copies)
14. All exhibits (1 copy)
15. Notice of Solicitation of Outside Information ( 2 copies)
16. 1 cassette tape recording of hearing
17. Statement of Compliance with Manual of Rulemaking Procedure ( 2 copies )
18. STATE REGISTER in which rules as proposed appeared ( 1 copy )

RECEIVED
SEP 3 1980
ATTORNEY GENERAL
ADMINISTRATIVE AGENCIES

PRINTED ON RECYCLED PAPER

STATE OF MINNESOTA
COUNTY OF RAMSEY

In the Matter of the Proposed Adoption of Rules of the State Planning Agency Regarding Provision of State Grants for Human Services Management and Planning Improvement

ORDER ADOPTING RULES

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The above-entitled matter came on for hearing before Richard Luis of the Office of Hearings Examiners on the 10th day of July, 1980 at 8:30 a.m. in Conference Room 101 of the Capitol Square Building, St. Paul, Minnesota, after proper notice required by Minn. Stat. § 15.0412 was served upon all persons, associations and other interested groups registered with the Secretary of State for that purpose.

After affording interested persons an opportunity to present written and oral data, statements and arguments, having heard all of the testimony, having considered all of the evidence adduced and upon the records, files and proceedings herein, and applicable statutory standards or criteria, and having confirmed the need for the above captioned rules,

NOW, THEREFORE, IT IS ORDERED that these rules identified as State Grants for Human SErvices Management and Planning Improvement are adopted this 2 day of September, 1980, pursuant to authority vested in me by Governor Al Quie.

STATE OF MINNESOTA
State Planning Agency

Arthur E. Sidner

Arthur E. Sidner, Director

HG copy

State Planning Agency
Human Resources Planning Division

Rules as Adopted (all new material)

10 MCAR § 1.320 Authority and Purpose

A. Authority. The rules contained herein are prescribed pursuant to authority granted in Minn. Stat. § 4.17 and Laws of 1979, Chapter 333, Section 16, Subd. 3 and subsequent applicable laws.

B. Purpose of the Rules. These rules are set forth to provide the procedures for awarding human services management and planning improvement grants.

10 MCAR § 1.321 Definitions. The following terms as used in these rules have the following meanings:

A. Human Services - shall have the meaning established in Minn. Stat. § 402.02, Subd. 2(d).

B. Division - means the Human Resources Planning Division of the State Planning Agency.

C. "SPA" - means the State Planning Agency

D. Management and Planning Improvement - means those activities focused at providing procedures, methods of actions and guidance for the administration of human services programs.

E. Grant Agreement - means a signed written agreement between the state, acting by and through the SPA, and the county which specifies the terms of the funding to the county.

10 MCAR § 1.322 Application Process.

A. Submission of Application

1. Eligibility - Any Minnesota county is eligible to apply for the grants described herein.

2. Notice - Annually the Division shall provide notice of the time period during which applications will be accepted. The duration of the application period shall not be less than 30 days. Notices will be sent to:

(a) Chairman of County Boards;

(b) Directors of Human Services Boards established pursuant to Minn. Stat. § 402;

(c) Directors of Community Health Services Programs established pursuant to Minn. Stat. §§ 145.911 to 145.922;

(d) Directors of Community Social Services Programs established pursuant to Minn. Stat. §§ 256E.01 to 256E.12;

(e) Administrators of Community Corrections Programs established pursuant to Minn. Stat. § 401; HE 13

(f) Directors of Regional Development Commissions established pursuant to Minn. Stat. § § 462.381 to 462.396; HE 12

(g) Others who request notification.

3. Eligible Projects - A project whose goals are to improve the management or planning capacity of a county to deliver human services programs is eligible for funding.

B. Application Procedures - Applications, on forms supplied by the SPA, must be received by the Division before 5 p.m. on the last day of the application period or be postmarked not later than the last day of the application period.

10 MCAR § 1.323 Distribution of Grants

A. Criteria - Priority Counties - Consistent with priorities established in applicable appropriations law, priority status shall be given counties who have not previously received funding for the improvement of their management or planning capacity.

HE 15

The following criteria, each carrying equal weight, shall be used by the Division to evaluate projects for funding:

1. The extent to which the project is likely to be transferrable to other counties.
2. The extent to which the project is likely to result in a significant improvement in management systems, organization or services integration.
3. A project which is undertaken by a group of counties or by multiple disciplines or programs within a single county.
4. The extent to which the project can demonstrate a high cost-effectiveness result.

B. Ranking of Applications - The Division will rank applications from highest to lowest based on the stated criteria and will award funds in order of ranking.

C. Applications from Other Counties - If funds remain after awards are made to counties who have priority status as specified in 10 MCAR § 1.323A, the remaining money shall be available to other counties and will be evaluated and distributed on the basis of criteria stated in 10 MCAR § 1.323A.1-4 and 10 MCAR § 1.323B.

D. Limit on Grants - Total grants to any county during the biennium shall not exceed the limit set in applicable appropriations laws.

E. Grant Disbursement - The SPA shall disburse the grants according to the following procedures:

1. A grant agreement shall be entered into by the SPA and the county once the grants are awarded.
2. The grant agreement shall specify:
   a. The amount of the funding to be awarded the county for the management and planning improvement;
   b. The manner and process for making payments to the county; and
   c. The requirements for accounting, auditing and reporting required of the county by the SPA.

10 MCAR § 1.324 Final Report

A. Within 60 days of completion of the project, each grantee shall submit to the Division a final report. The report shall address the following:

1. Description of the project;
2. Participants in the project;
3. Staffing of the project, including consultants;
4. Results of the project;
5. An assessment of the affect of the project on future events or issues in the county;
6. Plans for continuation of the project, if any;
7. Source and amount of funds, if any, used in addition to state grant.

10 MCAR § 1.325 Availability of Funding

Grants under the rule are subject to continuing availability of funds appropriated for such purposes.

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
SEP 1 1980
Secretary of State

APPROVED AS TO FORM AND LEGALITY

SEP 15 1980 19____

WARREN SPANNAUS, ATTORNEY GENERAL

BY _____

SPECIAL ASSISTANT ATTORNEY GENERAL

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
SEP 15 1980
Joan Anderson Growe
Secretary of State
1:40 PM

STATE OF MINNESOTA
OFFICE OF ADMINISTRATIVE HEARINGS

FOR THE STATE PLANNING AGENCY

In the Matter of Proposed Rules of
the Minnesota State Planning Agency
Regarding Provision of State Grants
for Human Services Management and
Planning Improvement.

REPORT OF THE HEARING EXAMINER

The above-entitled matter came on for hearing before Richard C. Luis, Hearing Examiner assigned by the Chief Hearing Examiner, at 8:30 a.m. on Thursday, July 10, 1980, in Conference Room 101, Capitol Square Building, 550 Cedar Street, Saint Paul, Minnesota.

This Report is part of a rulemaking procedure pursuant to Minn. Stat. ch. 15 to determine whether proposed rules governing the provision of state grants for human services management and planning improvement should be adopted.

The Minnesota State Planning Agency (hereinafter "Agency") was represented at the hearing by Linda Sutherland, Human Services Development Planner, and Doug Blomgren, Special Assistant Attorney General.

Nine persons attended the hearing, four persons signed the hearing register. None of those signing the register spoke at the hearing.

Pursuant to Minn. Stat. § 15.0412, subd. 4d and 4e (Minn. Laws 1980, Ch. 615, §§ 6 and 7), this Report shall be available for review to all affected individuals upon request for at least five working days. Thereafter, the State Planning Agency shall, if it proposes to adopt the rule as recommended herein, submit the rule, together with the complete hearing record to the Attorney General and shall be responsible for notifying persons who have indicated that they wish to be notified of such filing. If the State Planning Agency makes substantial changes in the rule other than those recommended herein, it shall submit the rule with the complete hearing record to the Chief Hearing Examiner for a review of the changes prior to adopting it and submitting it to the Attorney General for review.

Based upon all the records and proceedings herein, the Hearing Examiner makes the following:

FINDINGS OF FACT

1. On May 12, 1980, the Agency filed the following documents with the Chief Hearing Examiner:

(a) A copy of the proposed rules.
(b) The Order for Hearing proposed to be issued.
(c) The Notice of Hearing proposed to be issued.

(d) A Statement of the number of persons expected to attend the hearing and estimated length of the Agency's presentation.

2. On June 2, 1980, a Notice of Hearing and a copy of the proposed rules were published at 4 State Register 1895.

3. On June 10, 1980, the Agency mailed the Notice of Hearing to all persons and associations who had registered their names for that purpose with the Secretary of State, and to the Chief Clerk of the House and the Secretary of the Senate.

4. On June 11, 1980, the Agency filed the Notice of Hearing as mailed.

5. On June 13, 1980, the Agency filed the following documents:

(a) The Order for Hearing.
(b) Notice of Intent to Solicit Outside Opinion pursuant to Minn. Stat. § 15.0412, subd. 6, together with a copy of that notice as it appeared in the State Register on September 10, 1979, at 4 State Register 403-404.
(c) Letter received in response to (b).
(d) Affidavit of Receipt of the Secretary of State's list.
(e) The Affidavit of Mailing the Notice to all persons on the Secretary of State's list.
(f) The Statement of Need and Reasonableness.
(g) Memorandum regarding Notice and Persons Testifying.
(h) The rules as proposed.
(i) The Secretary of State's list.
(j) A copy of Volume 4, No. 48 of the State Register, dated June 2, 1980.
(k) Citation of statutes used in proposed rules.

The above-listed documents were available for inspection at the Office of Administrative Hearings (Office of Hearing Examiners) from the date of filing to the date of the hearing.

6. The record remained open in this matter through July 22, 1980, for the receipt of comments and statements. No statements or comments were received.

7. In order to improve human services management and planning, the Minnesota Legislature appropriated funds to assist counties in the formation of Human Services Boards pursuant to Minn. Stat. § 402. The formation of the boards was optional with the individual counties. In 1978, the Association of Minnesota Counties requested that funds unexpended but appropriated be utilized to meet the planning and management needs of those counties lacking a human services board. The legislature agreed and allowed the unexpended funds to be awarded on a first-come, first-serve basis with a maximum grant of $4,000.

In 1979, the Association again requested that the unexpended funds be made available as grants for improving planning and management of human services programs. The legislature responded with an appropriation bill, Minn. Laws 1979, ch. 333, sec. 16, subd. 3. The bill required the Agency to provide the counties with grants to improve planning and management, and gave priority to those counties which had not received prior grant money.

8. The Agency cites Minn. Stat. § 4.17 (1978) as authority to promulgate the proposed rules, which statute provides as follows:

> No monies, regardless of the source thereof, made available to the state planning officer pursuant to sections 4.10 to 4.17 or any other law shall be expended by him for planning programs until he promulgates and adopts rules and regulations prescribing the criteria, standards, and procedures to govern the

expenditure thereof. Such rules and regulations shall be promulgated and adopted under the Administrative Procedure Act as contained in chapter 15, and shall conform with all terms and conditions imposed on the state planning officer when such monies are made available to him.

9. The Agency also cites Minn. Stat. § 402.046 (1978) as authority to promulgate the proposed rules. That statute has been repealed and the Agency proposes removal of reference to it from 10 MCAR § 1.320 A. The proposed change would have no effect on the authority nor on the obligation of the Agency to promulgate and adopt the proposed rules, and the Hearing Examiner finds deletion of reference to the repealed statute to be necessary and reasonable. As a matter of form, it is also necessary to delete one "§" from the final rule. These corrections do not constitute a substantial change in the proposed rules as published.

complied

10. The Notice of Hearing as mailed and as published in the State Register cited Laws of 1979, Ch. 533, Sect. 16, Subd. 3, as an authority for adoption of the proposed rules. The correct citation should have been Chapter 333, not 533. The question is whether this error is jurisdictionally fatal to the proceedings.

There is no Chapter 533 in the Laws of Minnesota, 1979, and this is readily apparent to anyone who may have referred to a bound volume of the Session Laws of the State of Minnesota for 1979. Since the Notice of Hearing makes it obvious that the agency involved is the Planning Agency, it is apparent to the Hearing Examiner that anyone who had made the attempt to look up the Law would consult the index, where "Appropriations" appears under "Planning Agency" and the reader is directed to chapter 333, sec. 16.

The Hearing Examiner is of the opinion that Minn. Stat. § 4.17 is the crucial authority in this case, because it is that statute which mandates that the Agency adopt rules prescribing the criteria, standards and procedures governing expenditures for planning programs. The Session Law in question is merely one such appropriation, and the intent of the appropriation is spelled out elsewhere in the Notice of Hearing. Moreover, the proposed rules themselves correctly refer to ch. 333 at 10 MCAR § 1.320 (statement of authority). Minn. Stat. § 15.0412, subd. 4 (1978), the statute applicable to the publication of the notice in question, only mandates that an agency intending to adopt a rule must give 30 days' notice, and is silent as to the contents thereof. 9 MCAR § 2.102 C.4. requires only "A citation to the agency's statutory authority to promulgate the proposed rules.", and that requirement has been met in this case by citation to Minn. Stat. § 4.17. The Minnesota Supreme Court recently commented:

> "We hold, in agreement with courts in other jurisdictions, that where a statute requiring notice does not set further guidelines for the form that notice must take, the statute has been satisfied where the notice is 'sufficient to apprise one of ordinary intelligence' of the nature and subject of the hearing." City of Minneapolis v. Wurtele, et al., 291 N.W.2d 386 (Minn. 1980).

The Hearing Examiner finds that the Notice of Hearing in this case meets the test set out in the above quotation, and that the Notice of Hearing in this matter is therefore legally sufficient.

11. The proposed rules set out in detail the procedures to provide notice, the application process and the criteria for awarding grants to the counties for improving management and planning for human services programs. The Agency's Statement of Need and Reasonableness adequately demonstrates the need for and reasonableness of the proposed rules by an affirmative presentation of facts. That Statement of Need and Reasonableness is incorporated herein by reference, except as discussed below.

12. At the hearing, the Agency proposed that 10 MCAR § 1.322 A.2. be amended to include, "Directors of Regional Development Commissions established pursuant to Minn. Stat. §§ 462.381 to 462.396.", in the list of people who automatically receive notice of the opening of any application period. The Hearing Examiner finds that this addition is necessary and reasonable and does not substantially change the proposed rules. complied

13. It was announced by the Agency at the hearing that the Department of Corrections has requested the Agency to change 10 MCAR § 1.322 A.2.e. to read "Administrators" rather than "Directors". The change does not involve a change in classification but only clarifies who the proper party is to receive notice, and its adoption would not be a substantial change. The Hearing Examiner finds that the proposed change is needed and reasonable. complied

14. The Agency proposes that the Introduction to the Statement of Need and Reasonableness be corrected at line 4, paragraph 4. Line 4 should read: ". . . request by placing $125,000 in the State Planning Agency budget for FYS 80-81." The change places the Statement of Need and Reasonableness in agreement with cited authority, Minn. Laws 1979, ch. 333, § 16, subd. 3. The Hearing Examiner finds this change is needed and reasonable and does not substantially change the proposed rules.

15. The criteria for evaluating grant applications are found at 10 MCAR § 1.323 A.1.-4. These criteria, taken together, form an adequate basis for determining the ranking of the applications. Four evaluation criteria are listed. In the absence of any evidence on the record to the contrary, it is here assumed that each criterion will receive equal weight. It is suggested that if the Hearing Examiner's assumption is incorrect, and the Agency in fact intends to weight certain of the four criteria more heavily than others, that the priority of each criterion in relation to the others be stated somewhere in the final version of this section "A." The Hearing Examiner finds that such an addition would not be a substantial change. complied

## CONCLUSIONS

1. That due, timely and legally adequate notice of the hearing was properly served and published by the Agency. All relevant substantive and procedural requirements of law and rule have been sufficiently met.

2. That the Agency has demonstrated its statutory authority to adopt the proposed rules.

3. That the Agency has demonstrated the need for and reasonableness of the proposed rules by an affirmative presentation of facts in the record.

4. That the additions to the proposed rules which were proposed after publication of the rules in the State Register are not substantially different from the rules as published in the State Register within the meaning of Minn.

Laws 1980, ch. 615, § 6, subd. 4d. (to be codified as Minn. Stat. § 15.0412, subd. 4d).

5. That any Findings which might properly be termed Conclusions and any Conclusions which might properly be termed Findings are hereby adopted as such.

6. That the Agency has complied with the requirements of Minn. Laws 1980, ch. 615, § 6, subds. 4-4f (to be codified as Minn. Stat. § 15.0412, subds. 4-4f).

RECOMMENDATION

It is recommended that the Agency adopt the proposed rules, consistent with the Findings and Conclusions made above.

Dated this 21st day of August, 1980.

Richard C. Luis

RICHARD C. LUIS
Hearing Examiner.

STATE OF MINNESOTA)
(ss.
COUNTY OF RAMSEY )

PLAN-80-002-RL

AFFIDAVIT OF SERVICE

SUSAN WOJCIK, being first duly sworn, deposes and says that on the 21st day of August, 1980, at the City of St. Paul, County of Ramsey, State of Minnesota, she served the attached Report of the Hearing Examiner

unstamped, by placing in the designated tray to be collected by messenger for delivery to the central mailing station as required by Minn. Stat. § 16.54 (1974), a true and correct copy thereof on all persons at the addresses shown on the attached mailing list.

Susan Wojcik

Subscribed and sworn to before me this
21st day of August, 1980.

Eileen A. Gaiovnik

EILEEN A. GAIOVNIK
Notary Public, Ramsey Co. Mn.
MY COMMISION EXPIRES
December 14, 1980

Mr. Arthur E. Sidner
Director
State Planning Agency
101 Capitol Square Building
550 Cedar Street
Saint Paul, Minnesota 55101

Mr. Doug Blomgren
Special Assistant
Attorney General
303 Capitol Square Building
550 Cedar Street
Saint Paul, Minnesota 55101

EXPLANATION OF CHANGES

Page 1 ---10 MCAR § 1.320 A, (second line) deleted one " § " and " and 402.046 "

This was done based on item #9 of the Hearings Examiner's Report

Page 2 ---10 MCAR § 1.322 A.2e, changed " Directors " to " Administrators "

This was done in response to the request explained in item # 13 of the Hearings Examiner's Report

Page 2 ---10 MCAR § 1.322 A.2f, new item "f" was added and "f" in proposed rules relettered as "g"

This change is based on item #12 of the Hearings Examiners Report

Page 3 ---10 MCAR § 1.323 A ( first sentence top of page 3 ) following " criteria " added " each carrying equal weight "

This change was done in response to item #15 of the Hearings Examiner's Report and makes explicit the use of the criteria

No other changes were made

State Planning Agency
Human Resources Planning Division

Rules as Proposed (all new material)

10 MCAR § 1.320 Authority and Purpose

A. Authority. The rules contained herein are prescribed pursuant to authority granted in Minn. Stat. §§ 4.17 ~~and 402.046~~ HE 9 and Laws of 1979, Chapter 333, Section 16, Subd. 3 and subsequent applicable laws. ✓

B. Purpose of the Rules. These rules are set forth to provide the procedures for awarding human services management and planning improvement grants.

10 MCAR § 1.321 Definitions. The following terms as used in these rules have the following meanings:

A. Human Services - shall have the meaning established in Minn. Stat. § 402.02, Subd. 2(d).

B. Division - means the Human Resources Planning Division of the State Planning Agency.

C. "SPA" - means the State Planning Agency

D. Management and Planning Improvement - means those activities focused at providing procedures, methods of actions and guidance for the administration of human services programs.

E. Grant Agreement - means a signed written agreement between the state, acting by and through the SPA, and the county which specifies the terms of the funding to the county.

10 MCAR § 1.322 Application Process.

A. Submission of Application

1. Eligibility - Any Minnesota county is eligible to apply for the grants described herein.

2. Notice - Annually the Division shall provide notice of the time period during which applications will be accepted. The duration of the application period shall not be less than 30 days. Notices will be sent to:

(a) Chairman of County Boards;

(b) Directors of Human Services Boards established pursuant to Minn. Stat. § 402;

(c) Directors of Community Health Services Programs established pursuant to Minn. Stat. §§ 145.911 to 145.922;

(d) ~~Directors~~ of Community Social Services Programs established pursuant to Minn. Stat. §§ 256E.01 to 256E.12;

(e) Directors of Community Corrections Programs established pursuant to Minn. Stat. § 401;

(f) Others who request notification.

3. Eligible Projects - A project whose goals are to improve the management or planning capacity of a county to deliver human services programs is eligible for funding.

B. Application Procedures - Applications, on forms supplied by the SPA, must be received by the Division before 5 p.m. on the last day of the application period or be postmarked not later than the last day of the application period.

10 MCAR § 1.323 Distribution of Grants

A. Criteria - Priority Counties - Consistent with priorities established in applicable appropriations law, priority status shall be given counties who have not previously received funding for the improvement of their management or planning capacity.

The following criteria shall be used by the Division to evaluate projects for funding:

1. The extent to which the project is likely to be transferrable to other counties.
2. The extent to which the project is likely to result in a significant improvement in management systems, organization or services integration.
3. A project which is undertaken by a group of counties or by multiple disciplines or programs within a single county.
4. The extent to which the project can demonstrate a high cost-effectiveness result.

B. Ranking of Applications - The Division will rank applications from highest to lowest based on the stated criteria and will award funds in order of ranking.

C. Applications from Other Counties - If funds remain after awards are made to counties who have priority status as specified in 10 MCAR § 1.323A, the remaining money shall be available to other counties and will be evaluated and distributed on the basis of criteria stated in 10 MCAR § 1.323A.1-4 and 10 MCAR § 1.323B.

D. Limit on Grants - Total grants to any county during the biennium shall not exceed the limit set in applicable appropriations laws.

E. Grant Disbursement - The SPA shall disburse the grants according to the following procedures:

1. A grant agreement shall be entered into by the SPA and the county once the grants are awarded.
2. The grant agreement shall specify:
   a. The amount of the funding to be awarded the county for the management and planning improvement;
   b. The manner and process for making payments to the county; and
   c. The requirements for accounting, auditing and reporting required of the county by the SPA.

10 MCAR § 1.324 Final Report

A. Within 60 days of completion of the project, each grantee shall submit to the Division a final report. The report shall address the following:

1. Description of the project;
2. Participants in the project;
3. Staffing of the project, including consultants;
4. Results of the project;
5. An assessment of the affect of the project on future events or issues in the county;
6. Plans for continuation of the project, if any;
7. Source and amount of funds, if any, used in addition to state grant.

10 MCAR § 1.325 Availability of Funding

Grants under the rule are subject to continuing availability of funds appropriated for such purposes.

STATEMENT OF COMPLIANCE WITH RULE MAKING PROCEDURES

I, Special Assistant Attorney General Douglas Blomgren, do hereby declare that I have examined the proposed rules and related documents and that, based on them and my personal familiarity with the applicable procedures, the rule making procedures have been followed.

Special Assistant Attorney General

September 3, 1980
dated

# State Planning Agency
# Human Resources Division

## Notice of Intent to Solicit Outside Opinion Regarding Proposed Rules Relating to Human Services Planning and Management Grants

Notice is hereby given, pursuant to the provisions of Minn. Stat. § 15.0412, subd. 6 (1978) that the Director of State Planning will propose the adoption of rules relating to the planning and management improvement grants authorized in Laws of 1979, ch. 333, § 16, subd. 3.

All interested parties desiring to submit data or views relating to the proposed rules should address their written comments to:

Linda Sutherland
State Planning Agency
Room 101, Capitol Square Building
550 Cedar Street
St. Paul, Minnesota 55101

All comments should be submitted to the Agency by September 30, 1979.

The proposed rules will cover the following areas:

1. Categories of Eligible Projects
2. Selection Criteria
3. Selection Process
4. Final Report Format

Any materials submitted will be reviewed and considered by the State Planning Agency during the preparation of the proposed rule and will become part of the record of the public hearing on the proposed rules. Notice of the public hearing will be published in the State Register and given to all interested parties who have registered with the Secretary of State's Office in accordance with the provisions of the Administrative Procedures Act.

September 4, 1979

Art Sidner
Director

STATE OF MINNESOTA
COUNTY OF RAMSEY

In the Matter of the Proposed
Adoption of Rules of the State
Planning Agency Regarding
Provision of State Grants for
Human Services Management and
Planning Improvement

FINDINGS OF FACT

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The above-entitled matter came on for hearing before hearing examiner Richard Luis of the Office of Hearing Examiners of the State of Minnesota at 8:30 a.m. on the 10th day of July, 1980 in (Conference Room 101 of the Capitol Square Building, St. Paul, Minnesota,) after proper notice required by Minn. Stat. § 15.0412 was served upon all persons, associations and other interested groups registered with the Secretary of State for that purpose.

After affording interested persons an opportunity to present written and oral data, statements, and arguments, having reviewed all of the testimony, having considered all of the evidence adduced, having considered the Report of the Hearing Examiner, and upon all of the testimony and proceedings herein, and applicable statutory standards or criteria, having withheld action on the proposed rules for the required period of time after receipt of the Hearing Examiner's Report, I accept and adopt the Findings, Conclusions, and Recommendations contained in the Hearing Examiner's Report dated August 21, 1980 which is attached and made part of these Findings. I expressly find that the proposed rules for Provision of State Grants for Human Services Management and Planning Improvement are needed and reasonable and may be properly adopted.

STATE OF MINNESOTA
State Planning Agency

Arthur E. Sidner

Arthur E. Sidner, Director

Date: 9-2-80

MINNESOTA STATE PLANNING AGENCY

In the matter of Proposed Rules of the
Minnesota State Planning Agency for providing
state grants to counties for Human Services
Management and Planning Improvement

STATEMENT OF NEED AND REASONABLENESS

INTRODUCTION

During the years from 1973 through 1977, the Minnesota Legislature funded the improvement of human services management and planning by appropriating money to assist counties in forming Human Services Boards pursuant to M.S. 402.

By March of 1978, it became apparent that the money appropriated for use during the biennium would not be fully utilized for Human Services Board grants. At that time the Association of Minnesota Counties appealed to the Legislature to make the money available to meet the management needs of counties who were not using the Human Services Board option. The Legislature agreed with the Association of Counties' position that funding was needed, and allowed the unexpended Human Services Board grants to be made available in $4,000 grants.

In November of 1978 the State Planning Agency awarded grants to 22 counties. The awards were made on the basis of first come, first served. Rules were not promulgated for those grants.

In 1979 the Association of Minnesota Counties requested that funding again be made available to counties to improve their management and planning capacity with respect to human service programs. The Legislature responded to this request by placing $75,000 in the State Planning Agency budget for FY 80-81. The language providing for a first come, first served distribution was deleted. The only guiding language provided was a requirement that counties who had not received funds in the past be given first consideration for the current grants. (See Laws of 1979, Chapter 333, section 16, subdivision 3.)

These rules were drafted to accomplish legislative directive and to provide a clear basis for selecting applicants whose grants will be funded. The criteria in the rules is based on discussions with administrators of county programs and input from the Association of Minnesota Counties. No comments were received in direct response to the notice in the State Register, but written comments on selection criteria were received from Tom Rice of the Minnesota Counties Research Foundation just prior to the publication of the State Register notice.

RULE JUSTIFICATION

The format used in preparing this Statement of Need and Reasonableness is as follows: each rule is stated first, followed by an explanation of the intent of the proposed rule and the need for the proposed rule.

10 MCAR § 1.320 AUTHORITY AND PURPOSE

A. Authority. The rules contained herein are prescribed pursuant to authority granted in M.S. § 4.17 and 402.046 and Laws of 1979, Chapter 333, Section 16, Subd. 3 and subsequent applicable laws.

This rule is necessary to indicate the statutory authority allowing these rules to be promulgated.

B. Purpose of the Rules. These rules are set forth to provide procedures for awarding human services management and planning improvement grants.

This rule is necessary to indicate to interested parties the reason for the promulgation of these rules and the purpose of the program to which they apply. This language reflects the purpose of the program as discussed in the introduction to this statement of need and reasonableness.

10 MCAR § 1.321 DEFINITIONS. THE FOLLOWING TERMS AS USED IN THESE RULES SHALL HAVE THE FOLLOWING MEANINGS:

A. Human Services - shall have the meaning established in M.S. § 402.02, Subd. 2(d).

This definition is necessary to define human services, within the context of these rules, because grants are available only to support certain activities relating to this category of county services.

B. Division - means the Human Resources Planning Division of the State Planning Agency.

This definition is necessary to identify the division of the agency that is involved in administering the grants to counties.

C. "SPA" - means the State Planning Agency.

This definition is necessary to identify the state agency responsible for the administration of grants to counties.

D. Management and Planning Improvement - means those activities focused at providing procedures, methods of action and guidance for administration.

This definition is necessary to provide an understanding of a term used in these rules which is the foundation for the type of project which is eligible for funding by the SPA.

E. Grant Agreement - means a signed written agreement between the state, acting by and through the SPA, and the county which specifies the terms of the funding to the county.

This definition is necessary to identify the manner in which SPA disburses the funds to the county.

10 MCAR § 1.322 APPLICATION PROCESS AND PROCEDURES

A. Submission of Application

1. Eligibility - Any Minnesota county is eligible to apply for the grants disbursed herein.

This rule is necessary to clearly indicate who may apply for the funding under these rules, as provided for in law.

2. Notice - Annually the Division shall provide notice of the time period during which applications will be accepted. The duration of the application period shall not be less than 30 days. Notice will be sent to:
   a. Chairman of County Boards
   b. Directors of Human Services Boards established pursuant to M.S. 402
   c. Directors of Community Health Services Programs established pursuant to M.S. §§ 145.911 to 145.922
   d. Directors of Community Social Services Programs established pursuant to M.S. §§ 256E.01 to 256E.12
   e. Directors of Community Corrections Programs established pursuant to M.S. Ch. 401
   f. Others who request notification

This rule is necessary to inform interested parties as to who will automatically receive notice of the application period and the duration of the application period. The list of persons who will receive notice is composed of persons responsible for county level administration of human services programs.

3. Eligible Projects - A project whose goals are to improve the management or planning capacity for the delivery of human services programs is eligible for funding.

This rule is necessary to provide counties with an understanding of the category of projects which will be accepted for review.

B. Application Procedures

Applications, on forms supplied by the SPA, must be received by the Division before 5 p.m. on the last day of the application period, or be postmarked not later than the last day of the application period.

This rule is necessary to clearly describe a cut-off point for receipt of applications for review. Laws of 1979, Chapter 33, Section 15, Subd. 3 requires the Director of the SPA to approve and supply forms for application.

10 MCAR § 1.323 DISTRIBUTION OF GRANTS

A. Criteria-Priority Counties

Consistent with priorities established in applicable appropriations law, priority status shall be given to counties who have not previously received funding for the improvement of their management or planning capacity. The following criteria shall be used by the Division to evaluate projects for funding:

This rule is necessary because it is required by Laws of 1979, Chapter 333, Section 16, Subd. 3.

1. The extent to which the project is likely to be transferrable to other counties.
2. The extent to which the project is likely to result in a significant improvement in management systems organization, or services integration.
3. The extent to which the project can demonstrate a high cost-effectiveness result.
4. A project which is undertaken by a group of counties or by multiple disciplines or programs within a single county.

This rule is necessary in order to set forth the criteria for evaluation of the projects and to state the basis for discriminating between applications if requests for funding exceed the amount appropriated to the SPA for this purpose. The evaluation factors were developed on the basis of comments made to SPA by the Minnesota Counties Research Foundation. Because of the small amount of money available it is desirable to fund projects which are likely to stretch the dollar as far as possible, either because of their future use by another county, or their long term effect or impact. Recent legislation, such as the Community Social Services Act (M.S. Ch. 256E), the Community Health Act (M.S. § 145.911 et seq.), The Community Corrections Act (M.S. Ch. 401), and the Human Services Act (M.S. Ch. 402), "displays" or "indicates" the State's interest in the multiple county, multiple discipline focus for projects.

B. Ranking of Applications - The division will rank applications from highest to lowest based on the stated criteria and award funds in order of ranking.

This rule is needed to inform applicants of the way the criteria will be used to make grant awards.

C. Applications from Other Counties - If funds remain after awards are made to counties who have priority status as specified in 10 MCAR § 1.323A, the remaining money shall be available to other counties and will be evaluated and distributed on the basis of criteria stated in 10 MCAR § 1.323A 1-4 and 10 MCAR § 1.323B.

This rule is necessary to establish the procedures which will be used for counties who do not have priority status because of previous receipt of funds.

D. Limit on Grants - Total grants to any county during the biennium shall not exceed the limit set in applicable appropriation laws.

This rule is needed to indicate the Legislature's interest in allowing the largest number of counties to be recipients of the funding. The current limit for these funds, in Laws of 1979, Chapter 333, Section 16, Subd. 3, is $4,000, but a reference is made to applicable appropriation laws since the Legislature may wish to change the amount in the future.

E. Grant Disbursement - The SPA shall disburse the grants according to the following procedures:

1. A grant agreement shall be entered into by the SPA and the county once the grants are awarded.

This rule is needed to identify the mechanism by which the SPA will agree to disburse funds to a county.

2. The grant agreement shall specify:
   a. The amount of the funding to be awarded the county for the management and planning improvement;
   b. The manner and process of making payments to the county; and
   c. The requirements for accounting, auditing and reporting required of the county by the SPA.

This rule is necessary to establish the terms of the instrument needed for fiscal control which must be signed before the funds are disbursed to the county.

10 MCAR § 1.324 FINAL REPORT

Within 60 days of completion of the project, each grantee shall submit to the Division a final report. The report shall address the following:

1. Description of the project
2. Participants in the project
3. Staffing of the project, including consultants
4. Results of the project
5. An assessment of the affect of the project on future events or issues in the county
6. Plans for continuation of the project, if any
7. Source and amount of funds, if any, used in addition to state grant

This rule is necessary to establish the content of the final report which will be required. The final report is required in order that the SPA may have information for the Legislature on the nature of the projects funded and their outcomes.

10 MCAR § 1.325 AVAILABILITY OF FUNDING

Grants under the rule are subject to continuing availability of funds appropriated for such purposes.

This rule is necessary to inform counties that funding can only be provided for projects of this nature when and to the extent specifically authroized by the Legislature.

State Planning Agency

Human Resources Division

Proposed Rules Regarding Provision of State Grants for Human Services Management and Planning Improvement

Notice of Hearing

Notice is hereby given that a public hearing in the above-titled matter will be held in Conference Room 101, Capitol Square Building, 550 Cedar Street St. Paul, Minnesota 55101 on July 10, 1980, commencing at 8:30 a.m. and continuing until all persons have had an opportunity to be heard.

All interested or affected persons will have an opportunity to participate. Statements may be made orally and written material may be submitted at the hearing. In addition, written materials may be submitted by mail to: Richard Luis, Office of Hearing Examiners, Room 300, 1745 University Avenue, St. Paul, Minnesota 55104, (612) 296-8114. Unless a longer period not to exceed twenty calendar days is ordered by the Hearing Examiner at the hearing, the hearing record will remain open for the inclusion of written material for five working days after the hearing ends. The hearing shall be conducted in accordance with the rules of the Office of Hearing Examiners, 9 MCAR § 2.101 et. seq., Minn. Stat. §§ 15.0411-15.0417 and 15.052.

The proposed rules, if adopted, would guide the State Planning Agency, Human Resources Division, in administering grants for Human Services Management and Planning Improvement. As part of grants administration, the rule would define the procedures for applying for funding, the criteria for evaluating projects for funding and requirements for grant disbursement and for reporting on the project.

Copies of the proposed rules are now available and one free copy may be obtained by writing to Linda Sutherland, State Planning Agency, Room 101 Capitol Square Building, St. Paul, Minnesota 55101.

The statutory authority to promulgate the proposed rules is contained in Minn. Stat. 4.17, 402.046 and Laws of 1979, Chapter 533, Sect. 16, Subd. 3. Incorrect cite

NOTICE: The proposed rules are subject to change as a result of the rules hearing process. The Agency therefore strongly urges those who are potentially affected in any manner by the substance of the proposed rules to participate in the hearing process.

Please be advised that pursuant to Minn. Stat. § 10A.02, Subd. 1 (1978) as amended by Minn. Laws 1979, Sect. 3, lobbyists must register with the State Ethical Practices Board within five (5) days after becoming lobbyists.

"Lobbyist" means any individual:

(a) Engaged for pay or other consideration, or authorized by another individual or association to spend money, who spends more than five hours in any month or more than $250, not including his own travel expenses and membership dues, in any year, for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials; or

(b) Who spends more than $250, not including his own traveling expenses and membership dues, in any year, for the purpose of attempting to

influence legislative or administrative action by communicating or urging others to communicate with public officials.

"Lobbyist" does not include any:

(a) Public official or employee of the state or any of its political subdivisions or public bodies acting in his official capacity;

(b) Party or his representative appearing in a proceeding before a state board, commission or agency of the executive branch unless the board, commission or agency is taking administrative action;

(c) Individual while engaged in selling goods or services to be paid for by public funds;

(d) News media or their employees or agents while engaged in the publishing or broadcasting of news items, editorial comments or paid advertisements which directly or indirectly urge official action;

(e) Paid expert witness whose testimony is requested by the body before which he is appearing, but only to the extent of preparing or delivering testimony;

(f) Stockholder of a family farm corporation as defined in § 500.24, Subd. 1, who does not spend over $250, excluding his own travel expenses, in any year in communicating with public officials; or

(g) Party or his representative appearing to present a claim to the legislature and communicating to legislators only by the filing of a claim form and supporting documents and by appearing at public hearings on the claim.

Questions concerning lobbyists or their required registration should be directed to the State Ethical Practices Board, Room 41, State Office Building, Wabasha Street, St. Paul, Minnesota 55155, st telephone number (612) 296-5615.

Notice is hereby given that 25 days prior to a hearing, a Statement of Need and Reasonableness will be available for review at the Human Resources Division of the State Planning Agency and at the Office of Hearing Examiners. This Statement of Need and Reasonableness will include a summary of all of the evidence which will be presented by the State Planning Agency at the hearing justifying the need for and the reasonableness of the proposed rules. Copies of the Statement of Need and Reasonableness may be obtained from the Office of Hearing Examiners at a minimal charge.

NOTICE: Any person may request notification of the date on which the Heairng Examiner's Report will be available, after which date the State Planning Agency may not take any final action on the rules for a period of five (5) working days. Any person may request notification of the date on which the hearing record has been submitted (or resubmitted) to the Attorney General by the State Planning Agency. If you desire to be notified, you may so indicate at the hearing. After the hearing, you may request notification by sending a written request to the Hearing Examiner (in the case of the Hearing Examiner's Report), or to the State Planning Agency, (in the case of the Agency's submission or resubmission to the Attorney General).

May 20, 1980

Arthur E. Sidner

Arthur Sidner, Director
State Planning Agency

Minnesota State Planning Agency
101 Capitol Square Building
550 Cedar Street
St. Paul, Minnesota 55101
Phone 296-3983

STATE OF MINNESOTA
County of Ramsey

CERTIFICATE

In the matter of the Proposed Adoption of Rules of the State Planning Agency, Human Resources Division, governing the Provision of State Grants for Human Services Management and Planning Improvement.

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I hereby certify that the Notice of Hearing of the above mentioned proposed rules was mailed to the 347 persons on the Secretary of State's mailing list, as well as to the Chief Clerk of the House and the Secretary of the Senate on the 10th day of June, 1980.

Linda G. Sutherland
Linda G. Sutherland
State Planning Agency

Subscribed and sworn to before me
this twelfth day of June, 1980

Leonard O. Higgins

LEONARD O. HIGGINS
NOTARY PUBLIC-MINNESOTA
RAMSEY COUNTY
My Comm. Expires March 18, 1983

Minnesota State Planning Agency
101 Capitol Square Building
550 Cedar Street
St. Paul, Minnesota 55101
Phone 296-3983

AFFIDAVIT

Linda G. Sutherland, being duly sworn on oath deposes and says:

1) That she is an employee of the Human Resources Division of the State Planning Agency of the State of Minnesota.

2) That on the sixth day of June, 1980 she telephoned the Secretary of State's office for the State of Minnesota and requested a current list of all representatives of associations or other interested persons who had registered their names with the Secretary of State for the purpose of obtaining notices of public hearings related to the promulgation of rules pursuant to M.S. 15.0412.

3) That on the ninth day of June, 1980, in response to the above request, the Secretary of State provided her with such a list, a copy of which is attached hereto and incorporated by reference.

Further affiant sayeth not.

Linda G. Sutherland

Linda G. Sutherland

Subscribed and sworn to before me
this twelfth day of June, 1980.

[illegible]

[illegible] NOTARY PUBLIC-MINNESOTA
[illegible] Expires Mar. 14, 1983

AN EQUAL OPPORTUNITY EMPLOYER

STATE OF MINNESOTA
COUNTY OF RAMSEY

CERTIFICATE

In the matter of the Proposed Adoption
of Rules of _____ Division
Governing _____

I hereby certify that the attached 347 labels 2 sheets constitute the complete list of persons, associations, and other interested groups who as of 9:10 o'clock A.M this 9th day of June, 1980, have requested pursuant to M.S. 1976, 15.0412 _____, that their names be placed on file with the Secretary of State for the purpose of receiving notice of publi hearing on proposed rules on the subject captioned above.

Secretary of State

Joan Anderson Growe

By Donna Scott