

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 3138

02/26/2018 Authored by Dean, M.,
The bill was read for the first time and referred to the Committee on Health and Human Services Finance
04/23/2018 Adoption of Report: Amended and re-referred to the Committee on Ways and Means
04/26/2018 Adoption of Report: Placed on the General Register as Amended
Read for the Second Time

1.1 A bill for an act

1.2 relating to state government finance; modifying provisions governing Department

1.3 of Health and public health, health care, chemical and mental health, opioids and

1.4 prescription drugs, community supports and continuing care, protections for older

1.5 adults and vulnerable adults, children and families, health licensing boards, and

1.6 MNsure; establishing the Vulnerable Adult Maltreatment Prevention and

1.7 Accountability Act; modifying requirements for data sharing and data

1.8 classifications; modifying a criminal penalty; establishing working groups;

1.9 establishing prescription drug repository program; entering into nurse licensure

1.10 compact; establishing a supplemental budget for transportation activities; modifying

1.11 various provisions governing transportation policy and finance; providing for

1.12 rulemaking; requiring reports; modifying fees; making forecast adjustments;

1.13 appropriating money; authorizing the sale and issuance of state bonds; amending

1.14 Minnesota Statutes 2016, sections 13.461, by adding a subdivision; 13.6905,

1.15 subdivision 3; 13.72, subdivision 10; 13.83, subdivision 2; 13.851, by adding a

1.16 subdivision; 62A.30, by adding a subdivision; 62A.65, subdivision 7; 62Q.55,

1.17 subdivision 5; 62V.05, subdivisions 2, 5, 10; 103I.205, subdivision 9; 103I.301,

1.18 subdivision 6; 119B.011, by adding a subdivision; 119B.02, subdivision 7; 119B.03,

1.19 subdivision 9; 144.057, subdivision 1; 144.121, subdivision 1a, by adding a

1.20 subdivision; 144.1501, subdivisions 1, 3; 144.1506, subdivision 2; 144.608,

1.21 subdivision 1; 144.6501, subdivision 3, by adding a subdivision; 144.651,

1.22 subdivisions 1, 2, 4, 14, 16, 20, 21; 144A.10, subdivision 1; 144A.26; 144A.43,

1.23 subdivisions 11, 27, 30, by adding a subdivision; 144A.44, subdivision 1; 144A.442;

1.24 144A.45, subdivisions 1, 2; 144A.472, subdivision 5; 144A.473; 144A.474,

1.25 subdivisions 2, 8, 9; 144A.475, subdivisions 1, 2, 5; 144A.476, subdivision 1;

1.26 144A.479, subdivision 7; 144A.4791, subdivisions 1, 3, 6, 7, 8, 9, 10, 13;

1.27 144A.4792, subdivisions 1, 2, 5, 10; 144A.4793, subdivision 6; 144A.4797,

1.28 subdivision 3; 144A.4798; 144A.4799, subdivision 1; 144A.484, subdivision 1;

1.29 144A.53, subdivisions 1, 4, by adding subdivisions; 144D.01, subdivision 1;

1.30 144D.02; 144D.04, by adding a subdivision; 144E.16, by adding subdivisions;

1.31 144G.01, subdivision 1; 145.56, subdivision 2; 145.928, subdivisions 1, 7; 146B.03,

1.32 by adding a subdivision; 147A.08; 148.512, subdivision 17a; 148.513, subdivisions

1.33 1, 2, by adding a subdivision; 148.515, subdivision 1; 148.516; 148.519, by adding

1.34 a subdivision; 148.5192, subdivision 1; 148.5193, by adding a subdivision;

1.35 148.5194, subdivision 8, by adding a subdivision; 148.5195, subdivision 3;

1.36 148.5196, subdivision 3; 148.59; 148E.180; 149A.40, subdivision 11; 149A.95,

1.37 subdivision 3; 150A.06, subdivision 1a, by adding subdivisions; 150A.091, by

1.38 adding subdivisions; 151.15, by adding subdivisions; 151.19, subdivision 1;

1.39 151.214, subdivision 2; 151.46; 151.71, by adding a subdivision; 152.11, by adding

2.1 a subdivision; 160.295, subdivision 5; 161.115, subdivision 111; 161.14, by adding
2.2 subdivisions; 161.32, subdivision 2; 168.10, subdivision 1h; 168.101, subdivision
2.3 2a; 168.127, subdivision 6; 168.326; 168.33, by adding a subdivision; 168.345,
2.4 subdivision 2; 168A.02, subdivision 1; 168A.151, subdivision 1; 168A.29,
2.5 subdivision 1; 169.011, subdivisions 5, 9, 60; 169.18, subdivision 3; 169.222,
2.6 subdivisions 1, 4; 169.26, subdivision 1; 169.28; 169.29; 169.345, subdivision 2;
2.7 169.4503, subdivision 5; 169.81, by adding a subdivision; 169.8261, subdivision
2.8 2; 169.829, by adding a subdivision; 169.87, subdivision 6; 169.974, subdivision
2.9 2; 174.66; 214.075, subdivisions 1, 4, 5, 6; 214.077; 214.10, subdivision 8; 214.12,
2.10 by adding a subdivision; 221.031, subdivision 2d, by adding a subdivision;
2.11 221.0314, subdivision 9; 221.036, subdivisions 1, 3; 221.122, subdivision 1;
2.12 221.161, subdivision 1, by adding a subdivision; 221.171, subdivision 1; 222.46;
2.13 222.50, subdivisions 3, 4; 222.52; 222.57; 222.63, subdivision 8; 243.166,
2.14 subdivision 4b; 245A.04, subdivision 7, by adding a subdivision; 245C.22,
2.15 subdivision 4; 245D.071, subdivision 5; 245D.091, subdivisions 2, 3, 4; 254B.02,
2.16 subdivision 1; 256.01, by adding a subdivision; 256.014, subdivision 2; 256.975,
2.17 subdivision 7b; 256B.0575, subdivision 1; 256B.0595, subdivision 3; 256B.0625,
2.18 subdivisions 2, 18d, 30, by adding subdivisions; 256B.0659, subdivisions 11, 21,
2.19 24, 28, by adding a subdivision; 256B.4914, subdivision 4; 256B.5012, by adding
2.20 a subdivision; 256B.69, subdivision 5a; 256K.45, subdivision 2; 256M.41,
2.21 subdivision 3; 256R.53, subdivision 2; 259.24, subdivision 2; 299A.705; 325F.71;
2.22 360.013, by adding a subdivision; 360.017, subdivision 1; 360.021, subdivision
2.23 1; 360.024; 360.062; 360.063, subdivisions 1, 3; 360.064, subdivision 1; 360.065,
2.24 subdivision 1; 360.066, subdivision 1; 360.067, by adding a subdivision; 360.071,
2.25 subdivision 2; 360.305, subdivision 6; 394.22, by adding a subdivision; 394.23;
2.26 394.231; 394.25, subdivision 3; 462.352, by adding a subdivision; 462.355,
2.27 subdivision 1; 462.357, subdivision 9, by adding a subdivision; 473.13, by adding
2.28 subdivisions; 473.386, subdivision 3, by adding a subdivision; 473.4051,
2.29 subdivision 3; 473.606, subdivision 5; 518A.32, subdivision 3; 518A.685; 574.26,
2.30 subdivision 1a; 609.2231, subdivision 8; 626.557, subdivisions 3, 4, 9, 9a, 9b, 9c,
2.31 9d, 10b, 12b, 14, 17; 626.5572, subdivision 6; 641.15, subdivision 3a; Minnesota
2.32 Statutes 2017 Supplement, sections 3.972, subdivision 4; 13.69, subdivision 1;
2.33 103I.005, subdivisions 2, 8a, 17a; 103I.205, subdivisions 1, 4; 103I.208, subdivision
2.34 1; 103I.235, subdivision 3; 103I.601, subdivision 4; 119B.011, subdivision 20;
2.35 119B.025, subdivision 1; 119B.095, by adding a subdivision; 119B.13, subdivision
2.36 1; 144.1501, subdivision 2; 144A.10, subdivision 4; 144A.472, subdivision 7;
2.37 144A.474, subdivision 11; 144A.4796, subdivision 2; 144A.4799, subdivision 3;
2.38 144D.04, subdivision 2; 144H.01, subdivision 5; 144H.04, subdivision 1; 144H.06;
2.39 144H.08; 148.519, subdivision 1; 148.5193, subdivision 1; 148.5196, subdivision
2.40 1; 152.105, subdivision 2; 160.02, subdivision 1a; 169.829, subdivision 4; 245A.03,
2.41 subdivision 7; 245A.06, subdivision 8; 245A.11, subdivision 2a; 245A.50,
2.42 subdivision 7; 245C.22, subdivision 5; 245D.03, subdivision 1; 245G.03,
2.43 subdivision 1; 245G.22, subdivision 2; 254A.03, subdivision 3; 254B.03,
2.44 subdivision 2; 256.045, subdivisions 3, 4; 256B.0625, subdivisions 3b, 56a;
2.45 256B.0921; 256B.4914, subdivisions 2, 3, 5, 6, 7, 8, 9, 10, 10a; 260C.007,
2.46 subdivision 6; 364.09; 473.4051, subdivision 2; Laws 2014, chapter 312, article
2.47 11, section 38, subdivisions 5, 6; article 27, section 76; Laws 2017, First Special
2.48 Session chapter 3, article 1, sections 2, subdivision 2; 4, subdivisions 1, 2; Laws
2.49 2017, First Special Session chapter 6, article 3, section 49; article 8, sections 71;
2.50 72; 74; article 18, sections 3, subdivision 2; 16, subdivision 2; proposing coding
2.51 for new law in Minnesota Statutes, chapters 62Q; 137; 144; 144D; 144G; 148;
2.52 151; 161; 168; 174; 222; 245A; 256; 256B; 256K; 260C; 299A; 360; repealing
2.53 Minnesota Statutes 2016, sections 62A.65, subdivision 7a; 144A.45, subdivision
2.54 6; 144A.481; 151.55; 168.013, subdivision 21; 214.075, subdivision 8; 221.161,
2.55 subdivisions 2, 3, 4; 222.47; 222.50, subdivisions 1, 7; 222.51; 256.021; 256B.0705;
2.56 360.063, subdivision 4; 360.065, subdivision 2; 360.066, subdivisions 1a, 1b;

3.1 Minnesota Statutes 2017 Supplement, sections 146B.02, subdivision 7a; 222.49;
3.2 222.50, subdivision 6.

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

3.4 **ARTICLE 1**

3.5 **DEPARTMENT OF HEALTH AND PUBLIC HEALTH**

3.6 Section 1. Minnesota Statutes 2017 Supplement, section 103I.005, subdivision 2, is
3.7 amended to read:

3.8 Subd. 2. **Boring.** "Boring" means a hole or excavation that ~~is not used to extract water~~
3.9 ~~and~~ includes exploratory borings, bored geothermal heat exchangers, temporary borings,
3.10 and elevator borings.

3.11 Sec. 2. Minnesota Statutes 2017 Supplement, section 103I.005, subdivision 8a, is amended
3.12 to read:

3.13 Subd. 8a. **Environmental well.** "Environmental well" means an excavation 15 or more
3.14 feet in depth that is drilled, cored, bored, washed, driven, dug, jetted, or otherwise constructed
3.15 to:

3.16 (1) conduct physical, chemical, or biological testing of groundwater, and includes a
3.17 groundwater quality monitoring or sampling well;

3.18 (2) lower a groundwater level to control or remove contamination in groundwater, and
3.19 includes a remedial well and excludes horizontal trenches; or

3.20 (3) monitor or measure physical, chemical, radiological, or biological parameters of the
3.21 earth and earth fluids, or for vapor recovery or venting systems. An environmental well
3.22 includes an excavation used to:

3.23 (i) measure groundwater levels, including a piezometer;

3.24 (ii) determine groundwater flow direction or velocity;

3.25 (iii) measure earth properties such as hydraulic conductivity, bearing capacity, or
3.26 resistance;

3.27 (iv) obtain samples of geologic materials for testing or classification; or

3.28 (v) remove or remediate pollution or contamination from groundwater or soil through
3.29 the use of a vent, vapor recovery system, or sparge point.

3.30 An environmental well does not include an exploratory boring.

4.1 Sec. 3. Minnesota Statutes 2017 Supplement, section 103I.005, subdivision 17a, is amended
4.2 to read:

4.3 Subd. 17a. **Temporary ~~environmental well~~ boring.** ~~"Temporary environmental well"~~
4.4 ~~means an environmental well as defined in section 103I.005, subdivision 8a, that is sealed~~
4.5 ~~within 72 hours of the time construction on the well begins.~~ "Temporary boring" means an
4.6 excavation that is 15 feet or more in depth that is sealed within 72 hours of the start of
4.7 construction and is drilled, cored, washed, driven, dug, jetted, or otherwise constructed to:

4.8 (1) conduct physical, chemical, or biological testing of groundwater, including
4.9 groundwater quality monitoring;

4.10 (2) monitor or measure physical, chemical, radiological, or biological parameters of
4.11 earth materials or earth fluids, including hydraulic conductivity, bearing capacity, or
4.12 resistance;

4.13 (3) measure groundwater levels, including use of a piezometer;

4.14 (4) determine groundwater flow direction or velocity; or

4.15 (5) collect samples of geologic materials for testing or classification, or soil vapors for
4.16 testing or extraction.

4.17 Sec. 4. Minnesota Statutes 2017 Supplement, section 103I.205, subdivision 1, is amended
4.18 to read:

4.19 Subdivision 1. **Notification required.** (a) Except as provided in paragraph (d), a person
4.20 may not construct a water-supply, dewatering, or environmental well until a notification of
4.21 the proposed well on a form prescribed by the commissioner is filed with the commissioner
4.22 with the filing fee in section 103I.208, and, when applicable, the person has met the
4.23 requirements of paragraph (e). If after filing the well notification an attempt to construct a
4.24 well is unsuccessful, a new notification is not required unless the information relating to
4.25 the successful well has substantially changed. A notification is not required prior to
4.26 construction of a temporary ~~environmental well~~ boring.

4.27 (b) The property owner, the property owner's agent, or the licensed contractor where a
4.28 well is to be located must file the well notification with the commissioner.

4.29 (c) The well notification under this subdivision preempts local permits and notifications,
4.30 and counties or home rule charter or statutory cities may not require a permit or notification
4.31 for wells unless the commissioner has delegated the permitting or notification authority
4.32 under section 103I.111.

5.1 (d) A person who is an individual that constructs a drive point water-supply well on
5.2 property owned or leased by the individual for farming or agricultural purposes or as the
5.3 individual's place of abode must notify the commissioner of the installation and location of
5.4 the well. The person must complete the notification form prescribed by the commissioner
5.5 and mail it to the commissioner by ten days after the well is completed. A fee may not be
5.6 charged for the notification. A person who sells drive point wells at retail must provide
5.7 buyers with notification forms and informational materials including requirements regarding
5.8 wells, their location, construction, and disclosure. The commissioner must provide the
5.9 notification forms and informational materials to the sellers.

5.10 (e) When the operation of a well will require an appropriation permit from the
5.11 commissioner of natural resources, a person may not begin construction of the well until
5.12 the person submits the following information to the commissioner of natural resources:

5.13 (1) the location of the well;

5.14 (2) the formation or aquifer that will serve as the water source;

5.15 (3) the maximum daily, seasonal, and annual pumpage rates and volumes that will be
5.16 requested in the appropriation permit; and

5.17 (4) other information requested by the commissioner of natural resources that is necessary
5.18 to conduct the preliminary assessment required under section 103G.287, subdivision 1,
5.19 paragraph (c).

5.20 The person may begin construction after receiving preliminary approval from the
5.21 commissioner of natural resources.

5.22 Sec. 5. Minnesota Statutes 2017 Supplement, section 103I.205, subdivision 4, is amended
5.23 to read:

5.24 Subd. 4. **License required.** (a) Except as provided in paragraph (b), (c), (d), or (e),
5.25 section 103I.401, subdivision 2, or 103I.601, subdivision 2, a person may not drill, construct,
5.26 repair, or seal a well or boring unless the person has a well contractor's license in possession.

5.27 (b) A person may construct, repair, and seal an environmental well or temporary boring
5.28 if the person:

5.29 (1) is a professional engineer licensed under sections 326.02 to 326.15 in the branches
5.30 of civil or geological engineering;

5.31 (2) is a hydrologist or hydrogeologist certified by the American Institute of Hydrology;

5.32 (3) is a professional geoscientist licensed under sections 326.02 to 326.15;

6.1 (4) is a geologist certified by the American Institute of Professional Geologists; or

6.2 (5) meets the qualifications established by the commissioner in rule.

6.3 A person must be licensed by the commissioner as an environmental well contractor on
6.4 forms provided by the commissioner.

6.5 (c) A person may do the following work with a limited well/boring contractor's license
6.6 in possession. A separate license is required for each of the four activities:

6.7 (1) installing, repairing, and modifying well screens, pitless units and pitless adaptors,
6.8 well pumps and pumping equipment, and well casings from the pitless adaptor or pitless
6.9 unit to the upper termination of the well casing;

6.10 (2) sealing wells and borings;

6.11 (3) constructing, repairing, and sealing dewatering wells; or

6.12 (4) constructing, repairing, and sealing bored geothermal heat exchangers.

6.13 (d) A person may construct, repair, and seal an elevator boring with an elevator boring
6.14 contractor's license.

6.15 (e) Notwithstanding other provisions of this chapter requiring a license, a license is not
6.16 required for a person who complies with the other provisions of this chapter if the person
6.17 is:

6.18 (1) an individual who constructs a water-supply well on land that is owned or leased by
6.19 the individual and is used by the individual for farming or agricultural purposes or as the
6.20 individual's place of abode; or

6.21 (2) an individual who performs labor or services for a contractor licensed under the
6.22 provisions of this chapter in connection with the construction, sealing, or repair of a well
6.23 or boring at the direction and under the personal supervision of a contractor licensed under
6.24 the provisions of this chapter; ~~or.~~

6.25 ~~(3) a licensed plumber who is repairing submersible pumps or water pipes associated~~
6.26 ~~with well water systems if: (i) the repair location is within an area where there is no licensed~~
6.27 ~~well contractor within 50 miles, and (ii) the licensed plumber complies with all relevant~~
6.28 ~~sections of the plumbing code.~~

7.1 Sec. 6. Minnesota Statutes 2016, section 103I.205, subdivision 9, is amended to read:

7.2 Subd. 9. **Report of work.** Within ~~30~~ 60 days after completion or sealing of a well or
7.3 boring, the person doing the work must submit a verified report to the commissioner
7.4 containing the information specified by rules adopted under this chapter.

7.5 Within 30 days after receiving the report, the commissioner shall send or otherwise
7.6 provide access to a copy of the report to the commissioner of natural resources, to the local
7.7 soil and water conservation district where the well is located, and to the director of the
7.8 Minnesota Geological Survey.

7.9 Sec. 7. Minnesota Statutes 2017 Supplement, section 103I.208, subdivision 1, is amended
7.10 to read:

7.11 Subdivision 1. **Well notification fee.** The well notification fee to be paid by a property
7.12 owner is:

7.13 (1) for construction of a water supply well, \$275, which includes the state core function
7.14 fee;

7.15 (2) for a well sealing, \$75 for each well or boring, which includes the state core function
7.16 fee, except that a single fee of \$75 is required for all temporary ~~environmental wells~~ borings
7.17 recorded on the sealing notification for a single property, ~~having depths within a 25-foot~~
7.18 ~~range, and sealed within 72 hours of start of construction, except that temporary borings~~
7.19 less than 25 feet in depth are exempt from the notification and fee requirements in this
7.20 chapter;

7.21 (3) for construction of a dewatering well, \$275, which includes the state core function
7.22 fee, for each dewatering well except a dewatering project comprising five or more dewatering
7.23 wells shall be assessed a single fee of \$1,375 for the dewatering wells recorded on the
7.24 notification; and

7.25 (4) for construction of an environmental well, \$275, which includes the state core function
7.26 fee, except that a single fee of \$275 is required for all environmental wells recorded on the
7.27 notification that are located on a single property, and except that no fee is required for
7.28 construction of a temporary ~~environmental well~~ boring.

8.1 Sec. 8. Minnesota Statutes 2017 Supplement, section 103I.235, subdivision 3, is amended
8.2 to read:

8.3 Subd. 3. **Temporary ~~environmental well~~ boring and unsuccessful well exemption.**
8.4 This section does not apply to temporary ~~environmental wells~~ borings or unsuccessful wells
8.5 that have been sealed by a licensed contractor in compliance with this chapter.

8.6 Sec. 9. Minnesota Statutes 2016, section 103I.301, subdivision 6, is amended to read:

8.7 Subd. 6. **Notification required.** A person may not seal a well or boring until a notification
8.8 of the proposed sealing is filed as prescribed by the commissioner. Temporary borings less
8.9 than 25 feet in depth are exempt from the notification requirements in this chapter.

8.10 Sec. 10. Minnesota Statutes 2017 Supplement, section 103I.601, subdivision 4, is amended
8.11 to read:

8.12 Subd. 4. **Notification and map of borings.** (a) By ten days before beginning exploratory
8.13 boring, an explorer must submit to the commissioner of health a notification of the proposed
8.14 boring ~~on a form prescribed by the commissioner,~~ map and a fee of \$275 ~~for each exploratory~~
8.15 ~~boring.~~

8.16 (b) By ten days before beginning exploratory boring, an explorer must submit to the
8.17 commissioners of health and natural resources a county road map on a single sheet of paper
8.18 that is eight and one-half by 11 inches in size and having a scale of one-half inch equal to
8.19 one mile, as prepared by the Department of Transportation, or a 7.5 minute series topographic
8.20 map (1:24,000 scale), as prepared by the United States Geological Survey, showing the
8.21 location of each proposed exploratory boring to the nearest estimated 40 acre parcel.
8.22 Exploratory boring that is proposed on the map may not be commenced later than 180 days
8.23 after submission of the map, unless a new map is submitted.

8.24 Sec. 11. **[137.68] ADVISORY COUNCIL ON RARE DISEASES.**

8.25 Subdivision 1. **Establishment.** The Board of Regents of the University of Minnesota is
8.26 requested to establish an advisory council on rare diseases to provide advice on research,
8.27 diagnosis, treatment, and education related to rare diseases. For purposes of this section,
8.28 "rare disease" has the meaning given in United States Code, title 21, section 360bb. The
8.29 council shall be called the Chloe Barnes Advisory Council on Rare Diseases.

8.30 Subd. 2. **Membership.** (a) The advisory council may consist of public members appointed
8.31 by the Board of Regents or a designee according to paragraph (b) and four members of the
8.32 legislature appointed according to paragraph (c).

9.1 (b) The Board of Regents or a designee is requested to appoint the following public
9.2 members:

9.3 (1) three physicians licensed and practicing in the state with experience researching,
9.4 diagnosing, or treating rare diseases;

9.5 (2) one registered nurse or advanced practice registered nurse licensed and practicing
9.6 in the state with experience treating rare diseases;

9.7 (3) at least two hospital administrators, or their designees, from hospitals in the state
9.8 that provide care to persons diagnosed with a rare disease. One administrator or designee
9.9 appointed under this clause must represent a hospital in which the scope of service focuses
9.10 on rare diseases of pediatric patients;

9.11 (4) three persons age 18 or older who either have a rare disease or are a caregiver of a
9.12 person with a rare disease;

9.13 (5) a representative of a rare disease patient organization that operates in the state;

9.14 (6) a social worker with experience providing services to persons diagnosed with a rare
9.15 disease;

9.16 (7) a pharmacist with experience with drugs used to treat rare diseases;

9.17 (8) a dentist licensed and practicing in the state with experience treating rare diseases;

9.18 (9) a representative of the biotechnology industry;

9.19 (10) a representative of health plan companies;

9.20 (11) a medical researcher with experience conducting research on rare diseases;

9.21 (12) a genetic counselor with experience providing services to persons diagnosed with
9.22 a rare disease or caregivers of those persons; and

9.23 (13) other public members, who may serve on an ad hoc basis.

9.24 (c) The advisory council shall include two members of the senate, one appointed by the
9.25 majority leader and one appointed by the minority leader; and two members of the house
9.26 of representatives, one appointed by the speaker of the house and one appointed by the
9.27 minority leader.

9.28 (d) The commissioner of health or a designee, a representative of Mayo Medical School,
9.29 and a representative of the University of Minnesota Medical School, shall serve as ex officio,
9.30 nonvoting members of the advisory council.

10.1 (e) Initial appointments to the advisory council shall be made no later than July 1, 2018.
10.2 Members appointed according to paragraph (b) shall serve for a term of three years, except
10.3 that the initial members appointed according to paragraph (b) shall have an initial term of
10.4 two, three, or four years determined by lot by the chairperson. Members appointed according
10.5 to paragraph (b) shall serve until their successors have been appointed.

10.6 Subd. 3. **Meetings.** The Board of Regents or a designee is requested to convene the first
10.7 meeting of the advisory council no later than September 1, 2018. The advisory council shall
10.8 meet at the call of the chairperson or at the request of a majority of advisory council members.

10.9 Subd. 4. **Duties.** The advisory council's duties may include, but are not limited to:

10.10 (1) in conjunction with the state's medical schools, the state's schools of public health,
10.11 and hospitals in the state that provide care to persons diagnosed with a rare disease,
10.12 developing resources or recommendations relating to quality of and access to treatment and
10.13 services in the state for persons with a rare disease, including but not limited to:

10.14 (i) a list of existing, publicly accessible resources on research, diagnosis, treatment, and
10.15 education relating to rare diseases;

10.16 (ii) identifying best practices for rare disease care implemented in other states, at the
10.17 national level, and at the international level, that will improve rare disease care in the state
10.18 and seeking opportunities to partner with similar organizations in other states and countries;

10.19 (iii) identifying problems faced by patients with a rare disease when changing health
10.20 plans, including recommendations on how to remove obstacles faced by these patients to
10.21 finding a new health plan and how to improve the ease and speed of finding a new health
10.22 plan that meets the needs of patients with a rare disease; and

10.23 (iv) identifying best practices to ensure health care providers are adequately informed
10.24 of the most effective strategies for recognizing and treating rare diseases; and

10.25 (2) advising, consulting, and cooperating with the Department of Health, the Advisory
10.26 Committee on Heritable and Congenital Disorders, and other agencies of state government
10.27 in developing information and programs for the public and the health care community
10.28 relating to diagnosis, treatment, and awareness of rare diseases.

10.29 Subd. 5. **Conflict of interest.** Advisory council members are subject to the Board of
10.30 Regents policy on conflicts of interest.

10.31 Subd. 6. **Annual report.** By January 1 of each year, beginning January 1, 2019, the
10.32 advisory council shall report to the chairs and ranking minority members of the legislative
10.33 committees with jurisdiction over higher education and health care policy on the advisory

11.1 council's activities under subdivision 4 and other issues on which the advisory council may
11.2 choose to report.

11.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

11.4 Sec. 12. Minnesota Statutes 2016, section 144.057, subdivision 1, is amended to read:

11.5 Subdivision 1. **Background studies required.** The commissioner of health shall contract
11.6 with the commissioner of human services to conduct background studies of:

11.7 (1) individuals providing services which have direct contact, as defined under section
11.8 245C.02, subdivision 11, with patients and residents in hospitals, boarding care homes,
11.9 outpatient surgical centers licensed under sections 144.50 to 144.58; nursing homes and
11.10 home care agencies licensed under chapter 144A; ~~residential care homes licensed under~~
11.11 ~~chapter 144B,~~ and board and lodging establishments that are registered to provide supportive
11.12 or health supervision services under section 157.17;

11.13 (2) individuals specified in section 245C.03, subdivision 1, who perform direct contact
11.14 services in a nursing home or a home care agency licensed under chapter 144A or a boarding
11.15 care home licensed under sections 144.50 to 144.58. If the individual under study resides
11.16 outside Minnesota, the study must include a check for substantiated findings of maltreatment
11.17 of adults and children in the individual's state of residence when the information is made
11.18 available by that state, and must include a check of the National Crime Information Center
11.19 database;

11.20 (3) beginning July 1, 1999, all other employees in nursing homes licensed under chapter
11.21 144A, and boarding care homes licensed under sections 144.50 to 144.58. A disqualification
11.22 of an individual in this section shall disqualify the individual from positions allowing direct
11.23 contact or access to patients or residents receiving services. "Access" means physical access
11.24 to a client or the client's personal property without continuous, direct supervision as defined
11.25 in section 245C.02, subdivision 8, when the employee's employment responsibilities do not
11.26 include providing direct contact services;

11.27 (4) individuals employed by a supplemental nursing services agency, as defined under
11.28 section 144A.70, who are providing services in health care facilities; ~~and~~

11.29 (5) controlling persons of a supplemental nursing services agency, as defined under
11.30 section 144A.70; and

11.31 (6) individuals providing services who have direct contact, as defined under section
11.32 245C.02, subdivision 11, with medically complex or technologically dependent children at
11.33 a prescribed pediatric extended care center licensed under chapter 144H.

12.1 If a facility or program is licensed by the Department of Human Services and subject to
12.2 the background study provisions of chapter 245C and is also licensed by the Department
12.3 of Health, the Department of Human Services is solely responsible for the background
12.4 studies of individuals in the jointly licensed programs.

12.5 Sec. 13. [144.064] THE VIVIAN ACT.

12.6 Subdivision 1. Short title. This section shall be known and may be cited as the "Vivian
12.7 Act."

12.8 Subd. 2. Definitions. For purposes of this section, the following terms have the meanings
12.9 given them:

12.10 (1) "commissioner" means the commissioner of health;

12.11 (2) "health care practitioner" means a medical professional that provides prenatal or
12.12 postnatal care;

12.13 (3) "CMV" means the human herpesvirus cytomegalovirus, also called HCMV, human
12.14 herpesvirus 5, and HHV-5; and

12.15 (4) "congenital CMV" means the transmission of a CMV infection from a pregnant
12.16 mother to her fetus.

12.17 Subd. 3. Commissioner duties. (a) The commissioner shall make available to health
12.18 care practitioners and women who may become pregnant, expectant parents, and parents
12.19 of infants up-to-date and evidence-based information about congenital CMV that has been
12.20 reviewed by experts with knowledge of the disease. The information shall include the
12.21 following:

12.22 (1) the recommendation to consider testing for congenital CMV in babies who did not
12.23 pass their newborn hearing screen or in which a pregnancy history suggests increased risk
12.24 for congenital CMV infection;

12.25 (2) the incidence of CMV;

12.26 (3) the transmission of CMV to pregnant women and women who may become pregnant;

12.27 (4) birth defects caused by congenital CMV;

12.28 (5) available preventative measures to avoid the infection of women who are pregnant
12.29 or may become pregnant; and

12.30 (6) resources available for families of children born with congenital CMV.

13.1 (b) The commissioner shall follow existing department practice, inclusive of community
 13.2 engagement, to ensure that the information in paragraph (a) is culturally and linguistically
 13.3 appropriate for all recipients.

13.4 (c) The department shall establish an outreach program to:

13.5 (1) educate women who may become pregnant, expectant parents, and parents of infants
 13.6 about CMV; and

13.7 (2) raise awareness for CMV among health care providers who provide care to expectant
 13.8 mothers or infants.

13.9 Sec. 14. Minnesota Statutes 2016, section 144.121, subdivision 1a, is amended to read:

13.10 Subd. 1a. **Fees for ionizing radiation-producing equipment.** (a) A facility with ionizing
 13.11 radiation-producing equipment must pay an annual initial or annual renewal registration
 13.12 fee consisting of a base facility fee of \$100 and an additional fee for each radiation source,
 13.13 as follows:

- | | | |
|-------|--------------------------------------|---------------|
| 13.14 | (1) medical or veterinary equipment | \$ 100 |
| 13.15 | (2) dental x-ray equipment | \$ 40 |
| 13.16 | (3) x-ray equipment not used on | \$ 100 |
| 13.17 | humans or animals | |
| 13.18 | (4) devices with sources of ionizing | \$ 100 |
| 13.19 | radiation not used on humans or | |
| 13.20 | animals | |
| 13.21 | <u>(5) security screening system</u> | <u>\$ 100</u> |

13.22 (b) A facility with radiation therapy and accelerator equipment must pay an annual
 13.23 registration fee of \$500. A facility with an industrial accelerator must pay an annual
 13.24 registration fee of \$150.

13.25 (c) Electron microscopy equipment is exempt from the registration fee requirements of
 13.26 this section.

13.27 (d) For purposes of this section, a security screening system means radiation-producing
 13.28 equipment designed and used for security screening of humans who are in custody of a
 13.29 correctional or detention facility, and is used by the facility to image and identify contraband
 13.30 items concealed within or on all sides of a human body. For purposes of this section, a
 13.31 correctional or detention facility is a facility licensed by the commissioner of corrections
 13.32 under section 241.021, and operated by a state agency or political subdivision charged with
 13.33 detection, enforcement, or incarceration in respect to state criminal and traffic laws.

14.1 Sec. 15. Minnesota Statutes 2016, section 144.121, is amended by adding a subdivision
14.2 to read:

14.3 Subd. 9. **Exemption from examination requirements; operators of security screening**
14.4 **systems.** (a) An employee of a correctional or detention facility who operates a security
14.5 screening system and the facility in which the system is being operated are exempt from
14.6 the requirements of subdivisions 5 and 6.

14.7 (b) An employee of a correctional or detention facility who operates a security screening
14.8 system and the facility in which the system is being operated must meet the requirements
14.9 of a variance to Minnesota Rules, parts 4732.0305 and 4732.0565, issued under Minnesota
14.10 Rules, parts 4717.7000 to 4717.7050. This paragraph expires on December 31 of the year
14.11 that the permanent rules adopted by the commissioner governing security screening systems
14.12 are published in the State Register.

14.13 **EFFECTIVE DATE.** This section is effective 30 days following final enactment.

14.14 Sec. 16. **[144.131] ADVISORY COUNCIL ON PANDAS AND PANS.**

14.15 Subdivision 1. **Advisory council established.** The commissioner of health shall establish
14.16 an advisory council on pediatric autoimmune neuropsychiatric disorders associated with
14.17 streptococcal infections (PANDAS) and pediatric acute-onset neuropsychiatric syndrome
14.18 (PANS) to advise the commissioner regarding research, diagnosis, treatment, and education
14.19 relating to PANDAS and PANS.

14.20 Subd. 2. **Membership.** (a) The advisory council shall consist of 14 public members
14.21 appointed according to paragraph (b) and two members of the legislature appointed according
14.22 to paragraph (c).

14.23 (b) The commissioner shall appoint the following public members to the advisory council
14.24 in the manner provided in section 15.0597:

14.25 (1) an immunologist who is licensed by the Board of Medical Practice and who has
14.26 experience treating PANS with the use of intravenous immunoglobulin;

14.27 (2) a health care provider who is licensed and practicing in Minnesota and who has
14.28 experience treating persons with PANS and autism spectrum disorder;

14.29 (3) a representative of a nonprofit PANS advocacy organization;

14.30 (4) a family practice physician who is licensed by the Board of Medical Practice and
14.31 practicing in Minnesota and who has experience treating persons with PANS;

15.1 (5) a medical researcher with experience conducting research on PANDAS, PANS,
15.2 obsessive-compulsive disorder, and other neurological disorders;

15.3 (6) a health care provider who is licensed and practicing in Minnesota and who has
15.4 expertise in treating patients with eating disorders;

15.5 (7) a representative of a professional organization in Minnesota for school psychologists
15.6 or school social workers;

15.7 (8) a child psychiatrist who is licensed by the Board of Medical Practice and practicing
15.8 in Minnesota and who has experience treating persons with PANS;

15.9 (9) a pediatrician who is licensed by the Board of Medical Practice and practicing in
15.10 Minnesota and who has experience treating persons with PANS;

15.11 (10) a representative of an organization focused on autism spectrum disorder;

15.12 (11) a parent of a child who has been diagnosed with PANS and autism spectrum disorder;

15.13 (12) a social worker licensed by the Board of Social Work and practicing in Minnesota;

15.14 (13) a designee of the commissioner of education with expertise in special education;
15.15 and

15.16 (14) a representative of health plan companies that offer health plans in the individual
15.17 or group markets.

15.18 (c) Legislative members shall be appointed to the advisory council as follows:

15.19 (1) the Subcommittee on Committees of the Committee on Rules and Administration
15.20 in the senate shall appoint one member from the senate; and

15.21 (2) the speaker of the house shall appoint one member from the house of representatives.

15.22 (d) The commissioner of health or a designee shall serve as a nonvoting member of the
15.23 advisory council.

15.24 Subd. 3. **Terms.** Members of the advisory council shall serve for a term of three years
15.25 and may be reappointed. Members shall serve until their successors have been appointed.

15.26 Subd. 4. **Administration.** The commissioner of health or the commissioner's designee
15.27 shall provide meeting space and administrative services for the advisory council.

15.28 Subd. 5. **Compensation and expenses.** Public members of the advisory council shall
15.29 not receive compensation but may be reimbursed for allowed actual and necessary expenses
15.30 incurred in the performance of the member's duties for the advisory council, in the same

16.1 manner and amount as authorized by the commissioner's plan adopted under section 43A.18,
16.2 subdivision 2.

16.3 Subd. 6. **Chair; meetings.** (a) At the advisory council's first meeting, and every two
16.4 years thereafter, the members of the advisory council shall elect from among their
16.5 membership a chair and a vice-chair, whose duties shall be established by the advisory
16.6 council.

16.7 (b) The chair of the advisory council shall fix a time and place for regular meetings. The
16.8 advisory council shall meet at least four times each year at the call of the chair or at the
16.9 request of a majority of the advisory council's members.

16.10 Subd. 7. **Duties.** The advisory council shall:

16.11 (1) advise the commissioner regarding research, diagnosis, treatment, and education
16.12 relating to PANDAS and PANS;

16.13 (2) annually develop recommendations on the following issues related to PANDAS and
16.14 PANS:

16.15 (i) practice guidelines for diagnosis and treatment;

16.16 (ii) ways to increase clinical awareness and education of PANDAS and PANS among
16.17 pediatricians, other physicians, school-based health centers, and providers of mental health
16.18 services;

16.19 (iii) outreach to educators and parents to increase awareness of PANDAS and PANS;

16.20 and

16.21 (iv) development of a network of volunteer experts on the diagnosis and treatment of
16.22 PANDAS and PANS to assist in education and research; and

16.23 (3) by October 1, 2019, and each October 1 thereafter, complete an annual report with
16.24 the advisory council's recommendations on the issues listed in clause (2), and submit the
16.25 report to the chairs and ranking minority members of the legislative committees with
16.26 jurisdiction over health care and education. The commissioner shall also post a copy of each
16.27 annual report on the Department of Health Web site.

16.28 Subd. 8. **Expiration.** The advisory council expires October 1, 2024.

16.29 Sec. 17. Minnesota Statutes 2016, section 144.1501, subdivision 1, is amended to read:

16.30 Subdivision 1. **Definitions.** (a) For purposes of this section, the following definitions
16.31 apply.

17.1 (b) "Advanced dental therapist" means an individual who is licensed as a dental therapist
17.2 under section 150A.06, and who is certified as an advanced dental therapist under section
17.3 150A.106.

17.4 (c) "Alcohol and drug counselor" means an individual who is licensed as an alcohol and
17.5 drug counselor under chapter 148F.

17.6 ~~(e)~~ (d) "Dental therapist" means an individual who is licensed as a dental therapist under
17.7 section 150A.06.

17.8 ~~(d)~~ (e) "Dentist" means an individual who is licensed to practice dentistry.

17.9 ~~(e)~~ (f) "Designated rural area" means a statutory and home rule charter city or township
17.10 that is outside the seven-county metropolitan area as defined in section 473.121, subdivision
17.11 2, excluding the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud.

17.12 ~~(f)~~ (g) "Emergency circumstances" means those conditions that make it impossible for
17.13 the participant to fulfill the service commitment, including death, total and permanent
17.14 disability, or temporary disability lasting more than two years.

17.15 ~~(g)~~ (h) "Mental health professional" means an individual providing clinical services in
17.16 the treatment of mental illness who is qualified in at least one of the ways specified in section
17.17 245.462, subdivision 18.

17.18 ~~(h)~~ (i) "Medical resident" means an individual participating in a medical residency in
17.19 family practice, internal medicine, obstetrics and gynecology, pediatrics, or psychiatry.

17.20 ~~(i)~~ (j) "Midlevel practitioner" means a nurse practitioner, nurse-midwife, nurse anesthetist,
17.21 advanced clinical nurse specialist, or physician assistant.

17.22 ~~(j)~~ (k) "Nurse" means an individual who has completed training and received all licensing
17.23 or certification necessary to perform duties as a licensed practical nurse or registered nurse.

17.24 ~~(k)~~ (l) "Nurse-midwife" means a registered nurse who has graduated from a program of
17.25 study designed to prepare registered nurses for advanced practice as nurse-midwives.

17.26 ~~(l)~~ (m) "Nurse practitioner" means a registered nurse who has graduated from a program
17.27 of study designed to prepare registered nurses for advanced practice as nurse practitioners.

17.28 ~~(m)~~ (n) "Pharmacist" means an individual with a valid license issued under chapter 151.

17.29 ~~(n)~~ (o) "Physician" means an individual who is licensed to practice medicine in the areas
17.30 of family practice, internal medicine, obstetrics and gynecology, pediatrics, or psychiatry.

17.31 ~~(o)~~ (p) "Physician assistant" means a person licensed under chapter 147A.

18.1 ~~(p)~~ (q) "Public health nurse" means a registered nurse licensed in Minnesota who has
18.2 obtained a registration certificate as a public health nurse from the Board of Nursing in
18.3 accordance with Minnesota Rules, chapter 6316.

18.4 ~~(q)~~ (r) "Qualified educational loan" means a government, commercial, or foundation
18.5 loan for actual costs paid for tuition, reasonable education expenses, and reasonable living
18.6 expenses related to the graduate or undergraduate education of a health care professional.

18.7 ~~(r)~~ (s) "Underserved urban community" means a Minnesota urban area or population
18.8 included in the list of designated primary medical care health professional shortage areas
18.9 (HPSAs), medically underserved areas (MUAs), or medically underserved populations
18.10 (MUPs) maintained and updated by the United States Department of Health and Human
18.11 Services.

18.12 Sec. 18. Minnesota Statutes 2017 Supplement, section 144.1501, subdivision 2, is amended
18.13 to read:

18.14 Subd. 2. **Creation of account.** (a) A health professional education loan forgiveness
18.15 program account is established. The commissioner of health shall use money from the
18.16 account to establish a loan forgiveness program:

18.17 (1) for medical residents and mental health professionals agreeing to practice in designated
18.18 rural areas or underserved urban communities or specializing in the area of pediatric
18.19 psychiatry;

18.20 (2) for midlevel practitioners agreeing to practice in designated rural areas or to teach
18.21 at least 12 credit hours, or 720 hours per year in the nursing field in a postsecondary program
18.22 at the undergraduate level or the equivalent at the graduate level;

18.23 (3) for nurses who agree to practice in a Minnesota nursing home; an intermediate care
18.24 facility for persons with developmental disability; a hospital if the hospital owns and operates
18.25 a Minnesota nursing home and a minimum of 50 percent of the hours worked by the nurse
18.26 is in the nursing home; a housing with services establishment as defined in section 144D.01,
18.27 subdivision 4; or for a home care provider as defined in section 144A.43, subdivision 4; or
18.28 agree to teach at least 12 credit hours, or 720 hours per year in the nursing field in a
18.29 postsecondary program at the undergraduate level or the equivalent at the graduate level;

18.30 (4) for other health care technicians agreeing to teach at least 12 credit hours, or 720
18.31 hours per year in their designated field in a postsecondary program at the undergraduate
18.32 level or the equivalent at the graduate level. The commissioner, in consultation with the
18.33 Healthcare Education-Industry Partnership, shall determine the health care fields where the

19.1 need is the greatest, including, but not limited to, respiratory therapy, clinical laboratory
19.2 technology, radiologic technology, and surgical technology;

19.3 (5) for pharmacists, advanced dental therapists, dental therapists, ~~and~~ public health
19.4 nurses, and alcohol and drug counselors who agree to practice in designated rural areas;
19.5 and

19.6 (6) for dentists agreeing to deliver at least 25 percent of the dentist's yearly patient
19.7 encounters to state public program enrollees or patients receiving sliding fee schedule
19.8 discounts through a formal sliding fee schedule meeting the standards established by the
19.9 United States Department of Health and Human Services under Code of Federal Regulations,
19.10 title 42, section 51, chapter 303.

19.11 (b) Appropriations made to the account do not cancel and are available until expended,
19.12 except that at the end of each biennium, any remaining balance in the account that is not
19.13 committed by contract and not needed to fulfill existing commitments shall cancel to the
19.14 fund.

19.15 Sec. 19. Minnesota Statutes 2016, section 144.1501, subdivision 3, is amended to read:

19.16 Subd. 3. **Eligibility.** (a) To be eligible to participate in the loan forgiveness program, an
19.17 individual must:

19.18 (1) be a medical or dental resident; a licensed pharmacist; or be enrolled in a training or
19.19 education program to become a dentist, dental therapist, advanced dental therapist, mental
19.20 health professional, pharmacist, public health nurse, midlevel practitioner, registered nurse,
19.21 ~~or a licensed practical nurse,~~ or alcohol and drug counselor. The commissioner may also
19.22 consider applications submitted by graduates in eligible professions who are licensed and
19.23 in practice; and

19.24 (2) submit an application to the commissioner of health.

19.25 (b) An applicant selected to participate must sign a contract to agree to serve a minimum
19.26 three-year full-time service obligation according to subdivision 2, which shall begin no later
19.27 than March 31 following completion of required training, with the exception of a nurse,
19.28 who must agree to serve a minimum two-year full-time service obligation according to
19.29 subdivision 2, which shall begin no later than March 31 following completion of required
19.30 training.

20.1 Sec. 20. Minnesota Statutes 2016, section 144.1506, subdivision 2, is amended to read:

20.2 Subd. 2. **Expansion grant program.** (a) The commissioner of health shall award primary
20.3 care residency expansion grants to eligible primary care residency programs to plan and
20.4 implement new residency slots. A planning grant shall not exceed \$75,000, and a training
20.5 grant shall not exceed \$150,000 per new residency slot for the first year, \$100,000 for the
20.6 second year, and \$50,000 for the third year of the new residency slot. For eligible residency
20.7 programs longer than three years, training grants may be awarded for the duration of the
20.8 residency, not exceeding an average of \$100,000 per residency slot per year.

20.9 (b) Funds may be spent to cover the costs of:

20.10 (1) planning related to establishing an accredited primary care residency program;

20.11 (2) obtaining accreditation by the Accreditation Council for Graduate Medical Education
20.12 or another national body that accredits residency programs;

20.13 (3) establishing new residency programs or new resident training slots;

20.14 (4) recruitment, training, and retention of new residents and faculty;

20.15 (5) travel and lodging for new residents;

20.16 (6) faculty, new resident, and preceptor salaries related to new residency slots;

20.17 (7) training site improvements, fees, equipment, and supplies required for new primary
20.18 care resident training slots; and

20.19 (8) supporting clinical education in which trainees are part of a primary care team model.

20.20 Sec. 21. **[144.397] STATEWIDE TOBACCO CESSATION SERVICES.**

20.21 (a) The commissioner of health shall administer, or contract for the administration of,
20.22 statewide tobacco cessation services to assist Minnesotans who are seeking advice or services
20.23 to help them quit using tobacco products. The commissioner shall establish statewide public
20.24 awareness activities to inform the public of the availability of the services and encourage
20.25 the public to utilize the services because of the dangers and harm of tobacco use and
20.26 dependence.

20.27 (b) Services to be provided may include, but are not limited to:

20.28 (1) telephone-based coaching and counseling;

20.29 (2) referrals;

20.30 (3) written materials mailed upon request;

21.1 (4) Web-based texting or e-mail services; and

21.2 (5) free Food and Drug Administration-approved tobacco cessation medications.

21.3 (c) Services provided must be consistent with evidence-based best practices in tobacco
 21.4 cessation services. Services provided must be coordinated with employer, health plan
 21.5 company, and private sector tobacco prevention and cessation services that may be available
 21.6 to individuals depending on their employment or health coverage.

21.7 Sec. 22. Minnesota Statutes 2016, section 144.608, subdivision 1, is amended to read:

21.8 Subdivision 1. **Trauma Advisory Council established.** (a) A Trauma Advisory Council
 21.9 is established to advise, consult with, and make recommendations to the commissioner on
 21.10 the development, maintenance, and improvement of a statewide trauma system.

21.11 (b) The council shall consist of the following members:

21.12 (1) a trauma surgeon certified by the American Board of Surgery or the American
 21.13 Osteopathic Board of Surgery who practices in a level I or II trauma hospital;

21.14 (2) a general surgeon certified by the American Board of Surgery or the American
 21.15 Osteopathic Board of Surgery whose practice includes trauma and who practices in a
 21.16 designated rural area as defined under section 144.1501, subdivision 1, paragraph ~~(e)~~ (f);

21.17 (3) a neurosurgeon certified by the American Board of Neurological Surgery who
 21.18 practices in a level I or II trauma hospital;

21.19 (4) a trauma program nurse manager or coordinator practicing in a level I or II trauma
 21.20 hospital;

21.21 (5) an emergency physician certified by the American Board of Emergency Medicine
 21.22 or the American Osteopathic Board of Emergency Medicine whose practice includes
 21.23 emergency room care in a level I, II, III, or IV trauma hospital;

21.24 (6) a trauma program manager or coordinator who practices in a level III or IV trauma
 21.25 hospital;

21.26 (7) a physician certified by the American Board of Family Medicine or the American
 21.27 Osteopathic Board of Family Practice whose practice includes emergency department care
 21.28 in a level III or IV trauma hospital located in a designated rural area as defined under section
 21.29 144.1501, subdivision 1, paragraph ~~(e)~~ (f);

21.30 (8) a nurse practitioner, as defined under section 144.1501, subdivision 1, paragraph ~~(h)~~
 21.31 (m), or a physician assistant, as defined under section 144.1501, subdivision 1, paragraph

22.1 ~~(e)~~(p), whose practice includes emergency room care in a level IV trauma hospital located
22.2 in a designated rural area as defined under section 144.1501, subdivision 1, paragraph ~~(e)~~
22.3 (f);

22.4 (9) a physician certified in pediatric emergency medicine by the American Board of
22.5 Pediatrics or certified in pediatric emergency medicine by the American Board of Emergency
22.6 Medicine or certified by the American Osteopathic Board of Pediatrics whose practice
22.7 primarily includes emergency department medical care in a level I, II, III, or IV trauma
22.8 hospital, or a surgeon certified in pediatric surgery by the American Board of Surgery whose
22.9 practice involves the care of pediatric trauma patients in a trauma hospital;

22.10 (10) an orthopedic surgeon certified by the American Board of Orthopaedic Surgery or
22.11 the American Osteopathic Board of Orthopedic Surgery whose practice includes trauma
22.12 and who practices in a level I, II, or III trauma hospital;

22.13 (11) the state emergency medical services medical director appointed by the Emergency
22.14 Medical Services Regulatory Board;

22.15 (12) a hospital administrator of a level III or IV trauma hospital located in a designated
22.16 rural area as defined under section 144.1501, subdivision 1, paragraph ~~(e)~~(f);

22.17 (13) a rehabilitation specialist whose practice includes rehabilitation of patients with
22.18 major trauma injuries or traumatic brain injuries and spinal cord injuries as defined under
22.19 section 144.661;

22.20 (14) an attendant or ambulance director who is an EMT, EMT-I, or EMT-P within the
22.21 meaning of section 144E.001 and who actively practices with a licensed ambulance service
22.22 in a primary service area located in a designated rural area as defined under section 144.1501,
22.23 subdivision 1, paragraph ~~(e)~~(f); and

22.24 (15) the commissioner of public safety or the commissioner's designee.

22.25 Sec. 23. Minnesota Statutes 2016, section 144A.43, subdivision 11, is amended to read:

22.26 Subd. 11. **Medication administration.** "Medication administration" means performing
22.27 a set of tasks ~~to ensure a client takes medications, and includes~~ that include the following:

22.28 (1) checking the client's medication record;

22.29 (2) preparing the medication as necessary;

22.30 (3) administering the medication to the client;

22.31 (4) documenting the administration or reason for not administering the medication; and

23.1 (5) reporting to a registered nurse or appropriate licensed health professional any concerns
23.2 about the medication, the client, or the client's refusal to take the medication.

23.3 Sec. 24. Minnesota Statutes 2016, section 144A.43, is amended by adding a subdivision
23.4 to read:

23.5 Subd. 12a. **Medication reconciliation.** "Medication reconciliation" means the process
23.6 of identifying the most accurate list of all medications the client is taking, including the
23.7 name, dosage, frequency, and route by comparing the client record to an external list of
23.8 medications obtained from the client, hospital, prescriber, or other provider.

23.9 Sec. 25. Minnesota Statutes 2016, section 144A.43, subdivision 27, is amended to read:

23.10 Subd. 27. **Service ~~plan~~ agreement.** "Service ~~plan~~ agreement" means the written ~~plan~~
23.11 agreement between the client or client's representative and the temporary licensee or licensee
23.12 about the services that will be provided to the client.

23.13 Sec. 26. Minnesota Statutes 2016, section 144A.43, subdivision 30, is amended to read:

23.14 Subd. 30. **Standby assistance.** "Standby assistance" means the presence of another
23.15 person ~~within arm's reach to minimize the risk of injury while performing daily activities~~
23.16 through physical intervention or cueing to assist a client with an assistive task by providing
23.17 cues, oversight, and minimal physical assistance.

23.18 Sec. 27. Minnesota Statutes 2016, section 144A.472, subdivision 5, is amended to read:

23.19 Subd. 5. ~~Transfers prohibited; Changes in ownership.~~ Any (a) A home care license
23.20 issued by the commissioner may not be transferred to another party. Before acquiring
23.21 ownership of or a controlling interest in a home care provider business, a prospective
23.22 ~~applicant~~ owner must apply for a new ~~temporary~~ license. A change of ownership is a transfer
23.23 of operational control ~~to a different business entity~~ of the home care provider business and
23.24 includes:

23.25 (1) transfer of the business to a different or new corporation;

23.26 (2) in the case of a partnership, the dissolution or termination of the partnership under
23.27 chapter 323A, with the business continuing by a successor partnership or other entity;

23.28 (3) relinquishment of control of the provider to another party, including to a contract
23.29 management firm that is not under the control of the owner of the business' assets;

23.30 (4) transfer of the business by a sole proprietor to another party or entity; or

24.1 (5) ~~in the case of a privately held corporation, the change in~~ transfer of ownership or
 24.2 control of 50 percent or more of the ~~outstanding voting stock~~ controlling interest of a home
 24.3 care provider business not covered by clauses (1) to (4).

24.4 (b) An employee who was employed by the previous owner of the home care provider
 24.5 business prior to the effective date of a change in ownership under paragraph (a), and who
 24.6 will be employed by the new owner in the same or a similar capacity, shall be treated as if
 24.7 no change in employer occurred, with respect to orientation, training, tuberculosis testing,
 24.8 background studies, and competency testing and training on the policies identified in
 24.9 subdivision 1, clause (14), and subdivision 2, if applicable.

24.10 (c) Notwithstanding paragraph (b), a new owner of a home care provider business must
 24.11 ensure that employees of the provider receive and complete training and testing on any
 24.12 provisions of policies that differ from those of the previous owner, within 90 days after the
 24.13 date of the change in ownership.

24.14 Sec. 28. Minnesota Statutes 2017 Supplement, section 144A.472, subdivision 7, is amended
 24.15 to read:

24.16 **Subd. 7. Fees; application, change of ownership, and renewal.** (a) An initial applicant
 24.17 seeking temporary home care licensure must submit the following application fee to the
 24.18 commissioner along with a completed application:

24.19 (1) for a basic home care provider, \$2,100; or

24.20 (2) for a comprehensive home care provider, \$4,200.

24.21 (b) A home care provider who is filing a change of ownership as required under
 24.22 subdivision 5 must submit the following application fee to the commissioner, along with
 24.23 the documentation required for the change of ownership:

24.24 (1) for a basic home care provider, \$2,100; or

24.25 (2) for a comprehensive home care provider, \$4,200.

24.26 (c) For the period ending June 30, 2018, a home care provider who is seeking to renew
 24.27 the provider's license shall pay a fee to the commissioner based on revenues derived from
 24.28 the provision of home care services during the calendar year prior to the year in which the
 24.29 application is submitted, according to the following schedule:

24.30 **License Renewal Fee**

24.31 Provider Annual Revenue	Fee
24.32 greater than \$1,500,000	\$6,625

25.1	greater than \$1,275,000 and no more than	
25.2	\$1,500,000	\$5,797
25.3	greater than \$1,100,000 and no more than	
25.4	\$1,275,000	\$4,969
25.5	greater than \$950,000 and no more than	
25.6	\$1,100,000	\$4,141
25.7	greater than \$850,000 and no more than \$950,000	\$3,727
25.8	greater than \$750,000 and no more than \$850,000	\$3,313
25.9	greater than \$650,000 and no more than \$750,000	\$2,898
25.10	greater than \$550,000 and no more than \$650,000	\$2,485
25.11	greater than \$450,000 and no more than \$550,000	\$2,070
25.12	greater than \$350,000 and no more than \$450,000	\$1,656
25.13	greater than \$250,000 and no more than \$350,000	\$1,242
25.14	greater than \$100,000 and no more than \$250,000	\$828
25.15	greater than \$50,000 and no more than \$100,000	\$500
25.16	greater than \$25,000 and no more than \$50,000	\$400
25.17	no more than \$25,000	\$200

25.18 (d) For the period between July 1, 2018, and June 30, 2020, a home care provider who
 25.19 is seeking to renew the provider's license shall pay a fee to the commissioner in an amount
 25.20 that is ten percent higher than the applicable fee in paragraph (c). A home care provider's
 25.21 fee shall be based on revenues derived from the provision of home care services during the
 25.22 calendar year prior to the year in which the application is submitted.

25.23 (e) Beginning July 1, 2020, a home care provider who is seeking to renew the provider's
 25.24 license shall pay a fee to the commissioner based on revenues derived from the provision
 25.25 of home care services during the calendar year prior to the year in which the application is
 25.26 submitted, according to the following schedule:

25.27 **License Renewal Fee**

25.28	Provider Annual Revenue	Fee
25.29	greater than \$1,500,000	\$7,651
25.30	greater than \$1,275,000 and no more than	\$6,695
25.31	\$1,500,000	
25.32	greater than \$1,100,000 and no more than	\$5,739
25.33	\$1,275,000	
25.34	greater than \$950,000 and no more than	\$4,783
25.35	\$1,100,000	
25.36	greater than \$850,000 and no more than \$950,000	\$4,304
25.37	greater than \$750,000 and no more than \$850,000	\$3,826
25.38	greater than \$650,000 and no more than \$750,000	\$3,347

26.1	greater than \$550,000 and no more than \$650,000	\$2,870
26.2	greater than \$450,000 and no more than \$550,000	\$2,391
26.3	greater than \$350,000 and no more than \$450,000	\$1,913
26.4	greater than \$250,000 and no more than \$350,000	\$1,434
26.5	greater than \$100,000 and no more than \$250,000	\$957
26.6	greater than \$50,000 and no more than \$100,000	\$577
26.7	greater than \$25,000 and no more than \$50,000	\$462
26.8	no more than \$25,000	\$231

26.9 (f) If requested, the home care provider shall provide the commissioner information to
 26.10 verify the provider's annual revenues or other information as needed, including copies of
 26.11 documents submitted to the Department of Revenue.

26.12 (g) At each annual renewal, a home care provider may elect to pay the highest renewal
 26.13 fee for its license category, and not provide annual revenue information to the commissioner.

26.14 (h) A temporary license or license applicant, or temporary licensee or licensee that
 26.15 knowingly provides the commissioner incorrect revenue amounts for the purpose of paying
 26.16 a lower license fee, shall be subject to a civil penalty in the amount of double the fee the
 26.17 provider should have paid.

26.18 (i) The fee for failure to comply with the notification requirements of section 144A.473,
 26.19 subdivision 2, paragraph (c), is \$1,000.

26.20 (j) Fees and penalties collected under this section shall be deposited in the state treasury
 26.21 and credited to the state government special revenue fund. All fees are nonrefundable. Fees
 26.22 collected under paragraphs (c), (d), and (e) are nonrefundable even if received before July
 26.23 1, 2017, for temporary licenses or licenses being issued effective July 1, 2017, or later.

26.24 Sec. 29. Minnesota Statutes 2016, section 144A.473, is amended to read:

26.25 **144A.473 ISSUANCE OF TEMPORARY LICENSE AND LICENSE RENEWAL.**

26.26 Subdivision 1. **Temporary license and renewal of license.** (a) The department shall
 26.27 review each application to determine the applicant's knowledge of and compliance with
 26.28 Minnesota home care regulations. Before granting a temporary license or renewing a license,
 26.29 the commissioner may further evaluate the applicant or licensee by requesting additional
 26.30 information or documentation or by conducting an on-site survey of the applicant to
 26.31 determine compliance with sections 144A.43 to 144A.482.

26.32 (b) Within 14 calendar days after receiving an application for a license, the commissioner
 26.33 shall acknowledge receipt of the application in writing. The acknowledgment must indicate

27.1 whether the application appears to be complete or whether additional information is required
27.2 before the application will be considered complete.

27.3 (c) Within 90 days after receiving a complete application, the commissioner shall issue
27.4 a temporary license, renew the license, or deny the license.

27.5 (d) The commissioner shall issue a license that contains the home care provider's name,
27.6 address, license level, expiration date of the license, and unique license number. All licenses,
27.7 except for temporary licenses issued under subdivision 2, are valid for up to one year from
27.8 the date of issuance.

27.9 Subd. 2. **Temporary license.** (a) For new license applicants, the commissioner shall
27.10 issue a temporary license for either the basic or comprehensive home care level. A temporary
27.11 license is effective for up to one year from the date of issuance, except that a temporary
27.12 license may be extended according to subdivision 3. Temporary licensees must comply with
27.13 sections 144A.43 to 144A.482.

27.14 (b) During the temporary license ~~year~~ period, the commissioner shall survey the temporary
27.15 licensee within 90 calendar days after the commissioner is notified or has evidence that the
27.16 temporary licensee is providing home care services.

27.17 (c) Within five days of beginning the provision of services, the temporary licensee must
27.18 notify the commissioner that it is serving clients. The notification to the commissioner may
27.19 be mailed or e-mailed to the commissioner at the address provided by the commissioner. If
27.20 the temporary licensee does not provide home care services during the temporary license
27.21 ~~year~~ period, then the temporary license expires at the end of the year period and the applicant
27.22 must reapply for a temporary home care license.

27.23 (d) A temporary licensee may request a change in the level of licensure prior to being
27.24 surveyed and granted a license by notifying the commissioner in writing and providing
27.25 additional documentation or materials required to update or complete the changed temporary
27.26 license application. The applicant must pay the difference between the application fees
27.27 when changing from the basic level to the comprehensive level of licensure. No refund will
27.28 be made if the provider chooses to change the license application to the basic level.

27.29 (e) If the temporary licensee notifies the commissioner that the licensee has clients within
27.30 45 days prior to the temporary license expiration, the commissioner may extend the temporary
27.31 license for up to 60 days in order to allow the commissioner to complete the on-site survey
27.32 required under this section and follow-up survey visits.

28.1 Subd. 3. **Temporary licensee survey.** (a) If the temporary licensee is in substantial
28.2 compliance with the survey, the commissioner shall issue either a basic or comprehensive
28.3 home care license. If the temporary licensee is not in substantial compliance with the survey,
28.4 the commissioner shall either: (1) not issue a ~~basic or comprehensive~~ license and ~~there will~~
28.5 be no contested hearing right under chapter 14 terminate the temporary license; or (2) extend
28.6 the temporary license for a period not to exceed 90 days and apply conditions, as permitted
28.7 under section 144A.475, subdivision 2, to the extension of a temporary license. If the
28.8 temporary licensee is not in substantial compliance with the survey within the time period
28.9 of the extension, or if the temporary licensee does not satisfy the license conditions, the
28.10 commissioner may deny the license.

28.11 (b) If the temporary licensee whose basic or comprehensive license has been denied or
28.12 extended with conditions disagrees with the conclusions of the commissioner, then the
28.13 temporary licensee may request a reconsideration by the commissioner or commissioner's
28.14 designee. The reconsideration request process must be conducted internally by the
28.15 commissioner or commissioner's designee, and chapter 14 does not apply.

28.16 (c) The temporary licensee requesting reconsideration must make the request in writing
28.17 and must list and describe the reasons why the temporary licensee disagrees with the decision
28.18 to deny the basic or comprehensive home care license or the decision to extend the temporary
28.19 license with conditions.

28.20 (d) The reconsideration request and supporting documentation must be received by the
28.21 commissioner within 15 calendar days after the date the temporary licensee receives the
28.22 correction order.

28.23 (e) A temporary licensee whose license is denied, is permitted to continue operating as
28.24 a home care provider during the period of time when:

28.25 (1) a reconsideration request is in process;

28.26 (2) an extension of a temporary license is being negotiated;

28.27 (3) the placement of conditions on a temporary license is being negotiated; or

28.28 (4) a transfer of home care clients from the temporary licensee to a new home care
28.29 provider is in process.

28.30 (f) A temporary licensee whose license is denied must comply with the requirements
28.31 for notification and transfer of clients in section 144A.475, subdivision 5.

29.1 Sec. 30. Minnesota Statutes 2016, section 144A.474, subdivision 2, is amended to read:

29.2 Subd. 2. **Types of home care surveys.** (a) "Initial full survey" means the survey of a
29.3 new temporary licensee conducted after the department is notified or has evidence that the
29.4 temporary licensee is providing home care services to determine if the provider is in
29.5 compliance with home care requirements. Initial full surveys must be completed within 14
29.6 months after the department's issuance of a temporary basic or comprehensive license.

29.7 (b) "Change in ownership survey" means a full survey of a new licensee due to a change
29.8 in ownership. Change in ownership surveys must be completed within six months after the
29.9 department's issuance of a new license due to a change in ownership.

29.10 (c) "Core survey" means periodic inspection of home care providers to determine ongoing
29.11 compliance with the home care requirements, focusing on the essential health and safety
29.12 requirements. Core surveys are available to licensed home care providers who have been
29.13 licensed for three years and surveyed at least once in the past three years with the latest
29.14 survey having no widespread violations beyond Level 1 as provided in subdivision 11.
29.15 Providers must also not have had any substantiated licensing complaints, substantiated
29.16 complaints against the agency under the Vulnerable Adults Act or Maltreatment of Minors
29.17 Act, or an enforcement action as authorized in section 144A.475 in the past three years.

29.18 (1) The core survey for basic home care providers must review compliance in the
29.19 following areas:

- 29.20 (i) reporting of maltreatment;
- 29.21 (ii) orientation to and implementation of the home care bill of rights;
- 29.22 (iii) statement of home care services;
- 29.23 (iv) initial evaluation of clients and initiation of services;
- 29.24 (v) client review and monitoring;
- 29.25 (vi) service ~~plan~~ agreement implementation and changes to the service ~~plan~~ agreement;
- 29.26 (vii) client complaint and investigative process;
- 29.27 (viii) competency of unlicensed personnel; and
- 29.28 (ix) infection control.

29.29 (2) For comprehensive home care providers, the core survey must include everything
29.30 in the basic core survey plus these areas:

- 29.31 (i) delegation to unlicensed personnel;

30.1 (ii) assessment, monitoring, and reassessment of clients; and

30.2 (iii) medication, treatment, and therapy management.

30.3 ~~(e)~~ (d) "Full survey" means the periodic inspection of home care providers to determine
30.4 ongoing compliance with the home care requirements that cover the core survey areas and
30.5 all the legal requirements for home care providers. A full survey is conducted for all
30.6 temporary licensees ~~and~~, for licensees that receive licenses due to an approved change in
30.7 ownership, for providers who do not meet the requirements needed for a core survey, and
30.8 when a surveyor identifies unacceptable client health or safety risks during a core survey.
30.9 A full survey must include all the tasks identified as part of the core survey and any additional
30.10 review deemed necessary by the department, including additional observation, interviewing,
30.11 or records review of additional clients and staff.

30.12 ~~(d)~~ (e) "Follow-up surveys" means surveys conducted to determine if a home care
30.13 provider has corrected deficient issues and systems identified during a core survey, full
30.14 survey, or complaint investigation. Follow-up surveys may be conducted via phone, e-mail,
30.15 fax, mail, or on-site reviews. Follow-up surveys, other than complaint surveys, shall be
30.16 concluded with an exit conference and written information provided on the process for
30.17 requesting a reconsideration of the survey results.

30.18 ~~(e)~~ (f) Upon receiving information alleging that a home care provider has violated or is
30.19 currently violating a requirement of sections 144A.43 to 144A.482, the commissioner shall
30.20 investigate the complaint according to sections 144A.51 to 144A.54.

30.21 Sec. 31. Minnesota Statutes 2016, section 144A.475, subdivision 1, is amended to read:

30.22 Subdivision 1. **Conditions.** (a) The commissioner may refuse to grant a temporary
30.23 license, refuse to grant a license as a result of a change in ownership, refuse to renew a
30.24 license, suspend or revoke a license, or impose a conditional license if the home care provider
30.25 or owner or managerial official of the home care provider:

30.26 (1) is in violation of, or during the term of the license has violated, any of the requirements
30.27 in sections 144A.471 to 144A.482;

30.28 (2) permits, aids, or abets the commission of any illegal act in the provision of home
30.29 care;

30.30 (3) performs any act detrimental to the health, safety, and welfare of a client;

30.31 (4) obtains the license by fraud or misrepresentation;

31.1 (5) knowingly made or makes a false statement of a material fact in the application for
31.2 a license or in any other record or report required by this chapter;

31.3 (6) denies representatives of the department access to any part of the home care provider's
31.4 books, records, files, or employees;

31.5 (7) interferes with or impedes a representative of the department in contacting the home
31.6 care provider's clients;

31.7 (8) interferes with or impedes a representative of the department in the enforcement of
31.8 this chapter or has failed to fully cooperate with an inspection, survey, or investigation by
31.9 the department;

31.10 (9) destroys or makes unavailable any records or other evidence relating to the home
31.11 care provider's compliance with this chapter;

31.12 (10) refuses to initiate a background study under section 144.057 or 245A.04;

31.13 (11) fails to timely pay any fines assessed by the department;

31.14 (12) violates any local, city, or township ordinance relating to home care services;

31.15 (13) has repeated incidents of personnel performing services beyond their competency
31.16 level; or

31.17 (14) has operated beyond the scope of the home care provider's license level.

31.18 (b) A violation by a contractor providing the home care services of the home care provider
31.19 is a violation by the home care provider.

31.20 Sec. 32. Minnesota Statutes 2016, section 144A.475, subdivision 2, is amended to read:

31.21 Subd. 2. **Terms to suspension or conditional license.** (a) A suspension or conditional
31.22 license designation may include terms that must be completed or met before a suspension
31.23 or conditional license designation is lifted. A conditional license designation may include
31.24 restrictions or conditions that are imposed on the provider. Terms for a suspension or
31.25 conditional license may include one or more of the following and the scope of each will be
31.26 determined by the commissioner:

31.27 (1) requiring a consultant to review, evaluate, and make recommended changes to the
31.28 home care provider's practices and submit reports to the commissioner at the cost of the
31.29 home care provider;

32.1 (2) requiring supervision of the home care provider or staff practices at the cost of the
32.2 home care provider by an unrelated person who has sufficient knowledge and qualifications
32.3 to oversee the practices and who will submit reports to the commissioner;

32.4 (3) requiring the home care provider or employees to obtain training at the cost of the
32.5 home care provider;

32.6 (4) requiring the home care provider to submit reports to the commissioner;

32.7 (5) prohibiting the home care provider from taking any new clients for a period of time;
32.8 or

32.9 (6) any other action reasonably required to accomplish the purpose of this subdivision
32.10 and section 144A.45, subdivision 2.

32.11 (b) A home care provider subject to this subdivision may continue operating during the
32.12 period of time home care clients are being transferred to other providers.

32.13 Sec. 33. Minnesota Statutes 2016, section 144A.475, subdivision 5, is amended to read:

32.14 Subd. 5. **Plan required.** (a) The process of suspending or revoking a license must include
32.15 a plan for transferring affected clients to other providers by the home care provider, which
32.16 will be monitored by the commissioner. Within three business days of being notified of the
32.17 final revocation or suspension action, the home care provider shall provide the commissioner,
32.18 the lead agencies as defined in section 256B.0911, and the ombudsman for long-term care
32.19 with the following information:

32.20 (1) a list of all clients, including full names and all contact information on file;

32.21 (2) a list of each client's representative or emergency contact person, including full names
32.22 and all contact information on file;

32.23 (3) the location or current residence of each client;

32.24 (4) the payor sources for each client, including payor source identification numbers; and

32.25 (5) for each client, a copy of the client's service plan, and a list of the types of services
32.26 being provided.

32.27 (b) The revocation or suspension notification requirement is satisfied by mailing the
32.28 notice to the address in the license record. The home care provider shall cooperate with the
32.29 commissioner and the lead agencies during the process of transferring care of clients to
32.30 qualified providers. Within three business days of being notified of the final revocation or
32.31 suspension action, the home care provider must notify and disclose to each of the home

33.1 care provider's clients, or the client's representative or emergency contact persons, that the
33.2 commissioner is taking action against the home care provider's license by providing a copy
33.3 of the revocation or suspension notice issued by the commissioner.

33.4 (c) A home care provider subject to this subdivision may continue operating during the
33.5 period of time home care clients are being transferred to other providers.

33.6 Sec. 34. Minnesota Statutes 2016, section 144A.476, subdivision 1, is amended to read:

33.7 Subdivision 1. **Prior criminal convictions; owner and managerial officials.** (a) Before
33.8 the commissioner issues a temporary license, issues a license as a result of an approved
33.9 change in ownership, or renews a license, an owner or managerial official is required to
33.10 complete a background study under section 144.057. No person may be involved in the
33.11 management, operation, or control of a home care provider if the person has been disqualified
33.12 under chapter 245C. If an individual is disqualified under section 144.057 or chapter 245C,
33.13 the individual may request reconsideration of the disqualification. If the individual requests
33.14 reconsideration and the commissioner sets aside or rescinds the disqualification, the individual
33.15 is eligible to be involved in the management, operation, or control of the provider. If an
33.16 individual has a disqualification under section 245C.15, subdivision 1, and the disqualification
33.17 is affirmed, the individual's disqualification is barred from a set aside, and the individual
33.18 must not be involved in the management, operation, or control of the provider.

33.19 (b) For purposes of this section, owners of a home care provider subject to the background
33.20 check requirement are those individuals whose ownership interest provides sufficient
33.21 authority or control to affect or change decisions related to the operation of the home care
33.22 provider. An owner includes a sole proprietor, a general partner, or any other individual
33.23 whose individual ownership interest can affect the management and direction of the policies
33.24 of the home care provider.

33.25 (c) For the purposes of this section, managerial officials subject to the background check
33.26 requirement are individuals who provide direct contact as defined in section 245C.02,
33.27 subdivision 11, or individuals who have the responsibility for the ongoing management or
33.28 direction of the policies, services, or employees of the home care provider. Data collected
33.29 under this subdivision shall be classified as private data on individuals under section 13.02,
33.30 subdivision 12.

33.31 (d) The department shall not issue any license if the applicant or owner or managerial
33.32 official has been unsuccessful in having a background study disqualification set aside under
33.33 section 144.057 and chapter 245C; if the owner or managerial official, as an owner or
33.34 managerial official of another home care provider, was substantially responsible for the

34.1 other home care provider's failure to substantially comply with sections 144A.43 to
34.2 144A.482; or if an owner that has ceased doing business, either individually or as an owner
34.3 of a home care provider, was issued a correction order for failing to assist clients in violation
34.4 of this chapter.

34.5 Sec. 35. Minnesota Statutes 2016, section 144A.479, subdivision 7, is amended to read:

34.6 Subd. 7. **Employee records.** The home care provider must maintain current records of
34.7 each paid employee, regularly scheduled volunteers providing home care services, and of
34.8 each individual contractor providing home care services. The records must include the
34.9 following information:

34.10 (1) evidence of current professional licensure, registration, or certification, if licensure,
34.11 registration, or certification is required by this statute or other rules;

34.12 (2) records of orientation, required annual training and infection control training, and
34.13 competency evaluations;

34.14 (3) current job description, including qualifications, responsibilities, and identification
34.15 of staff providing supervision;

34.16 (4) documentation of annual performance reviews which identify areas of improvement
34.17 needed and training needs;

34.18 (5) for individuals providing home care services, verification that ~~required~~ any health
34.19 screenings required by infection control programs established under section 144A.4798
34.20 have taken place and the dates of those screenings; and

34.21 (6) documentation of the background study as required under section 144.057.

34.22 Each employee record must be retained for at least three years after a paid employee, home
34.23 care volunteer, or contractor ceases to be employed by or under contract with the home care
34.24 provider. If a home care provider ceases operation, employee records must be maintained
34.25 for three years.

34.26 Sec. 36. Minnesota Statutes 2016, section 144A.4791, subdivision 1, is amended to read:

34.27 Subdivision 1. **Home care bill of rights; notification to client.** (a) The home care
34.28 provider shall provide the client or the client's representative a written notice of the rights
34.29 under section 144A.44 before the ~~initiation of~~ date that services are first provided to that
34.30 client. The provider shall make all reasonable efforts to provide notice of the rights to the

35.1 client or the client's representative in a language the client or client's representative can
35.2 understand.

35.3 (b) In addition to the text of the home care bill of rights in section 144A.44, subdivision
35.4 1, the notice shall also contain the following statement describing how to file a complaint
35.5 with these offices.

35.6 "If you have a complaint about the provider or the person providing your home care
35.7 services, you may call, write, or visit the Office of Health Facility Complaints, Minnesota
35.8 Department of Health. You may also contact the Office of Ombudsman for Long-Term
35.9 Care or the Office of Ombudsman for Mental Health and Developmental Disabilities."

35.10 The statement should include the telephone number, Web site address, e-mail address,
35.11 mailing address, and street address of the Office of Health Facility Complaints at the
35.12 Minnesota Department of Health, the Office of the Ombudsman for Long-Term Care, and
35.13 the Office of the Ombudsman for Mental Health and Developmental Disabilities. The
35.14 statement should also include the home care provider's name, address, e-mail, telephone
35.15 number, and name or title of the person at the provider to whom problems or complaints
35.16 may be directed. It must also include a statement that the home care provider will not retaliate
35.17 because of a complaint.

35.18 (c) The home care provider shall obtain written acknowledgment of the client's receipt
35.19 of the home care bill of rights or shall document why an acknowledgment cannot be obtained.
35.20 The acknowledgment may be obtained from the client or the client's representative.
35.21 Acknowledgment of receipt shall be retained in the client's record.

35.22 Sec. 37. Minnesota Statutes 2016, section 144A.4791, subdivision 3, is amended to read:

35.23 Subd. 3. **Statement of home care services.** Prior to the ~~initiation of~~ date that services
35.24 are first provided to the client, a home care provider must provide to the client or the client's
35.25 representative a written statement which identifies if the provider has a basic or
35.26 comprehensive home care license, the services the provider is authorized to provide, and
35.27 which services the provider cannot provide under the scope of the provider's license. The
35.28 home care provider shall obtain written acknowledgment from the clients that the provider
35.29 has provided the statement or must document why the provider could not obtain the
35.30 acknowledgment.

36.1 Sec. 38. Minnesota Statutes 2016, section 144A.4791, subdivision 6, is amended to read:

36.2 Subd. 6. **Initiation of services.** When a provider ~~initiates~~ provides home care services
36.3 ~~and to a client before~~ the individualized review or assessment by a licensed health
36.4 professional or registered nurse as required in subdivisions 7 and 8 ~~has not been~~ is completed,
36.5 the ~~provider~~ licensed health professional or registered nurse must complete a temporary
36.6 plan ~~and agreement~~ with the client ~~for services~~ and orient staff assigned to deliver services
36.7 as identified in the temporary plan.

36.8 Sec. 39. Minnesota Statutes 2016, section 144A.4791, subdivision 7, is amended to read:

36.9 Subd. 7. **Basic individualized client review and monitoring.** (a) When services being
36.10 provided are basic home care services, an individualized initial review of the client's needs
36.11 and preferences must be conducted at the client's residence with the client or client's
36.12 representative. This initial review must be completed within 30 days after the ~~initiation of~~
36.13 ~~the~~ date that home care services are first provided.

36.14 (b) Client monitoring and review must be conducted as needed based on changes in the
36.15 needs of the client and cannot exceed 90 days from the date of the last review. The monitoring
36.16 and review may be conducted at the client's residence or through the utilization of
36.17 telecommunication methods based on practice standards that meet the individual client's
36.18 needs.

36.19 Sec. 40. Minnesota Statutes 2016, section 144A.4791, subdivision 8, is amended to read:

36.20 Subd. 8. **Comprehensive assessment, monitoring, and reassessment.** (a) When the
36.21 services being provided are comprehensive home care services, an individualized initial
36.22 assessment must be conducted in person by a registered nurse. When the services are provided
36.23 by other licensed health professionals, the assessment must be conducted by the appropriate
36.24 health professional. This initial assessment must be completed within five days after ~~initiation~~
36.25 ~~of~~ the date that home care services are first provided.

36.26 (b) Client monitoring and reassessment must be conducted in the client's home no more
36.27 than 14 days after ~~initiation of~~ the date that home care services are first provided.

36.28 (c) Ongoing client monitoring and reassessment must be conducted as needed based on
36.29 changes in the needs of the client and cannot exceed 90 days from the last date of the
36.30 assessment. The monitoring and reassessment may be conducted at the client's residence
36.31 or through the utilization of telecommunication methods based on practice standards that
36.32 meet the individual client's needs.

37.1 Sec. 41. Minnesota Statutes 2016, section 144A.4791, subdivision 9, is amended to read:

37.2 Subd. 9. **Service plan agreement, implementation, and revisions to service plan**
37.3 **agreement.** (a) No later than 14 days after the ~~initiation of~~ date that home care services are
37.4 first provided, a home care provider shall finalize a current written service plan agreement.

37.5 (b) The service plan agreement and any revisions must include a signature or other
37.6 authentication by the home care provider and by the client or the client's representative
37.7 documenting agreement on the services to be provided. The service plan agreement must
37.8 be revised, if needed, based on client review or reassessment under subdivisions 7 and 8.
37.9 The provider must provide information to the client about changes to the provider's fee for
37.10 services and how to contact the Office of the Ombudsman for Long-Term Care.

37.11 (c) The home care provider must implement and provide all services required by the
37.12 current service plan agreement.

37.13 (d) The service plan agreement and revised service plan agreement must be entered into
37.14 the client's record, including notice of a change in a client's fees when applicable.

37.15 (e) Staff providing home care services must be informed of the current written service
37.16 plan agreement.

37.17 (f) The service plan agreement must include:

37.18 (1) a description of the home care services to be provided, the fees for services, and the
37.19 frequency of each service, according to the client's current review or assessment and client
37.20 preferences;

37.21 (2) the identification of the staff or categories of staff who will provide the services;

37.22 (3) the schedule and methods of monitoring reviews or assessments of the client;

37.23 (4) ~~the frequency of sessions of supervision of staff and type of personnel who will~~
37.24 ~~supervise staff; and~~ the schedule and methods of monitoring staff providing home care
37.25 services; and

37.26 (5) a contingency plan that includes:

37.27 (i) the action to be taken by the home care provider and by the client or client's
37.28 representative if the scheduled service cannot be provided;

37.29 (ii) information and a method for a client or client's representative to contact the home
37.30 care provider;

38.1 (iii) names and contact information of persons the client wishes to have notified in an
38.2 emergency or if there is a significant adverse change in the client's condition, ~~including~~
38.3 ~~identification of and information as to who has authority to sign for the client in an~~
38.4 ~~emergency~~; and

38.5 (iv) the circumstances in which emergency medical services are not to be summoned
38.6 consistent with chapters 145B and 145C, and declarations made by the client under those
38.7 chapters.

38.8 Sec. 42. Minnesota Statutes 2016, section 144A.4792, subdivision 1, is amended to read:

38.9 Subdivision 1. **Medication management services; comprehensive home care license.**

38.10 (a) This subdivision applies only to home care providers with a comprehensive home care
38.11 license that provide medication management services to clients. Medication management
38.12 services may not be provided by a home care provider who has a basic home care license.

38.13 (b) A comprehensive home care provider who provides medication management services
38.14 must develop, implement, and maintain current written medication management policies
38.15 and procedures. The policies and procedures must be developed under the supervision and
38.16 direction of a registered nurse, licensed health professional, or pharmacist consistent with
38.17 current practice standards and guidelines.

38.18 (c) The written policies and procedures must address requesting and receiving
38.19 prescriptions for medications; preparing and giving medications; verifying that prescription
38.20 drugs are administered as prescribed; documenting medication management activities;
38.21 controlling and storing medications; monitoring and evaluating medication use; resolving
38.22 medication errors; communicating with the prescriber, pharmacist, and client and client
38.23 representative, if any; disposing of unused medications; and educating clients and client
38.24 representatives about medications. When controlled substances are being managed, stored,
38.25 and secured by the comprehensive home care provider, the policies and procedures must
38.26 also identify how the provider will ensure security and accountability for the overall
38.27 management, control, and disposition of those substances in compliance with state and
38.28 federal regulations and with subdivision 22.

38.29 Sec. 43. Minnesota Statutes 2016, section 144A.4792, subdivision 2, is amended to read:

38.30 Subd. 2. **Provision of medication management services.** (a) For each client who
38.31 requests medication management services, the comprehensive home care provider shall,
38.32 prior to providing medication management services, have a registered nurse, licensed health
38.33 professional, or authorized prescriber under section 151.37 conduct an assessment to

39.1 determine what medication management services will be provided and how the services
39.2 will be provided. This assessment must be conducted face-to-face with the client. The
39.3 assessment must include an identification and review of all medications the client is known
39.4 to be taking. The review and identification must include indications for medications, side
39.5 effects, contraindications, allergic or adverse reactions, and actions to address these issues.

39.6 (b) The assessment must:

39.7 (1) identify interventions needed in management of medications to prevent diversion of
39.8 medication by the client or others who may have access to the medications; and

39.9 (2) provide instructions to the client or client's representative on interventions to manage
39.10 the client's medications and prevent diversion of medications.

39.11 "Diversion of medications" means the misuse, theft, or illegal or improper disposition of
39.12 medications.

39.13 Sec. 44. Minnesota Statutes 2016, section 144A.4792, subdivision 5, is amended to read:

39.14 Subd. 5. **Individualized medication management plan.** (a) For each client receiving
39.15 medication management services, the comprehensive home care provider must prepare and
39.16 include in the service ~~plan~~ agreement a written statement of the medication management
39.17 services that will be provided to the client. The provider must develop and maintain a current
39.18 individualized medication management record for each client based on the client's assessment
39.19 that must contain the following:

39.20 (1) a statement describing the medication management services that will be provided;

39.21 (2) a description of storage of medications based on the client's needs and preferences,
39.22 risk of diversion, and consistent with the manufacturer's directions;

39.23 (3) documentation of specific client instructions relating to the administration of
39.24 medications;

39.25 (4) identification of persons responsible for monitoring medication supplies and ensuring
39.26 that medication refills are ordered on a timely basis;

39.27 (5) identification of medication management tasks that may be delegated to unlicensed
39.28 personnel;

39.29 (6) procedures for staff notifying a registered nurse or appropriate licensed health
39.30 professional when a problem arises with medication management services; and

40.1 (7) any client-specific requirements relating to documenting medication administration,
40.2 verifications that all medications are administered as prescribed, and monitoring of
40.3 medication use to prevent possible complications or adverse reactions.

40.4 (b) The medication management record must be current and updated when there are any
40.5 changes.

40.6 (c) Medication reconciliation must be completed when a licensed nurse, licensed health
40.7 professional, or authorized prescriber is providing medication management.

40.8 Sec. 45. Minnesota Statutes 2016, section 144A.4792, subdivision 10, is amended to read:

40.9 Subd. 10. **Medication management for clients who will be away from home.** (a) A
40.10 home care provider who is providing medication management services to the client and
40.11 controls the client's access to the medications must develop and implement policies and
40.12 procedures for giving accurate and current medications to clients for planned or unplanned
40.13 times away from home according to the client's individualized medication management
40.14 plan. The policy and procedures must state that:

40.15 (1) for planned time away, the medications must be obtained from the pharmacy or set
40.16 up by ~~the registered~~ a licensed nurse according to appropriate state and federal laws and
40.17 nursing standards of practice;

40.18 (2) for unplanned time away, when the pharmacy is not able to provide the medications,
40.19 a licensed nurse or unlicensed personnel shall give the client or client's representative
40.20 medications in amounts and dosages needed for the length of the anticipated absence, not
40.21 to exceed ~~120 hours~~ seven calendar days;

40.22 (3) the client or client's representative must be provided written information on
40.23 medications, including any special instructions for administering or handling the medications,
40.24 including controlled substances;

40.25 (4) the medications must be placed in a medication container or containers appropriate
40.26 to the provider's medication system and must be labeled with the client's name and the dates
40.27 and times that the medications are scheduled; and

40.28 (5) the client or client's representative must be provided in writing the home care
40.29 provider's name and information on how to contact the home care provider.

40.30 (b) For unplanned time away when the licensed nurse is not available, the registered
40.31 nurse may delegate this task to unlicensed personnel if:

41.1 (1) the registered nurse has trained the unlicensed staff and determined the unlicensed
41.2 staff is competent to follow the procedures for giving medications to clients; and

41.3 (2) the registered nurse has developed written procedures for the unlicensed personnel,
41.4 including any special instructions or procedures regarding controlled substances that are
41.5 prescribed for the client. The procedures must address:

41.6 (i) the type of container or containers to be used for the medications appropriate to the
41.7 provider's medication system;

41.8 (ii) how the container or containers must be labeled;

41.9 (iii) the written information about the medications to be given to the client or client's
41.10 representative;

41.11 (iv) how the unlicensed staff must document in the client's record that medications have
41.12 been given to the client or the client's representative, including documenting the date the
41.13 medications were given to the client or the client's representative and who received the
41.14 medications, the person who gave the medications to the client, the number of medications
41.15 that were given to the client, and other required information;

41.16 (v) how the registered nurse shall be notified that medications have been given to the
41.17 client or client's representative and whether the registered nurse needs to be contacted before
41.18 the medications are given to the client or the client's representative; ~~and~~

41.19 (vi) a review by the registered nurse of the completion of this task to verify that this task
41.20 was completed accurately by the unlicensed personnel; and

41.21 (vii) how the unlicensed staff must document in the client's record any unused medications
41.22 that are returned to the provider, including the name of each medication and the doses of
41.23 each returned medication.

41.24 Sec. 46. Minnesota Statutes 2016, section 144A.4793, subdivision 6, is amended to read:

41.25 Subd. 6. **Treatment and therapy orders or prescriptions.** There must be an up-to-date
41.26 written or electronically recorded order ~~or prescription~~ from an authorized prescriber for
41.27 all treatments and therapies. The order must contain the name of the client, a description of
41.28 the treatment or therapy to be provided, and the frequency, duration, and other information
41.29 needed to administer the treatment or therapy. Treatment and therapy orders must be renewed
41.30 at least every 12 months.

42.1 Sec. 47. Minnesota Statutes 2017 Supplement, section 144A.4796, subdivision 2, is
42.2 amended to read:

42.3 Subd. 2. **Content.** (a) The orientation must contain the following topics:

42.4 (1) an overview of sections 144A.43 to 144A.4798;

42.5 (2) introduction and review of all the provider's policies and procedures related to the
42.6 provision of home care services by the individual staff person;

42.7 (3) handling of emergencies and use of emergency services;

42.8 (4) compliance with and reporting of the maltreatment of minors or vulnerable adults
42.9 under sections 626.556 and 626.557;

42.10 (5) home care bill of rights under section 144A.44;

42.11 (6) handling of clients' complaints, reporting of complaints, and where to report
42.12 complaints including information on the Office of Health Facility Complaints and the
42.13 Common Entry Point;

42.14 (7) consumer advocacy services of the Office of Ombudsman for Long-Term Care,
42.15 Office of Ombudsman for Mental Health and Developmental Disabilities, Managed Care
42.16 Ombudsman at the Department of Human Services, county managed care advocates, or
42.17 other relevant advocacy services; and

42.18 (8) review of the types of home care services the employee will be providing and the
42.19 provider's scope of licensure.

42.20 (b) In addition to the topics listed in paragraph (a), orientation may also contain training
42.21 on providing services to clients with hearing loss. Any training on hearing loss provided
42.22 under this subdivision must be high quality and research-based, may include online training,
42.23 and must include training on one or more of the following topics:

42.24 (1) an explanation of age-related hearing loss and how it manifests itself, its prevalence,
42.25 and challenges it poses to communication;

42.26 (2) health impacts related to untreated age-related hearing loss, such as increased
42.27 incidence of dementia, falls, hospitalizations, isolation, and depression; or

42.28 (3) information about strategies and technology that may enhance communication and
42.29 involvement, including communication strategies, assistive listening devices, hearing aids,
42.30 visual and tactile alerting devices, communication access in real time, and closed captions.

43.1 Sec. 48. Minnesota Statutes 2016, section 144A.4797, subdivision 3, is amended to read:

43.2 Subd. 3. **Supervision of staff providing delegated nursing or therapy home care**
43.3 **tasks.** (a) Staff who perform delegated nursing or therapy home care tasks must be supervised
43.4 by an appropriate licensed health professional or a registered nurse periodically where the
43.5 services are being provided to verify that the work is being performed competently and to
43.6 identify problems and solutions related to the staff person's ability to perform the tasks.
43.7 Supervision of staff performing medication or treatment administration shall be provided
43.8 by a registered nurse or appropriate licensed health professional and must include observation
43.9 of the staff administering the medication or treatment and the interaction with the client.

43.10 (b) The direct supervision of staff performing delegated tasks must be provided within
43.11 30 days after the date on which the individual begins working for the home care provider
43.12 and first performs delegated tasks for clients and thereafter as needed based on performance.
43.13 This requirement also applies to staff who have not performed delegated tasks for one year
43.14 or longer.

43.15 Sec. 49. Minnesota Statutes 2016, section 144A.4798, is amended to read:

43.16 **144A.4798 EMPLOYEE HEALTH STATUS DISEASE PREVENTION AND**
43.17 **INFECTION CONTROL.**

43.18 Subdivision 1. **Tuberculosis (TB) ~~prevention and infection control.~~** (a) A home care
43.19 provider must establish and maintain a ~~TB prevention and~~ comprehensive tuberculosis
43.20 infection control program based on according to the most current tuberculosis infection
43.21 control guidelines issued by the United States Centers for Disease Control and Prevention
43.22 (CDC), Division of Tuberculosis Elimination, as published in the CDC's Morbidity and
43.23 Mortality Weekly Report. Components of a TB prevention and control program include
43.24 screening all staff providing home care services, both paid and unpaid, at the time of hire
43.25 for active TB disease and latent TB infection, and developing and implementing a written
43.26 TB infection control plan. The commissioner shall make the most recent CDC standards
43.27 available to home care providers on the department's Web site. This program must include
43.28 a tuberculosis infection control plan that covers all paid and unpaid employees, contractors,
43.29 students, and volunteers. The commissioner shall provide technical assistance regarding
43.30 implementation of the guidelines.

43.31 (b) Written evidence of compliance with this subdivision must be maintained by the
43.32 home care provider.

44.1 Subd. 2. **Communicable diseases.** A home care provider must follow current ~~federal~~
44.2 ~~or state guidelines~~ state requirements for prevention, control, and reporting of ~~human~~
44.3 ~~immunodeficiency virus (HIV), hepatitis B virus (HBV), hepatitis C virus, or other~~
44.4 communicable diseases as defined in Minnesota Rules, ~~part~~ parts 4605.7040, 4605.7044,
44.5 4605.7050, 4605.7075, 4605.7080, and 4605.7090.

44.6 Subd. 3. **Infection control program.** A home care provider must establish and maintain
44.7 an effective infection control program that complies with accepted health care, medical,
44.8 and nursing standards for infection control.

44.9 Sec. 50. Minnesota Statutes 2016, section 144A.4799, subdivision 1, is amended to read:

44.10 Subdivision 1. **Membership.** The commissioner of health shall appoint eight persons
44.11 to a home care and assisted living program advisory council consisting of the following:

44.12 (1) three public members as defined in section 214.02 who shall be ~~either~~ persons who
44.13 are currently receiving home care services ~~or~~, persons who have received home care services
44.14 within five years of the application date, persons who have family members receiving home
44.15 care services, or persons who have family members who have received home care services
44.16 within five years of the application date;

44.17 (2) three Minnesota home care licensees representing basic and comprehensive levels
44.18 of licensure who may be a managerial official, an administrator, a supervising registered
44.19 nurse, or an unlicensed personnel performing home care tasks;

44.20 (3) one member representing the Minnesota Board of Nursing; and

44.21 (4) one member representing the Office of Ombudsman for Long-Term Care.

44.22 Sec. 51. Minnesota Statutes 2017 Supplement, section 144A.4799, subdivision 3, is
44.23 amended to read:

44.24 Subd. 3. **Duties.** (a) At the commissioner's request, the advisory council shall provide
44.25 advice regarding regulations of Department of Health licensed home care providers in this
44.26 chapter, including advice on the following:

44.27 (1) community standards for home care practices;

44.28 (2) enforcement of licensing standards and whether certain disciplinary actions are
44.29 appropriate;

44.30 (3) ways of distributing information to licensees and consumers of home care;

44.31 (4) training standards;

45.1 (5) identifying emerging issues and opportunities in ~~the home care field, including and~~
45.2 assisted living;

45.3 (6) identifying the use of technology in home and telehealth capabilities;

45.4 ~~(6)~~ (7) allowable home care licensing modifications and exemptions, including a method
45.5 for an integrated license with an existing license for rural licensed nursing homes to provide
45.6 limited home care services in an adjacent independent living apartment building owned by
45.7 the licensed nursing home; and

45.8 ~~(7)~~ (8) recommendations for studies using the data in section 62U.04, subdivision 4,
45.9 including but not limited to studies concerning costs related to dementia and chronic disease
45.10 among an elderly population over 60 and additional long-term care costs, as described in
45.11 section 62U.10, subdivision 6.

45.12 (b) The advisory council shall perform other duties as directed by the commissioner.

45.13 (c) The advisory council shall annually review the balance of the account in the state
45.14 government special revenue fund described in section 144A.474, subdivision 11, paragraph
45.15 (i), and make annual recommendations by January 15 directly to the chairs and ranking
45.16 minority members of the legislative committees with jurisdiction over health and human
45.17 services regarding appropriations to the commissioner for the purposes in section 144A.474,
45.18 subdivision 11, paragraph (i).

45.19 Sec. 52. Minnesota Statutes 2016, section 144A.484, subdivision 1, is amended to read:

45.20 Subdivision 1. **Integrated licensing established.** ~~(a) From January 1, 2014, to June 30,~~
45.21 ~~2015, the commissioner of health shall enforce the home and community-based services~~
45.22 ~~standards under chapter 245D for those providers who also have a home care license pursuant~~
45.23 ~~to this chapter as required under Laws 2013, chapter 108, article 8, section 60, and article~~
45.24 ~~11, section 31. During this period, the commissioner shall provide technical assistance to~~
45.25 ~~achieve and maintain compliance with applicable law or rules governing the provision of~~
45.26 ~~home and community-based services, including complying with the service recipient rights~~
45.27 ~~notice in subdivision 4, clause (4). If during the survey, the commissioner finds that the~~
45.28 ~~licensee has failed to achieve compliance with an applicable law or rule under chapter 245D~~
45.29 ~~and this failure does not imminently endanger the health, safety, or rights of the persons~~
45.30 ~~served by the program, the commissioner may issue a licensing survey report with~~
45.31 ~~recommendations for achieving and maintaining compliance.~~

45.32 ~~(b) Beginning July 1, 2015,~~ A home care provider applicant or license holder may apply
45.33 to the commissioner of health for a home and community-based services designation for

46.1 the provision of basic support services identified under section 245D.03, subdivision 1,
46.2 paragraph (b). The designation allows the license holder to provide basic support services
46.3 that would otherwise require licensure under chapter 245D, under the license holder's home
46.4 care license governed by sections 144A.43 to ~~144A.481~~ 144A.4799.

46.5 Sec. 53. Minnesota Statutes 2016, section 144E.16, is amended by adding a subdivision
46.6 to read:

46.7 **Subd. 9. Rules authorizing patient-assisted medication administration.** (a) The board
46.8 shall adopt rules authorizing EMTs, AEMTs, and paramedics certified under section 144E.28
46.9 to assist a patient, in emergency situations, with administering prescription medications that
46.10 are:

46.11 (1) carried by a patient;

46.12 (2) intended to treat adrenal insufficiency or another rare but previously diagnosed
46.13 condition that requires emergency treatment with a previously prescribed medication;

46.14 (3) intended to treat a specific life-threatening condition; and

46.15 (4) administered via routes of delivery that are within the skill set of the EMT, AEMT,
46.16 or paramedic.

46.17 (b) EMTs, AEMTs, and paramedics assisting a patient with medication administration
46.18 according to the rules adopted under this subdivision may do so only under the authority
46.19 of guidelines approved by the ambulance service medical director or under direct medical
46.20 control.

46.21 Sec. 54. Minnesota Statutes 2016, section 144E.16, is amended by adding a subdivision
46.22 to read:

46.23 **Subd. 10. Rules establishing standards for communication with patients regarding**
46.24 **need for emergency medical services.** The board shall adopt rules to establish guidelines
46.25 for ambulance services to communicate with a patient in the service area of the ambulance
46.26 service, and with the patient's caregivers, concerning the patient's health condition, the
46.27 likelihood that the patient will need emergency medical services, and how to collaboratively
46.28 develop emergency medical services care plans to meet the patient's needs.

47.1 Sec. 55. Minnesota Statutes 2017 Supplement, section 144H.01, subdivision 5, is amended
47.2 to read:

47.3 Subd. 5. **Medically complex or technologically dependent child.** "Medically complex
47.4 or technologically dependent child" means a child under 21 years of age who, ~~because of~~
47.5 ~~a medical condition, requires continuous therapeutic interventions or skilled nursing~~
47.6 ~~supervision which must be prescribed by a licensed physician and administered by, or under~~
47.7 ~~the direct supervision of, a licensed registered nurse.:~~

47.8 (1) needs skilled assessment and intervention multiple times during a 24-hour period to
47.9 maintain health and prevent deterioration of health status;

47.10 (2) has both predictable health needs and the potential for changes in condition that
47.11 could lead to rapid deterioration or life-threatening episodes;

47.12 (3) requires a 24-hour plan of care, including a backup plan, to reasonably ensure health
47.13 and safety in the community; and

47.14 (4) is expected to require frequent or continuous care in a hospital without the provision
47.15 of services in the child's home or a community setting.

47.16 Sec. 56. Minnesota Statutes 2017 Supplement, section 144H.04, subdivision 1, is amended
47.17 to read:

47.18 Subdivision 1. **Licenses.** (a) A person seeking licensure for a PPEC center must submit
47.19 a completed application for licensure to the commissioner, in a form and manner determined
47.20 by the commissioner. The applicant must also submit the application fee, in the amount
47.21 specified in section 144H.05, subdivision 1. ~~Effective~~ For the period January 1, 2019,
47.22 through December 31, 2020, the commissioner shall issue licenses for no more than two
47.23 PPEC centers according to the requirements in the phase-in of licensure of prescribed
47.24 pediatric extended care centers in section 80. Beginning January 1, 2018 2021, the
47.25 commissioner shall issue a license for a PPEC center if the commissioner determines that
47.26 the applicant and center meet the requirements of this chapter and rules that apply to PPEC
47.27 centers. A license issued under this subdivision is valid for two years.

47.28 (b) The commissioner may limit issuance of PPEC center licenses to PPEC centers
47.29 located in areas of the state with a demonstrated home care worker shortage.

47.30 **EFFECTIVE DATE.** This section is effective the day following final enactment.

48.1 Sec. 57. Minnesota Statutes 2017 Supplement, section 144H.06, is amended to read:

48.2 **144H.06 APPLICATION OF RULES FOR HOSPICE SERVICES AND**
 48.3 **RESIDENTIAL HOSPICE FACILITIES.**

48.4 Minnesota Rules, chapter 4664, shall apply to PPEC centers licensed under this chapter,
 48.5 except that the following parts, subparts, and items, ~~and subitems~~ do not apply:

48.6 (1) Minnesota Rules, part 4664.0003, subparts 2, 6, 7, 11, 12, 13, 14, and 38;

48.7 (2) Minnesota Rules, part 4664.0008;

48.8 (3) Minnesota Rules, part 4664.0010, subparts 3; 4, ~~items A, subitem (6), and item B;~~
 48.9 and 8;

48.10 (4) Minnesota Rules, part 4664.0020, subpart 13;

48.11 (5) Minnesota Rules, part 4664.0370, subpart 1;

48.12 (6) Minnesota Rules, part 4664.0390, subpart 1, items A, C, and E;

48.13 (7) Minnesota Rules, part 4664.0420;

48.14 (8) Minnesota Rules, part 4664.0425, subparts 3, item A; 4; and 6;

48.15 (9) Minnesota Rules, part 4664.0430, subparts 3, 4, 5, 7, 8, 9, 10, 11, and 12;

48.16 (10) Minnesota Rules, part 4664.0490; and

48.17 (11) Minnesota Rules, part 4664.0520.

48.18 Sec. 58. Minnesota Statutes 2017 Supplement, section 144H.08, is amended to read:

48.19 **144H.08 ADMINISTRATION AND MANAGEMENT.**

48.20 Subdivision 1. ~~Duties of owner~~ Owners. (a) The owner of a PPEC center shall:

48.21 (1) have full legal authority and responsibility for the operation of the center. A PPEC
 48.22 center must be organized according to a written table of organization, describing the lines
 48.23 of authority and communication to the child care level. The organizational structure must
 48.24 be designed to ensure an integrated continuum of services for the children served; and

48.25 ~~(b) The owner must~~ (2) designate one person as a center administrator, who is responsible
 48.26 and accountable for overall management of the center.

48.27 (b) In order to serve as an owner of a PPEC center, an individual must have at least two
 48.28 years of experience in the past five years (1) operating a business that provides care to

49.1 medically complex or technologically dependent children, or (2) managing the care of
49.2 medically complex or technologically dependent children.

49.3 Subd. 2. ~~Duties of administrator~~ Administrators. (a) The center administrator is
49.4 responsible and accountable for overall management of the center. The administrator must:

49.5 (1) designate in writing a person to be responsible for the center when the administrator
49.6 is absent from the center for more than 24 hours;

49.7 (2) maintain the following written records, in a place and form and using a system that
49.8 allows for inspection of the records by the commissioner during normal business hours:

49.9 (i) a daily census record, which indicates the number of children currently receiving
49.10 services at the center;

49.11 (ii) a record of all accidents or unusual incidents involving any child or staff member
49.12 that caused, or had the potential to cause, injury or harm to a person at the center or to center
49.13 property;

49.14 (iii) copies of all current agreements with providers of supportive services or contracted
49.15 services;

49.16 (iv) copies of all current agreements with consultants employed by the center,
49.17 documentation of each consultant's visits, and written, dated reports; and

49.18 (v) a personnel record for each employee, which must include an application for
49.19 employment, references, employment history for the preceding five years, and copies of all
49.20 performance evaluations;

49.21 (3) develop and maintain a current job description for each employee;

49.22 (4) provide necessary qualified personnel and ancillary services to ensure the health,
49.23 safety, and proper care for each child; and

49.24 (5) develop and implement infection control policies that comply with rules adopted by
49.25 the commissioner regarding infection control.

49.26 (b) In order to serve as an administrator of a PPEC center, an individual must have at
49.27 least two years of experience in the past five years caring for or managing the care of
49.28 medically complex or technologically dependent children.

49.29 Sec. 59. Minnesota Statutes 2016, section 145.56, subdivision 2, is amended to read:

49.30 Subd. 2. **Community-based programs.** To the extent funds are appropriated for the
49.31 purposes of this subdivision, the commissioner shall establish a grant program to fund:

50.1 (1) community-based programs to provide education, outreach, and advocacy services
50.2 to populations who may be at risk for suicide;

50.3 (2) community-based programs that educate community helpers and gatekeepers, such
50.4 as family members, spiritual leaders, coaches, and business owners, employers, and
50.5 coworkers on how to prevent suicide by encouraging help-seeking behaviors;

50.6 (3) community-based programs that educate populations at risk for suicide and community
50.7 helpers and gatekeepers that must include information on the symptoms of depression and
50.8 other psychiatric illnesses, the warning signs of suicide, skills for preventing suicides, and
50.9 making or seeking effective referrals to intervention and community resources;

50.10 (4) community-based programs to provide evidence-based suicide prevention and
50.11 intervention education to school staff, parents, and students in grades kindergarten through
50.12 12, and for students attending Minnesota colleges and universities;

50.13 (5) community-based programs to provide evidence-based suicide prevention and
50.14 intervention to public school nurses, teachers, administrators, coaches, school social workers,
50.15 peace officers, firefighters, emergency medical technicians, advanced emergency medical
50.16 technicians, paramedics, primary care providers, and others; ~~and~~

50.17 (6) community-based, evidence-based postvention training to mental health professionals
50.18 and practitioners in order to provide technical assistance to communities after a suicide and
50.19 to prevent suicide clusters and contagion; and

50.20 (7) a nonprofit organization to provide crisis telephone counseling services across the
50.21 state to people in suicidal crisis or emotional distress, 24 hours a day, seven days a week,
50.22 365 days a year.

50.23 Sec. 60. Minnesota Statutes 2016, section 145.928, subdivision 1, is amended to read:

50.24 Subdivision 1. **Goal; establishment.** It is the goal of the state, by 2010, to decrease by
50.25 50 percent the disparities in infant mortality rates and adult and child immunization rates
50.26 for American Indians and populations of color, as compared with rates for whites. To do
50.27 so and to achieve other measurable outcomes, the commissioner of health shall establish a
50.28 program to close the gap in the health status of American Indians and populations of color
50.29 as compared with whites in the following priority areas: infant mortality, access to and
50.30 utilization of high-quality prenatal care, breast and cervical cancer screening, HIV/AIDS
50.31 and sexually transmitted infections, adult and child immunizations, cardiovascular disease,
50.32 diabetes, and accidental injuries and violence.

51.1 Sec. 61. Minnesota Statutes 2016, section 145.928, subdivision 7, is amended to read:

51.2 Subd. 7. **Community grant program; immunization rates, prenatal care access and**
51.3 **utilization, and infant mortality rates.** (a) The commissioner shall award grants to eligible
51.4 applicants for local or regional projects and initiatives directed at reducing health disparities
51.5 in one or ~~both~~ more of the following priority areas:

51.6 (1) decreasing racial and ethnic disparities in infant mortality rates; ~~or~~

51.7 (2) decreasing racial and ethnic disparities in access to and utilization of high-quality
51.8 prenatal care; or

51.9 ~~(2)~~ (3) increasing adult and child immunization rates in nonwhite racial and ethnic
51.10 populations.

51.11 (b) The commissioner may award up to 20 percent of the funds available as planning
51.12 grants. Planning grants must be used to address such areas as community assessment,
51.13 coordination activities, and development of community supported strategies.

51.14 (c) Eligible applicants may include, but are not limited to, faith-based organizations,
51.15 social service organizations, community nonprofit organizations, community health boards,
51.16 tribal governments, and community clinics. Applicants must submit proposals to the
51.17 commissioner. A proposal must specify the strategies to be implemented to address one or
51.18 ~~both~~ more of the priority areas listed in paragraph (a) and must be targeted to achieve the
51.19 outcomes established according to subdivision 3.

51.20 (d) The commissioner shall give priority to applicants who demonstrate that their
51.21 proposed project or initiative:

51.22 (1) is supported by the community the applicant will serve;

51.23 (2) is research-based or based on promising strategies;

51.24 (3) is designed to complement other related community activities;

51.25 (4) utilizes strategies that positively impact ~~both~~ two or more priority areas;

51.26 (5) reflects racially and ethnically appropriate approaches; and

51.27 (6) will be implemented through or with community-based organizations that reflect the
51.28 race or ethnicity of the population to be reached.

52.1 Sec. 62. Minnesota Statutes 2016, section 146B.03, is amended by adding a subdivision
52.2 to read:

52.3 Subd. 7a. Supervisors. (a) A technician must have been licensed in Minnesota or in a
52.4 jurisdiction with which Minnesota has reciprocity for at least:

52.5 (1) two years as a tattoo technician in order to supervise a temporary tattoo technician;
52.6 or

52.7 (2) one year as a body piercing technician in order to supervise a temporary body piercing
52.8 technician.

52.9 (b) Any technician who agrees to supervise more than two temporary tattoo technicians
52.10 during the same time period, or more than four body piercing technicians during the same
52.11 time period, must provide to the commissioner a supervisory plan that describes how the
52.12 technician will provide supervision to each temporary technician in accordance with section
52.13 146B.01, subdivision 28.

52.14 (c) The commissioner may refuse to approve as a supervisor a technician who has been
52.15 disciplined in Minnesota or in another jurisdiction after considering the criteria in section
52.16 146B.02, subdivision 10, paragraph (b).

52.17 Sec. 63. Minnesota Statutes 2016, section 147A.08, is amended to read:

52.18 **147A.08 EXEMPTIONS.**

52.19 (a) This chapter does not apply to, control, prevent, or restrict the practice, service, or
52.20 activities of persons listed in section 147.09, clauses (1) to (6) and (8) to (13), persons
52.21 regulated under section 214.01, subdivision 2, or persons defined in section 144.1501,
52.22 subdivision 1, paragraphs ~~(i), (k), and~~ (j), (l), and (m).

52.23 (b) Nothing in this chapter shall be construed to require licensure of:

52.24 (1) a physician assistant student enrolled in a physician assistant educational program
52.25 accredited by the Accreditation Review Commission on Education for the Physician Assistant
52.26 or by its successor agency approved by the board;

52.27 (2) a physician assistant employed in the service of the federal government while
52.28 performing duties incident to that employment; or

52.29 (3) technicians, other assistants, or employees of physicians who perform delegated
52.30 tasks in the office of a physician but who do not identify themselves as a physician assistant.

53.1 Sec. 64. Minnesota Statutes 2016, section 148.512, subdivision 17a, is amended to read:

53.2 Subd. 17a. **Speech-language pathology assistant.** "Speech-language pathology assistant"
 53.3 means a person who ~~provides speech-language pathology services under the supervision of~~
 53.4 ~~a licensed speech-language pathologist in accordance with section 148.5192~~ practices
 53.5 speech-language pathology assisting, meets the requirements under section 148.5185 or
 53.6 148.5186, and is licensed by the commissioner.

53.7 **EFFECTIVE DATE.** This section is effective January 1, 2019.

53.8 Sec. 65. Minnesota Statutes 2016, section 148.513, subdivision 1, is amended to read:

53.9 Subdivision 1. **Unlicensed practice prohibited.** A person must not engage in the practice
 53.10 of speech-language pathology ~~or~~ audiology, or speech-language pathology assisting unless
 53.11 the person is licensed as a speech-language pathologist ~~or~~ an audiologist, or a
 53.12 speech-language pathology assistant under sections 148.511 to 148.5198 ~~or is practicing as~~
 53.13 ~~a speech-language pathology assistant in accordance with section 148.5192.~~ For purposes
 53.14 of this subdivision, ~~a speech-language pathology assistant's duties are limited to the duties~~
 53.15 ~~described in accordance with section 148.5192, subdivision 2.~~

53.16 **EFFECTIVE DATE.** This section is effective January 1, 2019.

53.17 Sec. 66. Minnesota Statutes 2016, section 148.513, subdivision 2, is amended to read:

53.18 Subd. 2. **Protected titles and restrictions on use; speech-language pathologists and**
 53.19 **audiologists.** ~~(a) Notwithstanding paragraph (b)~~ Except as provided in subdivision 2b, the
 53.20 use of the following terms or initials which represent the following terms, alone or in
 53.21 combination with any word or words, by any person to form an occupational title is prohibited
 53.22 unless that person is licensed as a speech-language pathologist or audiologist under sections
 53.23 148.511 to 148.5198:

53.24 (1) speech-language;

53.25 (2) speech-language pathologist, S, SP, or SLP;

53.26 (3) speech pathologist;

53.27 (4) language pathologist;

53.28 (5) audiologist, A, or AUD;

53.29 (6) speech therapist;

53.30 (7) speech clinician;

- 54.1 (8) speech correctionist;
- 54.2 (9) language therapist;
- 54.3 (10) voice therapist;
- 54.4 (11) voice pathologist;
- 54.5 (12) logopedist;
- 54.6 (13) communicologist;
- 54.7 (14) aphasiologist;
- 54.8 (15) phoniatriest;
- 54.9 (16) audiometrist;
- 54.10 (17) audioprosthologist;
- 54.11 (18) hearing therapist;
- 54.12 (19) hearing clinician; or
- 54.13 (20) hearing aid audiologist.

54.14 Use of the term "Minnesota licensed" in conjunction with the titles protected under this
 54.15 ~~paragraph~~ subdivision by any person is prohibited unless that person is licensed as a
 54.16 speech-language pathologist or audiologist under sections 148.511 to 148.5198.

54.17 ~~(b) A speech-language pathology assistant practicing under section 148.5192 must not~~
 54.18 ~~represent, indicate, or imply to the public that the assistant is a licensed speech-language~~
 54.19 ~~pathologist and shall only utilize one of the following titles: "speech-language pathology~~
 54.20 ~~assistant," "SLP assistant," or "SLP asst."~~

54.21 **EFFECTIVE DATE.** This section is effective January 1, 2019.

54.22 Sec. 67. Minnesota Statutes 2016, section 148.513, is amended by adding a subdivision
 54.23 to read:

54.24 **Subd. 2b. Protected titles and restrictions on use; speech-language pathology**
 54.25 **assistants.** (a) Use of the following titles is prohibited, unless that person is licensed under
 54.26 section 148.5185 or 148.5186: "speech-language pathology assistant," "SLP assistant," or
 54.27 "SLP asst."

54.28 (b) A speech-language pathology assistant licensed under section 148.5185 or 148.5186
 54.29 must not represent, indicate, or imply to the public that the assistant is a licensed
 54.30 speech-language pathologist and shall only utilize one of the following titles:

55.1 "speech-language pathology assistant," "SLP assistant," or "SLP asst." A speech-language
55.2 pathology assistant licensed under section 148.5185 or 148.5186 may use the term "licensed"
55.3 or "Minnesota licensed" in connection with a title listed in this paragraph. Use of the term
55.4 "Minnesota licensed" in conjunction with any of the titles protected under paragraph (a) by
55.5 any person is prohibited unless that person is licensed under section 148.5185 or 148.5186.

55.6 **EFFECTIVE DATE.** This section is effective January 1, 2019.

55.7 Sec. 68. Minnesota Statutes 2016, section 148.515, subdivision 1, is amended to read:

55.8 Subdivision 1. **Applicability.** Except as provided in section 148.516 or 148.517, an
55.9 applicant for licensure as a speech-language pathologist or audiologist must meet the
55.10 requirements in this section.

55.11 **EFFECTIVE DATE.** This section is effective January 1, 2019.

55.12 Sec. 69. Minnesota Statutes 2016, section 148.516, is amended to read:

55.13 **148.516 LICENSURE BY EQUIVALENCY.**

55.14 An applicant who applies for licensure by equivalency as a speech-language pathologist
55.15 or audiologist must show evidence of possessing a current certificate of clinical competence
55.16 issued by the American Speech-Language-Hearing Association or board certification by
55.17 the American Board of Audiology and must meet the requirements of section 148.514.

55.18 **EFFECTIVE DATE.** This section is effective January 1, 2019.

55.19 Sec. 70. **[148.5185] RESTRICTED LICENSURE; SPEECH-LANGUAGE**
55.20 **PATHOLOGY ASSISTANTS.**

55.21 Subdivision 1. **Qualifications for a restricted license.** To be eligible for restricted
55.22 licensure as a speech-language pathology assistant, an applicant must satisfy the requirements
55.23 in subdivision 2, 3, or 4.

55.24 Subd. 2. **Person practicing as a speech-language pathology assistant before January**
55.25 **1, 2019.** (a) A person who is practicing as a speech-language pathology assistant before
55.26 January 1, 2019, and who does not meet the qualifications for a license under section
55.27 148.5186 may apply for a restricted speech-language pathology assistant license from the
55.28 commissioner. An applicant under this paragraph must submit to the commissioner:

55.29 (1) proof of current employment as a speech-language pathology assistant; and

56.1 (2) a signed affidavit affirming supervision, from the licensed speech-language pathologist
56.2 currently supervising the applicant.

56.3 (b) In order to be licensed as a speech-language pathology assistant under section
56.4 148.5186, a licensee with a restricted license under this subdivision must obtain an associate
56.5 degree from a speech-language pathology assistant program that is accredited by the Higher
56.6 Learning Commission of the North Central Association of Colleges or its equivalent, as
56.7 approved by the commissioner, and that includes (1) coursework on an introduction to
56.8 communication disorders, phonetics, language development, articulation disorders, language
56.9 disorders, anatomy of speech/language hearing, stuttering, adult communication disorders,
56.10 and clinical documentations and materials management; and (2) at least 100 hours of
56.11 supervised field work experience in speech-language pathology assisting. Upon completion
56.12 of the requirements in this paragraph prior to January 1, 2025, a licensee with a restricted
56.13 license under this subdivision is eligible to apply for licensure under section 148.5186.

56.14 **Subd. 3. Person with a bachelor's degree in communication sciences or disorders**
56.15 **and practicing as a speech-language pathology assistant before January 1, 2019.** (a) A
56.16 person with a bachelor's degree in the discipline of communication sciences or disorders
56.17 and who is practicing as a speech-language pathology assistant before January 1, 2019, but
56.18 who does not meet the qualifications for a license under section 148.5186, may apply for a
56.19 restricted speech-language pathology assistant license from the commissioner. An applicant
56.20 under this paragraph must submit to the commissioner:

56.21 (1) a transcript from an educational institution documenting satisfactory completion of
56.22 a bachelor's degree in the discipline of communication sciences or disorders;

56.23 (2) proof of current employment as a speech-language pathology assistant; and

56.24 (3) a signed affidavit affirming supervision, from the licensed speech-language pathologist
56.25 currently supervising the applicant.

56.26 (b) In order to be licensed as a speech-language pathology assistant under section
56.27 148.5186, a licensee with a restricted license under this subdivision must complete (1)
56.28 coursework from a speech-language pathology assistant program in articulation disorders,
56.29 language disorders, adult communication disorders, and stuttering; and (2) at least 100 hours
56.30 of supervised field work experience in speech-language pathology assisting. Upon completion
56.31 of the requirements in this paragraph prior to January 1, 2025, a licensee with a restricted
56.32 license under this subdivision is eligible to apply for licensure under section 148.5186.

56.33 **Subd. 4. Person with an associate degree from a program that does not meet**
56.34 **requirements in section 148.5186.** (a) A person with an associate degree from a

57.1 speech-language pathology assistant program that does not meet the requirements in section
57.2 148.5186, subdivision 1, clause (1), may apply for a restricted speech-language pathology
57.3 assistant license from the commissioner. An applicant under this paragraph must submit to
57.4 the commissioner a transcript from an educational institution documenting satisfactory
57.5 completion of an associate degree from a speech-language pathology assistant program. If
57.6 the commissioner determines that the applicant's speech-language pathology assistant
57.7 program does not include coursework or supervised field work experience that is equivalent
57.8 to a program under section 148.5186, subdivision 1, clause (1), the commissioner may issue
57.9 a restricted license to the applicant.

57.10 (b) In order to be licensed as a speech-language pathology assistant under section
57.11 148.5186, a licensee with a restricted license under this subdivision must complete any
57.12 missing coursework or supervised field work experience, as determined by the commissioner,
57.13 in a speech-language pathology assisting program. Upon completion of the requirements
57.14 in this paragraph prior to January 1, 2025, a licensee with a restricted license under this
57.15 subdivision is eligible to apply for licensure under section 148.5186.

57.16 Subd. 5. **Additional requirements; restricted license.** (a) A restricted license issued
57.17 under subdivision 2, 3, or 4 may be renewed biennially until January 1, 2025.

57.18 (b) A licensee with a restricted license under subdivision 2 or 3 may only practice
57.19 speech-language pathology assisting for the employer with whom the licensee was employed
57.20 when the licensee applied for licensure.

57.21 Subd. 6. **Continuing education.** In order to renew a restricted license, a licensee must
57.22 comply with the continuing education requirements in section 148.5193, subdivision 1a.

57.23 Subd. 7. **Scope of practice.** Scope of practice for a speech-language pathology assistant
57.24 licensed under this section is governed by section 148.5192, subdivision 2.

57.25 **EFFECTIVE DATE.** This section is effective January 1, 2019.

57.26 Sec. 71. **[148.5186] LICENSURE; SPEECH-LANGUAGE PATHOLOGY**
57.27 **ASSISTANTS.**

57.28 Subdivision 1. **Requirements for licensure.** To be eligible for licensure as a
57.29 speech-language pathology assistant, an applicant must submit to the commissioner a
57.30 transcript from an educational institution documenting satisfactory completion of either:

57.31 (1) an associate degree from a speech-language pathology assistant program that is
57.32 accredited by the Higher Learning Commission of the North Central Association of Colleges

58.1 or its equivalent as approved by the commissioner, which includes at least 100 hours of
58.2 supervised field work experience in speech-language pathology assisting; or

58.3 (2) a bachelor's degree in the discipline of communication sciences or disorders and a
58.4 speech-language pathology assistant certificate program that includes (i) coursework in an
58.5 introduction to speech-language pathology assisting, stuttering, articulation disorders, and
58.6 language disorders; and (ii) at least 100 hours of supervised field work experience in
58.7 speech-language pathology assisting.

58.8 Subd. 2. **Licensure by equivalency.** An applicant who applies for licensure by
58.9 equivalency as a speech-language pathology assistant must provide evidence to the
58.10 commissioner of satisfying the requirements in subdivision 1.

58.11 Subd. 3. **Scope of practice.** Scope of practice for a speech-language pathology assistant
58.12 licensed under this section is governed by section 148.5192, subdivision 2.

58.13 **EFFECTIVE DATE.** This section is effective January 1, 2019.

58.14 Sec. 72. Minnesota Statutes 2017 Supplement, section 148.519, subdivision 1, is amended
58.15 to read:

58.16 Subdivision 1. **Applications for licensure; speech-language pathologists and**
58.17 **audiologists.** (a) An applicant for licensure as a speech-language pathologist or audiologist
58.18 must:

58.19 (1) submit a completed application for licensure on forms provided by the commissioner.
58.20 The application must include the applicant's name, certification number under chapter 153A,
58.21 if applicable, business address and telephone number, or home address and telephone number
58.22 if the applicant practices speech-language pathology or audiology out of the home, and a
58.23 description of the applicant's education, training, and experience, including previous work
58.24 history for the five years immediately preceding the date of application. The commissioner
58.25 may ask the applicant to provide additional information necessary to clarify information
58.26 submitted in the application; and

58.27 (2) submit documentation of the certificate of clinical competence issued by the American
58.28 Speech-Language-Hearing Association, board certification by the American Board of
58.29 Audiology, or satisfy the following requirements:

58.30 (i) submit a transcript showing the completion of a master's or doctoral degree or its
58.31 equivalent meeting the requirements of section 148.515, subdivision 2;

58.32 (ii) submit documentation of the required hours of supervised clinical training;

59.1 (iii) submit documentation of the postgraduate clinical or doctoral clinical experience
59.2 meeting the requirements of section 148.515, subdivision 4; and

59.3 (iv) submit documentation of receiving a qualifying score on an examination meeting
59.4 the requirements of section 148.515, subdivision 6.

59.5 (b) In addition, an applicant must:

59.6 (1) sign a statement that the information in the application is true and correct to the best
59.7 of the applicant's knowledge and belief;

59.8 (2) submit with the application all fees required by section 148.5194;

59.9 (3) sign a waiver authorizing the commissioner to obtain access to the applicant's records
59.10 in this or any other state in which the applicant has engaged in the practice of speech-language
59.11 pathology or audiology; and

59.12 (4) consent to a fingerprint-based criminal history background check as required under
59.13 section 144.0572, pay all required fees, and cooperate with all requests for information. An
59.14 applicant must complete a new criminal history background check if more than one year
59.15 has elapsed since the applicant last applied for a license.

59.16 **EFFECTIVE DATE.** This section is effective January 1, 2019.

59.17 Sec. 73. Minnesota Statutes 2016, section 148.519, is amended by adding a subdivision
59.18 to read:

59.19 **Subd. 1a. Applications for licensure; speech-language pathology assistants.** An
59.20 applicant for licensure as a speech-language pathology assistant must submit to the
59.21 commissioner:

59.22 (1) a completed application on forms provided by the commissioner. The application
59.23 must include the applicant's name, business address and telephone number, home address
59.24 and telephone number, and a description of the applicant's education, training, and experience,
59.25 including previous work history for the five years immediately preceding the application
59.26 date. The commissioner may ask the applicant to provide additional information needed to
59.27 clarify information submitted in the application;

59.28 (2) documentation that the applicant satisfied one of the qualifications listed in section
59.29 148.5185 or 148.5186;

59.30 (3) a signed statement that the information in the application is true and correct to the
59.31 best of the applicant's knowledge and belief;

60.1 (4) all fees required under section 148.5194; and

60.2 (5) a signed waiver authorizing the commissioner to obtain access to the applicant's
60.3 records in this or any other state in which the applicant has worked as a speech-language
60.4 pathology assistant.

60.5 **EFFECTIVE DATE.** This section is effective January 1, 2019.

60.6 Sec. 74. Minnesota Statutes 2016, section 148.5192, subdivision 1, is amended to read:

60.7 Subdivision 1. **Delegation requirements.** A licensed speech-language pathologist may
60.8 delegate duties to a speech-language pathology assistant in accordance with this section.
60.9 Duties may only be delegated to an individual who ~~has documented with a transcript from~~
60.10 ~~an educational institution satisfactory completion of either:~~

60.11 ~~(1) an associate degree from a speech-language pathology assistant program that is~~
60.12 ~~accredited by the Higher Learning Commission of the North Central Association of Colleges~~
60.13 ~~or its equivalent as approved by the commissioner; or~~

60.14 ~~(2) a bachelor's degree in the discipline of communication sciences or disorders with~~
60.15 ~~additional transcript credit in the area of instruction in assistant-level service delivery~~
60.16 ~~practices and completion of at least 100 hours of supervised field work experience as a~~
60.17 ~~speech-language pathology assistant student is licensed under section 148.5185 or 148.5186.~~

60.18 **EFFECTIVE DATE.** This section is effective January 1, 2019.

60.19 Sec. 75. Minnesota Statutes 2017 Supplement, section 148.5193, subdivision 1, is amended
60.20 to read:

60.21 Subdivision 1. **Number of contact hours required.** (a) An applicant for licensure
60.22 renewal as a speech-language pathologist or audiologist must meet the requirements for
60.23 continuing education stipulated by the American Speech-Language-Hearing Association
60.24 or the American Board of Audiology, or satisfy the requirements described in paragraphs
60.25 (b) to (e).

60.26 (b) Within one month following expiration of a license, an applicant for licensure renewal
60.27 as either a speech-language pathologist or an audiologist must provide evidence to the
60.28 commissioner of a minimum of 30 contact hours of continuing education obtained within
60.29 the two years immediately preceding licensure expiration. A minimum of 20 contact hours
60.30 of continuing education must be directly related to the licensee's area of licensure. Ten
60.31 contact hours of continuing education may be in areas generally related to the licensee's
60.32 area of licensure. Licensees who are issued licenses for a period of less than two years shall

61.1 prorate the number of contact hours required for licensure renewal based on the number of
61.2 months licensed during the biennial licensure period. Licensees shall receive contact hours
61.3 for continuing education activities only for the biennial licensure period in which the
61.4 continuing education activity was performed.

61.5 (c) An applicant for licensure renewal as both a speech-language pathologist and an
61.6 audiologist must attest to and document completion of a minimum of 36 contact hours of
61.7 continuing education offered by a continuing education sponsor within the two years
61.8 immediately preceding licensure renewal. A minimum of 15 contact hours must be received
61.9 in the area of speech-language pathology and a minimum of 15 contact hours must be
61.10 received in the area of audiology. Six contact hours of continuing education may be in areas
61.11 generally related to the licensee's areas of licensure. Licensees who are issued licenses for
61.12 a period of less than two years shall prorate the number of contact hours required for licensure
61.13 renewal based on the number of months licensed during the biennial licensure period.
61.14 Licensees shall receive contact hours for continuing education activities only for the biennial
61.15 licensure period in which the continuing education activity was performed.

61.16 (d) If the licensee is licensed by the Professional Educator Licensing and Standards
61.17 Board:

61.18 (1) activities that are approved in the categories of Minnesota Rules, part 8710.7200,
61.19 subpart 3, items A and B, and that relate to speech-language pathology, shall be considered:

61.20 (i) offered by a sponsor of continuing education; and

61.21 (ii) directly related to speech-language pathology;

61.22 (2) activities that are approved in the categories of Minnesota Rules, part 8710.7200,
61.23 subpart 3, shall be considered:

61.24 (i) offered by a sponsor of continuing education; and

61.25 (ii) generally related to speech-language pathology; and

61.26 (3) one clock hour as defined in Minnesota Rules, part 8710.7200, subpart 1, is equivalent
61.27 to 1.0 contact hours of continuing education.

61.28 (e) Contact hours may not be accumulated in advance and transferred to a future
61.29 continuing education period.

61.30 **EFFECTIVE DATE.** This section is effective January 1, 2019.

62.1 Sec. 76. Minnesota Statutes 2016, section 148.5193, is amended by adding a subdivision
62.2 to read:

62.3 Subd. 1a. **Continuing education; speech-language pathology assistants.** An applicant
62.4 for licensure renewal as a speech-language pathology assistant must meet the requirements
62.5 for continuing education established by the commissioner.

62.6 **EFFECTIVE DATE.** This section is effective January 1, 2019.

62.7 Sec. 77. Minnesota Statutes 2016, section 148.5194, is amended by adding a subdivision
62.8 to read:

62.9 Subd. 3b. **Speech-language pathology assistant initial licensure and renewal fees.**
62.10 The fee for initial speech-language pathology assistant licensure under section 148.5185 or
62.11 148.5186 is \$130. The fee for licensure renewal is \$120.

62.12 **EFFECTIVE DATE.** This section is effective January 1, 2019.

62.13 Sec. 78. Minnesota Statutes 2016, section 148.5194, subdivision 8, is amended to read:

62.14 Subd. 8. **Penalty fees.** (a) The penalty fee for practicing speech-language pathology or
62.15 audiology or using protected titles without a current license after the credential has expired
62.16 and before it is renewed is the amount of the license renewal fee for any part of the first
62.17 month, plus the license renewal fee for any part of any subsequent month up to 36 months.
62.18 The penalty fee for a speech-language pathology assistant who practices speech-language
62.19 pathology assisting or uses protected titles without a current license after a license has
62.20 expired and before it is renewed is the amount of the license renewal fee for any part of the
62.21 first month, plus the license renewal fee for any part of any subsequent month up to 36
62.22 months.

62.23 (b) The penalty fee for applicants who engage in the unauthorized practice of
62.24 speech-language pathology or audiology or using protected titles before being issued a
62.25 license is the amount of the license application fee for any part of the first month, plus the
62.26 license application fee for any part of any subsequent month up to 36 months. The penalty
62.27 fee for a speech-language pathology assistant who engages in the unauthorized practice of
62.28 speech-language pathology assisting or uses protected titles without being issued a license
62.29 is the amount of the license application fee for any part of the first month, plus the license
62.30 application fee for any part of any subsequent month up to 36 months. This paragraph does
62.31 not apply to applicants not qualifying for a license who engage in the unauthorized practice
62.32 of speech language pathology or audiology.

63.1 (c) The penalty fee for practicing speech-language pathology or audiology and failing
63.2 to submit a continuing education report by the due date with the correct number or type of
63.3 hours in the correct time period is \$100 plus \$20 for each missing clock hour. The penalty
63.4 fee for a licensed speech-language pathology assistant who fails to submit a continuing
63.5 education report by the due date with the correct number or type of hours in the correct time
63.6 period is \$100 plus \$20 for each missing clock hour. "Missing" means not obtained between
63.7 the effective and expiration dates of the certificate, the one-month period following the
63.8 certificate expiration date, or the 30 days following notice of a penalty fee for failing to
63.9 report all continuing education hours. The licensee must obtain the missing number of
63.10 continuing education hours by the next reporting due date.

63.11 (d) Civil penalties and discipline incurred by licensees prior to August 1, 2005, for
63.12 conduct described in paragraph (a), (b), or (c) shall be recorded as nondisciplinary penalty
63.13 fees. For conduct described in paragraph (a) or (b) occurring after August 1, 2005, and
63.14 exceeding six months, payment of a penalty fee does not preclude any disciplinary action
63.15 reasonably justified by the individual case.

63.16 **EFFECTIVE DATE.** This section is effective January 1, 2019.

63.17 Sec. 79. Minnesota Statutes 2016, section 148.5195, subdivision 3, is amended to read:

63.18 Subd. 3. **Grounds for disciplinary action by commissioner.** The commissioner may
63.19 take any of the disciplinary actions listed in subdivision 4 on proof that the individual has:

63.20 (1) intentionally submitted false or misleading information to the commissioner or the
63.21 advisory council;

63.22 (2) failed, within 30 days, to provide information in response to a written request by the
63.23 commissioner or advisory council;

63.24 (3) performed services of a speech-language pathologist ~~or~~ audiologist, or
63.25 speech-language pathology assistant in an incompetent or negligent manner;

63.26 (4) violated sections 148.511 to 148.5198;

63.27 (5) failed to perform services with reasonable judgment, skill, or safety due to the use
63.28 of alcohol or drugs, or other physical or mental impairment;

63.29 (6) violated any state or federal law, rule, or regulation, and the violation is a felony or
63.30 misdemeanor, an essential element of which is dishonesty, or which relates directly or
63.31 indirectly to the practice of speech-language pathology ~~or~~ audiology, or speech-language
63.32 pathology assisting. Conviction for violating any state or federal law which relates to

64.1 speech-language pathology or audiology, or speech-language pathology assisting is
64.2 necessarily considered to constitute a violation, except as provided in chapter 364;

64.3 (7) aided or abetted another person in violating any provision of sections 148.511 to
64.4 148.5198;

64.5 (8) been or is being disciplined by another jurisdiction, if any of the grounds for the
64.6 discipline is the same or substantially equivalent to those under sections 148.511 to 148.5198;

64.7 (9) not cooperated with the commissioner or advisory council in an investigation
64.8 conducted according to subdivision 1;

64.9 (10) advertised in a manner that is false or misleading;

64.10 (11) engaged in conduct likely to deceive, defraud, or harm the public; or demonstrated
64.11 a willful or careless disregard for the health, welfare, or safety of a client;

64.12 (12) failed to disclose to the consumer any fee splitting or any promise to pay a portion
64.13 of a fee to any other professional other than a fee for services rendered by the other
64.14 professional to the client;

64.15 (13) engaged in abusive or fraudulent billing practices, including violations of federal
64.16 Medicare and Medicaid laws, Food and Drug Administration regulations, or state medical
64.17 assistance laws;

64.18 (14) obtained money, property, or services from a consumer through the use of undue
64.19 influence, high pressure sales tactics, harassment, duress, deception, or fraud;

64.20 (15) performed services for a client who had no possibility of benefiting from the services;

64.21 (16) failed to refer a client for medical evaluation or to other health care professionals
64.22 when appropriate or when a client indicated symptoms associated with diseases that could
64.23 be medically or surgically treated;

64.24 (17) had the certification required by chapter 153A denied, suspended, or revoked
64.25 according to chapter 153A;

64.26 (18) used the term doctor of audiology, doctor of speech-language pathology, AuD, or
64.27 SLPD without having obtained the degree from an institution accredited by the North Central
64.28 Association of Colleges and Secondary Schools, the Council on Academic Accreditation
64.29 in Audiology and Speech-Language Pathology, the United States Department of Education,
64.30 or an equivalent;

64.31 (19) failed to comply with the requirements of section 148.5192 regarding supervision
64.32 of speech-language pathology assistants; or

65.1 (20) if the individual is an audiologist or certified hearing instrument dispenser:

65.2 (i) prescribed or otherwise recommended to a consumer or potential consumer the use
65.3 of a hearing instrument, unless the prescription from a physician or recommendation from
65.4 an audiologist or certified dispenser is in writing, is based on an audiogram that is delivered
65.5 to the consumer or potential consumer when the prescription or recommendation is made,
65.6 and bears the following information in all capital letters of 12-point or larger boldface type:
65.7 "THIS PRESCRIPTION OR RECOMMENDATION MAY BE FILLED BY, AND
65.8 HEARING INSTRUMENTS MAY BE PURCHASED FROM, THE LICENSED
65.9 AUDIOLOGIST OR CERTIFIED DISPENSER OF YOUR CHOICE";

65.10 (ii) failed to give a copy of the audiogram, upon which the prescription or
65.11 recommendation is based, to the consumer when the consumer requests a copy;

65.12 (iii) failed to provide the consumer rights brochure required by section 148.5197,
65.13 subdivision 3;

65.14 (iv) failed to comply with restrictions on sales of hearing instruments in sections
65.15 148.5197, subdivision 3, and 148.5198;

65.16 (v) failed to return a consumer's hearing instrument used as a trade-in or for a discount
65.17 in the price of a new hearing instrument when requested by the consumer upon cancellation
65.18 of the purchase agreement;

65.19 (vi) failed to follow Food and Drug Administration or Federal Trade Commission
65.20 regulations relating to dispensing hearing instruments;

65.21 (vii) failed to dispense a hearing instrument in a competent manner or without appropriate
65.22 training;

65.23 (viii) delegated hearing instrument dispensing authority to a person not authorized to
65.24 dispense a hearing instrument under this chapter or chapter 153A;

65.25 (ix) failed to comply with the requirements of an employer or supervisor of a hearing
65.26 instrument dispenser trainee;

65.27 (x) violated a state or federal court order or judgment, including a conciliation court
65.28 judgment, relating to the activities of the individual's hearing instrument dispensing; or

65.29 (xi) failed to include on the audiogram the practitioner's printed name, credential type,
65.30 credential number, signature, and date.

65.31 **EFFECTIVE DATE.** This section is effective January 1, 2019.

66.1 Sec. 80. Minnesota Statutes 2017 Supplement, section 148.5196, subdivision 1, is amended
66.2 to read:

66.3 Subdivision 1. **Membership.** The commissioner shall appoint ~~12~~ 13 persons to a
66.4 Speech-Language Pathologist and Audiologist Advisory Council. The ~~12~~ 13 persons must
66.5 include:

66.6 (1) three public members, as defined in section 214.02. Two of the public members shall
66.7 be either persons receiving services of a speech-language pathologist or audiologist, or
66.8 family members of or caregivers to such persons, and at least one of the public members
66.9 shall be either a hearing instrument user or an advocate of one;

66.10 (2) three speech-language pathologists licensed under sections 148.511 to 148.5198,
66.11 one of whom is currently and has been, for the five years immediately preceding the
66.12 appointment, engaged in the practice of speech-language pathology in Minnesota and each
66.13 of whom is employed in a different employment setting including, but not limited to, private
66.14 practice, hospitals, rehabilitation settings, educational settings, and government agencies;

66.15 (3) one speech-language pathologist licensed under sections 148.511 to 148.5198, who
66.16 is currently and has been, for the five years immediately preceding the appointment,
66.17 employed by a Minnesota public school district or a Minnesota public school district
66.18 consortium that is authorized by Minnesota Statutes and who is licensed in speech-language
66.19 pathology by the Professional Educator Licensing and Standards Board;

66.20 (4) three audiologists licensed under sections 148.511 to 148.5198, two of whom are
66.21 currently and have been, for the five years immediately preceding the appointment, engaged
66.22 in the practice of audiology and the dispensing of hearing instruments in Minnesota and
66.23 each of whom is employed in a different employment setting including, but not limited to,
66.24 private practice, hospitals, rehabilitation settings, educational settings, industry, and
66.25 government agencies;

66.26 (5) one nonaudiologist hearing instrument dispenser recommended by a professional
66.27 association representing hearing instrument dispensers; ~~and~~

66.28 (6) one physician licensed under chapter 147 and certified by the American Board of
66.29 Otolaryngology, Head and Neck Surgery; and

66.30 (7) one speech-language pathology assistant licensed under section 148.5186.

66.31 **EFFECTIVE DATE.** This section is effective January 1, 2019.

67.1 Sec. 81. Minnesota Statutes 2016, section 148.5196, subdivision 3, is amended to read:

67.2 Subd. 3. **Duties.** The advisory council shall:

67.3 (1) advise the commissioner regarding speech-language pathologist ~~and~~, audiologist,
67.4 and speech-language pathology assistant licensure standards;

67.5 (2) advise the commissioner regarding the delegation of duties to and the training required
67.6 for speech-language pathology assistants;

67.7 (3) advise the commissioner on enforcement of sections 148.511 to 148.5198;

67.8 (4) provide for distribution of information regarding speech-language pathologist ~~and~~,
67.9 audiologist, and speech-language pathology assistant licensure standards;

67.10 (5) review applications and make recommendations to the commissioner on granting or
67.11 denying licensure or licensure renewal;

67.12 (6) review reports of investigations relating to individuals and make recommendations
67.13 to the commissioner as to whether licensure should be denied or disciplinary action taken
67.14 against the individual;

67.15 (7) advise the commissioner regarding approval of continuing education activities
67.16 provided by sponsors using the criteria in section 148.5193, subdivision 2; and

67.17 (8) perform other duties authorized for advisory councils under chapter 214, or as directed
67.18 by the commissioner.

67.19 **EFFECTIVE DATE.** This section is effective January 1, 2019.

67.20 Sec. 82. Minnesota Statutes 2016, section 149A.40, subdivision 11, is amended to read:

67.21 Subd. 11. **Continuing education.** The commissioner shall require 15 continuing education
67.22 hours for renewal of a license to practice mortuary science. Nine of the hours must be in
67.23 the following areas: body preparation, care, ~~or~~ handling, and cremation, 3 CE hours;
67.24 professional practices, 3 CE hours; and regulation and ethics, 3 CE hours. Continuing
67.25 education hours shall be reported to the commissioner every other year based on the licensee's
67.26 license number. Licensees whose license ends in an odd number must report CE hours at
67.27 renewal time every odd year. If a licensee's license ends in an even number, the licensee
67.28 must report the licensee's CE hours at renewal time every even year.

67.29 **EFFECTIVE DATE.** This section is effective January 1, 2019, and applies to mortuary
67.30 science license renewals on or after that date.

68.1 Sec. 83. Minnesota Statutes 2016, section 149A.95, subdivision 3, is amended to read:

68.2 Subd. 3. **Unlicensed personnel.** (a) A licensed crematory may employ unlicensed
68.3 personnel, provided that all applicable provisions of this chapter are followed. It is the duty
68.4 of the licensed crematory to provide proper training ~~for~~ to all unlicensed personnel and
68.5 ensure that unlicensed personnel performing cremations are in compliance with the
68.6 requirements in paragraph (b). The licensed crematory shall be strictly accountable for
68.7 compliance with this chapter and other applicable state and federal regulations regarding
68.8 occupational and workplace health and safety.

68.9 (b) Unlicensed personnel performing cremations at a licensed crematory must:

68.10 (1) complete a certified crematory operator course that is approved by the commissioner
68.11 and that covers at least the following subjects:

68.12 (i) cremation and incinerator terminology;

68.13 (ii) combustion principles;

68.14 (iii) maintenance of and troubleshooting for cremation devices;

68.15 (iv) how to operate cremation devices;

68.16 (v) identification, the use of proper forms, and the record-keeping process for
68.17 documenting chain of custody of human remains;

68.18 (vi) guidelines for recycling, including but not limited to compliance, disclosure, recycling
68.19 procedures, and compensation;

68.20 (vii) legal and regulatory requirements regarding environmental issues, including specific
68.21 environmental regulations with which compliance is required; and

68.22 (viii) cremation ethics;

68.23 (2) obtain a crematory operator certification;

68.24 (3) publicly post the crematory operator certification at the licensed crematory where
68.25 the unlicensed personnel performs cremations; and

68.26 (4) maintain crematory operator certification through:

68.27 (i) recertification, if such recertification is required by the program through which the
68.28 unlicensed personnel is certified; or

68.29 (ii) if recertification is not required by the program, completion of at least seven hours
68.30 of continuing education credits in crematory operation every five years.

69.1 **EFFECTIVE DATE.** This section is effective January 1, 2019, and applies to unlicensed
69.2 personnel performing cremations on or after that date.

69.3 Sec. 84. **PHASE-IN OF LICENSURE OF PRESCRIBED PEDIATRIC EXTENDED**
69.4 **CARE CENTERS.**

69.5 Subdivision 1. **2019-2020 licensure period.** The commissioner of health shall phase in
69.6 the licensure of prescribed pediatric extended care centers (PPEC centers) under Minnesota
69.7 Statutes, chapter 144H, by issuing licenses for no more than two PPEC centers for the
69.8 licensure period January 1, 2019, through December 31, 2020. Beginning January 1, 2021,
69.9 the commissioner shall license additional PPEC centers if the commissioner determines
69.10 that the applicant and the center meet the licensing requirements of Minnesota Statutes,
69.11 chapter 144H.

69.12 Subd. 2. **Quality measures; development and reporting.** The commissioner of health,
69.13 in consultation with prescribed pediatric extended care centers licensed for the 2019-2020
69.14 licensure period, shall develop quality measures for PPEC centers, procedures for PPEC
69.15 centers to report quality measures to the commissioner, and methods for the commissioner
69.16 to make the results of the quality measures available to the public.

69.17 Sec. 85. **OLDER ADULT SOCIAL ISOLATION WORKING GROUP.**

69.18 Subdivision 1. **Establishment; members.** The commissioner of health or the
69.19 commissioner's designee shall convene an older adult social isolation working group that
69.20 consists of no more than 35 members including, but not limited to:

- 69.21 (1) one person diagnosed with Alzheimer's or dementia;
69.22 (2) one caregiver of a person diagnosed with Alzheimer's or dementia;
69.23 (3) the executive director of Giving Voice;
69.24 (4) one representative from the Mayo Clinic Alzheimer's Disease Research Center;
69.25 (5) one representative from AARP Minnesota;
69.26 (6) one representative from Little Brothers-Friends of the Elderly, Minneapolis/St. Paul;
69.27 (7) one representative from the Alzheimer's Association Minnesota-North Dakota Chapter;
69.28 (8) one representative from the American Heart Association Minnesota Chapter;
69.29 (9) one representative from the Minnesota HomeCare Association;
69.30 (10) two representatives from long-term care trade associations;

- 70.1 (11) one representative from the Minnesota Rural Health Association;
- 70.2 (12) the commissioner of health or the commissioner's designee;
- 70.3 (13) one representative from the Minnesota Board on Aging;
- 70.4 (14) one representative from the Commission of Deaf, Deafblind and Hard of Hearing
- 70.5 Minnesotans;
- 70.6 (15) one representative from the Minnesota Nurses Association;
- 70.7 (16) one representative from the Minnesota Council of Churches;
- 70.8 (17) one representative from the Minnesota Leadership Council on Aging;
- 70.9 (18) one representative from the Minnesota Association of Senior Services;
- 70.10 (19) one representative from Metro Meals on Wheels;
- 70.11 (20) one rural Minnesota geriatrician or family physician;
- 70.12 (21) at least two representatives from the University of Minnesota;
- 70.13 (22) one representative from one of the Minnesota Area Agencies on Aging;
- 70.14 (23) at least two members representing Minnesota rural communities;
- 70.15 (24) additional members representing communities of color;
- 70.16 (25) one representative from the National Alliance on Mental Illness; and
- 70.17 (26) one representative from the Citizens League.
- 70.18 Subd. 2. **Duties; recommendations.** The older adult social isolation working group
- 70.19 must assess the current and future impact of social isolation on the lives of Minnesotans
- 70.20 over age 55. The working group shall consider and make recommendations to the governor
- 70.21 and chairs and members of the health and human services committees in the house of
- 70.22 representatives and senate on the following issues:
- 70.23 (1) the public health impact of social isolation in the older adult population of Minnesota;
- 70.24 (2) identify existing Minnesota resources, services, and capacity to respond to the issue
- 70.25 of social isolation in older adults;
- 70.26 (3) needed policies or community responses, including but not limited to expanding
- 70.27 current services or developing future services after identifying gaps in service for rural
- 70.28 geographical areas;

71.1 (4) needed policies or community responses, including but not limited to the expansion
71.2 of culturally appropriate current services or developing future services after identifying
71.3 gaps in service for persons of color; and

71.4 (5) impact of social isolation on older adults with disabilities and needed policies or
71.5 community responses.

71.6 Subd. 3. **Meetings.** The working group must hold at least four public meetings beginning
71.7 August 10, 2018. To the extent possible, technology must be utilized to reach the greatest
71.8 number of interested persons throughout the state. The working group must complete the
71.9 required meeting schedule by December 10, 2018.

71.10 Subd. 4. **Report.** The commissioner of health must submit a report and the working
71.11 group's recommendations to the governor and chairs and members of the health and human
71.12 services committees in the house of representatives and senate no later than January 14,
71.13 2019.

71.14 Subd. 5. **Sunset.** The working group sunsets upon delivery of the required report to the
71.15 governor and legislative committees.

71.16 **Sec. 86. RULEMAKING; WELL AND BORING RECORDS.**

71.17 (a) The commissioner of health shall amend Minnesota Rules, part 4725.1851, subpart
71.18 1, to require the licensee, registrant, or property owner or lessee to submit the record of well
71.19 or boring construction or sealing within 60 days after completion of the work, rather than
71.20 within 30 days after completion of the work.

71.21 (b) The commissioner may use the good cause exemption under Minnesota Statutes,
71.22 section 14.388, subdivision 1, clause (3), to adopt rules under this section, and Minnesota
71.23 Statutes, section 14.386, does not apply, except as provided under Minnesota Statutes,
71.24 section 14.388.

71.25 **Sec. 87. RULEMAKING; SECURITY SCREENING SYSTEMS.**

71.26 The commissioner of health may adopt permanent rules to implement Minnesota Statutes,
71.27 section 144.121, subdivision 9, by December 31, 2020. If the commissioner of health does
71.28 not adopt rules by December 31, 2020, rulemaking authority under this section is repealed.
71.29 Rulemaking authority under this section is not continuing authority to amend or repeal the
71.30 rule. Any additional action on rules once adopted must be pursuant to specific statutory
71.31 authority to take the additional action.

72.1 Sec. 88. **ADVISORY COUNCIL ON PANDAS AND PANS; INITIAL**
72.2 **APPOINTMENTS AND FIRST MEETING.**

72.3 The appointing authorities shall appoint the first members of the advisory council on
72.4 PANDAS and PANS under Minnesota Statutes, section 144.131, no later than October 1,
72.5 2018. The commissioner of health shall convene the first meeting by November 1, 2018,
72.6 and the commissioner or the commissioner's designee shall act as chair until the advisory
72.7 council elects a chair at its first meeting. Notwithstanding the length of terms specified in
72.8 Minnesota Statutes, section 144.131, subdivision 3, at the first meeting of the advisory
72.9 council, the chair elected by the members shall determine by lot one-third of the advisory
72.10 council members whose terms shall expire on September 30 of the calendar year following
72.11 the year of first appointment, one-third of the advisory council members whose terms shall
72.12 expire on September 30 of the second calendar year following the year of first appointment,
72.13 and the remaining advisory council members whose terms shall expire on September 30 of
72.14 the third calendar year following the year of first appointment.

72.15 Sec. 89. **VARIANCE TO REQUIREMENT FOR SANITARY DUMPING STATION.**

72.16 Notwithstanding any law or rule to the contrary, the commissioner of health shall provide
72.17 a variance to the requirement to provide a sanitary dumping station under Minnesota Rules,
72.18 part 4630.0900, for a resort in Hubbard County that is located on an island and is landlocked,
72.19 making it impractical to build a sanitary dumping station for use by recreational camping
72.20 vehicles and recreational camping on the resort property. There must be an alternative
72.21 dumping station available within a 15-mile radius of the resort or a vendor that is available
72.22 to pump any self-contained liquid waste system that is located on the resort property.

72.23 Sec. 90. **REVISOR'S INSTRUCTIONS.**

72.24 (a) The revisor of statutes shall change the terms "service plan or service agreement"
72.25 and "service agreement or service plan" to "service agreement" in the following sections of
72.26 Minnesota Statutes: sections 144A.442; 144D.045; 144G.03, subdivision 4, paragraph (c);
72.27 and 144G.04.

72.28 (b) The revisor of statutes shall change the term "service plan" to "service agreement"
72.29 and the term "service plans" to "service agreements" in the following sections of Minnesota
72.30 Statutes: sections 144A.44; 144A.45; 144A.475; 144A.4791; 144A.4792; 144A.4793;
72.31 144A.4794; 144D.04; and 144G.03, subdivision 4, paragraph (a).

73.1 Sec. 91. **REPEALER.**73.2 (a) Minnesota Statutes 2016, sections 144A.45, subdivision 6; and 144A.481, are repealed.73.3 (b) Minnesota Statutes 2017 Supplement, section 146B.02, subdivision 7a, is repealed.73.4 **ARTICLE 2**73.5 **HEALTH CARE**73.6 Section 1. Minnesota Statutes 2017 Supplement, section 13.69, subdivision 1, is amended
73.7 to read:73.8 Subdivision 1. **Classifications.** (a) The following government data of the Department
73.9 of Public Safety are private data:73.10 (1) medical data on driving instructors, licensed drivers, and applicants for parking
73.11 certificates and special license plates issued to physically disabled persons;73.12 (2) other data on holders of a disability certificate under section 169.345, except that (i)
73.13 data that are not medical data may be released to law enforcement agencies, and (ii) data
73.14 necessary for enforcement of sections 169.345 and 169.346 may be released to parking
73.15 enforcement employees or parking enforcement agents of statutory or home rule charter
73.16 cities and towns;73.17 (3) Social Security numbers in driver's license and motor vehicle registration records,
73.18 except that Social Security numbers must be provided to the Department of Revenue for
73.19 purposes of tax administration, the Department of Labor and Industry for purposes of
73.20 workers' compensation administration and enforcement, the judicial branch for purposes of
73.21 debt collection, and the Department of Natural Resources for purposes of license application
73.22 administration, and except that the last four digits of the Social Security number must be
73.23 provided to the Department of Human Services for purposes of recovery of Minnesota health
73.24 care program benefits paid; and73.25 (4) data on persons listed as standby or temporary custodians under section 171.07,
73.26 subdivision 11, except that the data must be released to:73.27 (i) law enforcement agencies for the purpose of verifying that an individual is a designated
73.28 caregiver; or73.29 (ii) law enforcement agencies who state that the license holder is unable to communicate
73.30 at that time and that the information is necessary for notifying the designated caregiver of
73.31 the need to care for a child of the license holder.

74.1 The department may release the Social Security number only as provided in clause (3)
74.2 and must not sell or otherwise provide individual Social Security numbers or lists of Social
74.3 Security numbers for any other purpose.

74.4 (b) The following government data of the Department of Public Safety are confidential
74.5 data: data concerning an individual's driving ability when that data is received from a member
74.6 of the individual's family.

74.7 **EFFECTIVE DATE.** This section is effective July 1, 2018.

74.8 Sec. 2. Minnesota Statutes 2016, section 62A.30, is amended by adding a subdivision to
74.9 read:

74.10 Subd. 4. **Mammograms.** (a) For purposes of subdivision 2, coverage for a preventive
74.11 mammogram screening shall include digital breast tomosynthesis for enrollees at risk for
74.12 breast cancer, and shall be covered as a preventive item or service, as described under section
74.13 62Q.46.

74.14 (b) For purposes of this subdivision, "digital breast tomosynthesis" means a radiologic
74.15 procedure that involves the acquisition of projection images over the stationary breast to
74.16 produce cross-sectional digital three-dimensional images of the breast. "At risk for breast
74.17 cancer" means:

74.18 (1) having a family history with one or more first or second degree relatives with breast
74.19 cancer;

74.20 (2) testing positive for BRCA1 or BRCA2 mutations;

74.21 (3) having heterogeneously dense breasts or extremely dense breasts based on the Breast
74.22 Imaging Reporting and Data System established by the American College of Radiology; or

74.23 (4) having a previous diagnosis of breast cancer.

74.24 (c) This subdivision does not apply to coverage provided through a public health care
74.25 program under chapter 256B or 256L.

74.26 (d) Nothing in this subdivision limits the coverage of digital breast tomosynthesis in a
74.27 policy, plan, certificate, or contract referred to in subdivision 1 that is in effect prior to
74.28 January 1, 2019.

74.29 (e) Nothing in this subdivision prohibits a policy, plan, certificate, or contract referred
74.30 to in subdivision 1 from covering digital breast tomosynthesis for an enrollee who is not at
74.31 risk for breast cancer.

75.1 **EFFECTIVE DATE.** This section is effective January 1, 2019, and applies to health
75.2 plans issued, sold, or renewed on or after that date.

75.3 Sec. 3. Minnesota Statutes 2016, section 62A.65, subdivision 7, is amended to read:

75.4 Subd. 7. **Short-term coverage.** (a) For purposes of this section, "short-term coverage"
75.5 means an individual health plan that:

75.6 (1) is issued to provide coverage for a period of ~~185 days or less, except that the health~~
75.7 ~~plan may permit coverage to continue until the end of a period of hospitalization for a~~
75.8 ~~condition for which the covered person was hospitalized on the day that coverage would~~
75.9 ~~otherwise have ended~~ than 12 months;

75.10 (2) is nonrenewable, ~~provided that the health carrier may provide coverage for one or~~
75.11 ~~more subsequent periods that satisfy clause (1), if the total of the periods of coverage do~~
75.12 ~~not exceed a total of 365 days out of any 555-day period, plus any additional days covered~~
75.13 ~~as a result of hospitalization on the day that a period of coverage would otherwise have~~
75.14 ~~ended~~ may be renewed for only one additional period meeting the requirements of clause
75.15 (1); and

75.16 (3) does not cover any preexisting conditions for the first six months of coverage,
75.17 including ones that originated during a previous identical policy or contract with the same
75.18 health carrier where coverage was continuous between the previous and the current policy
75.19 or contract; ~~and.~~

75.20 (4) ~~is available with an immediate effective date without underwriting upon receipt of~~
75.21 ~~a completed application indicating eligibility under the health carrier's eligibility~~
75.22 ~~requirements, provided that coverage that includes optional benefits may be offered on a~~
75.23 ~~basis that does not meet this requirement.~~

75.24 (b) Short-term coverage is not subject to subdivisions 2 and 5. Short-term coverage may
75.25 exclude as a preexisting condition any injury, illness, or condition for which the covered
75.26 person had medical treatment, symptoms, or any manifestations before the effective date
75.27 of the coverage, but dependent children born or placed for adoption during the policy period
75.28 must not be subject to this provision.

75.29 (e) ~~Notwithstanding subdivision 3, and section 62A.021, a health carrier may combine~~
75.30 ~~short-term coverage with its most commonly sold individual qualified plan, as defined in~~
75.31 ~~section 62E.02, other than short-term coverage, for purposes of complying with the loss~~
75.32 ~~ratio requirement.~~

76.1 ~~(d) The 365-day coverage limitation provided in paragraph (a) applies to the total number~~
76.2 ~~of days of short-term coverage that covers a person, regardless of the number of policies,~~
76.3 ~~contracts, or health carriers that provide the coverage. A written application for short-term~~
76.4 ~~coverage must ask the applicant whether the applicant has been covered by short-term~~
76.5 ~~coverage by any health carrier within the 555 days immediately preceding the effective date~~
76.6 ~~of the coverage being applied for. Short-term coverage issued in violation of the 365-day~~
76.7 ~~limitation is valid until the end of its term and does not lose its status as short-term coverage,~~
76.8 ~~in spite of the violation. A health carrier that knowingly issues short-term coverage in~~
76.9 ~~violation of the 365-day limitation is subject to the administrative penalties otherwise~~
76.10 ~~available to the commissioner of commerce or the commissioner of health, as appropriate.~~

76.11 Sec. 4. Minnesota Statutes 2016, section 62Q.55, subdivision 5, is amended to read:

76.12 Subd. 5. **Coverage restrictions or limitations.** (a) If emergency services are provided
76.13 by a nonparticipating provider, with or without prior authorization, the health plan company
76.14 shall not impose coverage restrictions or limitations that are more restrictive than apply to
76.15 emergency services received from a participating provider. Cost-sharing requirements that
76.16 apply to emergency services received out-of-network must be the same as the cost-sharing
76.17 requirements that apply to services received in-network.

76.18 (b) If emergency services are provided by a nonparticipating provider:

76.19 (1) the nonparticipating provider shall not request payment from the enrollee in addition
76.20 to the applicable cost-sharing requirements authorized under paragraph (a); and

76.21 (2) the enrollee shall be held harmless and not liable for payment to the nonparticipating
76.22 provider that are in addition to the applicable cost-sharing requirements under paragraph
76.23 (a).

76.24 (c) A health plan company must attempt to negotiate the reimbursement, less any
76.25 applicable cost sharing requirements under paragraph (a), for the emergency services from
76.26 the nonparticipating provider. If a health plan company's and nonparticipating provider's
76.27 attempts to negotiate reimbursement for the emergency services do not result in a resolution,
76.28 the health plan company or provider may elect to refer the matter for binding arbitration.
76.29 The arbitrator must be chosen from the list created under section 62Q.556, subdivision 2,
76.30 paragraph (c). The arbitrator must consider the information described in section 62Q.556,
76.31 subdivision 2, paragraph (d), when reaching a decision. A nondisclosure agreement must
76.32 be executed by both parties prior to engaging an arbitrator in accordance with this
76.33 subdivision. The cost of arbitration must be shared equally between the parties.

77.1 **EFFECTIVE DATE.** This section is effective January 1, 2019, and applies to emergency
77.2 services provided on or after that date.

77.3 Sec. 5. **[256.0113] ELIGIBILITY VERIFICATION.**

77.4 Subdivision 1. **Verification required; vendor contract.** (a) The commissioner shall
77.5 ensure that medical assistance, MinnesotaCare, and Supplemental Nutrition Assistance
77.6 Program (SNAP) eligibility determinations through the MNsure information technology
77.7 system and through other agency eligibility determination systems include the computerized
77.8 verification of income, residency, identity, and when applicable, assets and compliance with
77.9 SNAP work requirements.

77.10 (b) The commissioner shall contract with a vendor to verify the eligibility of all persons
77.11 enrolled in medical assistance, MinnesotaCare, and SNAP during a specified audit period.
77.12 This contract shall be exempt from sections 16C.08, subdivision 2, clause (1); 16C.09,
77.13 paragraph (a), clause (1); 43A.047, paragraph (a), and any other law to the contrary.

77.14 (c) The contract must require the vendor to comply with enrollee data privacy
77.15 requirements and to use encryption to safeguard enrollee identity. The contract must also
77.16 provide penalties for vendor noncompliance.

77.17 (d) The contract must include a revenue sharing agreement, under which vendor
77.18 compensation is limited to a portion of any savings to the state resulting from the vendor's
77.19 implementation of eligibility verification initiatives under this section.

77.20 (e) The commissioner shall use existing resources to fund any agency administrative
77.21 and technology-related costs incurred as a result of implementing this section.

77.22 (f) All state savings resulting from implementation of the vendor contract under this
77.23 section, minus any payments to the vendor made under the terms of the revenue sharing
77.24 agreement, shall be deposited into the health care access fund.

77.25 Subd. 2. **Verification process; vendor duties.** (a) The verification process implemented
77.26 by the vendor must include but is not limited to data matches of the name, date of birth,
77.27 address, and Social Security number of each medical assistance, MinnesotaCare, and SNAP
77.28 enrollee against relevant information in federal and state data sources, including the federal
77.29 data hub established under the Affordable Care Act. In designing the verification process,
77.30 the vendor, to the extent feasible, shall incorporate procedures that are compatible and
77.31 coordinated with, and build upon or improve, existing procedures used by the MNsure
77.32 information technology system and other agency eligibility determination systems.

78.1 (b) The vendor, upon preliminary determination that an enrollee is eligible or ineligible,
78.2 shall notify the commissioner. Within 20 business days of notification, the commissioner
78.3 shall accept the preliminary determination or reject the preliminary determination with a
78.4 stated reason. The commissioner shall retain final authority over eligibility determinations.
78.5 The vendor shall keep a record of all preliminary determinations of ineligibility submitted
78.6 to the commissioner.

78.7 (c) The vendor shall recommend to the commissioner an eligibility verification process
78.8 that allows ongoing verification of enrollee eligibility under the MNsure information
78.9 technology system and other agency eligibility determination systems.

78.10 (d) The commissioner and the vendor, following the conclusion of the initial contract
78.11 period, shall jointly submit an eligibility verification audit report to the chairs and ranking
78.12 minority members of the legislative committees with jurisdiction over health and human
78.13 services policy and finance. The report shall include but is not limited to information in the
78.14 form of unidentified summary data on preliminary determinations of eligibility or ineligibility
78.15 communicated by the vendor, the actions taken on those preliminary determinations by the
78.16 commissioner, and the commissioner's reasons for rejecting preliminary determinations by
78.17 the vendor. The report must also include the recommendations for ongoing verification of
78.18 enrollee eligibility required under paragraph (c).

78.19 (e) An eligibility verification vendor contract shall be awarded for an initial one-year
78.20 period, beginning January 1, 2019. The commissioner shall renew the contract for up to
78.21 three additional one-year periods and require additional eligibility verification audits, if the
78.22 commissioner or the legislative auditor determines that the MNsure information technology
78.23 system and other agency eligibility determination systems cannot effectively verify the
78.24 eligibility of medical assistance, MinnesotaCare, and SNAP enrollees.

78.25 Sec. 6. Minnesota Statutes 2016, section 256.014, subdivision 2, is amended to read:

78.26 Subd. 2. **State systems account created.** (a) A state systems account is created in the
78.27 state treasury. Money collected by the commissioner of human services for the programs
78.28 in subdivision 1 must be deposited in the account. Money in the state systems account and
78.29 federal matching money is appropriated to the commissioner of human services for purposes
78.30 of this section. Any unexpended balance in the appropriations for information systems
78.31 projects for MAXIS, PRISM, MMIS, ISDS, METS, or SSIS does not cancel and is available
78.32 for ongoing development and operations, subject to review by the Legislative Advisory
78.33 Commission under paragraphs (b) and (c).

79.1 (b) No unexpended balance under paragraph (a) may be expended by the commissioner
79.2 of human services until the commissioner of management and budget has submitted the
79.3 proposed expenditure to the members of the Legislative Advisory Commission for review
79.4 and recommendation. If the commission makes a positive recommendation or no
79.5 recommendation, or if the commission has not reviewed the request within 20 days after
79.6 the date the proposed expenditure was submitted, the commissioner of management and
79.7 budget may approve the proposed expenditure. If the commission recommends further
79.8 review of the proposed expenditure, the commissioner shall provide additional information
79.9 to the commission. If the commission makes a negative recommendation on the proposed
79.10 expenditure within ten days of receiving further information, the commissioner shall not
79.11 approve the proposed expenditure. If the commission makes a positive recommendation or
79.12 no recommendation within ten days of receiving further information, the commissioner may
79.13 approve the proposed expenditure.

79.14 (c) A recommendation of the commission must be made at a meeting of the commission
79.15 unless a written recommendation is signed by all members entitled to vote on the item as
79.16 specified in section 3.30, subdivision 2. A recommendation of the commission must be
79.17 made by a majority of the commission.

79.18 Sec. 7. Minnesota Statutes 2017 Supplement, section 256B.0625, subdivision 3b, is
79.19 amended to read:

79.20 Subd. 3b. **Telemedicine services.** (a) Medical assistance covers medically necessary
79.21 services and consultations delivered by a licensed health care provider via telemedicine in
79.22 the same manner as if the service or consultation was delivered in person. Coverage is
79.23 limited to three telemedicine services per enrollee per calendar week, except as provided
79.24 in paragraph (f). Telemedicine services shall be paid at the full allowable rate.

79.25 (b) The commissioner shall establish criteria that a health care provider must attest to
79.26 in order to demonstrate the safety or efficacy of delivering a particular service via
79.27 telemedicine. The attestation may include that the health care provider:

79.28 (1) has identified the categories or types of services the health care provider will provide
79.29 via telemedicine;

79.30 (2) has written policies and procedures specific to telemedicine services that are regularly
79.31 reviewed and updated;

79.32 (3) has policies and procedures that adequately address patient safety before, during,
79.33 and after the telemedicine service is rendered;

80.1 (4) has established protocols addressing how and when to discontinue telemedicine
80.2 services; and

80.3 (5) has an established quality assurance process related to telemedicine services.

80.4 (c) As a condition of payment, a licensed health care provider must document each
80.5 occurrence of a health service provided by telemedicine to a medical assistance enrollee.
80.6 Health care service records for services provided by telemedicine must meet the requirements
80.7 set forth in Minnesota Rules, part 9505.2175, subparts 1 and 2, and must document:

80.8 (1) the type of service provided by telemedicine;

80.9 (2) the time the service began and the time the service ended, including an a.m. and p.m.
80.10 designation;

80.11 (3) the licensed health care provider's basis for determining that telemedicine is an
80.12 appropriate and effective means for delivering the service to the enrollee;

80.13 (4) the mode of transmission of the telemedicine service and records evidencing that a
80.14 particular mode of transmission was utilized;

80.15 (5) the location of the originating site and the distant site;

80.16 (6) if the claim for payment is based on a physician's telemedicine consultation with
80.17 another physician, the written opinion from the consulting physician providing the
80.18 telemedicine consultation; and

80.19 (7) compliance with the criteria attested to by the health care provider in accordance
80.20 with paragraph (b).

80.21 (d) For purposes of this subdivision, unless otherwise covered under this chapter,
80.22 "telemedicine" is defined as the delivery of health care services or consultations while the
80.23 patient is at an originating site and the licensed health care provider is at a distant site. A
80.24 communication between licensed health care providers, or a licensed health care provider
80.25 and a patient that consists solely of a telephone conversation, e-mail, or facsimile transmission
80.26 does not constitute telemedicine consultations or services. Telemedicine may be provided
80.27 by means of real-time two-way, interactive audio and visual communications, including the
80.28 application of secure video conferencing or store-and-forward technology to provide or
80.29 support health care delivery, which facilitate the assessment, diagnosis, consultation,
80.30 treatment, education, and care management of a patient's health care.

80.31 (e) For purposes of this section, "licensed health care provider" means a licensed health
80.32 care provider under section 62A.671, subdivision 6, a community paramedic as defined

81.1 under section 144E.001, subdivision 5f, and a mental health practitioner defined under
81.2 section 245.462, subdivision 17, or 245.4871, subdivision 26, working under the general
81.3 supervision of a mental health professional; "health care provider" is defined under section
81.4 62A.671, subdivision 3; and "originating site" is defined under section 62A.671, subdivision
81.5 7.

81.6 (f) The limit on coverage of three telemedicine services per enrollee per calendar week
81.7 does not apply if:

81.8 (1) the telemedicine services provided by the licensed health care provider are for the
81.9 treatment and control of tuberculosis; and

81.10 (2) the services are provided in a manner consistent with the recommendations and best
81.11 practices specified by the Centers for Disease Control and Prevention and the commissioner
81.12 of health.

81.13 Sec. 8. Minnesota Statutes 2016, section 256B.0625, is amended by adding a subdivision
81.14 to read:

81.15 Subd. 17d. **Transportation services oversight.** The commissioner shall contract with
81.16 a vendor or dedicate staff for oversight of providers of nonemergency medical transportation
81.17 services pursuant to the commissioner's authority in section 256B.04 and Minnesota Rules,
81.18 parts 9505.2160 to 9505.2245.

81.19 **EFFECTIVE DATE.** This section is effective July 1, 2018.

81.20 Sec. 9. Minnesota Statutes 2016, section 256B.0625, is amended by adding a subdivision
81.21 to read:

81.22 Subd. 17e. **Transportation provider termination.** (a) A terminated nonemergency
81.23 medical transportation provider, including all named individuals on the current enrollment
81.24 disclosure form and known or discovered affiliates of the nonemergency medical
81.25 transportation provider, is not eligible to enroll as a nonemergency medical transportation
81.26 provider for five years following the termination.

81.27 (b) After the five-year period in paragraph (a), if a provider seeks to reenroll as a
81.28 nonemergency medical transportation provider, the nonemergency medical transportation
81.29 provider must be placed on a one-year probation period. During a provider's probation
81.30 period the commissioner shall complete unannounced site visits and request documentation
81.31 to review compliance with program requirements.

81.32 **EFFECTIVE DATE.** This section is effective the day following final enactment.

82.1 Sec. 10. Minnesota Statutes 2016, section 256B.0625, subdivision 18d, is amended to
82.2 read:

82.3 Subd. 18d. **Advisory committee members.** (a) The Nonemergency Medical
82.4 Transportation Advisory Committee consists of:

82.5 (1) four voting members who represent counties, utilizing the rural urban commuting
82.6 area classification system. As defined in subdivision 17, these members shall be designated
82.7 as follows:

82.8 (i) two counties within the 11-county metropolitan area;

82.9 (ii) one county representing the rural area of the state; and

82.10 (iii) one county representing the super rural area of the state.

82.11 The Association of Minnesota Counties shall appoint one county within the 11-county
82.12 metropolitan area and one county representing the super rural area of the state. The Minnesota
82.13 Inter-County Association shall appoint one county within the 11-county metropolitan area
82.14 and one county representing the rural area of the state;

82.15 (2) three voting members who represent medical assistance recipients, including persons
82.16 with physical and developmental disabilities, persons with mental illness, seniors, children,
82.17 and low-income individuals;

82.18 (3) ~~four~~ five voting members who represent providers that deliver nonemergency medical
82.19 transportation services to medical assistance enrollees, one of whom is a taxicab owner or
82.20 operator;

82.21 (4) two voting members of the house of representatives, one from the majority party and
82.22 one from the minority party, appointed by the speaker of the house, and two voting members
82.23 from the senate, one from the majority party and one from the minority party, appointed by
82.24 the Subcommittee on Committees of the Committee on Rules and Administration;

82.25 (5) one voting member who represents demonstration providers as defined in section
82.26 256B.69, subdivision 2;

82.27 (6) one voting member who represents an organization that contracts with state or local
82.28 governments to coordinate transportation services for medical assistance enrollees;

82.29 (7) one voting member who represents the Minnesota State Council on Disability;

82.30 (8) the commissioner of transportation or the commissioner's designee, who shall serve
82.31 as a voting member;

83.1 (9) one voting member appointed by the Minnesota Ambulance Association; and

83.2 (10) one voting member appointed by the Minnesota Hospital Association.

83.3 (b) Members of the advisory committee shall not be employed by the Department of
83.4 Human Services. Members of the advisory committee shall receive no compensation.

83.5 Sec. 11. Minnesota Statutes 2016, section 256B.0625, subdivision 30, is amended to read:

83.6 Subd. 30. **Other clinic services.** (a) Medical assistance covers rural health clinic services,
83.7 federally qualified health center services, nonprofit community health clinic services, and
83.8 public health clinic services. Rural health clinic services and federally qualified health center
83.9 services mean services defined in United States Code, title 42, section 1396d(a)(2)(B) and
83.10 (C). Payment for rural health clinic and federally qualified health center services shall be
83.11 made according to applicable federal law and regulation.

83.12 (b) A federally qualified health center that is beginning initial operation shall submit an
83.13 estimate of budgeted costs and visits for the initial reporting period in the form and detail
83.14 required by the commissioner. A federally qualified health center that is already in operation
83.15 shall submit an initial report using actual costs and visits for the initial reporting period.
83.16 Within 90 days of the end of its reporting period, a federally qualified health center shall
83.17 submit, in the form and detail required by the commissioner, a report of its operations,
83.18 including allowable costs actually incurred for the period and the actual number of visits
83.19 for services furnished during the period, and other information required by the commissioner.
83.20 Federally qualified health centers that file Medicare cost reports shall provide the
83.21 commissioner with a copy of the most recent Medicare cost report filed with the Medicare
83.22 program intermediary for the reporting year which support the costs claimed on their cost
83.23 report to the state.

83.24 (c) In order to continue cost-based payment under the medical assistance program
83.25 according to paragraphs (a) and (b), a federally qualified health center or rural health clinic
83.26 must apply for designation as an essential community provider within six months of final
83.27 adoption of rules by the Department of Health according to section 62Q.19, subdivision 7.
83.28 For those federally qualified health centers and rural health clinics that have applied for
83.29 essential community provider status within the six-month time prescribed, medical assistance
83.30 payments will continue to be made according to paragraphs (a) and (b) for the first three
83.31 years after application. For federally qualified health centers and rural health clinics that
83.32 either do not apply within the time specified above or who have had essential community
83.33 provider status for three years, medical assistance payments for health services provided
83.34 by these entities shall be according to the same rates and conditions applicable to the same

84.1 service provided by health care providers that are not federally qualified health centers or
84.2 rural health clinics.

84.3 (d) Effective July 1, 1999, the provisions of paragraph (c) requiring a federally qualified
84.4 health center or a rural health clinic to make application for an essential community provider
84.5 designation in order to have cost-based payments made according to paragraphs (a) and (b)
84.6 no longer apply.

84.7 (e) Effective January 1, 2000, payments made according to paragraphs (a) and (b) shall
84.8 be limited to the cost phase-out schedule of the Balanced Budget Act of 1997.

84.9 (f) Effective January 1, 2001, each federally qualified health center and rural health
84.10 clinic may elect to be paid either under the prospective payment system established in United
84.11 States Code, title 42, section 1396a(aa), or under an alternative payment methodology
84.12 consistent with the requirements of United States Code, title 42, section 1396a(aa), and
84.13 approved by the Centers for Medicare and Medicaid Services. The alternative payment
84.14 methodology shall be 100 percent of cost as determined according to Medicare cost
84.15 principles.

84.16 (g) For purposes of this section, "nonprofit community clinic" is a clinic that:

84.17 (1) has nonprofit status as specified in chapter 317A;

84.18 (2) has tax exempt status as provided in Internal Revenue Code, section 501(c)(3);

84.19 (3) is established to provide health services to low-income population groups, uninsured,
84.20 high-risk and special needs populations, underserved and other special needs populations;

84.21 (4) employs professional staff at least one-half of which are familiar with the cultural
84.22 background of their clients;

84.23 (5) charges for services on a sliding fee scale designed to provide assistance to
84.24 low-income clients based on current poverty income guidelines and family size; and

84.25 (6) does not restrict access or services because of a client's financial limitations or public
84.26 assistance status and provides no-cost care as needed.

84.27 ~~(h) Effective for services provided on or after January 1, 2015, all claims for payment~~
84.28 ~~of clinic services provided by federally qualified health centers and rural health clinics shall~~
84.29 ~~be paid by the commissioner. the commissioner shall determine the most feasible method~~
84.30 ~~for paying claims from the following options:~~

84.31 ~~(1) federally qualified health centers and rural health clinics submit claims directly to~~
84.32 ~~the commissioner for payment, and the commissioner provides claims information for~~

85.1 ~~recipients enrolled in a managed care or county-based purchasing plan to the plan, on a~~
85.2 ~~regular basis; or~~

85.3 ~~(2) federally qualified health centers and rural health clinics submit claims for recipients~~
85.4 ~~enrolled in a managed care or county-based purchasing plan to the plan, and those claims~~
85.5 ~~are submitted by the plan to the commissioner for payment to the clinic.~~

85.6 (h) Federally qualified health centers and rural health clinics shall submit claims directly
85.7 to the commissioner for payment, and the commissioner shall provide claims information
85.8 for recipients enrolled in a managed care plan or county-based purchasing plan to the plan
85.9 on a regular basis as determined by the commissioner.

85.10 (i) For clinic services provided prior to January 1, 2015, the commissioner shall calculate
85.11 and pay monthly the proposed managed care supplemental payments to clinics, and clinics
85.12 shall conduct a timely review of the payment calculation data in order to finalize all
85.13 supplemental payments in accordance with federal law. Any issues arising from a clinic's
85.14 review must be reported to the commissioner by January 1, 2017. Upon final agreement
85.15 between the commissioner and a clinic on issues identified under this subdivision, and in
85.16 accordance with United States Code, title 42, section 1396a(bb), no supplemental payments
85.17 for managed care plan or county-based purchasing plan claims for services provided prior
85.18 to January 1, 2015, shall be made after June 30, 2017. If the commissioner and clinics are
85.19 unable to resolve issues under this subdivision, the parties shall submit the dispute to the
85.20 arbitration process under section 14.57.

85.21 (j) The commissioner shall seek a federal waiver, authorized under section 1115 of the
85.22 Social Security Act, to obtain federal financial participation at the 100 percent federal
85.23 matching percentage available to facilities of the Indian Health Service or tribal organization
85.24 in accordance with section 1905(b) of the Social Security Act for expenditures made to
85.25 organizations dually certified under Title V of the Indian Health Care Improvement Act,
85.26 Public Law 94-437, and as a federally qualified health center under paragraph (a) that
85.27 provides services to American Indian and Alaskan Native individuals eligible for services
85.28 under this subdivision.

85.29 **EFFECTIVE DATE.** This section is effective January 1, 2019, and applies to services
85.30 provided on or after that date.

85.31 **Sec. 12. [256B.0759] DIRECT CONTRACTING PILOT PROGRAM.**

85.32 Subdivision 1. **Establishment.** The commissioner shall establish a direct contracting
85.33 pilot program to test alternative and innovative methods of delivering care through

86.1 community-based collaborative care networks to medical assistance and MinnesotaCare
86.2 enrollees. The pilot program shall be designed to coordinate care delivery to enrollees who
86.3 demonstrate a combination of medical, economic, behavioral health, cultural, and geographic
86.4 risk factors, including persons determined to be at risk of substance abuse and opioid
86.5 addiction. The commissioner shall issue a request for proposals to select care networks to
86.6 deliver care through the pilot program for a three-year period beginning January 1, 2020.

86.7 Subd. 2. **Eligible individuals.** (a) The pilot program shall serve individuals who:

86.8 (1) are eligible for medical assistance under section 256B.055 or MinnesotaCare under
86.9 chapter 256L;

86.10 (2) reside in the service area of the care network;

86.11 (3) have a combination of multiple risk factors identified by the care network and
86.12 approved by the commissioner;

86.13 (4) have elected to participate in the pilot project as an alternative to receiving services
86.14 under fee-for-service or through a managed care or county-based purchasing plan or
86.15 integrated health partnership; and

86.16 (5) agree to participate in risk mitigation strategies as provided in subdivision 4, clause
86.17 (4), if the individual is determined to be at risk of opioid addiction or substance abuse.

86.18 (b) The commissioner may identify individuals who are potentially eligible to be enrolled
86.19 with a care network based on zip code or other geographic designation, utilization history,
86.20 or other factors indicating whether an individual resides in the service area of a care network.
86.21 The commissioner shall coordinate pilot program enrollment with the enrollment and
86.22 procurement process for managed care and county-based purchasing plans and integrated
86.23 health partnerships.

86.24 Subd. 3. **Selection of care networks.** Participation in the pilot program is limited to no
86.25 more than six care networks. The commissioner shall ensure that the care networks selected
86.26 serve different geographic areas of the state. The commissioner shall consider the following
86.27 criteria when selecting care networks to participate in the program:

86.28 (1) the ability of the care network to provide or arrange for the full range of health care
86.29 services required to be provided under section 256B.69, including but not limited to primary
86.30 care, inpatient hospital care, specialty care, behavioral health services, and chemical
86.31 dependency and substance abuse treatment services;

86.32 (2) at least 25,000 individuals reside in the service area of the care network;

87.1 (3) the care network serves a high percentage of patients who are enrolled in Minnesota
87.2 health care programs or are uninsured compared to the overall Minnesota population; and

87.3 (4) the care network can demonstrate the capacity to improve health outcomes and reduce
87.4 total cost of care for the population in its service area through better patient engagement,
87.5 coordination of care, and the provision of specialized services to address risk factors related
87.6 to opioid addiction and substance abuse, and address nonclinical risk factors and barriers
87.7 to access.

87.8 Subd. 4. **Requirements for participating care networks.** (a) A care network selected
87.9 to participate in the pilot program must:

87.10 (1) accept a capitation rate for enrollees equal to the capitation rate that would otherwise
87.11 apply to the enrollees under section 256B.69;

87.12 (2) comply with all requirements in section 256B.69 related to performance targets,
87.13 capitation rate withholds, and administrative expenses;

87.14 (3) maintain adequate reserves and demonstrate the ability to bear risk, based upon
87.15 criteria established by the commissioner under the request for proposals, or demonstrate to
87.16 the commissioner that this requirement has been met through a contract with a health plan
87.17 company, third-party administrator, stop-loss insurer, or other entity; and

87.18 (4) assess all enrollees for risk factors related to opioid addiction and substance abuse
87.19 and, based upon the professional judgment of the health care provider, require enrollees
87.20 determined to be at risk to enter into a patient provider agreement, submit to urine drug
87.21 screening, and participate in other risk mitigation strategies; and

87.22 (5) participate in quality of care and financial reporting initiatives, in the form and manner
87.23 specified by the commissioner.

87.24 (b) An existing integrated health partnership that meets the criteria in this section is
87.25 eligible to participate in the pilot program while continuing as an integrated health
87.26 partnership.

87.27 Subd. 5. **Requirements for the commissioner.** (a) The commissioner shall provide all
87.28 participating care networks with enrollee utilization and cost information similar to that
87.29 provided by the commissioner to integrated health partnerships.

87.30 (b) The commissioner, in consultation with the commissioner of health and care networks,
87.31 shall design and administer the pilot program in a manner that allows the testing of new
87.32 care coordination models and quality-of-care measures to determine the extent to which the

88.1 care delivered by the pilot program, relative to the care delivered under fee-for-service and
88.2 by managed care and county-based purchasing plans and integrated health partnerships:

88.3 (1) improves outcomes and reduces the total cost of care for the population served; and

88.4 (2) reduces administrative burdens and costs for health care providers and state agencies.

88.5 (c) The commissioner, based on the analysis under paragraph (b), shall evaluate the pilot
88.6 program and present recommendations as to whether the pilot program should be continued
88.7 or expanded to the chairs and ranking minority members of the legislative committees with
88.8 jurisdiction over health and human services policy and finance by February 15, 2022.

88.9 Sec. 13. Minnesota Statutes 2016, section 256B.69, subdivision 5a, is amended to read:

88.10 Subd. 5a. **Managed care contracts.** (a) Managed care contracts under this section and
88.11 section 256L.12 shall be entered into or renewed on a calendar year basis. The commissioner
88.12 may issue separate contracts with requirements specific to services to medical assistance
88.13 recipients age 65 and older.

88.14 (b) A prepaid health plan providing covered health services for eligible persons pursuant
88.15 to chapters 256B and 256L is responsible for complying with the terms of its contract with
88.16 the commissioner. Requirements applicable to managed care programs under chapters 256B
88.17 and 256L established after the effective date of a contract with the commissioner take effect
88.18 when the contract is next issued or renewed.

88.19 (c) The commissioner shall withhold five percent of managed care plan payments under
88.20 this section and county-based purchasing plan payments under section 256B.692 for the
88.21 prepaid medical assistance program pending completion of performance targets. Each
88.22 performance target must be quantifiable, objective, measurable, and reasonably attainable,
88.23 except in the case of a performance target based on a federal or state law or rule. Criteria
88.24 for assessment of each performance target must be outlined in writing prior to the contract
88.25 effective date. Clinical or utilization performance targets and their related criteria must
88.26 consider evidence-based research and reasonable interventions when available or applicable
88.27 to the populations served, and must be developed with input from external clinical experts
88.28 and stakeholders, including managed care plans, county-based purchasing plans, and
88.29 providers. The managed care or county-based purchasing plan must demonstrate, to the
88.30 commissioner's satisfaction, that the data submitted regarding attainment of the performance
88.31 target is accurate. The commissioner shall periodically change the administrative measures
88.32 used as performance targets in order to improve plan performance across a broader range
88.33 of administrative services. The performance targets must include measurement of plan

89.1 efforts to contain spending on health care services and administrative activities. The
89.2 commissioner may adopt plan-specific performance targets that take into account factors
89.3 affecting only one plan, including characteristics of the plan's enrollee population. The
89.4 withheld funds must be returned no sooner than July of the following year if performance
89.5 targets in the contract are achieved. The commissioner may exclude special demonstration
89.6 projects under subdivision 23.

89.7 (d) The commissioner shall require that managed care plans use the assessment and
89.8 authorization processes, forms, timelines, standards, documentation, and data reporting
89.9 requirements, protocols, billing processes, and policies consistent with medical assistance
89.10 fee-for-service or the Department of Human Services contract requirements consistent with
89.11 medical assistance fee-for-service or the Department of Human Services contract
89.12 requirements for all personal care assistance services under section 256B.0659.

89.13 (e) Effective for services rendered on or after January 1, 2012, the commissioner shall
89.14 include as part of the performance targets described in paragraph (c) a reduction in the health
89.15 plan's emergency department utilization rate for medical assistance and MinnesotaCare
89.16 enrollees, as determined by the commissioner. For 2012, the reduction shall be based on
89.17 the health plan's utilization in 2009. To earn the return of the withhold each subsequent
89.18 year, the managed care plan or county-based purchasing plan must achieve a qualifying
89.19 reduction of no less than ten percent of the plan's emergency department utilization rate for
89.20 medical assistance and MinnesotaCare enrollees, excluding enrollees in programs described
89.21 in subdivisions 23 and 28, compared to the previous measurement year until the final
89.22 performance target is reached. When measuring performance, the commissioner must
89.23 consider the difference in health risk in a managed care or county-based purchasing plan's
89.24 membership in the baseline year compared to the measurement year, and work with the
89.25 managed care or county-based purchasing plan to account for differences that they agree
89.26 are significant.

89.27 The withheld funds must be returned no sooner than July 1 and no later than July 31 of
89.28 the following calendar year if the managed care plan or county-based purchasing plan
89.29 demonstrates to the satisfaction of the commissioner that a reduction in the utilization rate
89.30 was achieved. The commissioner shall structure the withhold so that the commissioner
89.31 returns a portion of the withheld funds in amounts commensurate with achieved reductions
89.32 in utilization less than the targeted amount.

89.33 The withhold described in this paragraph shall continue for each consecutive contract
89.34 period until the plan's emergency room utilization rate for state health care program enrollees
89.35 is reduced by 25 percent of the plan's emergency room utilization rate for medical assistance

90.1 and MinnesotaCare enrollees for calendar year 2009. Hospitals shall cooperate with the
90.2 health plans in meeting this performance target and shall accept payment withholds that
90.3 may be returned to the hospitals if the performance target is achieved.

90.4 (f) Effective for services rendered on or after January 1, 2012, the commissioner shall
90.5 include as part of the performance targets described in paragraph (c) a reduction in the plan's
90.6 hospitalization admission rate for medical assistance and MinnesotaCare enrollees, as
90.7 determined by the commissioner. To earn the return of the withhold each year, the managed
90.8 care plan or county-based purchasing plan must achieve a qualifying reduction of no less
90.9 than five percent of the plan's hospital admission rate for medical assistance and
90.10 MinnesotaCare enrollees, excluding enrollees in programs described in subdivisions 23 and
90.11 28, compared to the previous calendar year until the final performance target is reached.
90.12 When measuring performance, the commissioner must consider the difference in health risk
90.13 in a managed care or county-based purchasing plan's membership in the baseline year
90.14 compared to the measurement year, and work with the managed care or county-based
90.15 purchasing plan to account for differences that they agree are significant.

90.16 The withheld funds must be returned no sooner than July 1 and no later than July 31 of
90.17 the following calendar year if the managed care plan or county-based purchasing plan
90.18 demonstrates to the satisfaction of the commissioner that this reduction in the hospitalization
90.19 rate was achieved. The commissioner shall structure the withhold so that the commissioner
90.20 returns a portion of the withheld funds in amounts commensurate with achieved reductions
90.21 in utilization less than the targeted amount.

90.22 The withhold described in this paragraph shall continue until there is a 25 percent
90.23 reduction in the hospital admission rate compared to the hospital admission rates in calendar
90.24 year 2011, as determined by the commissioner. The hospital admissions in this performance
90.25 target do not include the admissions applicable to the subsequent hospital admission
90.26 performance target under paragraph (g). Hospitals shall cooperate with the plans in meeting
90.27 this performance target and shall accept payment withholds that may be returned to the
90.28 hospitals if the performance target is achieved.

90.29 (g) Effective for services rendered on or after January 1, 2012, the commissioner shall
90.30 include as part of the performance targets described in paragraph (c) a reduction in the plan's
90.31 hospitalization admission rates for subsequent hospitalizations within 30 days of a previous
90.32 hospitalization of a patient regardless of the reason, for medical assistance and MinnesotaCare
90.33 enrollees, as determined by the commissioner. To earn the return of the withhold each year,
90.34 the managed care plan or county-based purchasing plan must achieve a qualifying reduction
90.35 of the subsequent hospitalization rate for medical assistance and MinnesotaCare enrollees,

91.1 excluding enrollees in programs described in subdivisions 23 and 28, of no less than five
91.2 percent compared to the previous calendar year until the final performance target is reached.

91.3 The withheld funds must be returned no sooner than July 1 and no later than July 31 of
91.4 the following calendar year if the managed care plan or county-based purchasing plan
91.5 demonstrates to the satisfaction of the commissioner that a qualifying reduction in the
91.6 subsequent hospitalization rate was achieved. The commissioner shall structure the withhold
91.7 so that the commissioner returns a portion of the withheld funds in amounts commensurate
91.8 with achieved reductions in utilization less than the targeted amount.

91.9 The withhold described in this paragraph must continue for each consecutive contract
91.10 period until the plan's subsequent hospitalization rate for medical assistance and
91.11 MinnesotaCare enrollees, excluding enrollees in programs described in subdivisions 23 and
91.12 28, is reduced by 25 percent of the plan's subsequent hospitalization rate for calendar year
91.13 2011. Hospitals shall cooperate with the plans in meeting this performance target and shall
91.14 accept payment withholds that must be returned to the hospitals if the performance target
91.15 is achieved.

91.16 (h) Effective for services rendered on or after January 1, 2013, through December 31,
91.17 2013, the commissioner shall withhold 4.5 percent of managed care plan payments under
91.18 this section and county-based purchasing plan payments under section 256B.692 for the
91.19 prepaid medical assistance program. The withheld funds must be returned no sooner than
91.20 July 1 and no later than July 31 of the following year. The commissioner may exclude
91.21 special demonstration projects under subdivision 23.

91.22 (i) Effective for services rendered on or after January 1, 2014, the commissioner shall
91.23 withhold three percent of managed care plan payments under this section and county-based
91.24 purchasing plan payments under section 256B.692 for the prepaid medical assistance
91.25 program. The withheld funds must be returned no sooner than July 1 and no later than July
91.26 31 of the following year. The commissioner may exclude special demonstration projects
91.27 under subdivision 23.

91.28 (j) A managed care plan or a county-based purchasing plan under section 256B.692 may
91.29 include as admitted assets under section 62D.044 any amount withheld under this section
91.30 that is reasonably expected to be returned.

91.31 (k) Contracts between the commissioner and a prepaid health plan are exempt from the
91.32 set-aside and preference provisions of section 16C.16, subdivisions 6, paragraph (a), and
91.33 7.

92.1 (l) The return of the withhold under paragraphs (h) and (i) is not subject to the
92.2 requirements of paragraph (c).

92.3 (m) Managed care plans and county-based purchasing plans shall maintain current and
92.4 fully executed agreements for all subcontractors, including bargaining groups, for
92.5 administrative services that are expensed to the state's public health care programs.
92.6 Subcontractor agreements determined to be material, as defined by the commissioner after
92.7 taking into account state contracting and relevant statutory requirements, must be in the
92.8 form of a written instrument or electronic document containing the elements of offer,
92.9 acceptance, consideration, payment terms, scope, duration of the contract, and how the
92.10 subcontractor services relate to state public health care programs. Upon request, the
92.11 commissioner shall have access to all subcontractor documentation under this paragraph.
92.12 Nothing in this paragraph shall allow release of information that is nonpublic data pursuant
92.13 to section 13.02.

92.14 (n) Effective for services provided on or after January 1, 2019, through December 31,
92.15 2019, the commissioner shall withhold two percent of the capitation payment provided to
92.16 managed care plans under this section, and county-based purchasing plans under section
92.17 256B.692, for each medical assistance enrollee. The withheld funds must be returned no
92.18 sooner than July 1 and no later than July 31 of the following year, for capitation payments
92.19 for enrollees for whom the plan has submitted to the commissioner a verification of coverage
92.20 form completed and signed by the enrollee. The verification of coverage form must be
92.21 developed by the commissioner and made available to managed care and county-based
92.22 purchasing plans. The form must require the enrollee to provide the enrollee's name and
92.23 street address and the name of the managed care or county-based purchasing plan selected
92.24 by or assigned to the enrollee and must include a signature block that allows the enrollee
92.25 to attest that the information provided is accurate. A plan shall request that all enrollees
92.26 complete the verification of coverage form and shall submit all completed forms to the
92.27 commissioner by February 28, 2019. If a completed form for an enrollee is not received by
92.28 the commissioner by that date:

92.29 (1) the commissioner shall not return to the plan funds withheld for that enrollee;

92.30 (2) the commissioner shall cease making capitation payments to the plan for that enrollee,
92.31 effective with the April 2019 coverage month; and

92.32 (3) the commissioner shall disenroll the enrollee from medical assistance, subject to any
92.33 enrollee appeal.

93.1 (o) The commissioner may establish and administer a single preferred drug list for
93.2 medical assistance and MinnesotaCare enrollees receiving services through fee-for-service,
93.3 integrated health partnerships, managed care, or county-based purchasing, only if the
93.4 commissioner first studies this change and then obtains legislative approval in the form of
93.5 enacted legislation authorizing the change. In conducting the study, the commissioner shall
93.6 consult with interested and affected stakeholders including but not limited to managed care
93.7 organizations, county-based purchasers, integrated health partnerships, health care providers,
93.8 and enrollees. The commissioner shall report to the chairs and ranking minority members
93.9 of the legislative committees with jurisdiction over health and human services policy and
93.10 finance on the anticipated impact of the proposed change on: the state budget, access to
93.11 services, quality of both outcomes and enrollee experience, and administrative efficiency.
93.12 The report must also include an assessment of possible unintended consequences of the use
93.13 of a single preferred drug list.

93.14 Sec. 14. **ENCOUNTER REPORTING OF 340B ELIGIBLE DRUGS.**

93.15 (a) The commissioner of human services, in consultation with federally qualified health
93.16 centers, managed care organizations, and contract pharmacies, shall develop
93.17 recommendations for a process to identify and report at point of sale the 340B drugs that
93.18 are dispensed to enrollees of managed care organizations who are patients of a federally
93.19 qualified health center, and to exclude these claims from the Medicaid Drug Rebate Program
93.20 and ensure that duplicate discounts for drugs do not occur. In developing this process, the
93.21 commissioner shall assess the impact of allowing federally qualified health centers to utilize
93.22 the 340B Drug Pricing Program drug discounts if a federally qualified health center utilizes
93.23 a contract pharmacy for a patient enrolled in the prepaid medical assistance program.

93.24 (b) By March 1, 2019, the commissioner shall report the recommendations to the chairs
93.25 and ranking minority members of the house of representatives and senate committees with
93.26 jurisdiction over medical assistance.

93.27 Sec. 15. **RECONCILIATION OF MINNESOTACARE PREMIUMS.**

93.28 Subdivision 1. **Reconciliation required.** (a) The commissioner of human services shall
93.29 reconcile all MinnesotaCare premiums paid or due for health coverage provided during the
93.30 period January 1, 2014, through December 31, 2017, by July 1, 2018. Based on this
93.31 reconciliation, the commissioner shall notify each MinnesotaCare enrollee or former enrollee
93.32 of any amount owed as premiums, refund to the enrollee or former enrollee any premium

94.1 overpayment, and enter into a payment arrangement with the enrollee or former enrollee as
94.2 necessary.

94.3 (b) The commissioner of human services is prohibited from using agency staff and
94.4 resources to plan, develop, or promote any proposal that would offer a health insurance
94.5 product on the individual market that would offer consumers similar benefits and networks
94.6 as the standard MinnesotaCare program, until the commissioner of management and budget
94.7 has determined under subdivision 2 that the commissioner is in compliance with the
94.8 requirements of this section.

94.9 Subd. 2. **Determination of compliance; contingent transfer.** The commissioner of
94.10 management and budget shall determine whether the commissioner of human services has
94.11 complied with the requirements of subdivision 1. If the commissioner of management and
94.12 budget determines that the commissioner of human services is not in compliance with
94.13 subdivision 1, the commissioner of management and budget shall transfer \$10,000 from
94.14 the central office operations account of the Department of Human Services to the premium
94.15 security plan account established under Minnesota Statutes, section 62E.25, for each business
94.16 day of noncompliance.

94.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

94.18 Sec. 16. **CONTRACT TO RECOVER THIRD-PARTY LIABILITY.**

94.19 The commissioner shall contract with a vendor to implement a third-party liability
94.20 recovery program for medical assistance and MinnesotaCare. Under the terms of the contract,
94.21 the vendor shall be reimbursed using a percentage of the money recovered through the
94.22 third-party liability recovery program. All money recovered that remains after reimbursement
94.23 of the vendor is available for operation of the medical assistance and MinnesotaCare
94.24 programs. The use of this money must be authorized in law by the legislature.

94.25 **EFFECTIVE DATE.** This section is effective July 1, 2018.

94.26 Sec. 17. **STUDY AND REPORT ON DISPARITIES BETWEEN GEOGRAPHIC**
94.27 **RATING AREAS IN INDIVIDUAL AND SMALL GROUP MARKET HEALTH**
94.28 **INSURANCE RATES.**

94.29 Subdivision 1. **Study and recommendations.** (a) As permitted by the availability of
94.30 resources, the legislative auditor is requested to study disparities between Minnesota's nine
94.31 geographic rating areas in individual and small group market health insurance rates and
94.32 recommend ways to reduce or eliminate rate disparities between the geographic rating areas

95.1 and provide for stability of the individual and small group health insurance markets in the
95.2 state. In the study, if conducted, the legislative auditor shall:

95.3 (1) identify the factors that cause higher individual and small group market health
95.4 insurance rates in certain geographic rating areas, and determine the extent to which each
95.5 identified factor contributes to the higher rates;

95.6 (2) identify the impact of referral centers on individual and small group market health
95.7 insurance rates in southeastern Minnesota, and identify ways to reduce the rate disparity
95.8 between southeastern Minnesota and the metropolitan area, taking into consideration the
95.9 patterns of referral center usage by patients in those regions;

95.10 (3) determine the extent to which individuals and small employers located in a geographic
95.11 rating area with higher health insurance rates than surrounding geographic rating areas have
95.12 obtained health insurance in a lower-cost geographic rating area, identify the strategies that
95.13 individuals and small employers use to obtain health insurance in a lower-cost geographic
95.14 rating area, and measure the effects of this practice on the rates of the individuals and small
95.15 employers remaining in the geographic rating area with higher health insurance rates; and

95.16 (4) develop proposals to redraw the boundaries of Minnesota's geographic rating areas,
95.17 and calculate the effect each proposal would have on rates in each of the proposed rating
95.18 areas. The legislative auditor shall examine at least three options for redrawing the boundaries
95.19 of Minnesota's geographic rating areas, at least one of which must reduce the number of
95.20 geographic rating areas. All options for redrawing Minnesota's geographic rating areas
95.21 considered by the legislative auditor must be designed:

95.22 (i) with the purposes of reducing or eliminating rate disparities between geographic
95.23 rating areas and providing for stability of the individual and small group health insurance
95.24 markets in the state;

95.25 (ii) with consideration of the composition of existing provider networks and referral
95.26 patterns in regions of the state; and

95.27 (iii) in compliance with the requirements for geographic rating areas in Code of Federal
95.28 Regulations, title 45, section 147.102(b), and other applicable federal law and guidance.

95.29 (b) Health carriers that cover Minnesota residents, health systems that provide care to
95.30 Minnesota residents, and the commissioner of health shall cooperate with any requests for
95.31 information from the legislative auditor that the legislative auditor determines is necessary
95.32 to conduct the study.

96.1 (c) The legislative auditor may recommend one or more proposals for redrawing
96.2 Minnesota's geographic rating areas if the legislative auditor determines that the proposal
96.3 would reduce or eliminate individual and small group market health insurance rate disparities
96.4 between the geographic rating areas and provide for stability of the individual and small
96.5 group health insurance markets in the state.

96.6 Subd. 2. **Contract.** The legislative auditor may contract with another entity for technical
96.7 assistance in conducting the study and developing recommendations according to subdivision
96.8 1.

96.9 Subd. 3. **Report.** The legislative auditor is requested to complete the study and
96.10 recommendations by January 1, 2019, and to submit a report on the study and
96.11 recommendations by that date to the chairs and ranking minority members of the legislative
96.12 committees with jurisdiction over health care and health insurance.

96.13 Sec. 18. **TESTIMONY ON USE OF DIGITAL BREAST TOMOSYNTHESIS BY**
96.14 **MEMBERS OF THE STATE EMPLOYEE GROUP INSURANCE PROGRAM.**

96.15 The director of the state employee group insurance program must prepare and submit
96.16 written testimony to the house of representatives and senate committees with jurisdiction
96.17 over health and human services and state government finance regarding the impact of
96.18 Minnesota Statutes, section 62A.30, subdivision 4. The director must provide data on actual
96.19 utilization of the coverage under Minnesota Statutes, section 62A.30, subdivision 4 by
96.20 members of the state employee group insurance program from January 1, 2019, to June 30,
96.21 2019. The director may make recommendations for legislation addressing any issues relating
96.22 to the coverage required by Minnesota Statutes, section 62A.30, subdivision 4. The testimony
96.23 required under this section is due by December 31, 2019.

96.24 Sec. 19. **MENTAL HEALTH AND SUBSTANCE USE DISORDER PARITY WORK**
96.25 **GROUP.**

96.26 Subdivision 1. **Establishment; membership.** (a) A mental health and substance use
96.27 disorder parity work group is established and shall include the following members:

96.28 (1) two members representing health plan companies that offer health plans in the
96.29 individual market, appointed by the commissioner of commerce;

96.30 (2) two members representing health plan companies that offer health plans in the group
96.31 markets, appointed by the commissioner of commerce;

96.32 (3) the commissioner of health or a designee;

- 97.1 (4) the commissioner of commerce or a designee;
- 97.2 (5) the commissioner of management and budget or a designee;
- 97.3 (6) two members representing employers, appointed by the commissioner of commerce;
- 97.4 (7) two members who are providers representing the mental health and substance use
97.5 disorder community, appointed by the commissioner of commerce; and
- 97.6 (8) two members who are advocates representing the mental health and substance use
97.7 disorder community, appointed by the commissioner of commerce.
- 97.8 (b) Members of the work group must have expertise in standards for evidence-based
97.9 care, benefit design, or knowledge relating to the analysis of mental health and substance
97.10 use disorder parity under federal and state law, including nonquantitative treatment
97.11 limitations.
- 97.12 Subd. 2. **First appointments; first meeting; chair.** Appointing authorities shall appoint
97.13 members to the work group by July 1, 2018. The commissioner of commerce or a designee
97.14 shall convene the first meeting of the work group on or before August 1, 2018. The
97.15 commissioner of commerce or the commissioner's designee shall act as chair.
- 97.16 Subd. 3. **Duties.** The mental health and substance use disorder parity work group shall:
- 97.17 (1) develop recommendations on the most effective approach to determine and
97.18 demonstrate mental health and substance use disorder parity, in accordance with state and
97.19 federal law for individual and group health plans offered in Minnesota; and
- 97.20 (2) report recommendations to the legislature.
- 97.21 Subd. 4. **Report.** (a) By February 15, 2019, the work group shall submit a report with
97.22 recommendations to the chairs and ranking minority members of the legislative committees
97.23 with jurisdiction over health care policy and finance.
- 97.24 (b) The report must include the following:
- 97.25 (1) a summary of completed state enforcement actions relating to individual and group
97.26 health plans offered in Minnesota during the preceding 12-month period regarding
97.27 compliance with parity in mental health and substance use disorders benefits in accordance
97.28 with state and federal law and a summary of the results of completed state enforcement
97.29 actions. Data that is protected under state or federal law as nonpublic, private, or confidential
97.30 shall remain nonpublic, private, or confidential. This summary must include:
- 97.31 (i) the number of formal enforcement actions taken;

98.1 (ii) the benefit classifications examined in each enforcement action; and

98.2 (iii) the subject matter of each enforcement action, including quantitative and
98.3 nonquantitative treatment limitations;

98.4 (2) detailed information about any regulatory actions the commissioner of health or
98.5 commissioner of commerce has taken as a result of a completed state enforcement action
98.6 pertaining to health plan compliance with Minnesota Statutes, sections 62Q.47 and 62Q.53,
98.7 and United States Code, title 42, section 18031(j);

98.8 (3) a description of the work group's recommendations on educating the public about
98.9 alcoholism, mental health, or chemical dependency parity protections under state and federal
98.10 law; and

98.11 (4) recommendations on the most effective approach to determine and demonstrate
98.12 mental health and substance use disorder parity, in accordance with state and federal law
98.13 for individual and group health plans offered in Minnesota.

98.14 (c) In developing the report and recommendations, the work group may consult with
98.15 the Substance Abuse and Mental Health Services Agency and the National Association of
98.16 Insurance Commissioners for the latest developments on evaluation of mental health and
98.17 substance use disorder parity.

98.18 (d) The report must be written in plain language and must be made available to the public
98.19 by being posted on the Web sites of the Department of Health and Department of Commerce.
98.20 The work group may make the report publicly available in additional ways, at its discretion.

98.21 (e) The report must include any draft legislation necessary to implement the
98.22 recommendations of the work group.

98.23 Subd. 5. **Expiration.** The mental health and substance use disorder parity work group
98.24 expires February 16, 2019, or the day after submitting the report required in this section,
98.25 whichever is earlier.

98.26 **Sec. 20. REPEALER.**

98.27 Minnesota Statutes 2016, section 62A.65, subdivision 7a, is repealed.

98.28 **ARTICLE 3**

98.29 **CHEMICAL AND MENTAL HEALTH**

98.30 **Section 1.** Minnesota Statutes 2016, section 13.851, is amended by adding a subdivision
98.31 to read:

99.1 Subd. 11. **Mental health screening.** The treatment of data collected by a sheriff or local
 99.2 corrections agency related to individuals who may have a mental illness is governed by
 99.3 section 641.15, subdivision 3a.

99.4 Sec. 2. Minnesota Statutes 2016, section 245A.04, subdivision 7, is amended to read:

99.5 Subd. 7. **Grant of license; license extension.** (a) If the commissioner determines that
 99.6 the program complies with all applicable rules and laws, the commissioner shall issue a
 99.7 license consistent with this section or, if applicable, a temporary change of ownership license
 99.8 under section 245A.043. At minimum, the license shall state:

99.9 (1) the name of the license holder;

99.10 (2) the address of the program;

99.11 (3) the effective date and expiration date of the license;

99.12 (4) the type of license;

99.13 (5) the maximum number and ages of persons that may receive services from the program;

99.14 and

99.15 (6) any special conditions of licensure.

99.16 (b) The commissioner may issue ~~an initial~~ a license for a period not to exceed two years
 99.17 if:

99.18 (1) the commissioner is unable to conduct the evaluation or observation required by
 99.19 subdivision 4, paragraph (a), clauses (3) and (4), because the program is not yet operational;

99.20 (2) certain records and documents are not available because persons are not yet receiving
 99.21 services from the program; and

99.22 (3) the applicant complies with applicable laws and rules in all other respects.

99.23 (c) A decision by the commissioner to issue a license does not guarantee that any person
 99.24 or persons will be placed or cared for in the licensed program. ~~A license shall not be~~
 99.25 ~~transferable to another individual, corporation, partnership, voluntary association, other~~
 99.26 ~~organization, or controlling individual or to another location.~~

99.27 ~~(d) A license holder must notify the commissioner and obtain the commissioner's approval~~
 99.28 ~~before making any changes that would alter the license information listed under paragraph~~
 99.29 ~~(a).~~

99.30 ~~(e)~~ (d) Except as provided in paragraphs ~~(g)~~ (f) and ~~(h)~~ (g), the commissioner shall not
 99.31 issue or reissue a license if the applicant, license holder, or controlling individual has:

100.1 (1) been disqualified and the disqualification was not set aside and no variance has been
100.2 granted;

100.3 (2) been denied a license within the past two years;

100.4 (3) had a license issued under this chapter revoked within the past five years;

100.5 (4) an outstanding debt related to a license fee, licensing fine, or settlement agreement
100.6 for which payment is delinquent; or

100.7 (5) failed to submit the information required of an applicant under subdivision 1,
100.8 paragraph (f) or (g), after being requested by the commissioner.

100.9 When a license issued under this chapter is revoked under clause (1) or (3), the license
100.10 holder and controlling individual may not hold any license under chapter 245A or 245D for
100.11 five years following the revocation, and other licenses held by the applicant, license holder,
100.12 or controlling individual shall also be revoked.

100.13 ~~(f)~~ (e) The commissioner shall not issue or reissue a license under this chapter if an
100.14 individual living in the household where the licensed services will be provided as specified
100.15 under section 245C.03, subdivision 1, has been disqualified and the disqualification has not
100.16 been set aside and no variance has been granted.

100.17 ~~(g)~~ (f) Pursuant to section 245A.07, subdivision 1, paragraph (b), when a license issued
100.18 under this chapter has been suspended or revoked and the suspension or revocation is under
100.19 appeal, the program may continue to operate pending a final order from the commissioner.
100.20 If the license under suspension or revocation will expire before a final order is issued, a
100.21 temporary provisional license may be issued provided any applicable license fee is paid
100.22 before the temporary provisional license is issued.

100.23 ~~(h)~~ (g) Notwithstanding paragraph ~~(g)~~ (f), when a revocation is based on the
100.24 disqualification of a controlling individual or license holder, and the controlling individual
100.25 or license holder is ordered under section 245C.17 to be immediately removed from direct
100.26 contact with persons receiving services or is ordered to be under continuous, direct
100.27 supervision when providing direct contact services, the program may continue to operate
100.28 only if the program complies with the order and submits documentation demonstrating
100.29 compliance with the order. If the disqualified individual fails to submit a timely request for
100.30 reconsideration, or if the disqualification is not set aside and no variance is granted, the
100.31 order to immediately remove the individual from direct contact or to be under continuous,
100.32 direct supervision remains in effect pending the outcome of a hearing and final order from
100.33 the commissioner.

101.1 ~~(h)~~ (h) For purposes of reimbursement for meals only, under the Child and Adult Care
101.2 Food Program, Code of Federal Regulations, title 7, subtitle B, chapter II, subchapter A,
101.3 part 226, relocation within the same county by a licensed family day care provider, shall
101.4 be considered an extension of the license for a period of no more than 30 calendar days or
101.5 until the new license is issued, whichever occurs first, provided the county agency has
101.6 determined the family day care provider meets licensure requirements at the new location.

101.7 ~~(i)~~ (i) Unless otherwise specified by statute, all licenses issued under this chapter expire
101.8 at 12:01 a.m. on the day after the expiration date stated on the license. A license holder must
101.9 apply for and be granted a new license to operate the program or the program must not be
101.10 operated after the expiration date.

101.11 ~~(j)~~ (j) The commissioner shall not issue or reissue a license under this chapter if it has
101.12 been determined that a tribal licensing authority has established jurisdiction to license the
101.13 program or service.

101.14 Sec. 3. Minnesota Statutes 2016, section 245A.04, is amended by adding a subdivision to
101.15 read:

101.16 Subd. 7a. **Notification required.** (a) A license holder must notify the commissioner and
101.17 obtain the commissioner's approval before making any change that would alter the license
101.18 information listed under subdivision 7, paragraph (a).

101.19 (b) At least 30 days before the effective date of a change, the license holder must notify
101.20 the commissioner in writing of any change:

101.21 (1) to the license holder's controlling individual as defined in section 245A.02, subdivision
101.22 5a;

101.23 (2) to license holder information on file with the secretary of state;

101.24 (3) in the location of the program or service licensed under this chapter; and

101.25 (4) in the federal or state tax identification number associated with the license holder.

101.26 (c) When a license holder notifies the commissioner of a change to the business structure
101.27 governing the licensed program or services but is not selling the business, the license holder
101.28 must provide amended articles of incorporation and other documentation of the change and
101.29 any other information requested by the commissioner.

101.30 **EFFECTIVE DATE.** This section is effective August 1, 2018.

102.1 Sec. 4. **[245A.043] LICENSE APPLICATION AFTER CHANGE OF OWNERSHIP.**

102.2 Subdivision 1. **Transfer prohibited.** A license issued under this chapter is only valid
102.3 for a premises and individual, organization, or government entity identified by the
102.4 commissioner on the license. A license is not transferable or assignable.

102.5 Subd. 2. **Change of ownership.** If the commissioner determines that there will be a
102.6 change of ownership, the commissioner shall require submission of a new license application.
102.7 A change of ownership occurs when:

102.8 (1) the license holder sells or transfers 100 percent of the property, stock, or assets;

102.9 (2) the license holder merges with another organization;

102.10 (3) the license holder consolidates with two or more organizations, resulting in the
102.11 creation of a new organization;

102.12 (4) there is a change in the federal tax identification number associated with the license
102.13 holder; or

102.14 (5) there is a turnover of each controlling individual associated with the license within
102.15 a 12-month period. A change to the license holder's controlling individuals, including a
102.16 change due to a transfer of stock, is not a change of ownership if at least one controlling
102.17 individual who was listed on the license for at least 12 consecutive months continues to be
102.18 a controlling individual after the reported change.

102.19 Subd. 3. **Change of ownership requirements.** (a) A license holder who intends to
102.20 change the ownership of the program or service under subdivision 2 to a party that intends
102.21 to assume operation without an interruption in service longer than 60 days after acquiring
102.22 the program or service must provide the commissioner with written notice of the proposed
102.23 sale or change, on a form provided by the commissioner, at least 60 days before the
102.24 anticipated date of the change in ownership. For purposes of this subdivision and subdivision
102.25 4, "party" means the party that intends to operate the service or program.

102.26 (b) The party must submit a license application under this chapter on a form and in the
102.27 manner prescribed by the commissioner at least 30 days before the change of ownership is
102.28 complete and must include documentation to support the upcoming change. The form and
102.29 manner of the application prescribed by the commissioner shall require only information
102.30 which is specifically required by statute or rule. The party must comply with background
102.31 study requirements under chapter 245C and shall pay the application fee required in section
102.32 245A.10. A party that intends to assume operation without an interruption in service longer

103.1 than 60 days after acquiring the program or service is exempt from the requirements of
103.2 Minnesota Rules, part 9530.6800.

103.3 (c) The commissioner may develop streamlined application procedures when the party
103.4 is an existing license holder under this chapter and is acquiring a program licensed under
103.5 this chapter or service in the same service class as one or more licensed programs or services
103.6 the party operates and those licenses are in substantial compliance according to the licensing
103.7 standards in this chapter and applicable rules. For purposes of this subdivision, "substantial
103.8 compliance" means within the past 12 months the commissioner did not: (i) issue a sanction
103.9 under section 245A.07 against a license held by the party or (ii) make a license held by the
103.10 party conditional according to section 245A.06.

103.11 (d) Except when a temporary change of ownership license is issued pursuant to
103.12 subdivision 4, the existing license holder is solely responsible for operating the program
103.13 according to applicable rules and statutes until a license under this chapter is issued to the
103.14 party.

103.15 (e) If a licensing inspection of the program or service was conducted within the previous
103.16 12 months and the existing license holder's license record demonstrates substantial
103.17 compliance with the applicable licensing requirements, the commissioner may waive the
103.18 party's inspection required by section 245A.04, subdivision 4. The party must submit to the
103.19 commissioner proof that the premises was inspected by a fire marshal or that the fire marshal
103.20 deemed that an inspection was not warranted and proof that the premises was inspected for
103.21 compliance with the building code or that no inspection was deemed warranted.

103.22 (f) If the party is seeking a license for a program or service that has an outstanding
103.23 correction order, the party must submit a letter with the license application identifying how
103.24 and within what length of time the party shall resolve the outstanding correction order and
103.25 come into full compliance with the licensing requirements.

103.26 (g) Any action taken under section 245A.06 or 245A.07 against the existing license
103.27 holder's license at the time the party is applying for a license, including when the existing
103.28 license holder is operating under a conditional license or is subject to a revocation, shall
103.29 remain in effect until the commissioner determines that the grounds for the action are
103.30 corrected or no longer exist.

103.31 (h) The commissioner shall evaluate the application of the party according to section
103.32 245A.04, subdivision 6. Pursuant to section 245A.04, subdivision 7, if the commissioner
103.33 determines that the party complies with applicable laws and rules, the commissioner may
103.34 issue a license or a temporary change of ownership license.

104.1 (i) The commissioner may deny an application as provided in section 245A.05. An
104.2 applicant whose application was denied by the commissioner may appeal the denial according
104.3 to section 245A.05.

104.4 (j) This subdivision does not apply to a licensed program or service located in a home
104.5 where the license holder resides.

104.6 Subd. 4. **Temporary change of ownership license.** (a) After receiving the party's
104.7 application and upon the written request of the existing license holder and the party, the
104.8 commissioner may issue a temporary change of ownership license to the party while the
104.9 commissioner evaluates the party's application. Until a decision is made to grant or deny a
104.10 license under this chapter, the existing license holder and the party shall both be responsible
104.11 for operating the program or service according to applicable laws and rules, and the sale or
104.12 transfer of the license holder's ownership interest in the licensed program or service does
104.13 not terminate the existing license.

104.14 (b) The commissioner may establish criteria to issue a temporary change of ownership
104.15 license, if a license holder's death, divorce, or other event affects the ownership of the
104.16 program, when an applicant seeks to assume operation of the program or service to ensure
104.17 continuity of the program or service while a license application is evaluated. This subdivision
104.18 applies to any program or service licensed under this chapter.

104.19 **EFFECTIVE DATE.** This section is effective August 1, 2018.

104.20 Sec. 5. Minnesota Statutes 2016, section 245C.22, subdivision 4, is amended to read:

104.21 Subd. 4. **Risk of harm; set aside.** (a) The commissioner may set aside the disqualification
104.22 if the commissioner finds that the individual has submitted sufficient information to
104.23 demonstrate that the individual does not pose a risk of harm to any person served by the
104.24 applicant, license holder, or other entities as provided in this chapter.

104.25 (b) In determining whether the individual has met the burden of proof by demonstrating
104.26 the individual does not pose a risk of harm, the commissioner shall consider:

104.27 (1) the nature, severity, and consequences of the event or events that led to the
104.28 disqualification;

104.29 (2) whether there is more than one disqualifying event;

104.30 (3) the age and vulnerability of the victim at the time of the event;

104.31 (4) the harm suffered by the victim;

104.32 (5) vulnerability of persons served by the program;

105.1 (6) the similarity between the victim and persons served by the program;

105.2 (7) the time elapsed without a repeat of the same or similar event;

105.3 (8) documentation of successful completion by the individual studied of training or
105.4 rehabilitation pertinent to the event; and

105.5 (9) any other information relevant to reconsideration.

105.6 (c) If the individual requested reconsideration on the basis that the information relied
105.7 upon to disqualify the individual was incorrect or inaccurate and the commissioner determines
105.8 that the information relied upon to disqualify the individual is correct, the commissioner
105.9 must also determine if the individual poses a risk of harm to persons receiving services in
105.10 accordance with paragraph (b).

105.11 (d) For an individual in the chemical dependency field, the commissioner must set aside
105.12 the disqualification if the following criteria are met:

105.13 (1) the individual submits sufficient documentation to demonstrate that the individual
105.14 is a nonviolent controlled substance offender under section 244.0513, subdivision 2, clauses
105.15 (1), (2), and (6);

105.16 (2) the individual is disqualified exclusively for one or more offenses listed under section
105.17 152.021, subdivision 2 or 2a; 152.022, subdivision 2; 152.023, subdivision 2; 152.024; or
105.18 152.025;

105.19 (3) the individual provided documentation of successful completion of treatment, at least
105.20 one year prior to the date of the request for reconsideration, at a program licensed under
105.21 chapter 245G;

105.22 (4) the individual provided documentation demonstrating abstinence from controlled
105.23 substances, as defined in section 152.01, subdivision 4, for the period one year prior to the
105.24 date of the request for reconsideration; and

105.25 (5) the individual is seeking employment in the chemical dependency field.

105.26 Sec. 6. Minnesota Statutes 2017 Supplement, section 245C.22, subdivision 5, is amended
105.27 to read:

105.28 Subd. 5. **Scope of set-aside.** (a) If the commissioner sets aside a disqualification under
105.29 this section, the disqualified individual remains disqualified, but may hold a license and
105.30 have direct contact with or access to persons receiving services. Except as provided in
105.31 paragraph (b), the commissioner's set-aside of a disqualification is limited solely to the
105.32 licensed program, applicant, or agency specified in the set aside notice under section 245C.23.

106.1 For personal care provider organizations, the commissioner's set-aside may further be limited
106.2 to a specific individual who is receiving services. For new background studies required
106.3 under section 245C.04, subdivision 1, paragraph (h), if an individual's disqualification was
106.4 previously set aside for the license holder's program and the new background study results
106.5 in no new information that indicates the individual may pose a risk of harm to persons
106.6 receiving services from the license holder, the previous set-aside shall remain in effect.

106.7 (b) If the commissioner has previously set aside an individual's disqualification for one
106.8 or more programs or agencies, and the individual is the subject of a subsequent background
106.9 study for a different program or agency, the commissioner shall determine whether the
106.10 disqualification is set aside for the program or agency that initiated the subsequent
106.11 background study. A notice of a set-aside under paragraph (c) shall be issued within 15
106.12 working days if all of the following criteria are met:

106.13 (1) the subsequent background study was initiated in connection with a program licensed
106.14 or regulated under the same provisions of law and rule for at least one program for which
106.15 the individual's disqualification was previously set aside by the commissioner;

106.16 (2) the individual is not disqualified for an offense specified in section 245C.15,
106.17 subdivision 1 ~~or 2~~;

106.18 (3) the individual is not disqualified for an offense specified in section 245C.15,
106.19 subdivision 2, unless the individual is employed in the chemical dependency field;

106.20 (4) the commissioner has received no new information to indicate that the individual
106.21 may pose a risk of harm to any person served by the program; and

106.22 ~~(4)~~ (5) the previous set-aside was not limited to a specific person receiving services.

106.23 (c) When a disqualification is set aside under paragraph (b), the notice of background
106.24 study results issued under section 245C.17, in addition to the requirements under section
106.25 245C.17, shall state that the disqualification is set aside for the program or agency that
106.26 initiated the subsequent background study. The notice must inform the individual that the
106.27 individual may request reconsideration of the disqualification under section 245C.21 on the
106.28 basis that the information used to disqualify the individual is incorrect.

106.29 Sec. 7. Minnesota Statutes 2017 Supplement, section 245G.03, subdivision 1, is amended
106.30 to read:

106.31 Subdivision 1. **License requirements.** (a) An applicant for a license to provide substance
106.32 use disorder treatment must comply with the general requirements in chapters 245A and
106.33 245C, sections 626.556 and 626.557, and Minnesota Rules, chapter 9544.

107.1 (b) The assessment of need process under Minnesota Rules, parts 9530.6800 and
107.2 9530.6810, is not applicable to programs licensed under this chapter. However, the
107.3 commissioner may deny issuance of a license to an applicant if the commissioner determines
107.4 that the services currently available in the local area are sufficient to meet local need and
107.5 the addition of new services would be detrimental to individuals seeking these services.

107.6 (c) The commissioner may grant variances to the requirements in this chapter that do
107.7 not affect the client's health or safety if the conditions in section 245A.04, subdivision 9,
107.8 are met.

107.9 Sec. 8. Minnesota Statutes 2017 Supplement, section 254A.03, subdivision 3, is amended
107.10 to read:

107.11 Subd. 3. **Rules for substance use disorder care.** (a) The commissioner of human
107.12 services shall establish by rule criteria to be used in determining the appropriate level of
107.13 chemical dependency care for each recipient of public assistance seeking treatment for
107.14 substance misuse or substance use disorder. Upon federal approval of a comprehensive
107.15 assessment as a Medicaid benefit, or on July 1, 2018, whichever is later, and notwithstanding
107.16 the criteria in Minnesota Rules, parts 9530.6600 to 9530.6655, an eligible vendor of
107.17 comprehensive assessments under section 254B.05 may determine and approve the
107.18 appropriate level of substance use disorder treatment for a recipient of public assistance.
107.19 The process for determining an individual's financial eligibility for the consolidated chemical
107.20 dependency treatment fund or determining an individual's enrollment in or eligibility for a
107.21 publicly subsidized health plan is not affected by the individual's choice to access a
107.22 comprehensive assessment for placement.

107.23 (b) The commissioner shall develop and implement a utilization review process for
107.24 publicly funded treatment placements to monitor and review the clinical appropriateness
107.25 and timeliness of all publicly funded placements in treatment.

107.26 (c) A structured assessment for alcohol or substance use disorder that is provided to a
107.27 recipient of public assistance by a primary care clinic, hospital, or other medical setting
107.28 establishes medical necessity and approval for an initial set of substance use disorder services
107.29 identified in section 254B.05, subdivision 5, when the screen result is positive for alcohol
107.30 or substance misuse. The initial set of services approved for a recipient whose screen result
107.31 is positive shall include four hours of individual or group substance use disorder treatment,
107.32 two hours of substance use disorder care coordination, and two hours of substance use
107.33 disorder peer support services. A recipient must obtain an assessment pursuant to paragraph
107.34 (a) to be approved for additional treatment services.

108.1 **EFFECTIVE DATE.** This section is effective July 1, 2018, contingent on federal
108.2 approval. The commissioner of human services shall notify the revisor of statutes when
108.3 federal approval is obtained or denied.

108.4 Sec. 9. Minnesota Statutes 2016, section 254B.02, subdivision 1, is amended to read:

108.5 Subdivision 1. **Chemical dependency treatment allocation.** The chemical dependency
108.6 treatment appropriation shall be placed in a special revenue account. ~~The commissioner~~
108.7 ~~shall annually transfer funds from the chemical dependency fund to pay for operation of~~
108.8 ~~the drug and alcohol abuse normative evaluation system and to pay for all costs incurred~~
108.9 ~~by adding two positions for licensing of chemical dependency treatment and rehabilitation~~
108.10 ~~programs located in hospitals for which funds are not otherwise appropriated. The remainder~~
108.11 ~~of the money in the special revenue account must be used according to the requirements in~~
108.12 this chapter.

108.13 Sec. 10. Minnesota Statutes 2017 Supplement, section 254B.03, subdivision 2, is amended
108.14 to read:

108.15 Subd. 2. **Chemical dependency fund payment.** (a) Payment from the chemical
108.16 dependency fund is limited to payments for services other than detoxification licensed under
108.17 Minnesota Rules, parts 9530.6510 to 9530.6590, that, if located outside of federally
108.18 recognized tribal lands, would be required to be licensed by the commissioner as a chemical
108.19 dependency treatment or rehabilitation program under sections 245A.01 to 245A.16, and
108.20 services other than detoxification provided in another state that would be required to be
108.21 licensed as a chemical dependency program if the program were in the state. Out of state
108.22 vendors must also provide the commissioner with assurances that the program complies
108.23 substantially with state licensing requirements and possesses all licenses and certifications
108.24 required by the host state to provide chemical dependency treatment. Vendors receiving
108.25 payments from the chemical dependency fund must not require co-payment from a recipient
108.26 of benefits for services provided under this subdivision. The vendor is prohibited from using
108.27 the client's public benefits to offset the cost of services paid under this section. The vendor
108.28 shall not require the client to use public benefits for room or board costs. This includes but
108.29 is not limited to cash assistance benefits under chapters 119B, 256D, and 256J, or SNAP
108.30 benefits. Retention of SNAP benefits is a right of a client receiving services through the
108.31 consolidated chemical dependency treatment fund or through state contracted managed care
108.32 entities. Payment from the chemical dependency fund shall be made for necessary room
108.33 and board costs provided by vendors certified according to section 254B.05, or in a

109.1 community hospital licensed by the commissioner of health according to sections 144.50
109.2 to 144.56 to a client who is:

109.3 (1) determined to meet the criteria for placement in a residential chemical dependency
109.4 treatment program according to rules adopted under section 254A.03, subdivision 3; and

109.5 (2) concurrently receiving a chemical dependency treatment service in a program licensed
109.6 by the commissioner and reimbursed by the chemical dependency fund.

109.7 (b) A county may, from its own resources, provide chemical dependency services for
109.8 which state payments are not made. A county may elect to use the same invoice procedures
109.9 and obtain the same state payment services as are used for chemical dependency services
109.10 for which state payments are made under this section if county payments are made to the
109.11 state in advance of state payments to vendors. When a county uses the state system for
109.12 payment, the commissioner shall make monthly billings to the county using the most recent
109.13 available information to determine the anticipated services for which payments will be made
109.14 in the coming month. Adjustment of any overestimate or underestimate based on actual
109.15 expenditures shall be made by the state agency by adjusting the estimate for any succeeding
109.16 month.

109.17 (c) The commissioner shall coordinate chemical dependency services and determine
109.18 whether there is a need for any proposed expansion of chemical dependency treatment
109.19 services. ~~The commissioner shall deny vendor certification to any provider that has not~~
109.20 ~~received prior approval from the commissioner for the creation of new programs or the~~
109.21 ~~expansion of existing program capacity. The commissioner shall consider the provider's~~
109.22 ~~capacity to obtain clients from outside the state based on plans, agreements, and previous~~
109.23 ~~utilization history, when determining the need for new treatment services~~ The commissioner
109.24 may deny vendor certification to a provider if the commissioner determines that the services
109.25 currently available in the local area are sufficient to meet local need and that the addition
109.26 of new services would be detrimental to individuals seeking these services.

109.27 Sec. 11. Minnesota Statutes 2017 Supplement, section 256.045, subdivision 3, is amended
109.28 to read:

109.29 Subd. 3. **State agency hearings.** (a) State agency hearings are available for the following:

109.30 (1) any person applying for, receiving or having received public assistance, medical
109.31 care, or a program of social services granted by the state agency or a county agency or the
109.32 federal Food Stamp Act whose application for assistance is denied, not acted upon with

110.1 reasonable promptness, or whose assistance is suspended, reduced, terminated, or claimed
110.2 to have been incorrectly paid;

110.3 (2) any patient or relative aggrieved by an order of the commissioner under section
110.4 252.27;

110.5 (3) a party aggrieved by a ruling of a prepaid health plan;

110.6 (4) except as provided under chapter 245C, any individual or facility determined by a
110.7 lead investigative agency to have maltreated a vulnerable adult under section 626.557 after
110.8 they have exercised their right to administrative reconsideration under section 626.557;

110.9 (5) any person whose claim for foster care payment according to a placement of the
110.10 child resulting from a child protection assessment under section 626.556 is denied or not
110.11 acted upon with reasonable promptness, regardless of funding source;

110.12 (6) any person to whom a right of appeal according to this section is given by other
110.13 provision of law;

110.14 (7) an applicant aggrieved by an adverse decision to an application for a hardship waiver
110.15 under section 256B.15;

110.16 (8) an applicant aggrieved by an adverse decision to an application or redetermination
110.17 for a Medicare Part D prescription drug subsidy under section 256B.04, subdivision 4a;

110.18 (9) except as provided under chapter 245A, an individual or facility determined to have
110.19 maltreated a minor under section 626.556, after the individual or facility has exercised the
110.20 right to administrative reconsideration under section 626.556;

110.21 (10) except as provided under chapter 245C, an individual disqualified under sections
110.22 245C.14 and 245C.15, following a reconsideration decision issued under section 245C.23,
110.23 on the basis of serious or recurring maltreatment; a preponderance of the evidence that the
110.24 individual has committed an act or acts that meet the definition of any of the crimes listed
110.25 in section 245C.15, subdivisions 1 to 4; or for failing to make reports required under section
110.26 626.556, subdivision 3, or 626.557, subdivision 3. Hearings regarding a maltreatment
110.27 determination under clause (4) or (9) and a disqualification under this clause in which the
110.28 basis for a disqualification is serious or recurring maltreatment, shall be consolidated into
110.29 a single fair hearing. In such cases, the scope of review by the human services judge shall
110.30 include both the maltreatment determination and the disqualification. The failure to exercise
110.31 the right to an administrative reconsideration shall not be a bar to a hearing under this section
110.32 if federal law provides an individual the right to a hearing to dispute a finding of
110.33 maltreatment;

111.1 (11) any person with an outstanding debt resulting from receipt of public assistance,
111.2 medical care, or the federal Food Stamp Act who is contesting a setoff claim by the
111.3 Department of Human Services or a county agency. The scope of the appeal is the validity
111.4 of the claimant agency's intention to request a setoff of a refund under chapter 270A against
111.5 the debt;

111.6 (12) a person issued a notice of service termination under section 245D.10, subdivision
111.7 3a, from residential supports and services as defined in section 245D.03, subdivision 1,
111.8 paragraph (c), clause (3), that is not otherwise subject to appeal under subdivision 4a;

111.9 (13) an individual disability waiver recipient based on a denial of a request for a rate
111.10 exception under section 256B.4914; ~~or~~

111.11 (14) a person issued a notice of service termination under section 245A.11, subdivision
111.12 11, that is not otherwise subject to appeal under subdivision 4a; or

111.13 (15) a county disputes cost of care under section 246.54 based on administrative or other
111.14 delay of a client's discharge from a state-operated facility after notification to a county that
111.15 the client no longer meets medical criteria for the state-operated facility, when the county
111.16 has developed a viable discharge plan.

111.17 (b) The hearing for an individual or facility under paragraph (a), clause (4), (9), or (10),
111.18 is the only administrative appeal to the final agency determination specifically, including
111.19 a challenge to the accuracy and completeness of data under section 13.04. Hearings requested
111.20 under paragraph (a), clause (4), apply only to incidents of maltreatment that occur on or
111.21 after October 1, 1995. Hearings requested by nursing assistants in nursing homes alleged
111.22 to have maltreated a resident prior to October 1, 1995, shall be held as a contested case
111.23 proceeding under the provisions of chapter 14. Hearings requested under paragraph (a),
111.24 clause (9), apply only to incidents of maltreatment that occur on or after July 1, 1997. A
111.25 hearing for an individual or facility under paragraph (a), clauses (4), (9), and (10), is only
111.26 available when there is no district court action pending. If such action is filed in district
111.27 court while an administrative review is pending that arises out of some or all of the events
111.28 or circumstances on which the appeal is based, the administrative review must be suspended
111.29 until the judicial actions are completed. If the district court proceedings are completed,
111.30 dismissed, or overturned, the matter may be considered in an administrative hearing.

111.31 (c) For purposes of this section, bargaining unit grievance procedures are not an
111.32 administrative appeal.

111.33 (d) The scope of hearings involving claims to foster care payments under paragraph (a),
111.34 clause (5), shall be limited to the issue of whether the county is legally responsible for a

112.1 child's placement under court order or voluntary placement agreement and, if so, the correct
112.2 amount of foster care payment to be made on the child's behalf and shall not include review
112.3 of the propriety of the county's child protection determination or child placement decision.

112.4 (e) The scope of hearings under paragraph (a), clauses (12) and (14), shall be limited to
112.5 whether the proposed termination of services is authorized under section 245D.10,
112.6 subdivision 3a, paragraph (b), or 245A.11, subdivision 11, and whether the requirements
112.7 of section 245D.10, subdivision 3a, paragraphs (c) to (e), or 245A.11, subdivision 2a,
112.8 paragraphs (d) to (f), were met. If the appeal includes a request for a temporary stay of
112.9 termination of services, the scope of the hearing shall also include whether the case
112.10 management provider has finalized arrangements for a residential facility, a program, or
112.11 services that will meet the assessed needs of the recipient by the effective date of the service
112.12 termination.

112.13 (f) A vendor of medical care as defined in section 256B.02, subdivision 7, or a vendor
112.14 under contract with a county agency to provide social services is not a party and may not
112.15 request a hearing under this section, except if assisting a recipient as provided in subdivision
112.16 4.

112.17 (g) An applicant or recipient is not entitled to receive social services beyond the services
112.18 prescribed under chapter 256M or other social services the person is eligible for under state
112.19 law.

112.20 (h) The commissioner may summarily affirm the county or state agency's proposed
112.21 action without a hearing when the sole issue is an automatic change due to a change in state
112.22 or federal law.

112.23 (i) Unless federal or Minnesota law specifies a different time frame in which to file an
112.24 appeal, an individual or organization specified in this section may contest the specified
112.25 action, decision, or final disposition before the state agency by submitting a written request
112.26 for a hearing to the state agency within 30 days after receiving written notice of the action,
112.27 decision, or final disposition, or within 90 days of such written notice if the applicant,
112.28 recipient, patient, or relative shows good cause, as defined in section 256.0451, subdivision
112.29 13, why the request was not submitted within the 30-day time limit. The individual filing
112.30 the appeal has the burden of proving good cause by a preponderance of the evidence.

113.1 Sec. 12. Minnesota Statutes 2017 Supplement, section 256B.0625, subdivision 56a, is
113.2 amended to read:

113.3 Subd. 56a. ~~Post-arrest~~ Officer-involved community-based service care coordination.

113.4 (a) Medical assistance covers ~~post-arrest~~ officer-involved community-based service care
113.5 coordination for an individual who:

113.6 (1) has ~~been identified as having~~ screened positive for benefiting from treatment for a
113.7 mental illness or substance use disorder using a ~~screening~~ tool approved by the commissioner;

113.8 (2) does not require the security of a public detention facility and is not considered an
113.9 inmate of a public institution as defined in Code of Federal Regulations, title 42, section
113.10 435.1010;

113.11 (3) meets the eligibility requirements in section 256B.056; and

113.12 (4) has agreed to participate in ~~post-arrest~~ officer-involved community-based service
113.13 care coordination through a diversion contract in lieu of incarceration.

113.14 (b) ~~Post-arrest~~ Officer-involved community-based service care coordination means
113.15 navigating services to address a client's mental health, chemical health, social, economic,
113.16 and housing needs, or any other activity targeted at reducing the incidence of jail utilization
113.17 and connecting individuals with existing covered services available to them, including, but
113.18 not limited to, targeted case management, waiver case management, or care coordination.

113.19 (c) ~~Post-arrest~~ Officer-involved community-based service care coordination must be
113.20 provided by an individual who is an employee of a ~~county~~ or is under contract with a county,
113.21 or is an employee of or under contract with an Indian health service facility or facility owned
113.22 and operated by a tribe or a tribal organization operating under Public Law 93-638 as a 638
113.23 facility to provide ~~post-arrest~~ officer-involved community-based care coordination and is
113.24 qualified under one of the following criteria:

113.25 (1) a licensed mental health professional as defined in section 245.462, subdivision 18,
113.26 clauses (1) to (6);

113.27 (2) a mental health practitioner as defined in section 245.462, subdivision 17, working
113.28 under the clinical supervision of a mental health professional; ~~or~~

113.29 (3) a certified peer specialist under section 256B.0615, working under the clinical
113.30 supervision of a mental health professional;

113.31 (4) an individual qualified as an alcohol and drug counselor under section 254G.11,
113.32 subdivision 5; or

114.1 (5) a recovery peer qualified under section 245G.11, subdivision 8, working under the
114.2 supervision of an individual qualified as an alcohol and drug counselor under section
114.3 245G.11, subdivision 5.

114.4 (d) Reimbursement is allowed for up to 60 days following the initial determination of
114.5 eligibility.

114.6 (e) Providers of ~~post-arrest~~ officer-involved community-based ~~service~~ care coordination
114.7 shall annually report to the commissioner on the number of individuals served, and number
114.8 of the community-based services that were accessed by recipients. The commissioner shall
114.9 ensure that services and payments provided under ~~post-arrest~~ officer-involved
114.10 community-based ~~service~~ care coordination do not duplicate services or payments provided
114.11 under section 256B.0625, subdivision 20, 256B.0753, 256B.0755, or 256B.0757.

114.12 (f) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of cost for
114.13 post-arrest community-based service coordination services shall be provided by the county
114.14 providing the services, from sources other than federal funds or funds used to match other
114.15 federal funds.

114.16 **EFFECTIVE DATE.** Paragraphs (a) to (e) are effective retroactively from March 1,
114.17 2018.

114.18 Sec. 13. Minnesota Statutes 2016, section 641.15, subdivision 3a, is amended to read:

114.19 Subd. 3a. **Intake procedure; approved mental health screening.** As part of its intake
114.20 procedure for new ~~prisoners~~ inmates, the sheriff or local corrections shall use a mental health
114.21 screening tool approved by the commissioner of corrections in consultation with the
114.22 commissioner of human services and local corrections staff to identify persons who may
114.23 have mental illness. Names of persons who have screened positive or may have a mental
114.24 illness may be shared with the local county social services agency. The jail may refer an
114.25 offender to county personnel of the welfare system, as defined in section 13.46, subdivision
114.26 1, paragraph (c), in order to arrange for services upon discharge and may share private data
114.27 as necessary to carry out the following:

114.28 (1) providing assistance in filling out an application for medical assistance or
114.29 MinnesotaCare;

114.30 (2) making a referral for case management as outlined under section 245.467, subdivision
114.31 4;

114.32 (3) providing assistance in obtaining a state photo identification;

- 115.1 (4) securing a timely appointment with a psychiatrist or other appropriate community
115.2 mental health provider;
- 115.3 (5) providing prescriptions for a 30-day supply of all necessary medications; or
- 115.4 (6) behavioral health service coordination.

115.5 Sec. 14. Laws 2017, First Special Session chapter 6, article 8, section 71, the effective
115.6 date, is amended to read:

115.7 **EFFECTIVE DATE.** This section is effective for services provided on July 1, 2017,
115.8 through ~~April 30, 2019, and expires May 1, 2019~~ June 30, 2019, and expires July 1, 2019.

115.9 Sec. 15. Laws 2017, First Special Session chapter 6, article 8, section 72, the effective
115.10 date, is amended to read:

115.11 **EFFECTIVE DATE.** This section is effective for services provided on July 1, 2017,
115.12 through ~~April 30, 2019, and expires May 1, 2019~~ June 30, 2019, and expires July 1, 2019.

115.13 Sec. 16. Laws 2017, First Special Session chapter 6, article 8, section 74, is amended to
115.14 read:

115.15 Sec. 74. **CHILDREN'S MENTAL HEALTH REPORT AND**
115.16 **RECOMMENDATIONS.**

115.17 The commissioner of human services shall conduct a comprehensive analysis of
115.18 Minnesota's continuum of intensive mental health services and shall develop
115.19 recommendations for a sustainable and community-driven continuum of care for children
115.20 with serious mental health needs, including children currently being served in residential
115.21 treatment. The commissioner's analysis shall include, but not be limited to:

115.22 (1) data related to access, utilization, efficacy, and outcomes for Minnesota's current
115.23 system of residential mental health treatment for a child with a severe emotional disturbance;

115.24 (2) potential expansion of the state's psychiatric residential treatment facility (PRTF)
115.25 capacity, including increasing the number of PRTF beds and conversion of existing children's
115.26 mental health residential treatment programs into PRTFs;

115.27 (3) the capacity need for PRTF and other group settings within the state if adequate
115.28 community-based alternatives are accessible, equitable, and effective statewide;

115.29 (4) recommendations for expanding alternative community-based service models to
115.30 meet the needs of a child with a serious mental health disorder who would otherwise require

116.1 residential treatment and potential service models that could be utilized, including data
116.2 related to access, utilization, efficacy, and outcomes;

116.3 (5) models of care used in other states; and

116.4 (6) analysis and specific recommendations for the design and implementation of new
116.5 service models, including analysis to inform rate setting as necessary.

116.6 The analysis shall be supported and informed by extensive stakeholder engagement.

116.7 Stakeholders include individuals who receive services, family members of individuals who
116.8 receive services, providers, counties, health plans, advocates, and others. Stakeholder
116.9 engagement shall include interviews with key stakeholders, intentional outreach to individuals
116.10 who receive services and the individual's family members, and regional listening sessions.

116.11 The commissioner shall provide a report with specific recommendations and timelines
116.12 for implementation to the legislative committees with jurisdiction over children's mental
116.13 health policy and finance by ~~November 15, 2018~~ January 15, 2019.

116.14

ARTICLE 4

116.15

OPIOIDS AND PRESCRIPTION DRUGS

116.16 Section 1. [62Q.184] STEP THERAPY OVERRIDE.

116.17 Subdivision 1. Definitions. (a) For the purposes of this section, the terms in this
116.18 subdivision have the meanings given them.

116.19 (b) "Clinical practice guideline" means a systematically developed statement to assist
116.20 health care providers and enrollees in making decisions about appropriate health care services
116.21 for specific clinical circumstances and conditions developed independently of a health plan
116.22 company, pharmaceutical manufacturer, or any entity with a conflict of interest.

116.23 (c) "Clinical review criteria" means the written screening procedures, decision abstracts,
116.24 clinical protocols, and clinical practice guidelines used by a health plan company to determine
116.25 the medical necessity and appropriateness of health care services.

116.26 (d) "Health plan company" has the meaning given in section 62Q.01, subdivision 4, but
116.27 does not include a managed care organization or county-based purchasing plan participating
116.28 in a public program under chapters 256B or 256L, or an integrated health partnership under
116.29 section 256B.0755.

116.30 (e) "Step therapy protocol" means a protocol or program that establishes the specific
116.31 sequence in which prescription drugs for a specified medical condition, including

117.1 self-administered and physician-administered drugs, are medically appropriate for a particular
117.2 enrollee and are covered under a health plan.

117.3 (f) "Step therapy override" means that the step therapy protocol is overridden in favor
117.4 of coverage of the selected prescription drug of the prescribing health care provider because
117.5 at least one of the conditions of subdivision 3, paragraph (a), exists.

117.6 Subd. 2. **Establishment of a step therapy protocol.** A health plan company shall
117.7 consider available recognized evidence-based and peer-reviewed clinical practice guidelines
117.8 when establishing a step therapy protocol. Upon written request of an enrollee, a health plan
117.9 company shall provide any clinical review criteria applicable to a specific prescription drug
117.10 covered by the health plan.

117.11 Subd. 3. **Step therapy override process; transparency.** (a) When coverage of a
117.12 prescription drug for the treatment of a medical condition is restricted for use by a health
117.13 plan company through the use of a step therapy protocol, enrollees and prescribing health
117.14 care providers shall have access to a clear, readily accessible, and convenient process to
117.15 request a step therapy override. The process shall be made easily accessible on the health
117.16 plan company's Web site. A health plan company may use its existing medical exceptions
117.17 process to satisfy this requirement. A health plan company shall grant an override to the
117.18 step therapy protocol if at least one of the following conditions exist:

117.19 (1) the prescription drug required under the step therapy protocol is contraindicated
117.20 pursuant to the pharmaceutical manufacturer's prescribing information for the drug or, due
117.21 to a documented adverse event with a previous use or a documented medical condition,
117.22 including a comorbid condition, is likely to do any of the following:

117.23 (i) cause an adverse reaction to the enrollee;

117.24 (ii) decrease the ability of the enrollee to achieve or maintain reasonable functional
117.25 ability in performing daily activities; or

117.26 (iii) cause physical or mental harm to the enrollee;

117.27 (2) the enrollee has had a trial of the required prescription drug covered by their current
117.28 or previous health plan, or another prescription drug in the same pharmacologic class or
117.29 with the same mechanism of action, and was adherent during such trial for a period of time
117.30 sufficient to allow for a positive treatment outcome, and the prescription drug was
117.31 discontinued by the enrollee's health care provider due to lack of effectiveness, or an adverse
117.32 event. This clause does not prohibit a health plan company from requiring an enrollee to
117.33 try another drug in the same pharmacologic class or with the same mechanism of action if

118.1 that therapy sequence is supported by the evidence-based and peer-reviewed clinical practice
118.2 guideline, Food and Drug Administration label, or pharmaceutical manufacturer's prescribing
118.3 information; or

118.4 (3) the enrollee is currently receiving a positive therapeutic outcome on a prescription
118.5 drug for the medical condition under consideration if, while on their current health plan or
118.6 the immediately preceding health plan, the enrollee received coverage for the prescription
118.7 drug and the enrollee's prescribing health care provider gives documentation to the health
118.8 plan company that the change in prescription drug required by the step therapy protocol is
118.9 expected to be ineffective or cause harm to the enrollee based on the known characteristics
118.10 of the specific enrollee and the known characteristics of the required prescription drug.

118.11 (b) Upon granting a step therapy override, a health plan company shall authorize coverage
118.12 for the prescription drug if the prescription drug is a covered prescription drug under the
118.13 enrollee's health plan.

118.14 (c) The enrollee, or the prescribing health care provider if designated by the enrollee,
118.15 may appeal the denial of a step therapy override by a health plan company using the
118.16 complaint procedure under sections 62Q.68 to 62Q.73.

118.17 (d) In a denial of an override request and any subsequent appeal, a health plan company's
118.18 decision must specifically state why the step therapy override request did not meet the
118.19 condition under paragraph (a) cited by the prescribing health care provider in requesting
118.20 the step therapy override and information regarding the procedure to request external review
118.21 of the denial pursuant to section 62Q.73. A denial of a request for a step therapy override
118.22 that is upheld on appeal is a final adverse determination for purposes of section 62Q.73 and
118.23 is eligible for a request for external review by an enrollee pursuant to section 62Q.73.

118.24 (e) A health plan company shall respond to a step therapy override request or an appeal
118.25 within five days of receipt of a complete request. In cases where exigent circumstances
118.26 exist, a health plan company shall respond within 72 hours of receipt of a complete request.
118.27 If a health plan company does not send a response to the enrollee or prescribing health care
118.28 provider if designated by the enrollee within the time allotted, the override request or appeal
118.29 is granted and binding on the health plan company.

118.30 (f) Step therapy override requests must be accessible to and submitted by health care
118.31 providers, and accepted by group purchasers electronically through secure electronic
118.32 transmission, as described under section 62J.497, subdivision 5.

118.33 (g) Nothing in this section prohibits a health plan company from:

119.1 (1) requesting relevant documentation from an enrollee's medical record in support of
119.2 a step therapy override request; or

119.3 (2) requiring an enrollee to try a generic equivalent drug pursuant to section 151.21, or
119.4 a biosimilar, as defined under United States Code, title 42, section 262(i)(2), prior to
119.5 providing coverage for the equivalent branded prescription drug.

119.6 (h) This section shall not be construed to allow the use of a pharmaceutical sample for
119.7 the primary purpose of meeting the requirements for a step therapy override.

119.8 **EFFECTIVE DATE.** This section is effective January 1, 2019, and applies to health
119.9 plans offered, issued, or sold on or after that date.

119.10 Sec. 2. Minnesota Statutes 2016, section 151.214, subdivision 2, is amended to read:

119.11 Subd. 2. **No prohibition on disclosure.** No contracting agreement between an
119.12 employer-sponsored health plan or health plan company, or its contracted pharmacy benefit
119.13 manager, and a resident or nonresident pharmacy ~~registered~~ licensed under this chapter,
119.14 may prohibit ~~the~~:

119.15 (1) a pharmacy from disclosing to patients information a pharmacy is required or given
119.16 the option to provide under subdivision 1; or

119.17 (2) a pharmacist from informing a patient when the amount the patient is required to
119.18 pay under the patient's health plan for a particular drug is greater than the amount the patient
119.19 would be required to pay for the same drug if purchased out-of-pocket at the pharmacy's
119.20 usual and customary price.

119.21 Sec. 3. **[151.555] PRESCRIPTION DRUG REPOSITORY PROGRAM.**

119.22 Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms defined in this
119.23 subdivision have the meanings given.

119.24 (b) "Central repository" means a wholesale distributor that meets the requirements under
119.25 subdivision 3 and enters into a contract with the Board of Pharmacy in accordance with this
119.26 section.

119.27 (c) "Distribute" means to deliver, other than by administering or dispensing.

119.28 (d) "Donor" means:

119.29 (1) a health care facility as defined in this subdivision;

119.30 (2) a skilled nursing facility licensed under chapter 144A;

120.1 (3) an assisted living facility registered under chapter 144D where there is centralized
120.2 storage of drugs and 24-hour on-site licensed nursing coverage provided seven days a week;

120.3 (4) a pharmacy licensed under section 151.19, and located either in the state or outside
120.4 the state;

120.5 (5) a drug wholesaler licensed under section 151.47; or

120.6 (6) a drug manufacturer licensed under section 151.252.

120.7 (e) "Drug" means any prescription drug that has been approved for medical use in the
120.8 United States, is listed in the United States Pharmacopoeia or National Formulary, and
120.9 meets the criteria established under this section for donation. This definition includes cancer
120.10 drugs and antirejection drugs, but does not include controlled substances, as defined in
120.11 section 152.01, subdivision 4, or a prescription drug that can only be dispensed to a patient
120.12 registered with the drug's manufacturer in accordance with federal Food and Drug
120.13 Administration requirements.

120.14 (f) "Health care facility" means:

120.15 (1) a physician's office or health care clinic where licensed practitioners provide health
120.16 care to patients;

120.17 (2) a hospital licensed under section 144.50;

120.18 (3) a pharmacy licensed under section 151.19 and located in Minnesota; or

120.19 (4) a nonprofit community clinic, including a federally qualified health center; a rural
120.20 health clinic; public health clinic; or other community clinic that provides health care utilizing
120.21 a sliding fee scale to patients who are low-income, uninsured, or underinsured.

120.22 (g) "Local repository" means a health care facility that elects to accept donated drugs
120.23 and medical supplies and meets the requirements of subdivision 4.

120.24 (h) "Medical supplies" or "supplies" means any prescription and nonprescription medical
120.25 supply needed to administer a prescription drug.

120.26 (i) "Original, sealed, unopened, tamper-evident packaging" means packaging that is
120.27 sealed, unopened, and tamper-evident, including a manufacturer's original unit dose or
120.28 unit-of-use container, a repackager's original unit dose or unit-of-use container, or unit-dose
120.29 packaging prepared by a licensed pharmacy according to the standards of Minnesota Rules,
120.30 part 6800.3750.

120.31 (j) "Practitioner" has the meaning given in section 151.01, subdivision 23, except that
120.32 it does not include a veterinarian.

121.1 Subd. 2. **Establishment.** By January 1, 2019, the Board of Pharmacy shall establish a
121.2 drug repository program, through which donors may donate a drug or medical supply for
121.3 use by an individual who meets the eligibility criteria specified under subdivision 5. The
121.4 board shall contract with a central repository that meets the requirements of subdivision 3
121.5 to implement and administer the prescription drug repository program.

121.6 Subd. 3. **Central repository requirements.** (a) The board shall publish a request for
121.7 proposal for participants who meet the requirements of this subdivision and are interested
121.8 in acting as the central repository for the drug repository program. The board shall follow
121.9 all applicable state procurement procedures in the selection process.

121.10 (b) To be eligible to act as the central repository, the participant must be a wholesale
121.11 drug distributor located in Minnesota, licensed pursuant to section 151.47, and in compliance
121.12 with all applicable federal and state statutes, rules, and regulations.

121.13 (c) The central repository shall be subject to inspection by the board pursuant to section
121.14 151.06, subdivision 1.

121.15 Subd. 4. **Local repository requirements.** (a) To be eligible for participation in the drug
121.16 repository program, a health care facility must agree to comply with all applicable federal
121.17 and state laws, rules, and regulations pertaining to the drug repository program, drug storage,
121.18 and dispensing. The facility must also agree to maintain in good standing any required state
121.19 license or registration that may apply to the facility.

121.20 (b) A local repository may elect to participate in the program by submitting the following
121.21 information to the central repository on a form developed by the board and made available
121.22 on the board's Web site:

121.23 (1) the name, street address, and telephone number of the health care facility and any
121.24 state-issued license or registration number issued to the facility, including the issuing state
121.25 agency;

121.26 (2) the name and telephone number of a responsible pharmacist or practitioner who is
121.27 employed by or under contract with the health care facility; and

121.28 (3) a statement signed and dated by the responsible pharmacist or practitioner indicating
121.29 that the health care facility meets the eligibility requirements under this section and agrees
121.30 to comply with this section.

121.31 (c) Participation in the drug repository program is voluntary. A local repository may
121.32 withdraw from participation in the drug repository program at any time by providing written
121.33 notice to the central repository on a form developed by the board and made available on

122.1 the board's Web site. The central repository shall provide the board with a copy of the
122.2 withdrawal notice within ten business days from the date of receipt of the withdrawal notice.

122.3 Subd. 5. **Individual eligibility and application requirements.** (a) To be eligible for
122.4 the drug repository program, an individual must submit to a local repository an intake
122.5 application form that is signed by the individual and attests that the individual:

122.6 (1) is a resident of Minnesota;

122.7 (2) is uninsured, has no prescription drug coverage, or is underinsured;

122.8 (3) acknowledges that the drugs or medical supplies to be received through the program
122.9 may have been donated; and

122.10 (4) consents to a waiver of the child-resistant packaging requirements of the federal
122.11 Poison Prevention Packaging Act.

122.12 (b) Upon determining that an individual is eligible for the program, the local repository
122.13 shall furnish the individual with an identification card. The card shall be valid for one year
122.14 from the date of issuance and may be used at any local repository. A new identification card
122.15 may be issued upon expiration once the individual submits a new application form.

122.16 (c) The local repository shall send a copy of the intake application form to the central
122.17 repository by regular mail, facsimile, or secured e-mail within ten days from the date the
122.18 application is approved by the local repository.

122.19 (d) The board shall develop and make available on the board's Web site an application
122.20 form and the format for the identification card.

122.21 Subd. 6. **Standards and procedures for accepting donations of drugs and supplies.**

122.22 (a) A donor may donate prescription drugs or medical supplies to the central repository or
122.23 a local repository if the drug or supply meets the requirements of this section as determined
122.24 by a pharmacist or practitioner who is employed by or under contract with the central
122.25 repository or a local repository.

122.26 (b) A prescription drug is eligible for donation under the drug repository program if the
122.27 following requirements are met:

122.28 (1) the donation is accompanied by a drug repository donor form described under
122.29 paragraph (d) that is signed by an individual who is authorized by the donor to attest to the
122.30 donor's knowledge in accordance with paragraph (d);

122.31 (2) the drug's expiration date is at least six months after the date the drug was donated.
122.32 If a donated drug bears an expiration date that is less than six months from the donation

123.1 date, the drug may be accepted and distributed if the drug is in high demand and can be
123.2 dispensed for use by a patient before the drug's expiration date;

123.3 (3) the drug is in its original, sealed, unopened, tamper-evident packaging that includes
123.4 the expiration date. Single-unit-dose drugs may be accepted if the single-unit-dose packaging
123.5 is unopened;

123.6 (4) the drug or the packaging does not have any physical signs of tampering, misbranding,
123.7 deterioration, compromised integrity, or adulteration;

123.8 (5) the drug does not require storage temperatures other than normal room temperature
123.9 as specified by the manufacturer or United States Pharmacopoeia, unless the drug is being
123.10 donated directly by its manufacturer, a wholesale drug distributor, or a pharmacy located
123.11 in Minnesota; and

123.12 (6) the prescription drug is not a controlled substance.

123.13 (c) A medical supply is eligible for donation under the drug repository program if the
123.14 following requirements are met:

123.15 (1) the supply has no physical signs of tampering, misbranding, or alteration and there
123.16 is no reason to believe it has been adulterated, tampered with, or misbranded;

123.17 (2) the supply is in its original, unopened, sealed packaging;

123.18 (3) the donation is accompanied by a drug repository donor form described under
123.19 paragraph (d) that is signed by an individual who is authorized by the donor to attest to the
123.20 donor's knowledge in accordance with paragraph (d); and

123.21 (4) if the supply bears an expiration date, the date is at least six months later than the
123.22 date the supply was donated. If the donated supply bears an expiration date that is less than
123.23 six months from the date the supply was donated, the supply may be accepted and distributed
123.24 if the supply is in high demand and can be dispensed for use by a patient before the supply's
123.25 expiration date.

123.26 (d) The board shall develop the drug repository donor form and make it available on the
123.27 board's Web site. The form must state that to the best of the donor's knowledge the donated
123.28 drug or supply has been properly stored and that the drug or supply has never been opened,
123.29 used, tampered with, adulterated, or misbranded.

123.30 (e) Donated drugs and supplies may be shipped or delivered to the premises of the central
123.31 repository or a local repository, and shall be inspected by a pharmacist or an authorized
123.32 practitioner who is employed by or under contract with the repository and who has been

124.1 designated by the repository to accept donations. A drop box must not be used to deliver
124.2 or accept donations.

124.3 (f) The central repository and local repository shall inventory all drugs and supplies
124.4 donated to the repository. For each drug, the inventory must include the drug's name, strength,
124.5 quantity, manufacturer, expiration date, and the date the drug was donated. For each medical
124.6 supply, the inventory must include a description of the supply, its manufacturer, the date
124.7 the supply was donated, and, if applicable, the supply's brand name and expiration date.

124.8 **Subd. 7. Standards and procedures for inspecting and storing donated prescription**
124.9 **drugs and supplies.** (a) A pharmacist or authorized practitioner who is employed by or
124.10 under contract with the central repository or a local repository shall inspect all donated
124.11 prescription drugs and supplies to determine, to the extent reasonably possible in the
124.12 professional judgment of the pharmacist or practitioner, that the drug or supply is not
124.13 adulterated or misbranded, has not been tampered with, is safe and suitable for dispensing,
124.14 and meets the requirements for donation. The pharmacist or practitioner who inspects the
124.15 drugs or supplies shall sign an inspection record stating that the requirements for donation
124.16 have been met. If a local repository receives drugs and supplies from the central repository,
124.17 the local repository does not need to reinspect the drugs and supplies.

124.18 (b) The central repository and local repositories shall store donated drugs and supplies
124.19 in a secure storage area under environmental conditions appropriate for the drug or supply
124.20 being stored. Donated drugs and supplies may not be stored with nondonated inventory. If
124.21 donated drugs or supplies are not inspected immediately upon receipt, a repository must
124.22 quarantine the donated drugs or supplies separately from all dispensing stock until the
124.23 donated drugs or supplies have been inspected and approved for dispensing under the
124.24 program.

124.25 (c) The central repository and local repositories shall dispose of all prescription drugs
124.26 and medical supplies that are not suitable for donation in compliance with applicable federal
124.27 and state statutes, regulations, and rules concerning hazardous waste.

124.28 (d) In the event that controlled substances or prescription drugs that can only be dispensed
124.29 to a patient registered with the drug's manufacturer are shipped or delivered to a central or
124.30 local repository for donation, the shipment delivery must be documented by the repository
124.31 and returned immediately to the donor or the donor's representative that provided the drugs.

124.32 (e) Each repository must develop drug and medical supply recall policies and procedures.
124.33 If a repository receives a recall notification, the repository shall destroy all of the drug or
124.34 medical supply in its inventory that is the subject of the recall and complete a record of

125.1 destruction form in accordance with paragraph (f). If a drug or medical supply that is the
125.2 subject of a Class I or Class II recall has been dispensed, the repository shall immediately
125.3 notify the recipient of the recalled drug or medical supply. A drug that potentially is subject
125.4 to a recall need not be destroyed if its packaging bears a lot number and that lot of the drug
125.5 is not subject to the recall. If no lot number is on the drug's packaging, it must be destroyed.

125.6 (f) A record of destruction of donated drugs and supplies that are not dispensed under
125.7 subdivision 8, are subject to a recall under paragraph (e), or are not suitable for donation
125.8 shall be maintained by the repository for at least five years. For each drug or supply
125.9 destroyed, the record shall include the following information:

125.10 (1) the date of destruction;

125.11 (2) the name, strength, and quantity of the drug destroyed; and

125.12 (3) the name of the person or firm that destroyed the drug.

125.13 Subd. 8. **Dispensing requirements.** (a) Donated drugs and supplies may be dispensed
125.14 if the drugs or supplies are prescribed by a practitioner for use by an eligible individual and
125.15 are dispensed by a pharmacist or practitioner. A repository shall dispense drugs and supplies
125.16 to eligible individuals in the following priority order: (1) individuals who are uninsured;
125.17 (2) individuals with no prescription drug coverage; and (3) individuals who are underinsured.
125.18 A repository shall dispense donated prescription drugs in compliance with applicable federal
125.19 and state laws and regulations for dispensing prescription drugs, including all requirements
125.20 relating to packaging, labeling, record keeping, drug utilization review, and patient
125.21 counseling.

125.22 (b) Before dispensing or administering a drug or supply, the pharmacist or practitioner
125.23 shall visually inspect the drug or supply for adulteration, misbranding, tampering, and date
125.24 of expiration. Drugs or supplies that have expired or appear upon visual inspection to be
125.25 adulterated, misbranded, or tampered with in any way must not be dispensed or administered.

125.26 (c) Before a drug or supply is dispensed or administered to an individual, the individual
125.27 must sign a drug repository recipient form acknowledging that the individual understands
125.28 the information stated on the form. The board shall develop the form and make it available
125.29 on the board's Web site. The form must include the following information:

125.30 (1) that the drug or supply being dispensed or administered has been donated and may
125.31 have been previously dispensed;

126.1 (2) that a visual inspection has been conducted by the pharmacist or practitioner to ensure
126.2 that the drug or supply has not expired, has not been adulterated or misbranded, and is in
126.3 its original, unopened packaging; and

126.4 (3) that the dispensing pharmacist, the dispensing or administering practitioner, the
126.5 central repository or local repository, the Board of Pharmacy, and any other participant of
126.6 the drug repository program cannot guarantee the safety of the drug or medical supply being
126.7 dispensed or administered and that the pharmacist or practitioner has determined that the
126.8 drug or supply is safe to dispense or administer based on the accuracy of the donor's form
126.9 submitted with the donated drug or medical supply and the visual inspection required to be
126.10 performed by the pharmacist or practitioner before dispensing or administering.

126.11 Subd. 9. **Handling fees.** (a) The central or local repository may charge the individual
126.12 receiving a drug or supply a handling fee of no more than 250 percent of the medical
126.13 assistance program dispensing fee for each drug or medical supply dispensed or administered
126.14 by that repository.

126.15 (b) A repository that dispenses or administers a drug or medical supply through the drug
126.16 repository program shall not receive reimbursement under the medical assistance program
126.17 or the MinnesotaCare program for that dispensed or administered drug or supply.

126.18 Subd. 10. **Distribution of donated drugs and supplies.** (a) The central repository and
126.19 local repositories may distribute drugs and supplies donated under the drug repository
126.20 program to other participating repositories for use pursuant to this program.

126.21 (b) A local repository that elects not to dispense donated drugs or supplies must transfer
126.22 all donated drugs and supplies to the central repository. A copy of the donor form that was
126.23 completed by the original donor under subdivision 6 must be provided to the central
126.24 repository at the time of transfer.

126.25 Subd. 11. **Forms and record-keeping requirements.** (a) The following forms developed
126.26 for the administration of this program shall be utilized by the participants of the program
126.27 and shall be available on the board's Web site:

126.28 (1) intake application form described under subdivision 5;

126.29 (2) local repository participation form described under subdivision 4;

126.30 (3) local repository withdrawal form described under subdivision 4;

126.31 (4) drug repository donor form described under subdivision 6;

126.32 (5) record of destruction form described under subdivision 7; and

127.1 (6) drug repository recipient form described under subdivision 8.

127.2 (b) All records, including drug inventory, inspection, and disposal of donated prescription
127.3 drugs and medical supplies must be maintained by a repository for a minimum of five years.
127.4 Records required as part of this program must be maintained pursuant to all applicable
127.5 practice acts.

127.6 (c) Data collected by the drug repository program from all local repositories shall be
127.7 submitted quarterly or upon request to the central repository. Data collected may consist of
127.8 the information, records, and forms required to be collected under this section.

127.9 (d) The central repository shall submit reports to the board as required by the contract
127.10 or upon request of the board.

127.11 Subd. 12. **Liability.** (a) The manufacturer of a drug or supply is not subject to criminal
127.12 or civil liability for injury, death, or loss to a person or to property for causes of action
127.13 described in clauses (1) and (2). A manufacturer is not liable for:

127.14 (1) the intentional or unintentional alteration of the drug or supply by a party not under
127.15 the control of the manufacturer; or

127.16 (2) the failure of a party not under the control of the manufacturer to transfer or
127.17 communicate product or consumer information or the expiration date of the donated drug
127.18 or supply.

127.19 (b) A health care facility participating in the program, a pharmacist dispensing a drug
127.20 or supply pursuant to the program, a practitioner dispensing or administering a drug or
127.21 supply pursuant to the program, or a donor of a drug or medical supply is immune from
127.22 civil liability for an act or omission that causes injury to or the death of an individual to
127.23 whom the drug or supply is dispensed and no disciplinary action by a health-related licensing
127.24 board shall be taken against a pharmacist or practitioner so long as the drug or supply is
127.25 donated, accepted, distributed, and dispensed according to the requirements of this section.
127.26 This immunity does not apply if the act or omission involves reckless, wanton, or intentional
127.27 misconduct, or malpractice unrelated to the quality of the drug or medical supply.

127.28 Sec. 4. Minnesota Statutes 2016, section 151.71, is amended by adding a subdivision to
127.29 read:

127.30 Subd. 3. **Lowest cost to consumers.** (a) A health plan company or pharmacy benefits
127.31 manager shall not require an individual to make a payment at the point of sale for a covered
127.32 prescription medication in an amount greater than the allowable cost to consumers, as
127.33 defined in paragraph (b).

128.1 (b) For purposes of paragraph (a), "allowable cost to consumers" means the lowest of:
128.2 (1) the applicable co-payment for the prescription medication; or (2) the amount an individual
128.3 would pay for the prescription medication if the individual purchased the prescription
128.4 medication without using a health plan benefit.

128.5 Sec. 5. Minnesota Statutes 2017 Supplement, section 152.105, subdivision 2, is amended
128.6 to read:

128.7 Subd. 2. **Sheriff to maintain collection receptacle.** The sheriff of each county shall
128.8 maintain or contract for the maintenance of at least one collection receptacle for the disposal
128.9 of noncontrolled substances, pharmaceutical controlled substances, and other legend drugs,
128.10 as permitted by federal law. For purposes of this section, "legend drug" has the meaning
128.11 given in section 151.01, subdivision 17. The collection receptacle must comply with federal
128.12 law. In maintaining and operating the collection receptacle, the sheriff shall follow all
128.13 applicable provisions of Code of Federal Regulations, title 21, parts 1300, 1301, 1304, 1305,
128.14 1307, and 1317, as amended through May 1, 2017. The sheriff of each county may meet
128.15 the requirements of this subdivision though the use of an alternative method for the disposal
128.16 of noncontrolled substances, pharmaceutical controlled substances, and other legend drugs
128.17 that has been approved by the Board of Pharmacy. This may include making available to
128.18 the public, without charge, at-home prescription drug deactivation and disposal products
128.19 that render drugs and medications inert and irretrievable.

128.20 Sec. 6. Minnesota Statutes 2016, section 152.11, is amended by adding a subdivision to
128.21 read:

128.22 Subd. 5. **Limitations on the dispensing of opioid prescription drug orders.** (a) No
128.23 prescription drug order for an opioid drug listed in Schedule II may be dispensed by a
128.24 pharmacist or other dispenser more than 30 days after the date on which the prescription
128.25 drug order was issued.

128.26 (b) No prescription drug order for an opioid drug listed in Schedules III through V may
128.27 be initially dispensed by a pharmacist or other dispenser more than 30 days after the date
128.28 on which the prescription drug order was issued. No prescription drug order for an opioid
128.29 drug listed in Schedules III through V may be refilled by a pharmacist or other dispenser
128.30 more than 45 days after the previous date on which it was dispensed.

128.31 (c) For purposes of this section, "dispenser" has the meaning given in section 152.126,
128.32 subdivision 1.

129.1 **Sec. 7. STUDENT HEALTH INITIATIVE TO LIMIT OPIOID HARM.**

129.2 **Subdivision 1. Grant awards.** The commissioner of human services, in consultation
129.3 with the commissioner of education, the Board of Trustees of the Minnesota State Colleges
129.4 and Universities, the Board of Directors of the Minnesota Private College Council, and the
129.5 regents of the University of Minnesota, shall develop and administer a program to award
129.6 grants to secondary school students in grades 7 through 12 and undergraduate students
129.7 attending a Minnesota postsecondary educational institution, and their community partner
129.8 or partners, to conduct opioid awareness and opioid abuse prevention activities. If a grant
129.9 proposal includes more than one community partner, the proposal must designate a primary
129.10 community partner. Grant applications must be submitted by the primary community partner
129.11 and any grant award must be managed by the primary community partner on behalf of
129.12 secondary school and undergraduate student applicants and grantees. Grants shall be awarded
129.13 for a fiscal year and are onetime.

129.14 **Subd. 2. Grant criteria.** (a) Grant dollars may be used for opioid awareness campaigns
129.15 and events, education related to opioid addiction and abuse prevention, initiatives to limit
129.16 inappropriate opioid prescriptions, peer education programs targeted to students at high risk
129.17 of opioid addiction and abuse, and other related initiatives as approved by the commissioner.
129.18 Grant projects must include one or more of the following components as they relate to opioid
129.19 abuse and prevention and the role of the community partner: high-risk populations, law
129.20 enforcement, education, clinical services, or social services.

129.21 (b) The commissioner of human services shall seek to provide grant funding for at least
129.22 one proposal that addresses opioid abuse in the American Indian community.

129.23 **Subd. 3. Community partners.** For purposes of the grant program, community partners
129.24 may include but are not limited to public health agencies; local law enforcement; community
129.25 health centers; medical clinics; emergency medical service professionals; schools and
129.26 postsecondary educational institutions; opioid addiction, advocacy, and recovery
129.27 organizations; tribal governments; local chambers of commerce; and city councils and
129.28 county boards.

129.29 **Subd. 4. Report.** The commissioner of human services shall report to the chairs and
129.30 ranking minority members of the legislative committees with jurisdiction over health and
129.31 human services policy and finance, K-12 education policy and finance, and higher education
129.32 policy and finance by September 1, 2019, on the implementation of the grant program and
129.33 the grants awarded under this section.

130.1 Subd. 5. **Federal grants.** (a) The commissioner of human services shall apply for any
130.2 federal grant funding that aligns with the purposes of this section. The commissioner shall
130.3 submit to the legislature any changes to the program established under this section that are
130.4 necessary to comply with the terms of the federal grant.

130.5 (b) The commissioner shall notify the chairs and ranking minority members of the
130.6 legislative committees with jurisdiction over health and human services policy and finance,
130.7 K-12 education policy and finance, and higher education policy and finance of any grant
130.8 applications submitted and any federal actions taken related to the grant applications.

130.9 **Sec. 8. OPIOID OVERDOSE REDUCTION PILOT PROGRAM.**

130.10 Subdivision 1. **Establishment.** The commissioner of health shall provide grants to
130.11 ambulance services to fund activities by community paramedic teams to reduce opioid
130.12 overdoses in the state. Under this pilot program, ambulance services shall develop and
130.13 implement projects in which community paramedics connect with patients who are discharged
130.14 from a hospital or emergency department following an opioid overdose episode, develop
130.15 personalized care plans for those patients in consultation with the ambulance service medical
130.16 director, and provide follow-up services to those patients.

130.17 Subd. 2. **Priority areas; services.** (a) In a project developed under this section, an
130.18 ambulance service must target community paramedic team services to portions of the service
130.19 area with high levels of opioid use, high death rates from opioid overdoses, and urgent needs
130.20 for interventions.

130.21 (b) In a project developed under this section, a community paramedic team shall:

130.22 (1) provide services to patients released from a hospital following an opioid overdose
130.23 episode and place priority on serving patients who were administered the opiate antagonist
130.24 naloxone hydrochloride by emergency medical services personnel in response to a 911 call
130.25 during the opioid overdose episode;

130.26 (2) provide the following evaluations during an initial home visit: a home safety
130.27 assessment including whether there is a need to dispose of prescription drugs that are expired
130.28 or no longer needed; medication reconciliation; an HIV risk assessment; instruction on the
130.29 use of naloxone hydrochloride; and a basic needs assessment;

130.30 (3) provide patients with health assessments, medication management, chronic disease
130.31 monitoring and education, and assistance in following hospital discharge orders; and

130.32 (4) work with a multidisciplinary team to address the overall physical and mental health
130.33 needs of patients and health needs related to substance use disorder treatment.

131.1 Subd. 3. **Evaluation.** An ambulance service that receives a grant under this section must
131.2 evaluate the extent to which the project was successful in reducing the number of opioid
131.3 overdoses and opioid overdose deaths among patients who received services and in reducing
131.4 the inappropriate use of opioids by patients who received services. The commissioner of
131.5 health shall develop specific evaluation measures and reporting timelines for ambulance
131.6 services receiving grants. Ambulance services must submit the information required by the
131.7 commissioner to the commissioner and the chairs and ranking minority members of the
131.8 legislative committees with jurisdiction over health and human services by December 1,
131.9 2019.

131.10 Sec. 9. **REPEALER.**

131.11 Minnesota Statutes 2016, section 151.55, is repealed.

131.12

ARTICLE 5

131.13

COMMUNITY SUPPORTS AND CONTINUING CARE

131.14 Section 1. Minnesota Statutes 2017 Supplement, section 245A.03, subdivision 7, is
131.15 amended to read:

131.16 Subd. 7. **Licensing moratorium.** (a) The commissioner shall not issue an initial license
131.17 for child foster care licensed under Minnesota Rules, parts 2960.3000 to 2960.3340, or adult
131.18 foster care licensed under Minnesota Rules, parts 9555.5105 to 9555.6265, under this chapter
131.19 for a physical location that will not be the primary residence of the license holder for the
131.20 entire period of licensure. If a license is issued during this moratorium, and the license
131.21 holder changes the license holder's primary residence away from the physical location of
131.22 the foster care license, the commissioner shall revoke the license according to section
131.23 245A.07. The commissioner shall not issue an initial license for a community residential
131.24 setting licensed under chapter 245D. When approving an exception under this paragraph,
131.25 the commissioner shall consider the resource need determination process in paragraph (h),
131.26 the availability of foster care licensed beds in the geographic area in which the licensee
131.27 seeks to operate, the results of a person's choices during their annual assessment and service
131.28 plan review, and the recommendation of the local county board. The determination by the
131.29 commissioner is final and not subject to appeal. Exceptions to the moratorium include:

131.30 (1) foster care settings that are required to be registered under chapter 144D;

131.31 (2) foster care licenses replacing foster care licenses in existence on May 15, 2009, or
131.32 community residential setting licenses replacing adult foster care licenses in existence on

132.1 December 31, 2013, and determined to be needed by the commissioner under paragraph
132.2 (b);

132.3 (3) new foster care licenses or community residential setting licenses determined to be
132.4 needed by the commissioner under paragraph (b) for the closure of a nursing facility, ICF/DD,
132.5 or regional treatment center; restructuring of state-operated services that limits the capacity
132.6 of state-operated facilities; or allowing movement to the community for people who no
132.7 longer require the level of care provided in state-operated facilities as provided under section
132.8 256B.092, subdivision 13, or 256B.49, subdivision 24;

132.9 (4) new foster care licenses or community residential setting licenses determined to be
132.10 needed by the commissioner under paragraph (b) for persons requiring hospital level care;

132.11 (5) new foster care licenses or community residential setting licenses determined to be
132.12 needed by the commissioner for the transition of people from personal care assistance to
132.13 the home and community-based services;

132.14 (6) new foster care licenses or community residential setting licenses determined to be
132.15 needed by the commissioner for the transition of people from the residential care waiver
132.16 services to foster care services. This exception applies only when:

132.17 (i) the person's case manager provided the person with information about the choice of
132.18 service, service provider, and location of service to help the person make an informed choice;
132.19 and

132.20 (ii) the person's foster care services are less than or equal to the cost of the person's
132.21 services delivered in the residential care waiver service setting as determined by the lead
132.22 agency; ~~or~~

132.23 (7) new foster care licenses or community residential setting licenses for people receiving
132.24 services under chapter 245D and residing in an unlicensed setting before May 1, 2017, and
132.25 for which a license is required. This exception does not apply to people living in their own
132.26 home. For purposes of this clause, there is a presumption that a foster care or community
132.27 residential setting license is required for services provided to three or more people in a
132.28 dwelling unit when the setting is controlled by the provider. A license holder subject to this
132.29 exception may rebut the presumption that a license is required by seeking a reconsideration
132.30 of the commissioner's determination. The commissioner's disposition of a request for
132.31 reconsideration is final and not subject to appeal under chapter 14. The exception is available
132.32 until June 30, ~~2018~~ 2019. This exception is available when:

133.1 (i) the person's case manager provided the person with information about the choice of
133.2 service, service provider, and location of service, including in the person's home, to help
133.3 the person make an informed choice; and

133.4 (ii) the person's services provided in the licensed foster care or community residential
133.5 setting are less than or equal to the cost of the person's services delivered in the unlicensed
133.6 setting as determined by the lead agency; or

133.7 (8) a vacancy in a setting granted an exception under clause (7) may receive an exception
133.8 created by a person receiving services under chapter 245D and residing in the unlicensed
133.9 setting between January 1, 2017, and May 1, 2017, for which a vacancy occurs between
133.10 January 1, 2017, and the date of the exception request. This exception is available when the
133.11 lead agency provides documentation to the commissioner on the eligibility criteria being
133.12 met. This exception is available until June 30, 2019.

133.13 (b) The commissioner shall determine the need for newly licensed foster care homes or
133.14 community residential settings as defined under this subdivision. As part of the determination,
133.15 the commissioner shall consider the availability of foster care capacity in the area in which
133.16 the licensee seeks to operate, and the recommendation of the local county board. The
133.17 determination by the commissioner must be final. A determination of need is not required
133.18 for a change in ownership at the same address.

133.19 (c) When an adult resident served by the program moves out of a foster home that is not
133.20 the primary residence of the license holder according to section 256B.49, subdivision 15,
133.21 paragraph (f), or the adult community residential setting, the county shall immediately
133.22 inform the Department of Human Services Licensing Division. The department may decrease
133.23 the statewide licensed capacity for adult foster care settings.

133.24 (d) Residential settings that would otherwise be subject to the decreased license capacity
133.25 established in paragraph (c) shall be exempt if the license holder's beds are occupied by
133.26 residents whose primary diagnosis is mental illness and the license holder is certified under
133.27 the requirements in subdivision 6a or section 245D.33.

133.28 (e) A resource need determination process, managed at the state level, using the available
133.29 reports required by section 144A.351, and other data and information shall be used to
133.30 determine where the reduced capacity determined under section 256B.493 will be
133.31 implemented. The commissioner shall consult with the stakeholders described in section
133.32 144A.351, and employ a variety of methods to improve the state's capacity to meet the
133.33 informed decisions of those people who want to move out of corporate foster care or
133.34 community residential settings, long-term service needs within budgetary limits, including

134.1 seeking proposals from service providers or lead agencies to change service type, capacity,
134.2 or location to improve services, increase the independence of residents, and better meet
134.3 needs identified by the long-term services and supports reports and statewide data and
134.4 information.

134.5 (f) At the time of application and reapplication for licensure, the applicant and the license
134.6 holder that are subject to the moratorium or an exclusion established in paragraph (a) are
134.7 required to inform the commissioner whether the physical location where the foster care
134.8 will be provided is or will be the primary residence of the license holder for the entire period
134.9 of licensure. If the primary residence of the applicant or license holder changes, the applicant
134.10 or license holder must notify the commissioner immediately. The commissioner shall print
134.11 on the foster care license certificate whether or not the physical location is the primary
134.12 residence of the license holder.

134.13 (g) License holders of foster care homes identified under paragraph (f) that are not the
134.14 primary residence of the license holder and that also provide services in the foster care home
134.15 that are covered by a federally approved home and community-based services waiver, as
134.16 authorized under section 256B.0915, 256B.092, or 256B.49, must inform the human services
134.17 licensing division that the license holder provides or intends to provide these waiver-funded
134.18 services.

134.19 (h) The commissioner may adjust capacity to address needs identified in section
134.20 144A.351. Under this authority, the commissioner may approve new licensed settings or
134.21 delicense existing settings. Delicensing of settings will be accomplished through a process
134.22 identified in section 256B.493. Annually, by August 1, the commissioner shall provide
134.23 information and data on capacity of licensed long-term services and supports, actions taken
134.24 under the subdivision to manage statewide long-term services and supports resources, and
134.25 any recommendations for change to the legislative committees with jurisdiction over the
134.26 health and human services budget.

134.27 (i) The commissioner must notify a license holder when its corporate foster care or
134.28 community residential setting licensed beds are reduced under this section. The notice of
134.29 reduction of licensed beds must be in writing and delivered to the license holder by certified
134.30 mail or personal service. The notice must state why the licensed beds are reduced and must
134.31 inform the license holder of its right to request reconsideration by the commissioner. The
134.32 license holder's request for reconsideration must be in writing. If mailed, the request for
134.33 reconsideration must be postmarked and sent to the commissioner within 20 calendar days
134.34 after the license holder's receipt of the notice of reduction of licensed beds. If a request for

135.1 reconsideration is made by personal service, it must be received by the commissioner within
135.2 20 calendar days after the license holder's receipt of the notice of reduction of licensed beds.

135.3 (j) The commissioner shall not issue an initial license for children's residential treatment
135.4 services licensed under Minnesota Rules, parts 2960.0580 to 2960.0700, under this chapter
135.5 for a program that Centers for Medicare and Medicaid Services would consider an institution
135.6 for mental diseases. Facilities that serve only private pay clients are exempt from the
135.7 moratorium described in this paragraph. The commissioner has the authority to manage
135.8 existing statewide capacity for children's residential treatment services subject to the
135.9 moratorium under this paragraph and may issue an initial license for such facilities if the
135.10 initial license would not increase the statewide capacity for children's residential treatment
135.11 services subject to the moratorium under this paragraph.

135.12 Sec. 2. Minnesota Statutes 2017 Supplement, section 245A.11, subdivision 2a, is amended
135.13 to read:

135.14 Subd. 2a. **Adult foster care and community residential setting license capacity.** (a)
135.15 The commissioner shall issue adult foster care and community residential setting licenses
135.16 with a maximum licensed capacity of four beds, including nonstaff roomers and boarders,
135.17 except that the commissioner may issue a license with a capacity of five beds, including
135.18 roomers and boarders, according to paragraphs (b) to (g).

135.19 (b) The license holder may have a maximum license capacity of five if all persons in
135.20 care are age 55 or over and do not have a serious and persistent mental illness or a
135.21 developmental disability.

135.22 (c) The commissioner may grant variances to paragraph (b) to allow a facility with a
135.23 licensed capacity of up to five persons to admit an individual under the age of 55 if the
135.24 variance complies with section 245A.04, subdivision 9, and approval of the variance is
135.25 recommended by the county in which the licensed facility is located.

135.26 (d) The commissioner may grant variances to paragraph (a) to allow the use of an
135.27 additional bed, up to five, for emergency crisis services for a person with serious and
135.28 persistent mental illness or a developmental disability, regardless of age, if the variance
135.29 complies with section 245A.04, subdivision 9, and approval of the variance is recommended
135.30 by the county in which the licensed facility is located.

135.31 (e) The commissioner may grant a variance to paragraph (b) to allow for the use of an
135.32 additional bed, up to five, for respite services, as defined in section 245A.02, for persons
135.33 with disabilities, regardless of age, if the variance complies with sections 245A.03,

136.1 subdivision 7, and 245A.04, subdivision 9, and approval of the variance is recommended
136.2 by the county in which the licensed facility is located. Respite care may be provided under
136.3 the following conditions:

136.4 (1) staffing ratios cannot be reduced below the approved level for the individuals being
136.5 served in the home on a permanent basis;

136.6 (2) no more than two different individuals can be accepted for respite services in any
136.7 calendar month and the total respite days may not exceed 120 days per program in any
136.8 calendar year;

136.9 (3) the person receiving respite services must have his or her own bedroom, which could
136.10 be used for alternative purposes when not used as a respite bedroom, and cannot be the
136.11 room of another person who lives in the facility; and

136.12 (4) individuals living in the facility must be notified when the variance is approved. The
136.13 provider must give 60 days' notice in writing to the residents and their legal representatives
136.14 prior to accepting the first respite placement. Notice must be given to residents at least two
136.15 days prior to service initiation, or as soon as the license holder is able if they receive notice
136.16 of the need for respite less than two days prior to initiation, each time a respite client will
136.17 be served, unless the requirement for this notice is waived by the resident or legal guardian.

136.18 (f) The commissioner may issue an adult foster care or community residential setting
136.19 license with a capacity of five adults if the fifth bed does not increase the overall statewide
136.20 capacity of licensed adult foster care or community residential setting beds in homes that
136.21 are not the primary residence of the license holder, as identified in a plan submitted to the
136.22 commissioner by the county, when the capacity is recommended by the county licensing
136.23 agency of the county in which the facility is located and if the recommendation verifies
136.24 that:

136.25 (1) the facility meets the physical environment requirements in the adult foster care
136.26 licensing rule;

136.27 (2) the five-bed living arrangement is specified for each resident in the resident's:

136.28 (i) individualized plan of care;

136.29 (ii) individual service plan under section 256B.092, subdivision 1b, if required; or

136.30 (iii) individual resident placement agreement under Minnesota Rules, part 9555.5105,
136.31 subpart 19, if required;

137.1 (3) the license holder obtains written and signed informed consent from each resident
137.2 or resident's legal representative documenting the resident's informed choice to remain
137.3 living in the home and that the resident's refusal to consent would not have resulted in
137.4 service termination; and

137.5 (4) the facility was licensed for adult foster care before ~~March 1, 2011~~ June 30, 2016.

137.6 (g) The commissioner shall not issue a new adult foster care license under paragraph (f)
137.7 after June 30, ~~2019~~ 2021. The commissioner shall allow a facility with an adult foster care
137.8 license issued under paragraph (f) before June 30, ~~2019~~ 2021, to continue with a capacity
137.9 of five adults if the license holder continues to comply with the requirements in paragraph
137.10 (f).

137.11 Sec. 3. Minnesota Statutes 2017 Supplement, section 245D.03, subdivision 1, is amended
137.12 to read:

137.13 Subdivision 1. **Applicability.** (a) The commissioner shall regulate the provision of home
137.14 and community-based services to persons with disabilities and persons age 65 and older
137.15 pursuant to this chapter. The licensing standards in this chapter govern the provision of
137.16 basic support services and intensive support services.

137.17 (b) Basic support services provide the level of assistance, supervision, and care that is
137.18 necessary to ensure the health and welfare of the person and do not include services that
137.19 are specifically directed toward the training, treatment, habilitation, or rehabilitation of the
137.20 person. Basic support services include:

137.21 (1) in-home and out-of-home respite care services as defined in section 245A.02,
137.22 subdivision 15, and under the brain injury, community alternative care, community access
137.23 for disability inclusion, developmental disability, and elderly waiver plans, excluding
137.24 out-of-home respite care provided to children in a family child foster care home licensed
137.25 under Minnesota Rules, parts 2960.3000 to 2960.3100, when the child foster care license
137.26 holder complies with the requirements under section 245D.06, subdivisions 5, 6, 7, and 8,
137.27 or successor provisions; and section 245D.061 or successor provisions, which must be
137.28 stipulated in the statement of intended use required under Minnesota Rules, part 2960.3000,
137.29 subpart 4;

137.30 (2) adult companion services as defined under the brain injury, community access for
137.31 disability inclusion, community alternative care, and elderly waiver plans, excluding adult
137.32 companion services provided under the Corporation for National and Community Services

138.1 Senior Companion Program established under the Domestic Volunteer Service Act of 1973,
138.2 Public Law 98-288;

138.3 (3) personal support as defined under the developmental disability waiver plan;

138.4 (4) 24-hour emergency assistance, personal emergency response as defined under the
138.5 community access for disability inclusion and developmental disability waiver plans;

138.6 (5) night supervision services as defined under the brain injury, community access for
138.7 disability inclusion, community alternative care, and developmental disability waiver plan
138.8 plans;

138.9 (6) homemaker services as defined under the community access for disability inclusion,
138.10 brain injury, community alternative care, developmental disability, and elderly waiver plans,
138.11 excluding providers licensed by the Department of Health under chapter 144A and those
138.12 providers providing cleaning services only; and

138.13 (7) individual community living support under section 256B.0915, subdivision 3j.

138.14 (c) Intensive support services provide assistance, supervision, and care that is necessary
138.15 to ensure the health and welfare of the person and services specifically directed toward the
138.16 training, habilitation, or rehabilitation of the person. Intensive support services include:

138.17 (1) intervention services, including:

138.18 (i) ~~behavioral~~ positive support services as defined under the brain injury ~~and~~, community
138.19 access for disability inclusion, community alternative care, and developmental disability
138.20 waiver plans;

138.21 (ii) in-home or out-of-home crisis respite services as defined under the brain injury,
138.22 community access for disability inclusion, community alternative care, and developmental
138.23 disability waiver plan plans; and

138.24 (iii) specialist services as defined under the current brain injury, community access for
138.25 disability inclusion, community alternative care, and developmental disability waiver plan
138.26 plans;

138.27 (2) in-home support services, including:

138.28 (i) in-home family support and supported living services as defined under the
138.29 developmental disability waiver plan;

138.30 (ii) independent living services training as defined under the brain injury and community
138.31 access for disability inclusion waiver plans;

- 139.1 (iii) semi-independent living services; and
- 139.2 (iv) individualized home supports services as defined under the brain injury, community
139.3 alternative care, and community access for disability inclusion waiver plans;
- 139.4 (3) residential supports and services, including:
- 139.5 (i) supported living services as defined under the developmental disability waiver plan
139.6 provided in a family or corporate child foster care residence, a family adult foster care
139.7 residence, a community residential setting, or a supervised living facility;
- 139.8 (ii) foster care services as defined in the brain injury, community alternative care, and
139.9 community access for disability inclusion waiver plans provided in a family or corporate
139.10 child foster care residence, a family adult foster care residence, or a community residential
139.11 setting; and
- 139.12 (iii) residential services provided to more than four persons with developmental
139.13 disabilities in a supervised living facility, including ICFs/DD;
- 139.14 (4) day services, including:
- 139.15 (i) structured day services as defined under the brain injury waiver plan;
- 139.16 (ii) day training and habilitation services under sections 252.41 to 252.46, and as defined
139.17 under the developmental disability waiver plan; and
- 139.18 (iii) prevocational services as defined under the brain injury and community access for
139.19 disability inclusion waiver plans; and
- 139.20 (5) employment exploration services as defined under the brain injury, community
139.21 alternative care, community access for disability inclusion, and developmental disability
139.22 waiver plans;
- 139.23 (6) employment development services as defined under the brain injury, community
139.24 alternative care, community access for disability inclusion, and developmental disability
139.25 waiver plans; and
- 139.26 (7) employment support services as defined under the brain injury, community alternative
139.27 care, community access for disability inclusion, and developmental disability waiver plans.

139.28 Sec. 4. Minnesota Statutes 2016, section 245D.071, subdivision 5, is amended to read:

139.29 Subd. 5. **Service plan review and evaluation.** (a) The license holder must give the
139.30 person or the person's legal representative and case manager an opportunity to participate
139.31 in the ongoing review and development of the service plan and the methods used to support

140.1 the person and accomplish outcomes identified in subdivisions 3 and 4. At least once per
140.2 year, or within 30 days of a written request by the person, the person's legal representative,
140.3 or the case manager, the license holder, in coordination with the person's support team or
140.4 expanded support team, must meet with the person, the person's legal representative, and
140.5 the case manager, and participate in service plan review meetings following stated timelines
140.6 established in the person's coordinated service and support plan or coordinated service and
140.7 support plan addendum ~~or within 30 days of a written request by the person, the person's~~
140.8 ~~legal representative, or the case manager, at a minimum of once per year.~~ The purpose of
140.9 the service plan review is to determine whether changes are needed to the service plan based
140.10 on the assessment information, the license holder's evaluation of progress towards
140.11 accomplishing outcomes, or other information provided by the support team or expanded
140.12 support team.

140.13 (b) At least once per year, the license holder, in coordination with the person's support
140.14 team or expanded support team, must meet with the person, the person's legal representative,
140.15 and the case manager to discuss how technology might be used to meet the person's desired
140.16 outcomes. The coordinated service and support plan or support plan addendum must include
140.17 a summary of this discussion. The summary must include a statement regarding any decision
140.18 made related to the use of technology and a description of any further research that must
140.19 be completed before a decision regarding the use of technology can be made. Nothing in
140.20 this paragraph requires the coordinated service and support plan to include the use of
140.21 technology for the provision of services.

140.22 ~~(b)~~ (c) The license holder must summarize the person's status and progress toward
140.23 achieving the identified outcomes and make recommendations and identify the rationale
140.24 for changing, continuing, or discontinuing implementation of supports and methods identified
140.25 in subdivision 4 in a report available at the time of the progress review meeting. The report
140.26 must be sent at least five working days prior to the progress review meeting if requested by
140.27 the team in the coordinated service and support plan or coordinated service and support
140.28 plan addendum.

140.29 ~~(c)~~ (d) The license holder must send the coordinated service and support plan addendum
140.30 to the person, the person's legal representative, and the case manager by mail within ten
140.31 working days of the progress review meeting. Within ten working days of the mailing of
140.32 the coordinated service and support plan addendum, the license holder must obtain dated
140.33 signatures from the person or the person's legal representative and the case manager to
140.34 document approval of any changes to the coordinated service and support plan addendum.

141.1 ~~(d)~~ (e) If, within ten working days of submitting changes to the coordinated service and
 141.2 support plan and coordinated service and support plan addendum, the person or the person's
 141.3 legal representative or case manager has not signed and returned to the license holder the
 141.4 coordinated service and support plan or coordinated service and support plan addendum or
 141.5 has not proposed written modifications to the license holder's submission, the submission
 141.6 is deemed approved and the coordinated service and support plan addendum becomes
 141.7 effective and remains in effect until the legal representative or case manager submits a
 141.8 written request to revise the coordinated service and support plan addendum.

141.9 Sec. 5. Minnesota Statutes 2016, section 245D.091, subdivision 2, is amended to read:

141.10 Subd. 2. ~~Behavior~~ **Positive support professional qualifications.** A ~~behavior~~ positive
 141.11 support professional providing behavioral positive support services as identified in section
 141.12 245D.03, subdivision 1, paragraph (c), clause (1), item (i), must have competencies in the
 141.13 following areas as required under the brain injury ~~and~~ community access for disability
 141.14 inclusion, community alternative care, and developmental disability waiver plans or successor
 141.15 plans:

141.16 (1) ethical considerations;

141.17 (2) functional assessment;

141.18 (3) functional analysis;

141.19 (4) measurement of behavior and interpretation of data;

141.20 (5) selecting intervention outcomes and strategies;

141.21 (6) behavior reduction and elimination strategies that promote least restrictive approved
 141.22 alternatives;

141.23 (7) data collection;

141.24 (8) staff and caregiver training;

141.25 (9) support plan monitoring;

141.26 (10) co-occurring mental disorders or neurocognitive disorder;

141.27 (11) demonstrated expertise with populations being served; and

141.28 (12) must be a:

141.29 (i) psychologist licensed under sections 148.88 to 148.98, who has stated to the Board
 141.30 of Psychology competencies in the above identified areas;

142.1 (ii) clinical social worker licensed as an independent clinical social worker under chapter
 142.2 148D, or a person with a master's degree in social work from an accredited college or
 142.3 university, with at least 4,000 hours of post-master's supervised experience in the delivery
 142.4 of clinical services in the areas identified in clauses (1) to (11);

142.5 (iii) physician licensed under chapter 147 and certified by the American Board of
 142.6 Psychiatry and Neurology or eligible for board certification in psychiatry with competencies
 142.7 in the areas identified in clauses (1) to (11);

142.8 (iv) licensed professional clinical counselor licensed under sections 148B.29 to 148B.39
 142.9 with at least 4,000 hours of post-master's supervised experience in the delivery of clinical
 142.10 services who has demonstrated competencies in the areas identified in clauses (1) to (11);

142.11 (v) person with a master's degree from an accredited college or university in one of the
 142.12 behavioral sciences or related fields, with at least 4,000 hours of post-master's supervised
 142.13 experience in the delivery of clinical services with demonstrated competencies in the areas
 142.14 identified in clauses (1) to (11); ~~or~~

142.15 (vi) person with a master's degree or PhD in one of the behavioral sciences or related
 142.16 fields with demonstrated expertise in positive support services, as determined by the person's
 142.17 case manager based on the person's needs as outlined in the person's community support
 142.18 plan; or

142.19 (vii) registered nurse who is licensed under sections 148.171 to 148.285, and who is
 142.20 certified as a clinical specialist or as a nurse practitioner in adult or family psychiatric and
 142.21 mental health nursing by a national nurse certification organization, or who has a master's
 142.22 degree in nursing or one of the behavioral sciences or related fields from an accredited
 142.23 college or university or its equivalent, with at least 4,000 hours of post-master's supervised
 142.24 experience in the delivery of clinical services.

142.25 Sec. 6. Minnesota Statutes 2016, section 245D.091, subdivision 3, is amended to read:

142.26 Subd. 3. ~~Behavior~~ **Positive support analyst qualifications.** (a) A ~~behavior~~ positive
 142.27 support analyst providing ~~behavioral~~ positive support services as identified in section
 142.28 245D.03, subdivision 1, paragraph (c), clause (1), item (i), must have competencies in the
 142.29 following areas as required under the brain injury ~~and~~ community access for disability
 142.30 inclusion, community alternative care, and developmental disability waiver plans or successor
 142.31 plans:

142.32 (1) have obtained a baccalaureate degree, master's degree, or PhD in a social services
 142.33 discipline; ~~or~~

143.1 (2) meet the qualifications of a mental health practitioner as defined in section 245.462,
 143.2 subdivision 17; or

143.3 (3) be a board certified behavior analyst or board certified assistant behavior analyst by
 143.4 the Behavior Analyst Certification Board, Incorporated.

143.5 (b) In addition, a ~~behavior~~ positive support analyst must:

143.6 (1) have four years of supervised experience ~~working with individuals who exhibit~~
 143.7 ~~challenging behaviors as well as co-occurring mental disorders or neurocognitive disorder~~
 143.8 conducting functional behavior assessments and designing, implementing, and evaluating
 143.9 effectiveness of positive practices behavior support strategies for people who exhibit
 143.10 challenging behaviors as well as co-occurring mental disorders and neurocognitive disorder;

143.11 (2) have received ~~ten hours of instruction in functional assessment and functional analysis;~~
 143.12 training prior to hire or within 90 calendar days of hire that includes:

143.13 (i) ten hours of instruction in functional assessment and functional analysis;

143.14 (ii) 20 hours of instruction in the understanding of the function of behavior;

143.15 (iii) ten hours of instruction on design of positive practices behavior support strategies;

143.16 (iv) 20 hours of instruction preparing written intervention strategies, designing data
 143.17 collection protocols, training other staff to implement positive practice strategies,
 143.18 summarizing and reporting program evaluation data, analyzing program evaluation data to
 143.19 identify design flaws in behavioral interventions or failures in implementation fidelity, and
 143.20 recommending enhancements based on evaluation data; and

143.21 (v) eight hours of instruction on principles of person-centered thinking;

143.22 ~~(3) have received 20 hours of instruction in the understanding of the function of behavior;~~

143.23 ~~(4) have received ten hours of instruction on design of positive practices behavior support~~
 143.24 ~~strategies;~~

143.25 ~~(5) have received 20 hours of instruction on the use of behavior reduction approved~~
 143.26 ~~strategies used only in combination with behavior positive practices strategies;~~

143.27 ~~(6)~~ (3) be determined by a ~~behavior~~ positive support professional to have the training
 143.28 and prerequisite skills required to provide positive practice strategies as well as behavior
 143.29 reduction approved and permitted intervention to the person who receives ~~behavioral~~ positive
 143.30 support; and

143.31 ~~(7)~~ (4) be under the direct supervision of a ~~behavior~~ positive support professional.

144.1 (c) Meeting the qualifications for a positive support professional under subdivision 2
144.2 shall substitute for meeting the qualifications listed in paragraph (b).

144.3 Sec. 7. Minnesota Statutes 2016, section 245D.091, subdivision 4, is amended to read:

144.4 Subd. 4. ~~Behavior~~ **Positive support specialist qualifications.** (a) A ~~behavior~~ positive
144.5 support specialist providing ~~behavioral~~ positive support services as identified in section
144.6 245D.03, subdivision 1, paragraph (c), clause (1), item (i), must have competencies in the
144.7 following areas as required under the brain injury ~~and~~ community access for disability
144.8 inclusion, community alternative care, and developmental disability waiver plans or successor
144.9 plans:

144.10 (1) have an associate's degree in a social services discipline; or

144.11 (2) have two years of supervised experience working with individuals who exhibit
144.12 challenging behaviors as well as co-occurring mental disorders or neurocognitive disorder.

144.13 (b) In addition, a behavior specialist must:

144.14 (1) have received training prior to hire or within 90 calendar days of hire that includes:

144.15 (i) a minimum of four hours of training in functional assessment;

144.16 ~~(2) have received~~ (ii) 20 hours of instruction in the understanding of the function of
144.17 behavior;

144.18 ~~(3) have received~~ (iii) ten hours of instruction on design of positive practices behavioral
144.19 support strategies; and

144.20 (iv) eight hours of instruction on principles of person-centered thinking;

144.21 ~~(4)~~ (2) be determined by a ~~behavior~~ positive support professional to have the training
144.22 and prerequisite skills required to provide positive practices strategies as well as behavior
144.23 reduction approved intervention to the person who receives ~~behavioral~~ positive support;
144.24 and

144.25 ~~(5)~~ (3) be under the direct supervision of a ~~behavior~~ positive support professional.

144.26 (c) Meeting the qualifications for a positive support professional under subdivision 2
144.27 shall substitute for meeting the qualifications listed in paragraphs (a) and (b).

145.1 Sec. 8. Minnesota Statutes 2016, section 256B.0625, is amended by adding a subdivision
145.2 to read:

145.3 Subd. 65. **Prescribed pediatric extended care center services.** Medical assistance
145.4 covers prescribed pediatric extended care center basic services as defined under section
145.5 144H.01, subdivision 2. The commissioner shall set two payment rates for basic services
145.6 provided at prescribed pediatric extended care centers licensed under chapter 144H: (1) a
145.7 \$250 half-day rate per child attending a prescribed pediatric extended care center for less
145.8 than four hours per day; and (2) a \$500 full-day rate per child attending a prescribed pediatric
145.9 extended care center for four hours or more per day. The rates established in this subdivision
145.10 may be reevaluated by the commissioner two years after the effective date of this subdivision.

145.11 **EFFECTIVE DATE.** This section is effective January 1, 2019, or upon federal approval,
145.12 whichever occurs later. The commissioner of human services shall notify the revisor of
145.13 statutes when federal approval is obtained.

145.14 Sec. 9. Minnesota Statutes 2016, section 256B.0659, subdivision 11, is amended to read:

145.15 Subd. 11. **Personal care assistant; requirements.** (a) A personal care assistant must
145.16 meet the following requirements:

145.17 (1) be at least 18 years of age with the exception of persons who are 16 or 17 years of
145.18 age with these additional requirements:

145.19 (i) supervision by a qualified professional every 60 days; and

145.20 (ii) employment by only one personal care assistance provider agency responsible for
145.21 compliance with current labor laws;

145.22 (2) be employed by a personal care assistance provider agency;

145.23 (3) enroll with the department as a personal care assistant after clearing a background
145.24 study. Except as provided in subdivision 11a, before a personal care assistant provides
145.25 services, the personal care assistance provider agency must initiate a background study on
145.26 the personal care assistant under chapter 245C, and the personal care assistance provider
145.27 agency must have received a notice from the commissioner that the personal care assistant
145.28 is:

145.29 (i) not disqualified under section 245C.14; or

145.30 (ii) is disqualified, but the personal care assistant has received a set aside of the
145.31 disqualification under section 245C.22;

146.1 (4) be able to effectively communicate with the recipient and personal care assistance
146.2 provider agency;

146.3 (5) be able to provide covered personal care assistance services according to the recipient's
146.4 personal care assistance care plan, respond appropriately to recipient needs, and report
146.5 changes in the recipient's condition to the supervising qualified professional or physician;

146.6 (6) not be a consumer of personal care assistance services;

146.7 (7) maintain daily written records including, but not limited to, time sheets under
146.8 subdivision 12;

146.9 (8) effective January 1, 2010, complete standardized training as determined by the
146.10 commissioner before completing enrollment. The training must be available in languages
146.11 other than English and to those who need accommodations due to disabilities. Personal care
146.12 assistant training must include successful completion of the following training components:
146.13 basic first aid, vulnerable adult, child maltreatment, OSHA universal precautions, basic
146.14 roles and responsibilities of personal care assistants including information about assistance
146.15 with lifting and transfers for recipients, emergency preparedness, orientation to positive
146.16 behavioral practices, fraud issues, and completion of time sheets. Upon completion of the
146.17 training components, the personal care assistant must demonstrate the competency to provide
146.18 assistance to recipients;

146.19 (9) complete training and orientation on the needs of the recipient; and

146.20 (10) be limited to providing and being paid for up to 275 hours per month of personal
146.21 care assistance services regardless of the number of recipients being served or the number
146.22 of personal care assistance provider agencies enrolled with. The number of hours worked
146.23 per day shall not be disallowed by the department unless in violation of the law.

146.24 (b) A legal guardian may be a personal care assistant if the guardian is not being paid
146.25 for the guardian services and meets the criteria for personal care assistants in paragraph (a).

146.26 (c) Persons who do not qualify as a personal care assistant include parents, stepparents,
146.27 and legal guardians of minors; spouses; paid legal guardians of adults; family foster care
146.28 providers, except as otherwise allowed in section 256B.0625, subdivision 19a; and staff of
146.29 a residential setting.

146.30 (d) Personal care services qualify for the enhanced rate described in subdivision 17a if
146.31 the personal care assistant providing the services:

146.32 (1) provides services, according to the care plan in subdivision 7, to a recipient who
146.33 qualifies for 12 or more hours per day of PCA services; and

147.1 (2) satisfies the current requirements of Medicare for training and competency or
147.2 competency evaluation of home health aides or nursing assistants, as provided in the Code
147.3 of Federal Regulations, title 42, section 483.151 or 484.36, or alternative state approved
147.4 training or competency requirements.

147.5 **EFFECTIVE DATE.** This section is effective July 1, 2018.

147.6 Sec. 10. Minnesota Statutes 2016, section 256B.0659, is amended by adding a subdivision
147.7 to read:

147.8 Subd. 17a. **Enhanced rate.** An enhanced rate of 105 percent of the rate paid for PCA
147.9 services shall be paid for services provided to persons who qualify for 12 or more hours of
147.10 PCA service per day when provided by a PCA who meets the requirements of subdivision
147.11 11, paragraph (d). The enhanced rate for PCA services includes, and is not in addition to,
147.12 any rate adjustments implemented by the commissioner on July 1, 2018, to comply with
147.13 the terms of a collective bargaining agreement between the state of Minnesota and an
147.14 exclusive representative of individual providers under section 179A.54 that provides for
147.15 wage increases for individual providers who serve participants assessed to need 12 or more
147.16 hours of PCA services per day.

147.17 **EFFECTIVE DATE.** This section is effective July 1, 2018.

147.18 Sec. 11. Minnesota Statutes 2016, section 256B.0659, subdivision 21, is amended to read:

147.19 **Subd. 21. Requirements for provider enrollment of personal care assistance provider**
147.20 **agencies.** (a) All personal care assistance provider agencies must provide, at the time of
147.21 enrollment, reenrollment, and revalidation as a personal care assistance provider agency in
147.22 a format determined by the commissioner, information and documentation that includes,
147.23 but is not limited to, the following:

147.24 (1) the personal care assistance provider agency's current contact information including
147.25 address, telephone number, and e-mail address;

147.26 (2) proof of surety bond coverage. Upon new enrollment, or if the provider's Medicaid
147.27 revenue in the previous calendar year is up to and including \$300,000, the provider agency
147.28 must purchase a surety bond of \$50,000. If the Medicaid revenue in the previous year is
147.29 over \$300,000, the provider agency must purchase a surety bond of \$100,000. The surety
147.30 bond must be in a form approved by the commissioner, must be renewed annually, and must
147.31 allow for recovery of costs and fees in pursuing a claim on the bond;

147.32 (3) proof of fidelity bond coverage in the amount of \$20,000;

- 148.1 (4) proof of workers' compensation insurance coverage;
- 148.2 (5) proof of liability insurance;
- 148.3 (6) a description of the personal care assistance provider agency's organization identifying
148.4 the names of all owners, managing employees, staff, board of directors, and the affiliations
148.5 of the directors, owners, or staff to other service providers;
- 148.6 (7) a copy of the personal care assistance provider agency's written policies and
148.7 procedures including: hiring of employees; training requirements; service delivery; and
148.8 employee and consumer safety including process for notification and resolution of consumer
148.9 grievances, identification and prevention of communicable diseases, and employee
148.10 misconduct;
- 148.11 (8) copies of all other forms the personal care assistance provider agency uses in the
148.12 course of daily business including, but not limited to:
- 148.13 (i) a copy of the personal care assistance provider agency's time sheet if the time sheet
148.14 varies from the standard time sheet for personal care assistance services approved by the
148.15 commissioner, and a letter requesting approval of the personal care assistance provider
148.16 agency's nonstandard time sheet;
- 148.17 (ii) the personal care assistance provider agency's template for the personal care assistance
148.18 care plan; and
- 148.19 (iii) the personal care assistance provider agency's template for the written agreement
148.20 in subdivision 20 for recipients using the personal care assistance choice option, if applicable;
- 148.21 (9) a list of all training and classes that the personal care assistance provider agency
148.22 requires of its staff providing personal care assistance services;
- 148.23 (10) documentation that the personal care assistance provider agency and staff have
148.24 successfully completed all the training required by this section, including the requirements
148.25 under subdivision 11, paragraph (d), if enhanced PCA services are provided and submitted
148.26 for an enhanced rate under subdivision 17a;
- 148.27 (11) documentation of the agency's marketing practices;
- 148.28 (12) disclosure of ownership, leasing, or management of all residential properties that
148.29 is used or could be used for providing home care services;
- 148.30 (13) documentation that the agency will use the following percentages of revenue
148.31 generated from the medical assistance rate paid for personal care assistance services for
148.32 employee personal care assistant wages and benefits: 72.5 percent of revenue in the personal

149.1 care assistance choice option and 72.5 percent of revenue from other personal care assistance
149.2 providers. The revenue generated by the qualified professional and the reasonable costs
149.3 associated with the qualified professional shall not be used in making this calculation; and

149.4 (14) effective May 15, 2010, documentation that the agency does not burden recipients'
149.5 free exercise of their right to choose service providers by requiring personal care assistants
149.6 to sign an agreement not to work with any particular personal care assistance recipient or
149.7 for another personal care assistance provider agency after leaving the agency and that the
149.8 agency is not taking action on any such agreements or requirements regardless of the date
149.9 signed.

149.10 (b) Personal care assistance provider agencies shall provide the information specified
149.11 in paragraph (a) to the commissioner at the time the personal care assistance provider agency
149.12 enrolls as a vendor or upon request from the commissioner. The commissioner shall collect
149.13 the information specified in paragraph (a) from all personal care assistance providers
149.14 beginning July 1, 2009.

149.15 (c) All personal care assistance provider agencies shall require all employees in
149.16 management and supervisory positions and owners of the agency who are active in the
149.17 day-to-day management and operations of the agency to complete mandatory training as
149.18 determined by the commissioner before enrollment of the agency as a provider. Employees
149.19 in management and supervisory positions and owners who are active in the day-to-day
149.20 operations of an agency who have completed the required training as an employee with a
149.21 personal care assistance provider agency do not need to repeat the required training if they
149.22 are hired by another agency, if they have completed the training within the past three years.
149.23 By September 1, 2010, the required training must be available with meaningful access
149.24 according to title VI of the Civil Rights Act and federal regulations adopted under that law
149.25 or any guidance from the United States Health and Human Services Department. The
149.26 required training must be available online or by electronic remote connection. The required
149.27 training must provide for competency testing. Personal care assistance provider agency
149.28 billing staff shall complete training about personal care assistance program financial
149.29 management. This training is effective July 1, 2009. Any personal care assistance provider
149.30 agency enrolled before that date shall, if it has not already, complete the provider training
149.31 within 18 months of July 1, 2009. Any new owners or employees in management and
149.32 supervisory positions involved in the day-to-day operations are required to complete
149.33 mandatory training as a requisite of working for the agency. Personal care assistance provider
149.34 agencies certified for participation in Medicare as home health agencies are exempt from

150.1 the training required in this subdivision. When available, Medicare-certified home health
150.2 agency owners, supervisors, or managers must successfully complete the competency test.

150.3 **EFFECTIVE DATE.** This section is effective July 1, 2018.

150.4 Sec. 12. Minnesota Statutes 2016, section 256B.0659, subdivision 24, is amended to read:

150.5 Subd. 24. **Personal care assistance provider agency; general duties.** A personal care
150.6 assistance provider agency shall:

150.7 (1) enroll as a Medicaid provider meeting all provider standards, including completion
150.8 of the required provider training;

150.9 (2) comply with general medical assistance coverage requirements;

150.10 (3) demonstrate compliance with law and policies of the personal care assistance program
150.11 to be determined by the commissioner;

150.12 (4) comply with background study requirements;

150.13 (5) verify and keep records of hours worked by the personal care assistant and qualified
150.14 professional;

150.15 (6) not engage in any agency-initiated direct contact or marketing in person, by phone,
150.16 or other electronic means to potential recipients, guardians, or family members;

150.17 (7) pay the personal care assistant and qualified professional based on actual hours of
150.18 services provided;

150.19 (8) withhold and pay all applicable federal and state taxes;

150.20 (9) ~~effective January 1, 2010,~~ document that the agency uses a minimum of 72.5 percent
150.21 of the revenue generated by the medical assistance rate for personal care assistance services
150.22 for employee personal care assistant wages and benefits. The revenue generated by the
150.23 qualified professional and the reasonable costs associated with the qualified professional
150.24 shall not be used in making this calculation;

150.25 (10) make the arrangements and pay unemployment insurance, taxes, workers'
150.26 compensation, liability insurance, and other benefits, if any;

150.27 (11) enter into a written agreement under subdivision 20 before services are provided;

150.28 (12) report suspected neglect and abuse to the common entry point according to section
150.29 256B.0651;

- 151.1 (13) provide the recipient with a copy of the home care bill of rights at start of service;
151.2 ~~and~~
- 151.3 (14) request reassessments at least 60 days prior to the end of the current authorization
151.4 for personal care assistance services, on forms provided by the commissioner; and
- 151.5 (15) document that the agency uses the additional revenue due to the enhanced rate under
151.6 subdivision 17a for the wages and benefits of the PCAs whose services meet the requirements
151.7 under subdivision 11, paragraph (d).

151.8 **EFFECTIVE DATE.** This section is effective July 1, 2018.

151.9 Sec. 13. Minnesota Statutes 2016, section 256B.0659, subdivision 28, is amended to read:

151.10 Subd. 28. **Personal care assistance provider agency; required documentation.** (a)

151.11 Required documentation must be completed and kept in the personal care assistance provider
151.12 agency file or the recipient's home residence. The required documentation consists of:

151.13 (1) employee files, including:

151.14 (i) applications for employment;

151.15 (ii) background study requests and results;

151.16 (iii) orientation records about the agency policies;

151.17 (iv) trainings completed with demonstration of competence, including verification of
151.18 the completion of training required under subdivision 11, paragraph (d), for any billing of
151.19 the enhanced rate under subdivision 17a;

151.20 (v) supervisory visits;

151.21 (vi) evaluations of employment; and

151.22 (vii) signature on fraud statement;

151.23 (2) recipient files, including:

151.24 (i) demographics;

151.25 (ii) emergency contact information and emergency backup plan;

151.26 (iii) personal care assistance service plan;

151.27 (iv) personal care assistance care plan;

151.28 (v) month-to-month service use plan;

151.29 (vi) all communication records;

- 152.1 (vii) start of service information, including the written agreement with recipient; and
- 152.2 (viii) date the home care bill of rights was given to the recipient;
- 152.3 (3) agency policy manual, including:
- 152.4 (i) policies for employment and termination;
- 152.5 (ii) grievance policies with resolution of consumer grievances;
- 152.6 (iii) staff and consumer safety;
- 152.7 (iv) staff misconduct; and
- 152.8 (v) staff hiring, service delivery, staff and consumer safety, staff misconduct, and
- 152.9 resolution of consumer grievances;
- 152.10 (4) time sheets for each personal care assistant along with completed activity sheets for
- 152.11 each recipient served; and
- 152.12 (5) agency marketing and advertising materials and documentation of marketing activities
- 152.13 and costs.
- 152.14 (b) The commissioner may assess a fine of up to \$500 on provider agencies that do not
- 152.15 consistently comply with the requirements of this subdivision.
- 152.16 **EFFECTIVE DATE.** This section is effective July 1, 2018.

152.17 Sec. 14. Minnesota Statutes 2017 Supplement, section 256B.0921, is amended to read:

152.18 **256B.0921 HOME AND COMMUNITY-BASED SERVICES INCENTIVE**

152.19 **INNOVATION POOL.**

152.20 The commissioner of human services shall develop an initiative to provide incentives

152.21 for innovation in: (1) achieving integrated competitive employment; (2) achieving integrated

152.22 competitive employment for youth under age 25 upon their graduation from school; (3)

152.23 living in the most integrated setting; and (4) other outcomes determined by the commissioner.

152.24 The commissioner shall seek requests for proposals and shall contract with one or more

152.25 entities to provide incentive payments for meeting identified outcomes.

152.26 Sec. 15. Minnesota Statutes 2017 Supplement, section 256B.4914, subdivision 2, is

152.27 amended to read:

152.28 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the

152.29 meanings given them, unless the context clearly indicates otherwise.

- 153.1 (b) "Commissioner" means the commissioner of human services.
- 153.2 (c) "Component value" means underlying factors that are part of the cost of providing
153.3 services that are built into the waiver rates methodology to calculate service rates.
- 153.4 (d) "Customized living tool" means a methodology for setting service rates that delineates
153.5 and documents the amount of each component service included in a recipient's customized
153.6 living service plan.
- 153.7 (e) "Direct care staff" means employees providing direct service provision to people
153.8 receiving services under this section. Direct care staff does not include executive, managerial,
153.9 and administrative staff.
- 153.10 (f) "Disability waiver rates system" means a statewide system that establishes rates that
153.11 are based on uniform processes and captures the individualized nature of waiver services
153.12 and recipient needs.
- 153.13 ~~(f)~~ (g) "Individual staffing" means the time spent as a one-to-one interaction specific to
153.14 an individual recipient by staff to provide direct support and assistance with activities of
153.15 daily living, instrumental activities of daily living, and training to participants, and is based
153.16 on the requirements in each individual's coordinated service and support plan under section
153.17 245D.02, subdivision 4b; any coordinated service and support plan addendum under section
153.18 245D.02, subdivision 4c; and an assessment tool. Provider observation of an individual's
153.19 needs must also be considered.
- 153.20 ~~(g)~~ (h) "Lead agency" means a county, partnership of counties, or tribal agency charged
153.21 with administering waived services under sections 256B.092 and 256B.49.
- 153.22 ~~(h)~~ (i) "Median" means the amount that divides distribution into two equal groups,
153.23 one-half above the median and one-half below the median.
- 153.24 ~~(i)~~ (j) "Payment or rate" means reimbursement to an eligible provider for services
153.25 provided to a qualified individual based on an approved service authorization.
- 153.26 ~~(j)~~ (k) "Rates management system" means a Web-based software application that uses
153.27 a framework and component values, as determined by the commissioner, to establish service
153.28 rates.
- 153.29 ~~(k)~~ (l) "Recipient" means a person receiving home and community-based services funded
153.30 under any of the disability waivers.
- 153.31 ~~(l)~~ (m) "Shared staffing" means time spent by employees, not defined under paragraph
153.32 ~~(f)~~ (g), providing or available to provide more than one individual with direct support and

154.1 assistance with activities of daily living as defined under section 256B.0659, subdivision
154.2 1, paragraph (b); instrumental activities of daily living as defined under section 256B.0659,
154.3 subdivision 1, paragraph (i); ancillary activities needed to support individual services; and
154.4 training to participants, and is based on the requirements in each individual's coordinated
154.5 service and support plan under section 245D.02, subdivision 4b; any coordinated service
154.6 and support plan addendum under section 245D.02, subdivision 4c; an assessment tool; and
154.7 provider observation of an individual's service need. Total shared staffing hours are divided
154.8 proportionally by the number of individuals who receive the shared service provisions.

154.9 ~~(m)~~ (n) "Staffing ratio" means the number of recipients a service provider employee
154.10 supports during a unit of service based on a uniform assessment tool, provider observation,
154.11 case history, and the recipient's services of choice, and not based on the staffing ratios under
154.12 section 245D.31.

154.13 ~~(n)~~ (o) "Unit of service" means the following:

154.14 (1) for residential support services under subdivision 6, a unit of service is a day. Any
154.15 portion of any calendar day, within allowable Medicaid rules, where an individual spends
154.16 time in a residential setting is billable as a day;

154.17 (2) for day services under subdivision 7:

154.18 (i) for day training and habilitation services, a unit of service is either:

154.19 (A) a day unit of service is defined as six or more hours of time spent providing direct
154.20 services and transportation; or

154.21 (B) a partial day unit of service is defined as fewer than six hours of time spent providing
154.22 direct services and transportation; and

154.23 (C) for new day service recipients after January 1, 2014, 15 minute units of service must
154.24 be used for fewer than six hours of time spent providing direct services and transportation;

154.25 (ii) for adult day and structured day services, a unit of service is a day or 15 minutes. A
154.26 day unit of service is six or more hours of time spent providing direct services;

154.27 (iii) for prevocational services, a unit of service is a day or an hour. A day unit of service
154.28 is six or more hours of time spent providing direct service;

154.29 (3) for unit-based services with programming under subdivision 8:

154.30 (i) for supported living services, a unit of service is a day or 15 minutes. When a day
154.31 rate is authorized, any portion of a calendar day where an individual receives services is
154.32 billable as a day; and

155.1 (ii) for all other services, a unit of service is 15 minutes; and

155.2 (4) for unit-based services without programming under subdivision 9, a unit of service
155.3 is 15 minutes.

155.4 Sec. 16. Minnesota Statutes 2017 Supplement, section 256B.4914, subdivision 3, is
155.5 amended to read:

155.6 Subd. 3. **Applicable services.** Applicable services are those authorized under the state's
155.7 home and community-based services waivers under sections 256B.092 and 256B.49,
155.8 including the following, as defined in the federally approved home and community-based
155.9 services plan:

155.10 (1) 24-hour customized living;

155.11 (2) adult day care;

155.12 (3) adult day care bath;

155.13 ~~(4) behavioral programming;~~

155.14 ~~(5)~~ (4) companion services;

155.15 ~~(6)~~ (5) customized living;

155.16 ~~(7)~~ (6) day training and habilitation;

155.17 (7) employment development services;

155.18 (8) employment exploration services;

155.19 (9) employment support services;

155.20 ~~(8)~~ (10) housing access coordination;

155.21 ~~(9)~~ (11) independent living skills;

155.22 (12) independent living skills specialist services;

155.23 (13) individualized home supports;

155.24 ~~(10)~~ (14) in-home family support;

155.25 ~~(11)~~ (15) night supervision;

155.26 ~~(12)~~ (16) personal support;

155.27 (17) positive support service;

155.28 ~~(13)~~ (18) prevocational services;

- 156.1 ~~(14)~~ (19) residential care services;
- 156.2 ~~(15)~~ (20) residential support services;
- 156.3 ~~(16)~~ (21) respite services;
- 156.4 ~~(17)~~ (22) structured day services;
- 156.5 ~~(18)~~ (23) supported employment services;
- 156.6 ~~(19)~~ (24) supported living services;
- 156.7 ~~(20)~~ (25) transportation services;
- 156.8 ~~(21) individualized home supports;~~
- 156.9 ~~(22) independent living skills specialist services;~~
- 156.10 ~~(23) employment exploration services;~~
- 156.11 ~~(24) employment development services;~~
- 156.12 ~~(25) employment support services;~~ and
- 156.13 (26) other services as approved by the federal government in the state home and
156.14 community-based services plan.

156.15 Sec. 17. Minnesota Statutes 2016, section 256B.4914, subdivision 4, is amended to read:

156.16 Subd. 4. **Data collection for rate determination.** (a) Rates for applicable home and
156.17 community-based waived services, including rate exceptions under subdivision 12, are
156.18 set by the rates management system.

156.19 (b) Data for services under section 256B.4913, subdivision 4a, shall be collected in a
156.20 manner prescribed by the commissioner.

156.21 (c) Data and information in the rates management system may be used to calculate an
156.22 individual's rate.

156.23 (d) Service providers, with information from the community support plan and oversight
156.24 by lead agencies, shall provide values and information needed to calculate an individual's
156.25 rate into the rates management system. The determination of service levels must be part of
156.26 a discussion with members of the support team as defined in section 245D.02, subdivision
156.27 34. This discussion must occur prior to the final establishment of each individual's rate. The
156.28 values and information include:

156.29 (1) shared staffing hours;

- 157.1 (2) individual staffing hours;
- 157.2 (3) direct registered nurse hours;
- 157.3 (4) direct licensed practical nurse hours;
- 157.4 (5) staffing ratios;
- 157.5 (6) information to document variable levels of service qualification for variable levels
- 157.6 of reimbursement in each framework;
- 157.7 (7) shared or individualized arrangements for unit-based services, including the staffing
- 157.8 ratio;
- 157.9 (8) number of trips and miles for transportation services; and
- 157.10 (9) service hours provided through monitoring technology.
- 157.11 (e) Updates to individual data must include:
- 157.12 (1) data for each individual that is updated annually when renewing service plans; and
- 157.13 (2) requests by individuals or lead agencies to update a rate whenever there is a change
- 157.14 in an individual's service needs, with accompanying documentation.
- 157.15 (f) Lead agencies shall review and approve all services reflecting each individual's needs,
- 157.16 and the values to calculate the final payment rate for services with variables under
- 157.17 subdivisions 6, 7, 8, and 9 for each individual. Lead agencies must notify the individual and
- 157.18 the service provider of the final agreed-upon values and rate, and provide information that
- 157.19 is identical to what was entered into the rates management system. If a value used was
- 157.20 mistakenly or erroneously entered and used to calculate a rate, a provider may petition lead
- 157.21 agencies to correct it. Lead agencies must respond to these requests. When responding to
- 157.22 the request, the lead agency must consider:
- 157.23 (1) meeting the health and welfare needs of the individual or individuals receiving
- 157.24 services by service site, identified in their coordinated service and support plan under section
- 157.25 245D.02, subdivision 4b, and any addendum under section 245D.02, subdivision 4c;
- 157.26 (2) meeting the requirements for staffing under subdivision 2, paragraphs ~~(f)~~ (g), ~~(i)~~ (m),
- 157.27 and ~~(m)~~ (n); and meeting or exceeding the licensing standards for staffing required under
- 157.28 section 245D.09, subdivision 1; and
- 157.29 (3) meeting the staffing ratio requirements under subdivision 2, paragraph (n), and
- 157.30 meeting or exceeding the licensing standards for staffing required under section 245D.31.
- 157.31 **EFFECTIVE DATE.** This section is effective July 1, 2018.

158.1 Sec. 18. Minnesota Statutes 2017 Supplement, section 256B.4914, subdivision 5, is
158.2 amended to read:

158.3 Subd. 5. **Base wage index and standard component values.** (a) The base wage index
158.4 is established to determine staffing costs associated with providing services to individuals
158.5 receiving home and community-based services. For purposes of developing and calculating
158.6 the proposed base wage, Minnesota-specific wages taken from job descriptions and standard
158.7 occupational classification (SOC) codes from the Bureau of Labor Statistics as defined in
158.8 the most recent edition of the Occupational Handbook must be used. The base wage index
158.9 must be calculated as follows:

158.10 (1) for residential direct care staff, the sum of:

158.11 (i) 15 percent of the subtotal of 50 percent of the median wage for personal and home
158.12 health aide (SOC code 39-9021); 30 percent of the median wage for nursing assistant (SOC
158.13 code 31-1014); and 20 percent of the median wage for social and human services aide (SOC
158.14 code 21-1093); and

158.15 (ii) 85 percent of the subtotal of 20 percent of the median wage for home health aide
158.16 (SOC code 31-1011); 20 percent of the median wage for personal and home health aide
158.17 (SOC code 39-9021); 20 percent of the median wage for nursing assistant (SOC code
158.18 31-1014); 20 percent of the median wage for psychiatric technician (SOC code 29-2053);
158.19 and 20 percent of the median wage for social and human services aide (SOC code 21-1093);

158.20 (2) for day services, 20 percent of the median wage for nursing assistant (SOC code
158.21 31-1014); 20 percent of the median wage for psychiatric technician (SOC code 29-2053);
158.22 and 60 percent of the median wage for social and human services aide (SOC code 21-1093);

158.23 (3) for residential asleep-overnight staff, the wage is the minimum wage in Minnesota
158.24 for large employers, except in a family foster care setting, the wage is 36 percent of the
158.25 minimum wage in Minnesota for large employers;

158.26 (4) for behavior program analyst staff, 100 percent of the median wage for mental health
158.27 counselors (SOC code 21-1014);

158.28 (5) for behavior program professional staff, 100 percent of the median wage for clinical
158.29 counseling and school psychologist (SOC code 19-3031);

158.30 (6) for behavior program specialist staff, 100 percent of the median wage for psychiatric
158.31 technicians (SOC code 29-2053);

158.32 (7) for supportive living services staff, 20 percent of the median wage for nursing assistant
158.33 (SOC code 31-1014); 20 percent of the median wage for psychiatric technician (SOC code

159.1 29-2053); and 60 percent of the median wage for social and human services aide (SOC code
159.2 21-1093);

159.3 (8) for housing access coordination staff, 100 percent of the median wage for community
159.4 and social services specialist (SOC code 21-1099);

159.5 (9) for in-home family support staff, 20 percent of the median wage for nursing aide
159.6 (SOC code 31-1012); 30 percent of the median wage for community social service specialist
159.7 (SOC code 21-1099); 40 percent of the median wage for social and human services aide
159.8 (SOC code 21-1093); and ten percent of the median wage for psychiatric technician (SOC
159.9 code 29-2053);

159.10 (10) for individualized home supports services staff, 40 percent of the median wage for
159.11 community social service specialist (SOC code 21-1099); 50 percent of the median wage
159.12 for social and human services aide (SOC code 21-1093); and ten percent of the median
159.13 wage for psychiatric technician (SOC code 29-2053);

159.14 (11) for independent living skills staff, 40 percent of the median wage for community
159.15 social service specialist (SOC code 21-1099); 50 percent of the median wage for social and
159.16 human services aide (SOC code 21-1093); and ten percent of the median wage for psychiatric
159.17 technician (SOC code 29-2053);

159.18 (12) for independent living skills specialist staff, 100 percent of mental health and
159.19 substance abuse social worker (SOC code 21-1023);

159.20 (13) for supported employment staff, 20 percent of the median wage for nursing assistant
159.21 (SOC code 31-1014); 20 percent of the median wage for psychiatric technician (SOC code
159.22 29-2053); and 60 percent of the median wage for social and human services aide (SOC code
159.23 21-1093);

159.24 (14) for employment support services staff, 50 percent of the median wage for
159.25 rehabilitation counselor (SOC code 21-1015); and 50 percent of the median wage for
159.26 community and social services specialist (SOC code 21-1099);

159.27 (15) for employment exploration services staff, 50 percent of the median wage for
159.28 rehabilitation counselor (SOC code 21-1015); and 50 percent of the median wage for
159.29 community and social services specialist (SOC code 21-1099);

159.30 (16) for employment development services staff, 50 percent of the median wage for
159.31 education, guidance, school, and vocational counselors (SOC code 21-1012); and 50 percent
159.32 of the median wage for community and social services specialist (SOC code 21-1099);

160.1 (17) for adult companion staff, 50 percent of the median wage for personal and home
160.2 care aide (SOC code 39-9021); and 50 percent of the median wage for nursing assistant
160.3 (SOC code 31-1014);

160.4 (18) for night supervision staff, 20 percent of the median wage for home health aide
160.5 (SOC code 31-1011); 20 percent of the median wage for personal and home health aide
160.6 (SOC code 39-9021); 20 percent of the median wage for nursing assistant (SOC code
160.7 31-1014); 20 percent of the median wage for psychiatric technician (SOC code 29-2053);
160.8 and 20 percent of the median wage for social and human services aide (SOC code 21-1093);

160.9 (19) for respite staff, 50 percent of the median wage for personal and home care aide
160.10 (SOC code 39-9021); and 50 percent of the median wage for nursing assistant (SOC code
160.11 31-1014);

160.12 (20) for personal support staff, 50 percent of the median wage for personal and home
160.13 care aide (SOC code 39-9021); and 50 percent of the median wage for nursing assistant
160.14 (SOC code 31-1014);

160.15 (21) for supervisory staff, 100 percent of the median wage for community and social
160.16 services specialist (SOC code 21-1099), with the exception of the supervisor of behavior
160.17 professional, behavior analyst, and behavior specialists, which is 100 percent of the median
160.18 wage for clinical counseling and school psychologist (SOC code 19-3031);

160.19 (22) for registered nurse staff, 100 percent of the median wage for registered nurses
160.20 (SOC code 29-1141); and

160.21 (23) for licensed practical nurse staff, 100 percent of the median wage for licensed
160.22 practical nurses (SOC code 29-2061).

160.23 (b) Component values for residential support services are:

160.24 (1) supervisory span of control ratio: 11 percent;

160.25 (2) employee vacation, sick, and training allowance ratio: 8.71 percent;

160.26 (3) employee-related cost ratio: 23.6 percent;

160.27 (4) general administrative support ratio: 13.25 percent;

160.28 (5) program-related expense ratio: 1.3 percent; and

160.29 (6) absence and utilization factor ratio: 3.9 percent.

160.30 (c) Component values for family foster care are:

160.31 (1) supervisory span of control ratio: 11 percent;

- 161.1 (2) employee vacation, sick, and training allowance ratio: 8.71 percent;
- 161.2 (3) employee-related cost ratio: 23.6 percent;
- 161.3 (4) general administrative support ratio: 3.3 percent;
- 161.4 (5) program-related expense ratio: 1.3 percent; and
- 161.5 (6) absence factor: 1.7 percent.
- 161.6 (d) Component values for day services for all services are:
- 161.7 (1) supervisory span of control ratio: 11 percent;
- 161.8 (2) employee vacation, sick, and training allowance ratio: 8.71 percent;
- 161.9 (3) employee-related cost ratio: 23.6 percent;
- 161.10 (4) program plan support ratio: 5.6 percent;
- 161.11 (5) client programming and support ratio: ten percent;
- 161.12 (6) general administrative support ratio: 13.25 percent;
- 161.13 (7) program-related expense ratio: 1.8 percent; and
- 161.14 (8) absence and utilization factor ratio: 9.4 percent.
- 161.15 (e) Component values for unit-based services with programming are:
- 161.16 (1) supervisory span of control ratio: 11 percent;
- 161.17 (2) employee vacation, sick, and training allowance ratio: 8.71 percent;
- 161.18 (3) employee-related cost ratio: 23.6 percent;
- 161.19 (4) program plan supports ratio: 15.5 percent;
- 161.20 (5) client programming and supports ratio: 4.7 percent;
- 161.21 (6) general administrative support ratio: 13.25 percent;
- 161.22 (7) program-related expense ratio: 6.1 percent; and
- 161.23 (8) absence and utilization factor ratio: 3.9 percent.
- 161.24 (f) Component values for unit-based services without programming except respite are:
- 161.25 (1) supervisory span of control ratio: 11 percent;
- 161.26 (2) employee vacation, sick, and training allowance ratio: 8.71 percent;
- 161.27 (3) employee-related cost ratio: 23.6 percent;

- 162.1 (4) program plan support ratio: 7.0 percent;
- 162.2 (5) client programming and support ratio: 2.3 percent;
- 162.3 (6) general administrative support ratio: 13.25 percent;
- 162.4 (7) program-related expense ratio: 2.9 percent; and
- 162.5 (8) absence and utilization factor ratio: 3.9 percent.
- 162.6 (g) Component values for unit-based services without programming for respite are:
- 162.7 (1) supervisory span of control ratio: 11 percent;
- 162.8 (2) employee vacation, sick, and training allowance ratio: 8.71 percent;
- 162.9 (3) employee-related cost ratio: 23.6 percent;
- 162.10 (4) general administrative support ratio: 13.25 percent;
- 162.11 (5) program-related expense ratio: 2.9 percent; and
- 162.12 (6) absence and utilization factor ratio: 3.9 percent.
- 162.13 (h) On July 1, 2017, the commissioner shall update the base wage index in paragraph
- 162.14 (a) based on the wage data by standard occupational code (SOC) from the Bureau of Labor
- 162.15 Statistics available on December 31, 2016. The commissioner shall publish these updated
- 162.16 values and load them into the rate management system. On ~~July~~ January 1, 2022, and every
- 162.17 ~~five~~ two years thereafter, the commissioner shall update the base wage index in paragraph
- 162.18 (a) based on the ~~most recently available~~ wage data by SOC from the Bureau of Labor
- 162.19 Statistics available on December 31 of the year two years prior to the scheduled update.
- 162.20 The commissioner shall publish these updated values and load them into the rate management
- 162.21 system.
- 162.22 (i) On July 1, 2017, the commissioner shall update the framework components in
- 162.23 paragraph (d), clause (5); paragraph (e), clause (5); and paragraph (f), clause (5); subdivision
- 162.24 6, clauses (8) and (9); and subdivision 7, clauses (10), (16), and (17), for changes in the
- 162.25 Consumer Price Index. The commissioner will adjust these values higher or lower by the
- 162.26 percentage change in the Consumer Price Index-All Items, United States city average
- 162.27 (CPI-U) from January 1, 2014, to January 1, 2017. The commissioner shall publish these
- 162.28 updated values and load them into the rate management system. On ~~July~~ January 1, 2022,
- 162.29 and every ~~five~~ two years thereafter, the commissioner shall update the framework components
- 162.30 in paragraph (d), clause (5); paragraph (e), clause (5); and paragraph (f), clause (5);
- 162.31 subdivision 6, clauses (8) and (9); and subdivision 7, clauses (10), (16), and (17), for changes
- 162.32 in the Consumer Price Index. The commissioner shall adjust these values higher or lower

163.1 by the percentage change in the CPI-U from the date of the previous update to the ~~date of~~
163.2 ~~the data most recently~~ available on December 31 of the year two years prior to the scheduled
163.3 update. The commissioner shall publish these updated values and load them into the rate
163.4 management system.

163.5 (j) In this subdivision, if Bureau of Labor Statistics occupational codes or Consumer
163.6 Price Index items are unavailable in the future, the commissioner shall recommend to the
163.7 legislature codes or items to update and replace missing component values.

163.8 (k) The commissioner shall increase the updated base wage index in paragraph (h) with
163.9 a competitive workforce factor of 8.35 percent.

163.10 **EFFECTIVE DATE.** (a) The amendments to paragraphs (h) and (i) are effective January
163.11 1, 2022, or upon federal approval, whichever is later. The commissioner shall inform the
163.12 revisor of statutes when federal approval is obtained.

163.13 (b) Paragraph (k) is effective July 1, 2018, or upon federal approval, whichever is later.
163.14 The commissioner shall inform the revisor of statutes when federal approval is obtained.

163.15 Sec. 19. Minnesota Statutes 2017 Supplement, section 256B.4914, subdivision 6, is
163.16 amended to read:

163.17 Subd. 6. **Payments for residential support services.** (a) Payments for residential support
163.18 services, as defined in sections 256B.092, subdivision 11, and 256B.49, subdivision 22,
163.19 must be calculated as follows:

163.20 (1) determine the number of shared staffing and individual direct staff hours to meet a
163.21 recipient's needs provided on site or through monitoring technology;

163.22 (2) personnel hourly wage rate must be based on the 2009 Bureau of Labor Statistics
163.23 Minnesota-specific rates or rates derived by the commissioner as provided in subdivision
163.24 5. This is defined as the direct-care rate;

163.25 (3) for a recipient requiring customization for deaf and hard-of-hearing language
163.26 accessibility under subdivision 12, add the customization rate provided in subdivision 12
163.27 to the result of clause (2). This is defined as the customized direct-care rate;

163.28 (4) multiply the number of shared and individual direct staff hours provided on site or
163.29 through monitoring technology and nursing hours by the appropriate staff wages in
163.30 subdivision 5, paragraph (a), or the customized direct-care rate;

163.31 (5) multiply the number of shared and individual direct staff hours provided on site or
163.32 through monitoring technology and nursing hours by the product of the supervision span

164.1 of control ratio in subdivision 5, paragraph (b), clause (1), and the appropriate supervision
164.2 wage in subdivision 5, paragraph (a), clause (21);

164.3 (6) combine the results of clauses (4) and (5), excluding any shared and individual direct
164.4 staff hours provided through monitoring technology, and multiply the result by one plus
164.5 the employee vacation, sick, and training allowance ratio in subdivision 5, paragraph (b),
164.6 clause (2). This is defined as the direct staffing cost;

164.7 (7) for employee-related expenses, multiply the direct staffing cost, excluding any shared
164.8 and individual direct staff hours provided through monitoring technology, by one plus the
164.9 employee-related cost ratio in subdivision 5, paragraph (b), clause (3);

164.10 (8) for client programming and supports, the commissioner shall add \$2,179; and

164.11 (9) for transportation, if provided, the commissioner shall add \$1,680, or \$3,000 if
164.12 customized for adapted transport, based on the resident with the highest assessed need.

164.13 (b) The total rate must be calculated using the following steps:

164.14 (1) subtotal paragraph (a), clauses (7) to (9), and the direct staffing cost of any shared
164.15 and individual direct staff hours provided through monitoring technology that was excluded
164.16 in clause (7);

164.17 (2) sum the standard general and administrative rate, the program-related expense ratio,
164.18 and the absence and utilization ratio; and

164.19 (3) divide the result of clause (1) by one minus the result of clause (2). This is the total
164.20 payment amount; ~~and~~.

164.21 ~~(4) adjust the result of clause (3) by a factor to be determined by the commissioner to~~
164.22 ~~adjust for regional differences in the cost of providing services.~~

164.23 (c) The payment methodology for customized living, 24-hour customized living, and
164.24 residential care services must be the customized living tool. Revisions to the customized
164.25 living tool must be made to reflect the services and activities unique to disability-related
164.26 recipient needs.

164.27 (d) For individuals enrolled prior to January 1, 2014, the days of service authorized must
164.28 meet or exceed the days of service used to convert service agreements in effect on December
164.29 1, 2013, and must not result in a reduction in spending or service utilization due to conversion
164.30 during the implementation period under section 256B.4913, subdivision 4a. If during the
164.31 implementation period, an individual's historical rate, including adjustments required under

165.1 section 256B.4913, subdivision 4a, paragraph (c), is equal to or greater than the rate
165.2 determined in this subdivision, the number of days authorized for the individual is 365.

165.3 (e) The number of days authorized for all individuals enrolling after January 1, 2014,
165.4 in residential services must include every day that services start and end.

165.5 **EFFECTIVE DATE.** This section is effective January 1, 2022.

165.6 Sec. 20. Minnesota Statutes 2017 Supplement, section 256B.4914, subdivision 7, is
165.7 amended to read:

165.8 Subd. 7. **Payments for day programs.** Payments for services with day programs
165.9 including adult day care, day treatment and habilitation, prevocational services, and structured
165.10 day services must be calculated as follows:

165.11 (1) determine the number of units of service and staffing ratio to meet a recipient's needs:

165.12 (i) the staffing ratios for the units of service provided to a recipient in a typical week
165.13 must be averaged to determine an individual's staffing ratio; and

165.14 (ii) the commissioner, in consultation with service providers, shall develop a uniform
165.15 staffing ratio worksheet to be used to determine staffing ratios under this subdivision;

165.16 (2) personnel hourly wage rates must be based on the 2009 Bureau of Labor Statistics
165.17 Minnesota-specific rates or rates derived by the commissioner as provided in subdivision
165.18 5;

165.19 (3) for a recipient requiring customization for deaf and hard-of-hearing language
165.20 accessibility under subdivision 12, add the customization rate provided in subdivision 12
165.21 to the result of clause (2). This is defined as the customized direct-care rate;

165.22 (4) multiply the number of day program direct staff hours and nursing hours by the
165.23 appropriate staff wage in subdivision 5, paragraph (a), or the customized direct-care rate;

165.24 (5) multiply the number of day direct staff hours by the product of the supervision span
165.25 of control ratio in subdivision 5, paragraph (d), clause (1), and the appropriate supervision
165.26 wage in subdivision 5, paragraph (a), clause (21);

165.27 (6) combine the results of clauses (4) and (5), and multiply the result by one plus the
165.28 employee vacation, sick, and training allowance ratio in subdivision 5, paragraph (d), clause
165.29 (2). This is defined as the direct staffing rate;

165.30 (7) for program plan support, multiply the result of clause (6) by one plus the program
165.31 plan support ratio in subdivision 5, paragraph (d), clause (4);

166.1 (8) for employee-related expenses, multiply the result of clause (7) by one plus the
166.2 employee-related cost ratio in subdivision 5, paragraph (d), clause (3);

166.3 (9) for client programming and supports, multiply the result of clause (8) by one plus
166.4 the client programming and support ratio in subdivision 5, paragraph (d), clause (5);

166.5 (10) for program facility costs, add \$19.30 per week with consideration of staffing ratios
166.6 to meet individual needs;

166.7 (11) for adult day bath services, add \$7.01 per 15 minute unit;

166.8 (12) this is the subtotal rate;

166.9 (13) sum the standard general and administrative rate, the program-related expense ratio,
166.10 and the absence and utilization factor ratio;

166.11 (14) divide the result of clause (12) by one minus the result of clause (13). This is the
166.12 total payment amount;

166.13 ~~(15) adjust the result of clause (14) by a factor to be determined by the commissioner~~
166.14 ~~to adjust for regional differences in the cost of providing services;~~

166.15 ~~(16)~~ (15) for transportation provided as part of day training and habilitation for an
166.16 individual who does not require a lift, add:

166.17 (i) \$10.50 for a trip between zero and ten miles for a nonshared ride in a vehicle without
166.18 a lift, \$8.83 for a shared ride in a vehicle without a lift, and \$9.25 for a shared ride in a
166.19 vehicle with a lift;

166.20 (ii) \$15.75 for a trip between 11 and 20 miles for a nonshared ride in a vehicle without
166.21 a lift, \$10.58 for a shared ride in a vehicle without a lift, and \$11.88 for a shared ride in a
166.22 vehicle with a lift;

166.23 (iii) \$25.75 for a trip between 21 and 50 miles for a nonshared ride in a vehicle without
166.24 a lift, \$13.92 for a shared ride in a vehicle without a lift, and \$16.88 for a shared ride in a
166.25 vehicle with a lift; or

166.26 (iv) \$33.50 for a trip of 51 miles or more for a nonshared ride in a vehicle without a lift,
166.27 \$16.50 for a shared ride in a vehicle without a lift, and \$20.75 for a shared ride in a vehicle
166.28 with a lift; and

166.29 ~~(17)~~ (16) for transportation provided as part of day training and habilitation for an
166.30 individual who does require a lift, add:

167.1 (i) \$19.05 for a trip between zero and ten miles for a nonshared ride in a vehicle with a
167.2 lift, and \$15.05 for a shared ride in a vehicle with a lift;

167.3 (ii) \$32.16 for a trip between 11 and 20 miles for a nonshared ride in a vehicle with a
167.4 lift, and \$28.16 for a shared ride in a vehicle with a lift;

167.5 (iii) \$58.76 for a trip between 21 and 50 miles for a nonshared ride in a vehicle with a
167.6 lift, and \$58.76 for a shared ride in a vehicle with a lift; or

167.7 (iv) \$80.93 for a trip of 51 miles or more for a nonshared ride in a vehicle with a lift,
167.8 and \$80.93 for a shared ride in a vehicle with a lift.

167.9 **EFFECTIVE DATE.** This section is effective January 1, 2022.

167.10 Sec. 21. Minnesota Statutes 2017 Supplement, section 256B.4914, subdivision 8, is
167.11 amended to read:

167.12 Subd. 8. **Payments for unit-based services with programming.** Payments for unit-based
167.13 services with programming, including behavior programming, housing access coordination,
167.14 in-home family support, independent living skills training, independent living skills specialist
167.15 services, individualized home supports, hourly supported living services, employment
167.16 exploration services, employment development services, supported employment, and
167.17 employment support services provided to an individual outside of any day or residential
167.18 service plan must be calculated as follows, unless the services are authorized separately
167.19 under subdivision 6 or 7:

167.20 (1) determine the number of units of service to meet a recipient's needs;

167.21 (2) personnel hourly wage rate must be based on the 2009 Bureau of Labor Statistics
167.22 Minnesota-specific rates or rates derived by the commissioner as provided in subdivision
167.23 5;

167.24 (3) for a recipient requiring customization for deaf and hard-of-hearing language
167.25 accessibility under subdivision 12, add the customization rate provided in subdivision 12
167.26 to the result of clause (2). This is defined as the customized direct-care rate;

167.27 (4) multiply the number of direct staff hours by the appropriate staff wage in subdivision
167.28 5, paragraph (a), or the customized direct-care rate;

167.29 (5) multiply the number of direct staff hours by the product of the supervision span of
167.30 control ratio in subdivision 5, paragraph (e), clause (1), and the appropriate supervision
167.31 wage in subdivision 5, paragraph (a), clause (21);

168.1 (6) combine the results of clauses (4) and (5), and multiply the result by one plus the
168.2 employee vacation, sick, and training allowance ratio in subdivision 5, paragraph (e), clause
168.3 (2). This is defined as the direct staffing rate;

168.4 (7) for program plan support, multiply the result of clause (6) by one plus the program
168.5 plan supports ratio in subdivision 5, paragraph (e), clause (4);

168.6 (8) for employee-related expenses, multiply the result of clause (7) by one plus the
168.7 employee-related cost ratio in subdivision 5, paragraph (e), clause (3);

168.8 (9) for client programming and supports, multiply the result of clause (8) by one plus
168.9 the client programming and supports ratio in subdivision 5, paragraph (e), clause (5);

168.10 (10) this is the subtotal rate;

168.11 (11) sum the standard general and administrative rate, the program-related expense ratio,
168.12 and the absence and utilization factor ratio;

168.13 (12) divide the result of clause (10) by one minus the result of clause (11). This is the
168.14 total payment amount; and

168.15 (13) for supported employment provided in a shared manner, divide the total payment
168.16 amount in clause (12) by the number of service recipients, not to exceed three. For
168.17 employment support services provided in a shared manner, divide the total payment amount
168.18 in clause (12) by the number of service recipients, not to exceed six. For independent living
168.19 skills training and individualized home supports provided in a shared manner, divide the
168.20 total payment amount in clause (12) by the number of service recipients, not to exceed two;
168.21 and.

168.22 ~~(14) adjust the result of clause (13) by a factor to be determined by the commissioner~~
168.23 ~~to adjust for regional differences in the cost of providing services.~~

168.24 **EFFECTIVE DATE.** This section is effective January 1, 2022.

168.25 Sec. 22. Minnesota Statutes 2017 Supplement, section 256B.4914, subdivision 9, is
168.26 amended to read:

168.27 **Subd. 9. Payments for unit-based services without programming.** Payments for
168.28 unit-based services without programming, including night supervision, personal support,
168.29 respite, and companion care provided to an individual outside of any day or residential
168.30 service plan must be calculated as follows unless the services are authorized separately
168.31 under subdivision 6 or 7:

169.1 (1) for all services except respite, determine the number of units of service to meet a
169.2 recipient's needs;

169.3 (2) personnel hourly wage rates must be based on the 2009 Bureau of Labor Statistics
169.4 Minnesota-specific rate or rates derived by the commissioner as provided in subdivision 5;

169.5 (3) for a recipient requiring customization for deaf and hard-of-hearing language
169.6 accessibility under subdivision 12, add the customization rate provided in subdivision 12
169.7 to the result of clause (2). This is defined as the customized direct care rate;

169.8 (4) multiply the number of direct staff hours by the appropriate staff wage in subdivision
169.9 5 or the customized direct care rate;

169.10 (5) multiply the number of direct staff hours by the product of the supervision span of
169.11 control ratio in subdivision 5, paragraph (f), clause (1), and the appropriate supervision
169.12 wage in subdivision 5, paragraph (a), clause (21);

169.13 (6) combine the results of clauses (4) and (5), and multiply the result by one plus the
169.14 employee vacation, sick, and training allowance ratio in subdivision 5, paragraph (f), clause
169.15 (2). This is defined as the direct staffing rate;

169.16 (7) for program plan support, multiply the result of clause (6) by one plus the program
169.17 plan support ratio in subdivision 5, paragraph (f), clause (4);

169.18 (8) for employee-related expenses, multiply the result of clause (7) by one plus the
169.19 employee-related cost ratio in subdivision 5, paragraph (f), clause (3);

169.20 (9) for client programming and supports, multiply the result of clause (8) by one plus
169.21 the client programming and support ratio in subdivision 5, paragraph (f), clause (5);

169.22 (10) this is the subtotal rate;

169.23 (11) sum the standard general and administrative rate, the program-related expense ratio,
169.24 and the absence and utilization factor ratio;

169.25 (12) divide the result of clause (10) by one minus the result of clause (11). This is the
169.26 total payment amount;

169.27 (13) for respite services, determine the number of day units of service to meet an
169.28 individual's needs;

169.29 (14) personnel hourly wage rates must be based on the 2009 Bureau of Labor Statistics
169.30 Minnesota-specific rate or rates derived by the commissioner as provided in subdivision 5;

170.1 (15) for a recipient requiring deaf and hard-of-hearing customization under subdivision
170.2 12, add the customization rate provided in subdivision 12 to the result of clause (14). This
170.3 is defined as the customized direct care rate;

170.4 (16) multiply the number of direct staff hours by the appropriate staff wage in subdivision
170.5 5, paragraph (a);

170.6 (17) multiply the number of direct staff hours by the product of the supervisory span of
170.7 control ratio in subdivision 5, paragraph (g), clause (1), and the appropriate supervision
170.8 wage in subdivision 5, paragraph (a), clause (21);

170.9 (18) combine the results of clauses (16) and (17), and multiply the result by one plus
170.10 the employee vacation, sick, and training allowance ratio in subdivision 5, paragraph (g),
170.11 clause (2). This is defined as the direct staffing rate;

170.12 (19) for employee-related expenses, multiply the result of clause (18) by one plus the
170.13 employee-related cost ratio in subdivision 5, paragraph (g), clause (3);

170.14 (20) this is the subtotal rate;

170.15 (21) sum the standard general and administrative rate, the program-related expense ratio,
170.16 and the absence and utilization factor ratio; and

170.17 (22) divide the result of clause (20) by one minus the result of clause (21). This is the
170.18 total payment amount; and

170.19 ~~(23) adjust the result of clauses (12) and (22) by a factor to be determined by the~~
170.20 ~~commissioner to adjust for regional differences in the cost of providing services.~~

170.21 **EFFECTIVE DATE.** This section is effective January 1, 2022.

170.22 Sec. 23. Minnesota Statutes 2017 Supplement, section 256B.4914, subdivision 10, is
170.23 amended to read:

170.24 Subd. 10. **Updating payment values and additional information.** (a) From January
170.25 1, 2014, through December 31, 2017, the commissioner shall develop and implement uniform
170.26 procedures to refine terms and adjust values used to calculate payment rates in this section.

170.27 (b) No later than July 1, 2014, the commissioner shall, within available resources, begin
170.28 to conduct research and gather data and information from existing state systems or other
170.29 outside sources on the following items:

170.30 (1) differences in the underlying cost to provide services and care across the state; and

171.1 (2) mileage, vehicle type, lift requirements, incidents of individual and shared rides, and
171.2 units of transportation for all day services, which must be collected from providers using
171.3 the rate management worksheet and entered into the rates management system; and

171.4 (3) the distinct underlying costs for services provided by a license holder under sections
171.5 245D.05, 245D.06, 245D.07, 245D.071, 245D.081, and 245D.09, and for services provided
171.6 by a license holder certified under section 245D.33.

171.7 (c) Beginning January 1, 2014, through December 31, 2018, using a statistically valid
171.8 set of rates management system data, the commissioner, in consultation with stakeholders,
171.9 shall analyze for each service the average difference in the rate on December 31, 2013, and
171.10 the framework rate at the individual, provider, lead agency, and state levels. The
171.11 commissioner shall issue semiannual reports to the stakeholders on the difference in rates
171.12 by service and by county during the banding period under section 256B.4913, subdivision
171.13 4a. The commissioner shall issue the first report by October 1, 2014, and the final report
171.14 shall be issued by December 31, 2018.

171.15 (d) No later than July 1, 2014, the commissioner, in consultation with stakeholders, shall
171.16 begin the review and evaluation of the following values already in subdivisions 6 to 9, or
171.17 issues that impact all services, including, but not limited to:

171.18 (1) values for transportation rates;

171.19 (2) values for services where monitoring technology replaces staff time;

171.20 (3) values for indirect services;

171.21 (4) values for nursing;

171.22 (5) values for the facility use rate in day services, and the weightings used in the day
171.23 service ratios and adjustments to those weightings;

171.24 (6) values for workers' compensation as part of employee-related expenses;

171.25 (7) values for unemployment insurance as part of employee-related expenses;

171.26 (8) any changes in state or federal law with a direct impact on the underlying cost of
171.27 providing home and community-based services; ~~and~~

171.28 (9) direct care staff labor market measures; and

171.29 (10) outcome measures, determined by the commissioner, for home and community-based
171.30 services rates determined under this section.

172.1 (e) The commissioner shall report to the chairs and the ranking minority members of
172.2 the legislative committees and divisions with jurisdiction over health and human services
172.3 policy and finance with the information and data gathered under paragraphs (b) to (d) on
172.4 the following dates:

172.5 (1) January 15, 2015, with preliminary results and data;

172.6 (2) January 15, 2016, with a status implementation update, and additional data and
172.7 summary information;

172.8 (3) January 15, 2017, with the full report; and

172.9 (4) January 15, 2020, with another full report, and a full report once every four years
172.10 thereafter.

172.11 (f) The commissioner shall implement a regional adjustment factor to all rate calculations
172.12 in subdivisions 6 to 9, effective no later than January 1, 2015. Beginning July 1, 2017, the
172.13 commissioner shall renew analysis and implement changes to the regional adjustment factors
172.14 when adjustments required under subdivision 5, paragraph (h), occur. Prior to
172.15 implementation, the commissioner shall consult with stakeholders on the methodology to
172.16 calculate the adjustment.

172.17 (g) The commissioner shall provide a public notice via LISTSERV in October of each
172.18 year beginning October 1, 2014, containing information detailing legislatively approved
172.19 changes in:

172.20 (1) calculation values including derived wage rates and related employee and
172.21 administrative factors;

172.22 (2) service utilization;

172.23 (3) county and tribal allocation changes; and

172.24 (4) information on adjustments made to calculation values and the timing of those
172.25 adjustments.

172.26 The information in this notice must be effective January 1 of the following year.

172.27 (h) When the available shared staffing hours in a residential setting are insufficient to
172.28 meet the needs of an individual who enrolled in residential services after January 1, 2014,
172.29 or insufficient to meet the needs of an individual with a service agreement adjustment
172.30 described in section 256B.4913, subdivision 4a, paragraph (f), then individual staffing hours
172.31 shall be used.

173.1 (i) The commissioner shall study the underlying cost of absence and utilization for day
173.2 services. Based on the commissioner's evaluation of the data collected under this paragraph,
173.3 the commissioner shall make recommendations to the legislature by January 15, 2018, for
173.4 changes, if any, to the absence and utilization factor ratio component value for day services.

173.5 (j) Beginning July 1, 2017, the commissioner shall collect transportation and trip
173.6 information for all day services through the rates management system.

173.7 Sec. 24. Minnesota Statutes 2017 Supplement, section 256B.4914, subdivision 10a, is
173.8 amended to read:

173.9 Subd. 10a. **Reporting and analysis of cost data.** (a) The commissioner must ensure
173.10 that wage values and component values in subdivisions 5 to 9 reflect the cost to provide the
173.11 service. As determined by the commissioner, in consultation with stakeholders identified
173.12 in section 256B.4913, subdivision 5, a provider enrolled to provide services with rates
173.13 determined under this section must submit requested cost data to the commissioner to support
173.14 research on the cost of providing services that have rates determined by the disability waiver
173.15 rates system. Requested cost data may include, but is not limited to:

173.16 (1) worker wage costs;

173.17 (2) benefits paid;

173.18 (3) supervisor wage costs;

173.19 (4) executive wage costs;

173.20 (5) vacation, sick, and training time paid;

173.21 (6) taxes, workers' compensation, and unemployment insurance costs paid;

173.22 (7) administrative costs paid;

173.23 (8) program costs paid;

173.24 (9) transportation costs paid;

173.25 (10) vacancy rates; and

173.26 (11) other data relating to costs required to provide services requested by the
173.27 commissioner.

173.28 (b) At least once in any five-year period, a provider must submit cost data for a fiscal
173.29 year that ended not more than 18 months prior to the submission date. The commissioner
173.30 shall provide each provider a 90-day notice prior to its submission due date. If a provider
173.31 fails to submit required reporting data, the commissioner shall provide notice to providers

174.1 that have not provided required data 30 days after the required submission date, and a second
174.2 notice for providers who have not provided required data 60 days after the required
174.3 submission date. The commissioner shall temporarily suspend payments to the provider if
174.4 cost data is not received 90 days after the required submission date. Withheld payments
174.5 shall be made once data is received by the commissioner.

174.6 (c) The commissioner shall conduct a random validation of data submitted under
174.7 paragraph (a) to ensure data accuracy. The commissioner shall analyze cost documentation
174.8 in paragraph (a) and provide recommendations for adjustments to cost components.

174.9 (d) The commissioner shall analyze cost documentation in paragraph (a) and, in
174.10 consultation with stakeholders identified in section 256B.4913, subdivision 5, may submit
174.11 recommendations on component values and inflationary factor adjustments to the chairs
174.12 and ranking minority members of the legislative committees with jurisdiction over human
174.13 services every four years beginning January 1, 2020. The commissioner shall make
174.14 recommendations in conjunction with reports submitted to the legislature according to
174.15 subdivision 10, paragraph (e). The commissioner shall release cost data in an aggregate
174.16 form, and cost data from individual providers shall not be released except as provided for
174.17 in current law.

174.18 (e) The commissioner, in consultation with stakeholders identified in section 256B.4913,
174.19 subdivision 5, shall develop and implement a process for providing training and technical
174.20 assistance necessary to support provider submission of cost documentation required under
174.21 paragraph (a).

174.22 (f) Beginning January 1, 2019, providers enrolled to provide services with rates
174.23 determined under this section shall submit labor market data to the commissioner annually,
174.24 including, but not limited to:

174.25 (1) number of direct care staff;

174.26 (2) wages of direct care staff;

174.27 (3) overtime wages of direct care staff;

174.28 (4) hours worked by direct care staff;

174.29 (5) overtime hours worked by direct care staff;

174.30 (6) benefits provided to direct care staff;

174.31 (7) direct care staff job vacancies; and

174.32 (8) direct care staff retention rates.

175.1 (g) Beginning January 15, 2020, the commissioner shall publish annual reports on
 175.2 provider and state-level labor market data, including, but not limited to:

175.3 (1) number of direct care staff;

175.4 (2) wages of direct care staff;

175.5 (3) overtime wages of direct care staff;

175.6 (4) hours worked by direct care staff;

175.7 (5) overtime hours worked by direct care staff;

175.8 (6) benefits provided to direct care staff;

175.9 (7) direct care staff job vacancies; and

175.10 (8) direct care staff retention rates.

175.11 Sec. 25. Minnesota Statutes 2016, section 256B.5012, is amended by adding a subdivision
 175.12 to read:

175.13 Subd. 18. **ICF/DD rate increase effective July 1, 2018; Steele County.** Effective July
 175.14 1, 2018, the daily rate for an intermediate care facility for persons with developmental
 175.15 disabilities located in Steele County that is classified as a class B facility and licensed for
 175.16 16 beds is \$400. The increase under this subdivision is in addition to any other increase that
 175.17 is effective on July 1, 2018.

175.18 Sec. 26. Minnesota Statutes 2016, section 256R.53, subdivision 2, is amended to read:

175.19 Subd. 2. **Nursing ~~facility~~ facilities in Breckenridge border cities.** The operating
 175.20 payment rate of a nonprofit nursing facility that exists on January 1, 2015, is located within
 175.21 the boundaries of the city cities of Breckenridge or Moorhead, and is reimbursed under this
 175.22 chapter, is equal to the greater of:

175.23 (1) the operating payment rate determined under section 256R.21, subdivision 3; or

175.24 (2) the median case mix adjusted rates, including comparable rate components as
 175.25 determined by the median case mix adjusted rates, including comparable rate components
 175.26 as determined by the commissioner, for the equivalent case mix indices of the nonprofit
 175.27 nursing facility or facilities located in an adjacent city in another state and in cities contiguous
 175.28 to the adjacent city. The commissioner shall make the comparison required in this subdivision
 175.29 on November 1 of each year and shall apply it to the rates to be effective on the following
 175.30 January 1. The Minnesota facility's operating payment rate with a case mix index of 1.0 is

176.1 computed by dividing the adjacent city's nursing facility or facilities' median operating
176.2 payment rate with an index of 1.02 by 1.02. If the adjustments under this subdivision result
176.3 in a rate that exceeds the limits in section 256R.23, subdivision 5, and whose costs exceed
176.4 the rate in section 256R.24, subdivision 3, in a given rate year, the facility's rate shall not
176.5 be subject to the limits in section 256R.23, subdivision 5, and shall not be limited to the
176.6 rate established in section 256R.24, subdivision 3, for that rate year.

176.7 **EFFECTIVE DATE.** The rate increases for a facility located in Moorhead are effective
176.8 for the rate year beginning January 1, 2020, and annually thereafter.

176.9 Sec. 27. Laws 2014, chapter 312, article 27, section 76, is amended to read:

176.10 Sec. 76. **DISABILITY WAIVER REIMBURSEMENT RATE ADJUSTMENTS.**

176.11 ~~Subdivision 1. **Historical rate.** The commissioner of human services shall adjust the~~
176.12 ~~historical rates calculated in Minnesota Statutes, section 256B.4913, subdivision 4a,~~
176.13 ~~paragraph (b), in effect during the banding period under Minnesota Statutes, section~~
176.14 ~~256B.4913, subdivision 4a, paragraph (a), for the reimbursement rate increases effective~~
176.15 ~~April 1, 2014, and any rate modification enacted during the 2014 legislative session.~~

176.16 ~~Subd. 2. **Residential support services.** The commissioner of human services shall adjust~~
176.17 ~~the rates calculated in Minnesota Statutes, section 256B.4914, subdivision 6, paragraphs~~
176.18 ~~(b), clause (4), and (c), for the reimbursement rate increases effective April 1, 2014, and~~
176.19 ~~any rate modification enacted during the 2014 legislative session.~~

176.20 ~~Subd. 3. **Day programs.** The commissioner of human services shall adjust the rates~~
176.21 ~~calculated in Minnesota Statutes, section 256B.4914, subdivision 7, paragraph (a), clauses~~
176.22 ~~(15) to (17), for the reimbursement rate increases effective April 1, 2014, and any rate~~
176.23 ~~modification enacted during the 2014 legislative session.~~

176.24 ~~Subd. 4. **Unit-based services with programming.** The commissioner of human services~~
176.25 ~~shall adjust the rate calculated in Minnesota Statutes, section 256B.4914, subdivision 8,~~
176.26 ~~paragraph (a), clause (14), for the reimbursement rate increases effective April 1, 2014, and~~
176.27 ~~any rate modification enacted during the 2014 legislative session.~~

176.28 ~~Subd. 5. **Unit-based services without programming.** The commissioner of human~~
176.29 ~~services shall adjust the rate calculated in Minnesota Statutes, section 256B.4914, subdivision~~
176.30 ~~9, paragraph (a), clause (23), for the reimbursement rate increases effective April 1, 2014,~~
176.31 ~~and any rate modification enacted during the 2014 legislative session.~~

176.32 **EFFECTIVE DATE.** This section is effective January 1, 2019.

177.1 Sec. 28. Laws 2017, First Special Session chapter 6, article 3, section 49, is amended to
177.2 read:

177.3 Sec. 49. ~~ELECTRONIC SERVICE DELIVERY DOCUMENTATION SYSTEM~~
177.4 VISIT VERIFICATION.

177.5 Subdivision 1. **Documentation; establishment.** The commissioner of human services
177.6 shall establish implementation requirements and standards for ~~an electronic service delivery~~
177.7 ~~documentation system~~ visit verification to comply with the 21st Century Cures Act, Public
177.8 Law 114-255. Within available appropriations, the commissioner shall take steps to comply
177.9 with the electronic visit verification requirements in the 21st Century Cures Act, Public
177.10 Law 114-255.

177.11 Subd. 2. **Definitions.** (a) For purposes of this section, the terms in this subdivision have
177.12 the meanings given them.

177.13 (b) "Electronic ~~service delivery documentation~~ visit verification" means the electronic
177.14 documentation of the:

177.15 (1) type of service performed;

177.16 (2) individual receiving the service;

177.17 (3) date of the service;

177.18 (4) location of the service delivery;

177.19 (5) individual providing the service; and

177.20 (6) time the service begins and ends.

177.21 (c) "Electronic ~~service delivery documentation~~ visit verification system" means a system
177.22 that provides electronic ~~service delivery documentation~~ verification of services that complies
177.23 with the 21st Century Cures Act, Public Law 114-255, and the requirements of subdivision
177.24 3.

177.25 (d) "Service" means one of the following:

177.26 (1) personal care assistance services as defined in Minnesota Statutes, section 256B.0625,
177.27 subdivision 19a, and provided according to Minnesota Statutes, section 256B.0659; ~~or~~

177.28 (2) community first services and supports under Minnesota Statutes, section 256B.85;

177.29 (3) home health services under Minnesota Statutes, section 256B.0625, subdivision 6a;

177.30 or

178.1 (4) other medical supplies and equipment or home and community-based services that
178.2 are required to be electronically verified by the 21st Century Cures Act, Public Law 114-255.

178.3 Subd. 3. **Requirements.** (a) In developing implementation requirements for an electronic
178.4 ~~service delivery documentation system~~ visit verification, the commissioner shall consider
178.5 ~~electronic visit verification systems and other electronic service delivery documentation~~
178.6 ~~methods. The commissioner shall convene stakeholders that will be impacted by an electronic~~
178.7 ~~service delivery system, including service providers and their representatives, service~~
178.8 ~~recipients and their representatives, and, as appropriate, those with expertise in the~~
178.9 ~~development and operation of an electronic service delivery documentation system, to ensure~~
178.10 that the requirements:

178.11 (1) are minimally administratively and financially burdensome to a provider;

178.12 (2) are minimally burdensome to the service recipient and the least disruptive to the
178.13 service recipient in receiving and maintaining allowed services;

178.14 (3) consider existing best practices and use of electronic ~~service delivery documentation~~
178.15 visit verification;

178.16 (4) are conducted according to all state and federal laws;

178.17 (5) are effective methods for preventing fraud when balanced against the requirements
178.18 of clauses (1) and (2); and

178.19 (6) are consistent with the Department of Human Services' policies related to covered
178.20 services, flexibility of service use, and quality assurance.

178.21 (b) The commissioner shall make training available to providers on the electronic ~~service~~
178.22 ~~delivery documentation~~ visit verification system requirements.

178.23 (c) The commissioner shall establish baseline measurements related to preventing fraud
178.24 and establish measures to determine the effect of electronic ~~service delivery documentation~~
178.25 visit verification requirements on program integrity.

178.26 (d) The commissioner shall make a state-selected electronic visit verification system
178.27 available to providers of services.

178.28 Subd. 3a. **Provider requirements.** (a) Providers of services may select their own
178.29 electronic visit verification system that meets the requirements established by the
178.30 commissioner.

179.1 (b) All electronic visit verification systems used by providers to comply with the
179.2 requirements established by the commissioner must provide data to the commissioner in a
179.3 format and at a frequency to be established by the commissioner.

179.4 (c) Providers must implement the electronic visit verification systems required under
179.5 this section by January 1, 2019, for personal care services and by January 1, 2023, for home
179.6 health services in accordance with the 21st Century Cures Act, Public Law 114-255, and
179.7 the Centers for Medicare and Medicaid Services guidelines. For the purposes of this
179.8 paragraph, "personal care services" and "home health services" have the meanings given
179.9 in United States Code, title 42, section 1396b(1)(5).

179.10 ~~Subd. 4. **Legislative report.** (a) The commissioner shall submit a report by January 15,~~
179.11 ~~2018, to the chairs and ranking minority members of the legislative committees with~~
179.12 ~~jurisdiction over human services with recommendations, based on the requirements of~~
179.13 ~~subdivision 3, to establish electronic service delivery documentation system requirements~~
179.14 ~~and standards. The report shall identify:~~

179.15 ~~(1) the essential elements necessary to operationalize a base level electronic service~~
179.16 ~~delivery documentation system to be implemented by January 1, 2019; and~~

179.17 ~~(2) enhancements to the base level electronic service delivery documentation system to~~
179.18 ~~be implemented by January 1, 2019, or after, with projected operational costs and the costs~~
179.19 ~~and benefits for system enhancements.~~

179.20 ~~(b) The report must also identify current regulations on service providers that are either~~
179.21 ~~inefficient, minimally effective, or will be unnecessary with the implementation of an~~
179.22 ~~electronic service delivery documentation system.~~

179.23 **Sec. 29. DIRECTION TO COMMISSIONER; PRESCRIBED PEDIATRIC**
179.24 **EXTENDED CARE.**

179.25 No later than August 15, 2018, the commissioner of human services shall submit to the
179.26 federal Centers for Medicare and Medicaid Services any medical assistance state plan
179.27 amendments necessary to cover prescribed pediatric extended care center basic services
179.28 according to Minnesota Statutes, section 256B.0625, subdivision 65.

179.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

180.1 Sec. 30. **DIRECTION TO COMMISSIONER; BI AND CADI WAIVER**
180.2 **CUSTOMIZED LIVING SERVICES PROVIDER LOCATED IN HENNEPIN**
180.3 **COUNTY.**

180.4 (a) The commissioner of human services shall allow a housing with services establishment
180.5 located in Minneapolis that provides customized living and 24-hour customized living
180.6 services for clients enrolled in the brain injury (BI) or community access for disability
180.7 inclusion (CADI) waiver and had a capacity to serve 66 clients as of July 1, 2017, to transfer
180.8 service capacity of up to 66 clients to no more than three new housing with services
180.9 establishments located in Hennepin County.

180.10 (b) Notwithstanding Minnesota Statutes, section 256B.492, the commissioner shall
180.11 determine the new housing with services establishments described under paragraph (a) meet
180.12 the BI and CADI waiver customized living and 24-hour customized living size limitation
180.13 exception for clients receiving those services at the new housing with services establishments
180.14 described under paragraph (a).

180.15 Sec. 31. **DIRECTION TO COMMISSIONER; DISABILITY WAIVER RATE**
180.16 **SYSTEM.**

180.17 Between July 1, 2018, and December 31, 2018, the commissioner of human services
180.18 shall continue to reimburse the Centers for Medicare and Medicaid Services for the
180.19 disallowed federal share of the rate increases described in Laws 2014, chapter 312, article
180.20 27, section 76, subdivisions 2 to 5.

180.21 **EFFECTIVE DATE.** This section is effective July 1, 2018.

180.22 Sec. 32. **REVISOR'S INSTRUCTION.**

180.23 The revisor of statutes shall codify Laws 2017, First Special Session chapter 6, article
180.24 3, section 49, as amended in this article, in Minnesota Statutes, chapter 256B.

180.25 Sec. 33. **REPEALER.**

180.26 Minnesota Statutes 2016, section 256B.0705, is repealed.

180.27 **EFFECTIVE DATE.** This section is effective January 1, 2019.

180.28 **ARTICLE 6**

180.29 **PROTECTIONS FOR OLDER ADULTS AND VULNERABLE ADULTS**

180.30 Section 1. **CITATION.**

181.1 Sections 1 to 61 may be cited as the "Vulnerable Adult Maltreatment Prevention and
181.2 Accountability Act of 2018."

181.3 Sec. 2. Minnesota Statutes 2016, section 144.6501, subdivision 3, is amended to read:

181.4 Subd. 3. **Contracts of admission.** (a) A facility shall make complete unsigned copies
181.5 of its admission contract available to potential applicants and to the state or local long-term
181.6 care ombudsman immediately upon request.

181.7 (b) A facility shall post conspicuously within the facility, in a location accessible to
181.8 public view, either a complete copy of its admission contract or notice of its availability
181.9 from the facility.

181.10 (c) An admission contract must be printed in black type of at least ten-point type size.
181.11 The facility shall give a complete copy of the admission contract to the resident or the
181.12 resident's legal representative promptly after it has been signed by the resident or legal
181.13 representative.

181.14 (d) The admission contract must contain the name, address, and contact information of
181.15 the current owner, manager, and if different from the owner, license holder of the facility,
181.16 and the name and physical mailing address of at least one natural person who is authorized
181.17 to accept service of process.

181.18 ~~(d)~~ (e) An admission contract is a consumer contract under sections 325G.29 to 325G.37.

181.19 ~~(e)~~ (f) All admission contracts must state in bold capital letters the following notice to
181.20 applicants for admission: "NOTICE TO APPLICANTS FOR ADMISSION. READ YOUR
181.21 ADMISSION CONTRACT. ORAL STATEMENTS OR COMMENTS MADE BY THE
181.22 FACILITY OR YOU OR YOUR REPRESENTATIVE ARE NOT PART OF YOUR
181.23 ADMISSION CONTRACT UNLESS THEY ARE ALSO IN WRITING. DO NOT RELY
181.24 ON ORAL STATEMENTS OR COMMENTS THAT ARE NOT INCLUDED IN THE
181.25 WRITTEN ADMISSION CONTRACT."

181.26 Sec. 3. Minnesota Statutes 2016, section 144.6501, is amended by adding a subdivision
181.27 to read:

181.28 Subd. 3a. **Changes to contracts of admission.** Within 30 days of a change in ownership,
181.29 management, or license holder, the facility must provide prompt written notice to the resident
181.30 or resident's legal representative of a new owner, manager, and if different from the owner,
181.31 license holder of the facility, and the name and physical mailing address of any new or

182.1 additional natural person not identified in the admission contract who is newly authorized
182.2 to accept service of process.

182.3 Sec. 4. Minnesota Statutes 2016, section 144.651, subdivision 1, is amended to read:

182.4 Subdivision 1. **Legislative intent.** It is the intent of the legislature and the purpose of
182.5 this section to promote the interests and well being of the patients and residents of health
182.6 care facilities. It is the intent of this section that every patient's and resident's civil and
182.7 religious liberties, including the right to independent personal decisions and knowledge of
182.8 available choices, must not be infringed and that the facility must encourage and assist in
182.9 the fullest possible exercise of these rights. The rights provided under this section are
182.10 established for the benefit of patients and residents. No health care facility may require or
182.11 request a patient or resident to waive any of these rights at any time or for any reason
182.12 including as a condition of admission to the facility. Any guardian or conservator of a patient
182.13 or resident or, in the absence of a guardian or conservator, an interested person, may seek
182.14 enforcement of these rights on behalf of a patient or resident. An interested person may also
182.15 seek enforcement of these rights on behalf of a patient or resident who has a guardian or
182.16 conservator through administrative agencies or in district court having jurisdiction over
182.17 guardianships and conservatorships. Pending the outcome of an enforcement proceeding
182.18 the health care facility may, in good faith, comply with the instructions of a guardian or
182.19 conservator. ~~It is the intent of this section that every patient's civil and religious liberties,~~
182.20 ~~including the right to independent personal decisions and knowledge of available choices,~~
182.21 ~~shall not be infringed and that the facility shall encourage and assist in the fullest possible~~
182.22 ~~exercise of these rights.~~

182.23 Sec. 5. Minnesota Statutes 2016, section 144.651, subdivision 2, is amended to read:

182.24 Subd. 2. **Definitions.** (a) For the purposes of this section and section 144.6511, the terms
182.25 defined in this subdivision have the meanings given them.

182.26 (b) "Patient" means:

182.27 (1) a person who is admitted to an acute care inpatient facility for a continuous period
182.28 longer than 24 hours, for the purpose of diagnosis or treatment bearing on the physical or
182.29 mental health of that person;

182.30 (2) a minor who is admitted to a residential program as defined in section 253C.01;

182.31 (3) for purposes of subdivisions 1, 4 to 9, 12, 13, 15, 16, and 18 to 20, "patient" also
182.32 ~~means~~ a person who receives health care services at an outpatient surgical center or at a

183.1 birth center licensed under section 144.615. ~~"Patient" also means a minor who is admitted~~
 183.2 ~~to a residential program as defined in section 253C.01; and~~

183.3 (4) for purposes of subdivisions 1, 3 to 16, 18, 20 and 30, "patient" also means any
 183.4 person who is receiving mental health treatment on an outpatient basis or in a community
 183.5 support program or other community-based program.

183.6 (c) "Resident" means a person who is admitted to:

183.7 (1) a nonacute care facility including extended care facilities;

183.8 (2) a nursing homes, and home;

183.9 (3) a boarding care homes home for care required because of prolonged mental or physical
 183.10 illness or disability, recovery from injury or disease, or advancing age; and

183.11 (4) for purposes of all subdivisions except subdivisions 28 and 29, "resident" also means
 183.12 a person who is admitted to 1 to 27 and 30 to 33, a facility licensed as a board and lodging
 183.13 facility under Minnesota Rules, parts 4625.0100 to 4625.2355 chapter 4625, or a supervised
 183.14 living facility under Minnesota Rules, parts 4665.0100 to 4665.9900 chapter 4665, and
 183.15 which operates a rehabilitation program licensed under Minnesota Rules, parts 9530.6405
 183.16 9530.6510 to 9530.6590.

183.17 (d) "Health care facility" or "facility" means:

183.18 (1) an acute care inpatient facility;

183.19 (2) a residential program as defined in section 253C.01;

183.20 (3) for purposes of subdivisions 1, 4 to 9, 12, 13, 15, 16, and 18 to 20, an outpatient
 183.21 surgical center or a birth center licensed under section 144.615;

183.22 (4) for purposes of subdivisions 1, 3 to 16, 18, 20, and 30, a setting in which outpatient
 183.23 mental health services are provided, or a community support program or other
 183.24 community-based program providing mental health treatment;

183.25 (5) a nonacute care facility, including extended care facilities;

183.26 (6) a nursing home;

183.27 (7) a boarding care home for care required because of prolonged mental or physical
 183.28 illness or disability, recovery from injury or disease, or advancing age; or

183.29 (8) for the purposes of subdivisions 1 to 27 and 30 to 33, a facility licensed as a board
 183.30 and lodging facility under Minnesota Rules, parts 4625.0100 to 4625.2355, or a supervised

184.1 living facility under Minnesota Rules, parts 4665.0100 to 4665.9900, and which operates
184.2 a rehabilitation program licensed under Minnesota Rules, parts 9530.6510 to 9530.6590.

184.3 Sec. 6. Minnesota Statutes 2016, section 144.651, subdivision 4, is amended to read:

184.4 Subd. 4. **Information about rights.** (a) Patients and residents shall, at admission, be
184.5 told that there are legal rights for their protection during their stay at the facility or throughout
184.6 their course of treatment and maintenance in the community and that these are described
184.7 in an accompanying written statement in plain language and in terms patients and residents
184.8 can understand of the applicable rights and responsibilities set forth in this section. The
184.9 written statement must be developed by the commissioner, in consultation with stakeholders,
184.10 and must also include the name, address, and telephone number of the state or county agency
184.11 to contact for additional information or assistance. In the case of patients admitted to
184.12 residential programs as defined in section 253C.01, the written statement shall also describe
184.13 the right of a person 16 years old or older to request release as provided in section 253B.04,
184.14 subdivision 2, and shall list the names and telephone numbers of individuals and organizations
184.15 that provide advocacy and legal services for patients in residential programs.

184.16 (b) Reasonable accommodations shall be made for people who have communication
184.17 disabilities and those who speak a language other than English.

184.18 (c) Current facility policies, inspection findings of state and local health authorities, and
184.19 further explanation of the written statement of rights shall be available to patients, residents,
184.20 their guardians or their chosen representatives upon reasonable request to the administrator
184.21 or other designated staff person, consistent with chapter 13, the Data Practices Act, and
184.22 section 626.557, relating to vulnerable adults.

184.23 Sec. 7. Minnesota Statutes 2016, section 144.651, subdivision 14, is amended to read:

184.24 Subd. 14. **Freedom from maltreatment.** (a) Patients and residents shall be free from
184.25 maltreatment as defined in the Vulnerable Adults Protection Act. "Maltreatment" means
184.26 conduct described in section 626.5572, subdivision 15, or the intentional and nontherapeutic
184.27 infliction of physical pain or injury, or any persistent course of conduct intended to produce
184.28 mental or emotional distress. Patients and residents shall receive notification from the lead
184.29 investigative agency regarding a report of alleged maltreatment, disposition of a report, and
184.30 appeal rights, as provided under section 626.557, subdivision 9c.

184.31 (b) Every patient and resident shall also be free from nontherapeutic chemical and
184.32 physical restraints, except in fully documented emergencies, or as authorized in writing

185.1 after examination by a patient's or resident's physician for a specified and limited period of
185.2 time, and only when necessary to protect the resident from self-injury or injury to others.

185.3 Sec. 8. Minnesota Statutes 2016, section 144.651, subdivision 16, is amended to read:

185.4 Subd. 16. **Confidentiality of records.** Patients and residents shall be assured confidential
185.5 treatment of their personal, financial, and medical records, and may approve or refuse their
185.6 release to any individual outside the facility. Residents shall be notified when personal
185.7 records are requested by any individual outside the facility and may select someone to
185.8 accompany them when the records or information are the subject of a personal interview.
185.9 Patients and residents have a right to access their own records and written information from
185.10 those records. Copies of records and written information from the records shall be made
185.11 available in accordance with this subdivision and sections 144.291 to 144.298. This right
185.12 does not apply to complaint investigations and inspections by the Department of Health,
185.13 where required by third-party payment contracts, or where otherwise provided by law.

185.14 Sec. 9. Minnesota Statutes 2016, section 144.651, subdivision 20, is amended to read:

185.15 Subd. 20. **Grievances.** (a) Patients and residents shall be encouraged and assisted,
185.16 throughout their stay in a facility or their course of treatment, to understand and exercise
185.17 their rights as patients, residents, and citizens. Patients and residents may voice grievances,
185.18 assert the rights granted under this section personally, and recommend changes in policies
185.19 and services to facility staff and others of their choice, free from restraint, interference,
185.20 coercion, discrimination, retaliation, or reprisal, including threat of discharge. ~~Notice of the~~
185.21 ~~grievance procedure of the facility or program, as well as addresses and telephone numbers~~
185.22 ~~for the Office of Health Facility Complaints and the area nursing home ombudsman pursuant~~
185.23 ~~to the Older Americans Act, section 307(a)(12) shall be posted in a conspicuous place.~~

185.24 (b) The facility must investigate and attempt resolution of the complaint or grievance.
185.25 The patient or resident has the right to be informed of the name of the individual who is
185.26 responsible for handling grievances.

185.27 (c) Notice must be posted in a conspicuous place of the facility's or program's grievance
185.28 procedure, as well as telephone numbers and, where applicable, addresses for the common
185.29 entry point, as defined in section 626.5572, subdivision 5, the protection and advocacy
185.30 agency, and the area ombudsman for long-term care pursuant to the Older Americans Act,
185.31 section 307(a)(12).

185.32 (d) Every acute care inpatient facility, every residential program as defined in section
185.33 253C.01, every nonacute care facility, and every facility employing more than two people

186.1 that provides outpatient mental health services shall have a written internal grievance
186.2 procedure that, at a minimum, sets forth the process to be followed; specifies time limits,
186.3 including time limits for facility response; provides for the patient or resident to have the
186.4 assistance of an advocate; requires a written response to written grievances; and provides
186.5 for a timely decision by an impartial decision maker if the grievance is not otherwise resolved.
186.6 Compliance by hospitals, residential programs as defined in section 253C.01 which are
186.7 hospital-based primary treatment programs, and outpatient surgery centers with section
186.8 144.691 and compliance by health maintenance organizations with section 62D.11 is deemed
186.9 to be compliance with the requirement for a written internal grievance procedure.

186.10 Sec. 10. Minnesota Statutes 2016, section 144.651, subdivision 21, is amended to read:

186.11 Subd. 21. **Communication privacy.** Patients and residents may associate and
186.12 communicate privately with persons of their choice and enter and, except as provided by
186.13 the Minnesota Commitment Act, leave the facility as they choose. Patients and residents
186.14 shall have access, at their own expense, unless provided by the facility, to writing instruments,
186.15 stationery, ~~and~~ postage, and Internet service. Personal mail shall be sent without interference
186.16 and received unopened unless medically or programmatically contraindicated and
186.17 documented by the physician in the medical record. There shall be access to a telephone
186.18 where patients and residents can make and receive calls as well as speak privately. Facilities
186.19 which are unable to provide a private area shall make reasonable arrangements to
186.20 accommodate the privacy of patients' or residents' calls. Upon admission to a facility where
186.21 federal law prohibits unauthorized disclosure of patient or resident identifying information
186.22 to callers and visitors, the patient or resident, or the legal guardian or conservator of the
186.23 patient or resident, shall be given the opportunity to authorize disclosure of the patient's or
186.24 resident's presence in the facility to callers and visitors who may seek to communicate with
186.25 the patient or resident. To the extent possible, the legal guardian or conservator of a patient
186.26 or resident shall consider the opinions of the patient or resident regarding the disclosure of
186.27 the patient's or resident's presence in the facility. This right is limited where medically
186.28 inadvisable, as documented by the attending physician in a patient's or resident's care record.
186.29 Where programmatically limited by a facility abuse prevention plan pursuant to section
186.30 626.557, subdivision 14, paragraph (b), this right shall also be limited accordingly.

186.31 Sec. 11. **[144.6511] CONSUMER TRANSPARENCY.**

186.32 (a) Deceptive marketing and business practices are prohibited.

186.33 (b) For the purposes of this section, it is a deceptive practice for a facility to:

- 187.1 (1) make any false, fraudulent, deceptive, or misleading statements in marketing,
187.2 advertising, or written description or representation of care or services, whether in written
187.3 or electronic form;
- 187.4 (2) arrange for or provide health care or services other than those contracted for;
- 187.5 (3) fail to deliver any care or services the provider or facility promised that the facility
187.6 was able to provide;
- 187.7 (4) fail to inform the patient or resident in writing of any limitations to care services
187.8 available prior to executing a contract for admission;
- 187.9 (5) fail to fulfill a written promise that the facility shall continue the same services and
187.10 the same lease terms if a private pay resident converts to the elderly waiver program;
- 187.11 (6) fail to disclose in writing the purpose of a nonrefundable community fee or other fee
187.12 prior to contracting for services with a patient or resident;
- 187.13 (7) advertise or represent, in writing, that the facility is or has a special care unit, such
187.14 as for dementia or memory care, without complying with training and disclosure requirements
187.15 under sections 144D.065 and 325F.72, and any other applicable law; or
- 187.16 (8) define the terms "facility," "contract of admission," "admission contract," "admission
187.17 agreement," "legal representative," or "responsible party" to mean anything other than the
187.18 meanings of those terms under section 144.6501.

187.19 Sec. 12. Minnesota Statutes 2016, section 144A.10, subdivision 1, is amended to read:

187.20 Subdivision 1. **Enforcement authority.** The commissioner of health is the exclusive
187.21 state agency charged with the responsibility and duty of inspecting all facilities required to
187.22 be licensed under section 144A.02, and issuing correction orders and imposing fines as
187.23 provided in this section, Minnesota Rules, chapter 4658, or any other applicable law. The
187.24 commissioner of health shall enforce the rules established pursuant to sections 144A.01 to
187.25 144A.155, subject only to the authority of the Department of Public Safety respecting the
187.26 enforcement of fire and safety standards in nursing homes and the responsibility of the
187.27 commissioner of human services under sections 245A.01 to 245A.16 or 252.28.

187.28 The commissioner may request and must be given access to relevant information, records,
187.29 incident reports, or other documents in the possession of a licensed facility if the
187.30 commissioner considers them necessary for the discharge of responsibilities. For the purposes
187.31 of inspections and securing information to determine compliance with the licensure laws
187.32 and rules, the commissioner need not present a release, waiver, or consent of the individual.

188.1 A facility's refusal to cooperate in providing lawfully requested information is grounds for
188.2 a correction order or fine. The identities of patients or residents must be kept private as
188.3 defined by section 13.02, subdivision 12.

188.4 Sec. 13. Minnesota Statutes 2017 Supplement, section 144A.10, subdivision 4, is amended
188.5 to read:

188.6 Subd. 4. **Correction orders.** Whenever a duly authorized representative of the
188.7 commissioner of health finds upon inspection of a nursing home, that the facility or a
188.8 controlling person or an employee of the facility is not in compliance with sections 144.411
188.9 to 144.417, 144.651, 144.6503, 144A.01 to 144A.155, or 626.557 or the rules promulgated
188.10 thereunder, a correction order shall be issued to the facility. The correction order shall state
188.11 the deficiency, cite the specific rule or statute violated, state the suggested method of
188.12 correction, and specify the time allowed for correction. Upon receipt of a correction order,
188.13 a facility shall develop and submit to the commissioner a corrective action plan based on
188.14 the correction order. The corrective action plan must specify the steps the facility will take
188.15 to correct the violation and to prevent such violations in the future, how the facility will
188.16 monitor its compliance with the corrective action plan, and when the facility plans to
188.17 complete the steps in the corrective action plan. The commissioner is presumed to accept
188.18 a corrective action plan unless the commissioner notifies the submitting facility that the
188.19 plan is not accepted within 15 calendar days after the plan is submitted to the commissioner.
188.20 The commissioner shall monitor the facility's compliance with the corrective action plan.
188.21 If the commissioner finds that the nursing home had uncorrected or repeated violations
188.22 which create a risk to resident care, safety, or rights, the commissioner shall notify the
188.23 commissioner of human services.

188.24 Sec. 14. Minnesota Statutes 2016, section 144A.44, subdivision 1, is amended to read:

188.25 Subdivision 1. **Statement of rights.** A person who receives home care services has these
188.26 rights:

188.27 (1) the right to receive written information about rights before receiving services,
188.28 including what to do if rights are violated;

188.29 (2) the right to receive care and services according to a suitable and up-to-date plan, and
188.30 subject to accepted health care, medical or nursing standards, to take an active part in
188.31 developing, modifying, and evaluating the plan and services;

188.32 (3) the right to be told before receiving services the type and disciplines of staff who
188.33 will be providing the services, the frequency of visits proposed to be furnished, other choices

189.1 that are available for addressing home care needs, and the potential consequences of refusing
189.2 these services;

189.3 (4) the right to be told in advance of any recommended changes by the provider in the
189.4 service plan and to take an active part in any decisions about changes to the service plan;

189.5 (5) the right to refuse services or treatment;

189.6 (6) the right to know, before receiving services or during the initial visit, any limits to
189.7 the services available from a home care provider;

189.8 (7) the right to be told before services are initiated what the provider charges for the
189.9 services; to what extent payment may be expected from health insurance, public programs,
189.10 or other sources, if known; and what charges the client may be responsible for paying;

189.11 (8) the right to know that there may be other services available in the community,
189.12 including other home care services and providers, and to know where to find information
189.13 about these services;

189.14 (9) the right to choose freely among available providers and to change providers after
189.15 services have begun, within the limits of health insurance, long-term care insurance, medical
189.16 assistance, or other health programs;

189.17 (10) the right to have personal, financial, and medical information kept private, and to
189.18 be advised of the provider's policies and procedures regarding disclosure of such information;

189.19 (11) the right to access the client's own records and written information from those
189.20 records in accordance with sections 144.291 to 144.298;

189.21 (12) the right to be served by people who are properly trained and competent to perform
189.22 their duties;

189.23 (13) the right to be treated with courtesy and respect, and to have the client's property
189.24 treated with respect;

189.25 (14) the right to be free from physical and verbal abuse, neglect, financial exploitation,
189.26 and all forms of maltreatment covered under the Vulnerable Adults Act and the Maltreatment
189.27 of Minors Act;

189.28 (15) the right to reasonable, advance notice of changes in services or charges;

189.29 (16) the right to know the provider's reason for termination of services;

189.30 (17) the right to at least ten days' advance notice of the termination of a service by a
189.31 provider, except in cases where:

190.1 (i) the client engages in conduct that significantly alters the terms of the service plan
 190.2 with the home care provider;

190.3 (ii) the client, person who lives with the client, or others create an abusive or unsafe
 190.4 work environment for the person providing home care services; or

190.5 (iii) an emergency or a significant change in the client's condition has resulted in service
 190.6 needs that exceed the current service plan and that cannot be safely met by the home care
 190.7 provider;

190.8 (18) the right to a coordinated transfer when there will be a change in the provider of
 190.9 services;

190.10 (19) the right to complain about services that are provided, or fail to be provided, and
 190.11 the lack of courtesy or respect to the client or the client's property;

190.12 (20) the right to recommend changes in policies and services to the home care provider,
 190.13 provider staff, and others of the person's choice, free from restraint, interference, coercion,
 190.14 discrimination, or reprisal, including threat of termination of services;

190.15 ~~(20)~~ (21) the right to know how to contact an individual associated with the home care
 190.16 provider who is responsible for handling problems and to have the home care provider
 190.17 investigate and attempt to resolve the grievance or complaint;

190.18 ~~(21)~~ (22) the right to know the name and address of the state or county agency to contact
 190.19 for additional information or assistance; and

190.20 ~~(22)~~ (23) the right to assert these rights personally, or have them asserted by the client's
 190.21 representative or by anyone on behalf of the client, without retaliation.

190.22 Sec. 15. Minnesota Statutes 2016, section 144A.442, is amended to read:

190.23 **144A.442 ASSISTED-LIVING CLIENTS; SERVICE ARRANGED HOME CARE**
 190.24 **PROVIDER RESPONSIBILITIES; TERMINATION OF SERVICES.**

190.25 **Subdivision 1. Contents of service termination notice.** If an arranged home care
 190.26 provider, as defined in section 144D.01, subdivision 2a, who is not also Medicare certified
 190.27 terminates a service agreement or service plan with an assisted living client, as defined in
 190.28 section 144G.01, subdivision 3, the home care provider shall provide the assisted living
 190.29 client and the legal or designated representatives of the client, if any, with a written notice
 190.30 of termination ~~which~~ that includes the following information:

190.31 (1) the effective date of termination;

191.1 (2) the reason for termination;

191.2 (3) without extending the termination notice period, an affirmative offer to meet with
191.3 the assisted living client or client representatives within no more than five business days of
191.4 the date of the termination notice to discuss the termination;

191.5 (4) contact information for a reasonable number of other home care providers in the
191.6 geographic area of the assisted living client, as required by section 144A.4791, subdivision
191.7 10;

191.8 (5) a statement that the provider will participate in a coordinated transfer of the care of
191.9 the client to another provider or caregiver, as required by section 144A.44, subdivision 1,
191.10 clause (18);

191.11 (6) the name and contact information of a representative of the home care provider with
191.12 whom the client may discuss the notice of termination;

191.13 (7) a copy of the home care bill of rights; and

191.14 (8) a statement that the notice of termination of home care services by the home care
191.15 provider does not constitute notice of termination of the housing with services contract with
191.16 a housing with services establishment.

191.17 Subd. 2. **Discontinuation of services.** An arranged home care provider's responsibilities
191.18 when voluntarily discontinuing services to all clients are governed by section 144A.4791,
191.19 subdivision 10.

191.20 Sec. 16. Minnesota Statutes 2016, section 144A.45, subdivision 1, is amended to read:

191.21 Subdivision 1. **Regulations.** The commissioner shall regulate home care providers
191.22 pursuant to sections 144A.43 to 144A.482. The regulations shall include the following:

191.23 (1) provisions to assure, to the extent possible, the health, safety, well-being, and
191.24 appropriate treatment of persons who receive home care services while respecting a client's
191.25 autonomy and choice;

191.26 (2) requirements that home care providers furnish the commissioner with specified
191.27 information necessary to implement sections 144A.43 to 144A.482;

191.28 (3) standards of training of home care provider personnel;

191.29 (4) standards for provision of home care services;

191.30 (5) standards for medication management;

191.31 (6) standards for supervision of home care services;

- 192.1 (7) standards for client evaluation or assessment;
- 192.2 (8) requirements for the involvement of a client's health care provider, the documentation
192.3 of health care providers' orders, if required, and the client's service plan;
- 192.4 (9) standards for the maintenance of accurate, current client records;
- 192.5 (10) the establishment of basic and comprehensive levels of licenses based on services
192.6 provided; and
- 192.7 (11) provisions to enforce these regulations and the home care bill of rights, including
192.8 provisions for issuing penalties and fines as allowed under law.

192.9 Sec. 17. Minnesota Statutes 2016, section 144A.45, subdivision 2, is amended to read:

192.10 Subd. 2. **Regulatory functions.** The commissioner shall:

- 192.11 (1) license, survey, and monitor without advance notice, home care providers in
192.12 accordance with sections 144A.43 to 144A.482;
- 192.13 (2) survey every temporary licensee within one year of the temporary license issuance
192.14 date subject to the temporary licensee providing home care services to a client or clients;
- 192.15 (3) survey all licensed home care providers on an interval that will promote the health
192.16 and safety of clients;
- 192.17 (4) with the consent of the client, visit the home where services are being provided;
- 192.18 (5) issue correction orders and assess civil penalties in accordance with ~~section~~ sections
192.19 144.653, subdivisions 5 to 8, 144A.474, and 144A.475, for violations of sections 144A.43
192.20 to 144A.482;
- 192.21 (6) take action as authorized in section 144A.475; and
- 192.22 (7) take other action reasonably required to accomplish the purposes of sections 144A.43
192.23 to 144A.482.

192.24 Sec. 18. Minnesota Statutes 2016, section 144A.473, subdivision 2, is amended to read:

192.25 Subd. 2. **Temporary license.** (a) For new license applicants, the commissioner shall
192.26 issue a temporary license for either the basic or comprehensive home care level. A temporary
192.27 license is effective for up to one year from the date of issuance. Temporary licensees must
192.28 comply with sections 144A.43 to 144A.482.

193.1 (b) During the temporary license ~~year period~~, the commissioner shall survey the temporary
193.2 licensee within 90 calendar days after the commissioner is notified or has evidence that the
193.3 temporary licensee is providing home care services.

193.4 (c) Within five days of beginning the provision of services, the temporary licensee must
193.5 notify the commissioner that it is serving clients. The notification to the commissioner may
193.6 be mailed or e-mailed to the commissioner at the address provided by the commissioner. If
193.7 the temporary licensee does not provide home care services during the temporary license
193.8 ~~year period~~, then the temporary license expires at the end of the ~~year period~~ and the applicant
193.9 must reapply for a temporary home care license.

193.10 (d) A temporary licensee may request a change in the level of licensure prior to being
193.11 surveyed and granted a license by notifying the commissioner in writing and providing
193.12 additional documentation or materials required to update or complete the changed temporary
193.13 license application. The applicant must pay the difference between the application fees
193.14 when changing from the basic level to the comprehensive level of licensure. No refund will
193.15 be made if the provider chooses to change the license application to the basic level.

193.16 (e) If the temporary licensee notifies the commissioner that the licensee has clients within
193.17 45 days prior to the temporary license expiration, the commissioner may extend the temporary
193.18 license for up to 60 days in order to allow the commissioner to complete the on-site survey
193.19 required under this section and follow-up survey visits.

193.20 Sec. 19. Minnesota Statutes 2016, section 144A.474, subdivision 2, is amended to read:

193.21 Subd. 2. **Types of home care surveys.** (a) "Initial full survey" means the survey of a
193.22 new temporary licensee conducted after the department is notified or has evidence that the
193.23 temporary licensee is providing home care services to determine if the provider is in
193.24 compliance with home care requirements. Initial full surveys must be completed within 14
193.25 months after the department's issuance of a temporary basic or comprehensive license.

193.26 (b) "Change in ownership survey" means a full survey of a new licensee due to a change
193.27 in ownership. Change in ownership surveys must be completed within six months after the
193.28 department's issuance of a new license due to a change in ownership.

193.29 ~~(b)~~ (c) "Core survey" means periodic inspection of home care providers to determine
193.30 ongoing compliance with the home care requirements, focusing on the essential health and
193.31 safety requirements. Core surveys are available to licensed home care providers who have
193.32 been licensed for three years and surveyed at least once in the past three years with the latest
193.33 survey having no widespread violations beyond Level 1 as provided in subdivision 11.

194.1 Providers must also not have had any substantiated licensing complaints, substantiated
194.2 complaints against the agency under the Vulnerable Adults Act or Maltreatment of Minors
194.3 Act, or an enforcement action as authorized in section 144A.475 in the past three years.

194.4 (1) The core survey for basic home care providers must review compliance in the
194.5 following areas:

- 194.6 (i) reporting of maltreatment;
- 194.7 (ii) orientation to and implementation of the home care bill of rights;
- 194.8 (iii) statement of home care services;
- 194.9 (iv) initial evaluation of clients and initiation of services;
- 194.10 (v) client review and monitoring;
- 194.11 (vi) service plan implementation and changes to the service plan;
- 194.12 (vii) client complaint and investigative process;
- 194.13 (viii) competency of unlicensed personnel; and
- 194.14 (ix) infection control.

194.15 (2) For comprehensive home care providers, the core survey must include everything
194.16 in the basic core survey plus these areas:

- 194.17 (i) delegation to unlicensed personnel;
- 194.18 (ii) assessment, monitoring, and reassessment of clients; and
- 194.19 (iii) medication, treatment, and therapy management.

194.20 ~~(e)~~ (d) "Full survey" means the periodic inspection of home care providers to determine
194.21 ongoing compliance with the home care requirements that cover the core survey areas and
194.22 all the legal requirements for home care providers. A full survey is conducted for all
194.23 temporary licensees and for providers who do not meet the requirements needed for a core
194.24 survey, and when a surveyor identifies unacceptable client health or safety risks during a
194.25 core survey. A full survey must include all the tasks identified as part of the core survey
194.26 and any additional review deemed necessary by the department, including additional
194.27 observation, interviewing, or records review of additional clients and staff.

194.28 ~~(d)~~ (e) "Follow-up surveys" means surveys conducted to determine if a home care
194.29 provider has corrected deficient issues and systems identified during a core survey, full
194.30 survey, or complaint investigation. Follow-up surveys may be conducted via phone, e-mail,
194.31 fax, mail, or on-site reviews. Follow-up surveys, other than complaint surveys, shall be

195.1 concluded with an exit conference and written information provided on the process for
195.2 requesting a reconsideration of the survey results.

195.3 ~~(e)~~ (f) Upon receiving information alleging that a home care provider has violated or is
195.4 currently violating a requirement of sections 144A.43 to 144A.482, the commissioner shall
195.5 investigate the complaint according to sections 144A.51 to 144A.54.

195.6 Sec. 20. Minnesota Statutes 2016, section 144A.474, subdivision 8, is amended to read:

195.7 Subd. 8. **Correction orders.** (a) A correction order may be issued whenever the
195.8 commissioner finds upon survey or during a complaint investigation that a home care
195.9 provider, a managerial official, or an employee of the provider is not in compliance with
195.10 sections 144A.43 to 144A.482. The correction order shall cite the specific statute and
195.11 document areas of noncompliance and the time allowed for correction.

195.12 (b) The commissioner shall mail copies of any correction order to the last known address
195.13 of the home care provider, or electronically scan the correction order and e-mail it to the
195.14 last known home care provider e-mail address, within 30 calendar days after the survey exit
195.15 date. A copy of each correction order and copies of any documentation supplied to the
195.16 commissioner shall be kept on file by the home care provider, and public documents shall
195.17 be made available for viewing by any person upon request. Copies may be kept electronically.

195.18 (c) By the correction order date, the home care provider must ~~document in the provider's~~
195.19 ~~records any action taken to comply with the correction order. The commissioner may request~~
195.20 ~~a copy of this documentation and the home care provider's action to respond to the correction~~
195.21 ~~order in future surveys, upon a complaint investigation, and as otherwise needed~~ develop
195.22 and submit to the commissioner a corrective action plan based on the correction order. The
195.23 corrective action plan must specify the steps the provider will take to comply with the
195.24 correction order and how to prevent noncompliance in the future, how the provider will
195.25 monitor its compliance with the corrective action plan, and when the provider plans to
195.26 complete the steps in the corrective action plan. The commissioner is presumed to accept
195.27 a corrective action plan unless the commissioner notifies the submitting home care provider
195.28 that the plan is not accepted within 15 calendar days after the plan is submitted to the
195.29 commissioner. The commissioner shall monitor the provider's compliance with the corrective
195.30 action plan.

195.31 Sec. 21. Minnesota Statutes 2016, section 144A.474, subdivision 9, is amended to read:

195.32 Subd. 9. **Follow-up surveys.** For providers that have Level 3 or Level 4 violations under
195.33 subdivision 11, or any violations determined to be widespread, the department shall conduct

196.1 a follow-up survey within 90 calendar days of the survey. When conducting a follow-up
196.2 survey, the surveyor will focus on whether the previous violations have been corrected and
196.3 may also address any new violations that are observed while evaluating the corrections that
196.4 have been made. If a new violation is identified on a follow-up survey, ~~no fine will be~~
196.5 ~~imposed unless it is not corrected on the next follow-up survey~~ the surveyor shall issue a
196.6 correction order for the new violation and may impose an immediate fine for the new
196.7 violation.

196.8 Sec. 22. Minnesota Statutes 2017 Supplement, section 144A.474, subdivision 11, is
196.9 amended to read:

196.10 Subd. 11. **Fines.** (a) Fines and enforcement actions under this subdivision may be assessed
196.11 based on the level and scope of the violations described in paragraph (c) as follows:

196.12 (1) Level 1, no fines or enforcement;

196.13 (2) Level 2, fines ranging from \$0 to \$500, in addition to any of the enforcement
196.14 mechanisms authorized in section 144A.475 for widespread violations;

196.15 (3) Level 3, fines ranging from \$500 to \$1,000, in addition to any of the enforcement
196.16 mechanisms authorized in section 144A.475; and

196.17 (4) Level 4, fines ranging from \$1,000 to \$5,000, in addition to any of the enforcement
196.18 mechanisms authorized in section 144A.475.

196.19 (b) Correction orders for violations are categorized by both level and scope and fines
196.20 shall be assessed as follows:

196.21 (1) level of violation:

196.22 (i) Level 1 is a violation that has no potential to cause more than a minimal impact on
196.23 the client and does not affect health or safety;

196.24 (ii) Level 2 is a violation that did not harm a client's health or safety but had the potential
196.25 to have harmed a client's health or safety, but was not likely to cause serious injury,
196.26 impairment, or death;

196.27 (iii) Level 3 is a violation that harmed a client's health or safety, not including serious
196.28 injury, impairment, or death, or a violation that has the potential to lead to serious injury,
196.29 impairment, or death; and

196.30 (iv) Level 4 is a violation that results in serious injury, impairment, or death.

196.31 (2) scope of violation:

197.1 (i) isolated, when one or a limited number of clients are affected or one or a limited
197.2 number of staff are involved or the situation has occurred only occasionally;

197.3 (ii) pattern, when more than a limited number of clients are affected, more than a limited
197.4 number of staff are involved, or the situation has occurred repeatedly but is not found to be
197.5 pervasive; and

197.6 (iii) widespread, when problems are pervasive or represent a systemic failure that has
197.7 affected or has the potential to affect a large portion or all of the clients.

197.8 (c) If the commissioner finds that the applicant or a home care provider required to be
197.9 licensed under sections 144A.43 to 144A.482 has not corrected violations by the date
197.10 specified in the correction order or conditional license resulting from a survey or complaint
197.11 investigation, the commissioner may impose ~~a~~ an additional fine for noncompliance with
197.12 a correction order. A notice of noncompliance with a correction order must be mailed to
197.13 the applicant's or provider's last known address. ~~The noncompliance notice of noncompliance~~
197.14 with a correction order must list the violations not corrected and any fines imposed.

197.15 (d) The license holder must pay the fines assessed on or before the payment date specified
197.16 on a correction order or on a notice of noncompliance with a correction order. If the license
197.17 holder fails to ~~fully comply with the order~~ pay a fine by the specified date, the commissioner
197.18 may issue a ~~second~~ late payment fine or suspend the license until the license holder ~~complies~~
197.19 by paying the fine pays all outstanding fines. A timely appeal shall stay payment of the late
197.20 payment fine until the commissioner issues a final order.

197.21 (e) A license holder shall promptly notify the commissioner in writing when a violation
197.22 specified in ~~the order~~ a notice of noncompliance with a correction order is corrected. If upon
197.23 reinspection the commissioner determines that a violation has not been corrected as indicated
197.24 by the ~~order~~ notice of noncompliance with a correction order, the commissioner may issue
197.25 ~~a second~~ an additional fine for noncompliance with a notice of noncompliance with a
197.26 correction order. The commissioner shall notify the license holder by mail to the last known
197.27 address in the licensing record that ~~a second~~ an additional fine has been assessed. The license
197.28 holder may appeal the ~~second~~ additional fine as provided under this subdivision.

197.29 (f) A home care provider that has been assessed a fine under this subdivision or
197.30 subdivision 8 has a right to a reconsideration or a hearing under this section and chapter 14.

197.31 (g) When a fine has been assessed, the license holder may not avoid payment by closing,
197.32 selling, or otherwise transferring the licensed program to a third party. In such an event, the
197.33 license holder shall be liable for payment of the fine.

198.1 (h) In addition to any fine imposed under this section, the commissioner may assess
198.2 costs related to an investigation that results in a final order assessing a fine or other
198.3 enforcement action authorized by this chapter.

198.4 (i) Fines collected under this subdivision shall be deposited in the state government
198.5 special revenue fund and credited to an account separate from the revenue collected under
198.6 section 144A.472. Subject to an appropriation by the legislature, the revenue from the fines
198.7 collected must be used by the commissioner for special projects to improve home care in
198.8 Minnesota as recommended by the advisory council established in section 144A.4799.

198.9 Sec. 23. Minnesota Statutes 2016, section 144A.4791, subdivision 10, is amended to read:

198.10 Subd. 10. **Termination of service plan.** (a) Except as provided in section 144A.442, if
198.11 a home care provider terminates a service plan with a client, and the client continues to need
198.12 home care services, the home care provider shall provide the client and the client's
198.13 representative, if any, with a written notice of termination which includes the following
198.14 information:

198.15 (1) the effective date of termination;

198.16 (2) the reason for termination;

198.17 (3) a list of known licensed home care providers in the client's immediate geographic
198.18 area;

198.19 (4) a statement that the home care provider will participate in a coordinated transfer of
198.20 care of the client to another home care provider, health care provider, or caregiver, as
198.21 required by the home care bill of rights, section 144A.44, subdivision 1, clause (17);

198.22 (5) the name and contact information of a person employed by the home care provider
198.23 with whom the client may discuss the notice of termination; and

198.24 (6) if applicable, a statement that the notice of termination of home care services does
198.25 not constitute notice of termination of the housing with services contract with a housing
198.26 with services establishment.

198.27 (b) When the home care provider voluntarily discontinues services to all clients, the
198.28 home care provider must notify the commissioner, lead agencies, and ombudsman for
198.29 long-term care about its clients and comply with the requirements in this subdivision.

198.30 Sec. 24. Minnesota Statutes 2016, section 144A.53, subdivision 1, is amended to read:

198.31 Subdivision 1. **Powers.** The director may:

199.1 (a) Promulgate by rule, pursuant to chapter 14, and within the limits set forth in
199.2 subdivision 2, the methods by which complaints against health facilities, health care
199.3 providers, home care providers, or residential care homes, or administrative agencies are
199.4 to be made, reviewed, investigated, and acted upon; provided, however, that a fee may not
199.5 be charged for filing a complaint.

199.6 (b) Recommend legislation and changes in rules to the state commissioner of health,
199.7 governor, administrative agencies or the federal government.

199.8 (c) Investigate, upon a complaint or upon initiative of the director, any action or failure
199.9 to act by a health care provider, home care provider, residential care home, or a health
199.10 facility.

199.11 (d) Request and receive access to relevant information, records, incident reports, or
199.12 documents in the possession of an administrative agency, a health care provider, a home
199.13 care provider, a residential care home, or a health facility, and issue investigative subpoenas
199.14 to individuals and facilities for oral information and written information, including privileged
199.15 information which the director deems necessary for the discharge of responsibilities. For
199.16 purposes of investigation and securing information to determine violations, the director
199.17 need not present a release, waiver, or consent of an individual. The identities of patients or
199.18 residents must be kept private as defined by section 13.02, subdivision 12.

199.19 (e) Enter and inspect, at any time, a health facility or residential care home and be
199.20 permitted to interview staff; provided that the director shall not unduly interfere with or
199.21 disturb the provision of care and services within the facility or home or the activities of a
199.22 patient or resident unless the patient or resident consents.

199.23 (f) Issue correction orders and assess civil fines pursuant to ~~section~~ sections 144.653,
199.24 144A.10, 144A.45, and 144A.474; Minnesota Rules, chapters 4655, 4658, 4664, and 4665;
199.25 or any other law which or rule that provides for the issuance of correction orders or fines
199.26 to health facilities, residential care homes, or home care provider, or under section 144A.45
199.27 providers. This authority includes the authority to issue correction orders and assess civil
199.28 fines for violations identified in the appeal or review process. A health facility's, residential
199.29 care home's, or home's home care provider's refusal to cooperate in providing lawfully
199.30 requested information may also be grounds for a correction order or fine.

199.31 (g) Recommend the certification or decertification of health facilities pursuant to Title
199.32 XVIII or XIX of the United States Social Security Act.

199.33 (h) Assist patients or residents of health facilities or residential care homes in the
199.34 enforcement of their rights under Minnesota law.

200.1 (i) Work with administrative agencies, health facilities, home care providers, residential
200.2 care homes, and health care providers and organizations representing consumers on programs
200.3 designed to provide information about health facilities to the public and to health facility
200.4 residents.

200.5 Sec. 25. Minnesota Statutes 2016, section 144A.53, subdivision 4, is amended to read:

200.6 Subd. 4. **Referral of complaints.** (a) If a complaint received by the director relates to
200.7 a matter more properly within the jurisdiction of law enforcement, an occupational licensing
200.8 board, or other governmental agency, the director shall forward the complaint ~~to that agency~~
200.9 appropriately and shall inform the complaining party of the forwarding. ~~The~~

200.10 (b) An agency shall promptly act in respect to the complaint, and shall inform the
200.11 complaining party and the director of its disposition. If a governmental agency receives a
200.12 complaint which is more properly within the jurisdiction of the director, it shall promptly
200.13 forward the complaint to the director, and shall inform the complaining party of the
200.14 forwarding.

200.15 (c) If the director has reason to believe that an official or employee of an administrative
200.16 agency, a home care provider, residential care home, ~~or~~ health facility, or a client or resident
200.17 of any of these entities has acted in a manner warranting criminal or disciplinary proceedings,
200.18 the director shall refer the matter to the state commissioner of health, the commissioner of
200.19 human services, an appropriate prosecuting authority, or other appropriate agency.

200.20 Sec. 26. Minnesota Statutes 2016, section 144A.53, is amended by adding a subdivision
200.21 to read:

200.22 Subd. 5. **Safety and quality improvement technical panel.** The director shall establish
200.23 an expert technical panel to examine and make recommendations, on an ongoing basis, on
200.24 how to apply proven safety and quality improvement practices and infrastructure to settings
200.25 and providers that provide long-term services and supports. The technical panel must include
200.26 representation from nonprofit Minnesota-based organizations dedicated to patient safety or
200.27 innovation in health care safety and quality, Department of Health staff with expertise in
200.28 issues related to adverse health events, the University of Minnesota, organizations
200.29 representing long-term care providers and home care providers in Minnesota, national patient
200.30 safety experts, and other experts in the safety and quality improvement field. The technical
200.31 panel shall periodically provide recommendations to the legislature on legislative changes
200.32 needed to promote safety and quality improvement practices in long-term care settings and
200.33 with long-term care providers.

201.1 Sec. 27. Minnesota Statutes 2016, section 144A.53, is amended by adding a subdivision
201.2 to read:

201.3 Subd. 6. **Training and operations panel.** (a) The director shall establish a training and
201.4 operations panel within the Office of Health Facility Complaints to examine and make
201.5 recommendations, on an ongoing basis, on continual improvements to the operation of the
201.6 office. The training and operations panel shall be composed of office staff, including
201.7 investigators and intake and triage staff, one or more representatives of the commissioner's
201.8 office, and employees from any other divisions in the Department of Health with relevant
201.9 knowledge or expertise. The training and operations panel may also consult with employees
201.10 from other agencies in state government with relevant knowledge or expertise.

201.11 (b) The training and operations panel shall examine and make recommendations to the
201.12 director and the commissioner regarding introducing or refining office systems, procedures,
201.13 and staff training in order to improve office and staff efficiency; enhance communications
201.14 between the office, health care facilities, home care providers, and residents or clients; and
201.15 provide for appropriate, effective protection for vulnerable adults through rigorous
201.16 investigations and enforcement of laws. Panel duties include but are not limited to:

201.17 (1) developing the office's training processes to adequately prepare and support
201.18 investigators in performing their duties;

201.19 (2) developing clear, consistent internal policies for conducting investigations as required
201.20 by federal law, including policies to ensure staff meet the deadlines in state and federal laws
201.21 for triaging, investigating, and making final dispositions of cases involving maltreatment,
201.22 and procedures for notifying the vulnerable adult, reporter, and facility of any delays in
201.23 investigations; communicating these policies to staff in a clear, timely manner; and
201.24 developing procedures to evaluate and modify these internal policies on an ongoing basis;

201.25 (3) developing and refining quality control measures for the intake and triage processes,
201.26 through such practices as reviewing a random sample of the triage decisions made in case
201.27 reports or auditing a random sample of the case files to ensure the proper information is
201.28 being collected, the files are being properly maintained, and consistent triage and
201.29 investigations determinations are being made;

201.30 (4) developing and maintaining systems and procedures to accurately determine the
201.31 situations in which the office has jurisdiction over a maltreatment allegation;

201.32 (5) developing and maintaining audit procedures for investigations to ensure investigators
201.33 obtain and document information necessary to support decisions;

202.1 (6) developing and maintaining procedures to, following a maltreatment determination,
202.2 clearly communicate the appeal or review rights of all parties upon final disposition;

202.3 (7) continuously upgrading the information on and utility of the office's Web site through
202.4 such steps as providing clear, detailed information about the appeal or review rights of
202.5 vulnerable adults, alleged perpetrators, and providers and facilities; and

202.6 (8) publishing, in coordination with other areas at the Department of Health and in a
202.7 manner that does not duplicate information already published by the Department of Health,
202.8 the public portions of all investigation memoranda prepared by the commissioner of health
202.9 in the past three years under section 626.557, subdivision 12b, and the public portions of
202.10 all final orders in the past three years related to licensing violations under this chapter. These
202.11 memoranda and orders must be published in a manner that allows consumers to search
202.12 memoranda and orders by facility or provider name and by the physical location of the
202.13 facility or provider.

202.14 Sec. 28. Minnesota Statutes 2016, section 144D.01, subdivision 1, is amended to read:

202.15 Subdivision 1. **Scope.** As used in ~~sections 144D.01 to 144D.06~~ this chapter, the following
202.16 terms have the meanings given them.

202.17 Sec. 29. Minnesota Statutes 2016, section 144D.02, is amended to read:

202.18 **144D.02 REGISTRATION REQUIRED.**

202.19 No entity may establish, operate, conduct, or maintain a housing with services
202.20 establishment in this state without registering and operating as required in sections 144D.01
202.21 to ~~144D.06~~ 144D.11.

202.22 Sec. 30. Minnesota Statutes 2017 Supplement, section 144D.04, subdivision 2, is amended
202.23 to read:

202.24 Subd. 2. **Contents of contract.** A housing with services contract, which need not be
202.25 entitled as such to comply with this section, shall include at least the following elements in
202.26 itself or through supporting documents or attachments:

202.27 (1) the name, street address, and mailing address of the establishment;

202.28 (2) the name and mailing address of the owner or owners of the establishment and, if
202.29 the owner or owners is not a natural person, identification of the type of business entity of
202.30 the owner or owners;

- 203.1 (3) the name and mailing address of the managing agent, through management agreement
203.2 or lease agreement, of the establishment, if different from the owner or owners;
- 203.3 (4) the name and physical mailing address of at least one natural person who is authorized
203.4 to accept service of process on behalf of the owner or owners and managing agent;
- 203.5 (5) a statement describing the registration and licensure status of the establishment and
203.6 any provider providing health-related or supportive services under an arrangement with the
203.7 establishment;
- 203.8 (6) the term of the contract;
- 203.9 (7) a description of the services to be provided to the resident in the base rate to be paid
203.10 by the resident, including a delineation of the portion of the base rate that constitutes rent
203.11 and a delineation of charges for each service included in the base rate;
- 203.12 (8) a description of any additional services, including home care services, available for
203.13 an additional fee from the establishment directly or through arrangements with the
203.14 establishment, and a schedule of fees charged for these services;
- 203.15 (9) a conspicuous notice informing the tenant of the policy concerning the conditions
203.16 under which and the process through which the contract may be modified, amended, or
203.17 terminated, including whether a move to a different room or sharing a room would be
203.18 required in the event that the tenant can no longer pay the current rent;
- 203.19 (10) a description of the establishment's complaint resolution process available to residents
203.20 including the toll-free complaint line for the Office of Ombudsman for Long-Term Care;
- 203.21 (11) the resident's designated representative, if any;
- 203.22 (12) the establishment's referral procedures if the contract is terminated;
- 203.23 (13) requirements of residency used by the establishment to determine who may reside
203.24 or continue to reside in the housing with services establishment;
- 203.25 (14) billing and payment procedures and requirements;
- 203.26 (15) a statement regarding the ability of a resident to receive services from service
203.27 providers with whom the establishment does not have an arrangement;
- 203.28 (16) a statement regarding the availability of public funds for payment for residence or
203.29 services in the establishment; ~~and~~

204.1 (17) a statement regarding the availability of and contact information for long-term care
204.2 consultation services under section 256B.0911 in the county in which the establishment is
204.3 located;

204.4 (18) a statement that a resident has the right to request a reasonable accommodation;
204.5 and

204.6 (19) a statement describing the conditions under which a contract may be amended.

204.7 Sec. 31. Minnesota Statutes 2016, section 144D.04, is amended by adding a subdivision
204.8 to read:

204.9 Subd. 2b. **Changes to contract.** The housing with services establishment must provide
204.10 prompt written notice to the resident or resident's legal representative of a new owner or
204.11 manager of the housing with services establishment, and the name and physical mailing
204.12 address of any new or additional natural person not identified in the admission contract who
204.13 is authorized to accept service of process.

204.14 Sec. 32. **[144D.044] INFORMATION REQUIRED TO BE POSTED.**

204.15 A housing with services establishment must post conspicuously within the establishment,
204.16 in a location accessible to public view, the following information:

204.17 (1) the name, mailing address, and contact information of the current owner or owners
204.18 of the establishment and, if the owner or owners are not natural persons, identification of
204.19 the type of business entity of the owner or owners;

204.20 (2) the name, mailing address, and contact information of the managing agent, through
204.21 management agreement or lease agreement, of the establishment, if different from the owner
204.22 or owners, and the name and contact information of the on-site manager, if any; and

204.23 (3) the name and mailing address of at least one natural person who is authorized to
204.24 accept service of process on behalf of the owner or owners and managing agent.

204.25 Sec. 33. **[144D.095] TERMINATION OF SERVICES.**

204.26 A termination of services initiated by an arranged home care provider is governed by
204.27 section 144A.442.

205.1 Sec. 34. Minnesota Statutes 2016, section 144G.01, subdivision 1, is amended to read:

205.2 Subdivision 1. **Scope; other definitions.** For purposes of sections 144G.01 to ~~144G.05~~
205.3 144G.08, the following definitions apply. In addition, the definitions provided in section
205.4 ~~144D.01~~ also apply to sections 144G.01 to ~~144G.05~~ 144G.08.

205.5 Sec. 35. **[144G.07] TERMINATION OF LEASE.**

205.6 A lease termination initiated by a registered housing with services establishment using
205.7 "assisted living" is governed by section 144D.09.

205.8 Sec. 36. **[144G.08] TERMINATION OF SERVICES.**

205.9 A termination of services initiated by an arranged home care provider as defined in
205.10 section 144D.01, subdivision 2a, is governed by section 144A.442.

205.11 Sec. 37. Minnesota Statutes 2017 Supplement, section 256.045, subdivision 3, is amended
205.12 to read:

205.13 Subd. 3. **State agency hearings.** (a) State agency hearings are available for the following:

205.14 (1) any person applying for, receiving or having received public assistance, medical
205.15 care, or a program of social services granted by the state agency or a county agency or the
205.16 federal Food Stamp Act whose application for assistance is denied, not acted upon with
205.17 reasonable promptness, or whose assistance is suspended, reduced, terminated, or claimed
205.18 to have been incorrectly paid;

205.19 (2) any patient or relative aggrieved by an order of the commissioner under section
205.20 252.27;

205.21 (3) a party aggrieved by a ruling of a prepaid health plan;

205.22 (4) except as provided under chapter 245C₅;

205.23 (i) any individual or facility determined by a lead investigative agency to have maltreated
205.24 a vulnerable adult under section 626.557 after they have exercised their right to administrative
205.25 reconsideration under section 626.557; and

205.26 (ii) any vulnerable adult who is the subject of a maltreatment investigation under section
205.27 626.557 or a guardian or health care agent of the vulnerable adult, after the right to
205.28 administrative reconsideration under section 626.557, subdivision 9d, has been exercised;

206.1 (5) any person whose claim for foster care payment according to a placement of the
206.2 child resulting from a child protection assessment under section 626.556 is denied or not
206.3 acted upon with reasonable promptness, regardless of funding source;

206.4 (6) any person to whom a right of appeal according to this section is given by other
206.5 provision of law;

206.6 (7) an applicant aggrieved by an adverse decision to an application for a hardship waiver
206.7 under section 256B.15;

206.8 (8) an applicant aggrieved by an adverse decision to an application or redetermination
206.9 for a Medicare Part D prescription drug subsidy under section 256B.04, subdivision 4a;

206.10 (9) except as provided under chapter 245A, an individual or facility determined to have
206.11 maltreated a minor under section 626.556, after the individual or facility has exercised the
206.12 right to administrative reconsideration under section 626.556;

206.13 (10) except as provided under chapter 245C, an individual disqualified under sections
206.14 245C.14 and 245C.15, following a reconsideration decision issued under section 245C.23,
206.15 on the basis of serious or recurring maltreatment; a preponderance of the evidence that the
206.16 individual has committed an act or acts that meet the definition of any of the crimes listed
206.17 in section 245C.15, subdivisions 1 to 4; or for failing to make reports required under section
206.18 626.556, subdivision 3, or 626.557, subdivision 3. Hearings regarding a maltreatment
206.19 determination under clause (4) or (9) and a disqualification under this clause in which the
206.20 basis for a disqualification is serious or recurring maltreatment, shall be consolidated into
206.21 a single fair hearing. In such cases, the scope of review by the human services judge shall
206.22 include both the maltreatment determination and the disqualification. The failure to exercise
206.23 the right to an administrative reconsideration shall not be a bar to a hearing under this section
206.24 if federal law provides an individual the right to a hearing to dispute a finding of
206.25 maltreatment;

206.26 (11) any person with an outstanding debt resulting from receipt of public assistance,
206.27 medical care, or the federal Food Stamp Act who is contesting a setoff claim by the
206.28 Department of Human Services or a county agency. The scope of the appeal is the validity
206.29 of the claimant agency's intention to request a setoff of a refund under chapter 270A against
206.30 the debt;

206.31 (12) a person issued a notice of service termination under section 245D.10, subdivision
206.32 3a, from residential supports and services as defined in section 245D.03, subdivision 1,
206.33 paragraph (c), clause (3), that is not otherwise subject to appeal under subdivision 4a;

207.1 (13) an individual disability waiver recipient based on a denial of a request for a rate
207.2 exception under section 256B.4914; or

207.3 (14) a person issued a notice of service termination under section 245A.11, subdivision
207.4 11, that is not otherwise subject to appeal under subdivision 4a.

207.5 (b) The hearing for an individual or facility under paragraph (a), clause (4), (9), or (10),
207.6 is the only administrative appeal to the final agency determination specifically, including
207.7 a challenge to the accuracy and completeness of data under section 13.04. Hearings requested
207.8 under paragraph (a), clause (4), apply only to incidents of maltreatment that occur on or
207.9 after October 1, 1995. Hearings requested by nursing assistants in nursing homes alleged
207.10 to have maltreated a resident prior to October 1, 1995, shall be held as a contested case
207.11 proceeding under the provisions of chapter 14. Hearings requested under paragraph (a),
207.12 clause (9), apply only to incidents of maltreatment that occur on or after July 1, 1997. A
207.13 hearing for an individual or facility under paragraph (a), clauses (4), (9), and (10), is only
207.14 available when there is no district court action pending. If such action is filed in district
207.15 court while an administrative review is pending that arises out of some or all of the events
207.16 or circumstances on which the appeal is based, the administrative review must be suspended
207.17 until the judicial actions are completed. If the district court proceedings are completed,
207.18 dismissed, or overturned, the matter may be considered in an administrative hearing.

207.19 (c) For purposes of this section, bargaining unit grievance procedures are not an
207.20 administrative appeal.

207.21 (d) The scope of hearings involving claims to foster care payments under paragraph (a),
207.22 clause (5), shall be limited to the issue of whether the county is legally responsible for a
207.23 child's placement under court order or voluntary placement agreement and, if so, the correct
207.24 amount of foster care payment to be made on the child's behalf and shall not include review
207.25 of the propriety of the county's child protection determination or child placement decision.

207.26 (e) The scope of hearings under paragraph (a), clauses (12) and (14), shall be limited to
207.27 whether the proposed termination of services is authorized under section 245D.10,
207.28 subdivision 3a, paragraph (b), or 245A.11, subdivision 11, and whether the requirements
207.29 of section 245D.10, subdivision 3a, paragraphs (c) to (e), or 245A.11, subdivision 2a,
207.30 paragraphs (d) to (f), were met. If the appeal includes a request for a temporary stay of
207.31 termination of services, the scope of the hearing shall also include whether the case
207.32 management provider has finalized arrangements for a residential facility, a program, or
207.33 services that will meet the assessed needs of the recipient by the effective date of the service
207.34 termination.

208.1 (f) A vendor of medical care as defined in section 256B.02, subdivision 7, or a vendor
208.2 under contract with a county agency to provide social services is not a party and may not
208.3 request a hearing under this section, except if assisting a recipient as provided in subdivision
208.4 4.

208.5 (g) An applicant or recipient is not entitled to receive social services beyond the services
208.6 prescribed under chapter 256M or other social services the person is eligible for under state
208.7 law.

208.8 (h) The commissioner may summarily affirm the county or state agency's proposed
208.9 action without a hearing when the sole issue is an automatic change due to a change in state
208.10 or federal law.

208.11 (i) Unless federal or Minnesota law specifies a different time frame in which to file an
208.12 appeal, an individual or organization specified in this section may contest the specified
208.13 action, decision, or final disposition before the state agency by submitting a written request
208.14 for a hearing to the state agency within 30 days after receiving written notice of the action,
208.15 decision, or final disposition, or within 90 days of such written notice if the applicant,
208.16 recipient, patient, or relative shows good cause, as defined in section 256.0451, subdivision
208.17 13, why the request was not submitted within the 30-day time limit. The individual filing
208.18 the appeal has the burden of proving good cause by a preponderance of the evidence.

208.19 Sec. 38. Minnesota Statutes 2017 Supplement, section 256.045, subdivision 4, is amended
208.20 to read:

208.21 Subd. 4. **Conduct of hearings.** (a) All hearings held pursuant to subdivision 3, 3a, 3b,
208.22 or 4a shall be conducted according to the provisions of the federal Social Security Act and
208.23 the regulations implemented in accordance with that act to enable this state to qualify for
208.24 federal grants-in-aid, and according to the rules and written policies of the commissioner
208.25 of human services. County agencies shall install equipment necessary to conduct telephone
208.26 hearings. A state human services judge may schedule a telephone conference hearing when
208.27 the distance or time required to travel to the county agency offices will cause a delay in the
208.28 issuance of an order, or to promote efficiency, or at the mutual request of the parties. Hearings
208.29 may be conducted by telephone conferences unless the applicant, recipient, former recipient,
208.30 person, or facility contesting maltreatment objects. A human services judge may grant a
208.31 request for a hearing in person by holding the hearing by interactive video technology or
208.32 in person. The human services judge must hear the case in person if the person asserts that
208.33 either the person or a witness has a physical or mental disability that would impair the
208.34 person's or witness's ability to fully participate in a hearing held by interactive video

209.1 technology. The hearing shall not be held earlier than five days after filing of the required
209.2 notice with the county or state agency. The state human services judge shall notify all
209.3 interested persons of the time, date, and location of the hearing at least five days before the
209.4 date of the hearing. Interested persons may be represented by legal counsel or other
209.5 representative of their choice, including a provider of therapy services, at the hearing and
209.6 may appear personally, testify and offer evidence, and examine and cross-examine witnesses.
209.7 The applicant, recipient, former recipient, person, or facility contesting maltreatment shall
209.8 have the opportunity to examine the contents of the case file and all documents and records
209.9 to be used by the county or state agency at the hearing at a reasonable time before the date
209.10 of the hearing and during the hearing. In hearings under subdivision 3, paragraph (a), clauses
209.11 (4), (9), and (10), either party may subpoena the private data relating to the investigation
209.12 prepared by the agency under section 626.556 or 626.557 that is not otherwise accessible
209.13 under section 13.04, provided the identity of the reporter may not be disclosed.

209.14 (b) The private data obtained by subpoena in a hearing under subdivision 3, paragraph
209.15 (a), clause (4), (9), or (10), must be subject to a protective order which prohibits its disclosure
209.16 for any other purpose outside the hearing provided for in this section without prior order of
209.17 the district court. Disclosure without court order is punishable by a sentence of not more
209.18 than 90 days imprisonment or a fine of not more than \$1,000, or both. These restrictions on
209.19 the use of private data do not prohibit access to the data under section 13.03, subdivision
209.20 6. Except for appeals under subdivision 3, paragraph (a), clauses (4), (5), (9), and (10), upon
209.21 request, the county agency shall provide reimbursement for transportation, child care,
209.22 photocopying, medical assessment, witness fee, and other necessary and reasonable costs
209.23 incurred by the applicant, recipient, or former recipient in connection with the appeal. All
209.24 evidence, except that privileged by law, commonly accepted by reasonable people in the
209.25 conduct of their affairs as having probative value with respect to the issues shall be submitted
209.26 at the hearing and such hearing shall not be "a contested case" within the meaning of section
209.27 14.02, subdivision 3. The agency must present its evidence prior to or at the hearing, and
209.28 may not submit evidence after the hearing except by agreement of the parties at the hearing,
209.29 provided the petitioner has the opportunity to respond.

209.30 (c) In hearings under subdivision 3, paragraph (a), clauses (4), (9), and (10), involving
209.31 determinations of maltreatment or disqualification made by more than one county agency,
209.32 by a county agency and a state agency, or by more than one state agency, the hearings may
209.33 be consolidated into a single fair hearing upon the consent of all parties and the state human
209.34 services judge.

210.1 (d) For hearings under subdivision 3, paragraph (a), clause (4) or (10), involving a
210.2 vulnerable adult, the human services judge shall notify the vulnerable adult who is the
210.3 subject of the maltreatment determination and, if known, a guardian of the vulnerable adult
210.4 appointed under section 524.5-310, or a health care agent designated by the vulnerable adult
210.5 in a health care directive that is currently effective under section 145C.06 and whose authority
210.6 to make health care decisions is not suspended under section 524.5-310, of the hearing and
210.7 shall notify the facility or individual who is the alleged perpetrator of maltreatment. The
210.8 notice must be sent by certified mail and inform the vulnerable adult or the alleged perpetrator
210.9 of the right to file a signed written statement in the proceedings. A guardian or health care
210.10 agent who prepares or files a written statement for the vulnerable adult must indicate in the
210.11 statement that the person is the vulnerable adult's guardian or health care agent and sign the
210.12 statement in that capacity. The vulnerable adult, the guardian, or the health care agent may
210.13 file a written statement with the human services judge hearing the case no later than five
210.14 business days before commencement of the hearing. The human services judge shall include
210.15 the written statement in the hearing record and consider the statement in deciding the appeal.
210.16 This subdivision does not limit, prevent, or excuse the vulnerable adult or alleged perpetrator
210.17 from being called as a witness testifying at the hearing or grant the vulnerable adult, the
210.18 guardian, or health care agent a right to participate in the proceedings or appeal the human
210.19 services judge's decision in the case. The lead investigative agency must consider including
210.20 the vulnerable adult victim of maltreatment as a witness in the hearing. If the lead
210.21 investigative agency determines that participation in the hearing would endanger the
210.22 well-being of the vulnerable adult or not be in the best interests of the vulnerable adult, the
210.23 lead investigative agency shall inform the human services judge of the basis for this
210.24 determination, which must be included in the final order. If the human services judge is not
210.25 reasonably able to determine the address of the vulnerable adult, the guardian, the alleged
210.26 perpetrator, or the health care agent, the human services judge is not required to send a
210.27 hearing notice under this subdivision.

210.28 Sec. 39. Minnesota Statutes 2016, section 325F.71, is amended to read:

210.29 **325F.71 SENIOR CITIZENS, VULNERABLE ADULTS, AND ~~DISABLED~~**
210.30 **PERSONS WITH DISABILITIES; ADDITIONAL CIVIL PENALTY FOR**
210.31 **DECEPTIVE ACTS.**

210.32 Subdivision 1. **Definitions.** For the purposes of this section, the following words have
210.33 the meanings given them:

210.34 (a) "Senior citizen" means a person who is 62 years of age or older.

211.1 (b) "~~Disabled~~ Person with a disability" means a person who has an impairment of physical
211.2 or mental function or emotional status that substantially limits one or more major life
211.3 activities.

211.4 (c) "Major life activities" means functions such as caring for one's self, performing
211.5 manual tasks, walking, seeing, hearing, speaking, breathing, learning, and working.

211.6 (d) "Vulnerable adult" has the meaning given in section 626.5572, subdivision 21.

211.7 Subd. 2. **Supplemental civil penalty.** (a) In addition to any liability for a civil penalty
211.8 pursuant to sections 325D.43 to 325D.48, regarding deceptive trade practices; 325F.67,
211.9 regarding false advertising; and 325F.68 to 325F.70, regarding consumer fraud; a person
211.10 who engages in any conduct prohibited by those statutes, and whose conduct is perpetrated
211.11 against one or more senior citizens, vulnerable adults, or ~~disabled~~ persons with a disability,
211.12 is liable for an additional civil penalty not to exceed \$10,000 for each violation, if one or
211.13 more of the factors in paragraph (b) are present.

211.14 (b) In determining whether to impose a civil penalty pursuant to paragraph (a), and the
211.15 amount of the penalty, the court shall consider, in addition to other appropriate factors, the
211.16 extent to which one or more of the following factors are present:

211.17 (1) whether the defendant knew or should have known that the defendant's conduct was
211.18 directed to one or more senior citizens, vulnerable adults, or ~~disabled~~ persons with a
211.19 disability;

211.20 (2) whether the defendant's conduct caused one or more senior citizens, vulnerable adults,
211.21 or ~~disabled~~ persons with a disability to suffer: loss or encumbrance of a primary residence,
211.22 principal employment, or source of income; substantial loss of property set aside for
211.23 retirement or for personal or family care and maintenance; substantial loss of payments
211.24 received under a pension or retirement plan or a government benefits program; or assets
211.25 essential to the health or welfare of the senior citizen, vulnerable adult, or ~~disabled~~ person
211.26 with a disability;

211.27 (3) whether one or more senior citizens, vulnerable adults, or ~~disabled~~ persons with a
211.28 disability are more vulnerable to the defendant's conduct than other members of the public
211.29 because of age, poor health or infirmity, impaired understanding, restricted mobility, or
211.30 disability, and actually suffered physical, emotional, or economic damage resulting from
211.31 the defendant's conduct; or

212.1 (4) whether the defendant's conduct caused senior citizens, vulnerable adults, or ~~disabled~~
212.2 persons with a disability to make an uncompensated asset transfer that resulted in the person
212.3 being found ineligible for medical assistance.

212.4 Subd. 3. **Restitution to be given priority.** Restitution ordered pursuant to the statutes
212.5 listed in subdivision 2 shall be given priority over imposition of civil penalties designated
212.6 by the court under this section.

212.7 Subd. 4. **Private remedies.** A person injured by a violation of this section may bring a
212.8 civil action and recover damages, together with costs and disbursements, including costs
212.9 of investigation and reasonable attorney's fees, and receive other equitable relief as
212.10 determined by the court.

212.11 Sec. 40. Minnesota Statutes 2016, section 609.2231, subdivision 8, is amended to read:

212.12 Subd. 8. **Vulnerable adults.** (a) As used in this subdivision, "vulnerable adult" has the
212.13 meaning given in section 609.232, subdivision 11.

212.14 (b) Whoever assaults ~~and inflicts demonstrable bodily harm on~~ a vulnerable adult,
212.15 knowing or having reason to know that the person is a vulnerable adult, is guilty of a gross
212.16 misdemeanor.

212.17 (c) A person who uses restraints on a vulnerable adult does not violate this subdivision
212.18 if (1) the person complies with applicable requirements in state and federal law regarding
212.19 the use of restraints; and (2) any force applied in imposing restraints is reasonable.

212.20 **EFFECTIVE DATE.** This section is effective August 1, 2018, and applies to crimes
212.21 committed on or after that date.

212.22 Sec. 41. Minnesota Statutes 2016, section 626.557, subdivision 3, is amended to read:

212.23 Subd. 3. **Timing of report.** (a) A mandated reporter who has reason to believe that a
212.24 vulnerable adult is being or has been maltreated, or who has knowledge that a vulnerable
212.25 adult has sustained a physical injury which is not reasonably explained shall ~~immediately~~
212.26 report the information to the common entry point as soon as possible but in no event longer
212.27 than 24 hours. If an individual is a vulnerable adult solely because the individual is admitted
212.28 to a facility, a mandated reporter is not required to report suspected maltreatment of the
212.29 individual that occurred prior to admission, unless:

212.30 (1) the individual was admitted to the facility from another facility and the reporter has
212.31 reason to believe the vulnerable adult was maltreated in the previous facility; or

213.1 (2) the reporter knows or has reason to believe that the individual is a vulnerable adult
213.2 as defined in section 626.5572, subdivision 21, paragraph (a), clause (4).

213.3 (b) A person not required to report under the provisions of this section may voluntarily
213.4 report as described above.

213.5 (c) Nothing in this section requires a report of known or suspected maltreatment, if the
213.6 reporter knows or has reason to know that a report has been made to the common entry
213.7 point.

213.8 (d) Nothing in this section shall preclude a reporter from also reporting to a law
213.9 enforcement agency.

213.10 (e) A mandated reporter who knows or has reason to believe that an error under section
213.11 626.5572, subdivision 17, paragraph (c), clause (5), occurred must make a report under this
213.12 subdivision. If the reporter or a facility, at any time believes that an investigation by a lead
213.13 investigative agency will determine or should determine that the reported error was not
213.14 neglect according to the criteria under section 626.5572, subdivision 17, paragraph (c),
213.15 clause (5), the reporter or facility may provide to the common entry point or directly to the
213.16 lead investigative agency information explaining how the event meets the criteria under
213.17 section 626.5572, subdivision 17, paragraph (c), clause (5). The lead investigative agency
213.18 shall consider this information when making an initial disposition of the report under
213.19 subdivision 9c.

213.20 Sec. 42. Minnesota Statutes 2016, section 626.557, subdivision 4, is amended to read:

213.21 Subd. 4. **Reporting.** (a) Except as provided in paragraph (b), a mandated reporter shall
213.22 immediately make an oral report to the common entry point. The common entry point may
213.23 accept electronic reports submitted through a Web-based reporting system established by
213.24 the commissioner. Use of a telecommunications device for the deaf or other similar device
213.25 shall be considered an oral report. The common entry point may not require written reports.
213.26 To the extent possible, the report must be of sufficient content to identify the vulnerable
213.27 adult, the caregiver, the nature and extent of the suspected maltreatment, any evidence of
213.28 previous maltreatment, the name and address of the reporter, the time, date, and location of
213.29 the incident, and any other information that the reporter believes might be helpful in
213.30 investigating the suspected maltreatment. The common entry point must provide a method
213.31 for the reporter to electronically submit evidence to support the maltreatment report, including
213.32 but not limited to uploading photographs, videos, or documents. A mandated reporter may
213.33 disclose not public data, as defined in section 13.02, and medical records under sections
213.34 144.291 to 144.298, to the extent necessary to comply with this subdivision.

214.1 (b) A boarding care home that is licensed under sections 144.50 to 144.58 and certified
214.2 under Title 19 of the Social Security Act, a nursing home that is licensed under section
214.3 144A.02 and certified under Title 18 or Title 19 of the Social Security Act, or a hospital
214.4 that is licensed under sections 144.50 to 144.58 and has swing beds certified under Code
214.5 of Federal Regulations, title 42, section 482.66, may submit a report electronically to the
214.6 common entry point instead of submitting an oral report. ~~The report may be a duplicate of~~
214.7 ~~the initial report the facility submits electronically to the commissioner of health to comply~~
214.8 ~~with the reporting requirements under Code of Federal Regulations, title 42, section 483.13.~~
214.9 The commissioner of health may modify these reporting requirements to include items
214.10 required under paragraph (a) that are not currently included in the electronic reporting form.

214.11 (c) All reports must be directed to the common entry point, including reports from
214.12 federally licensed facilities, vulnerable adults, and interested persons.

214.13 Sec. 43. Minnesota Statutes 2016, section 626.557, subdivision 9, is amended to read:

214.14 **Subd. 9. Common entry point designation.** (a) Each county board shall designate a
214.15 common entry point for reports of suspected maltreatment, for use until the commissioner
214.16 of human services establishes a common entry point. Two or more county boards may
214.17 jointly designate a single common entry point. The commissioner of human services shall
214.18 establish a common entry point effective July 1, 2015. The common entry point is the unit
214.19 responsible for receiving the report of suspected maltreatment under this section.

214.20 (b) The common entry point must be available 24 hours per day to take calls from
214.21 reporters of suspected maltreatment. The common entry point staff must receive training
214.22 on how to screen and dispatch reports efficiently and in accordance with this section. The
214.23 common entry point shall use a standard intake form that includes:

214.24 (1) the time and date of the report;

214.25 (2) the name, address, and telephone number of the person reporting;

214.26 (3) the time, date, and location of the incident;

214.27 (4) the names of the persons involved, including but not limited to, perpetrators, alleged
214.28 victims, and witnesses;

214.29 (5) whether there was a risk of imminent danger to the alleged victim;

214.30 (6) a description of the suspected maltreatment;

214.31 (7) the disability, if any, of the alleged victim;

214.32 (8) the relationship of the alleged perpetrator to the alleged victim;

215.1 (9) whether a facility was involved and, if so, which agency licenses the facility;

215.2 (10) any action taken by the common entry point;

215.3 (11) whether law enforcement has been notified;

215.4 (12) whether the reporter wishes to receive notification of the initial and final reports;

215.5 and

215.6 (13) if the report is from a facility with an internal reporting procedure, the name, mailing
215.7 address, and telephone number of the person who initiated the report internally.

215.8 (c) The common entry point is not required to complete each item on the form prior to
215.9 dispatching the report to the appropriate lead investigative agency.

215.10 (d) The common entry point shall immediately report to a law enforcement agency any
215.11 incident in which there is reason to believe a crime has been committed.

215.12 (e) If a report is initially made to a law enforcement agency or a lead investigative agency,
215.13 those agencies shall take the report on the appropriate common entry point intake forms
215.14 and immediately forward a copy to the common entry point.

215.15 (f) The common entry point ~~staff must receive training on how to screen and dispatch~~
215.16 ~~reports efficiently and in accordance with this section.~~ cross-reference multiple complaints
215.17 to the lead investigative agency concerning:

215.18 (1) the same alleged perpetrator, facility, or licensee;

215.19 (2) the same vulnerable adult; or

215.20 (3) the same incident.

215.21 (g) The commissioner of human services shall maintain a centralized database for the
215.22 collection of common entry point data, lead investigative agency data including maltreatment
215.23 report disposition, and appeals data. The common entry point shall have access to the
215.24 centralized database and must log the reports into the database and immediately identify
215.25 and locate prior reports of abuse, neglect, or exploitation.

215.26 (h) When appropriate, the common entry point staff must refer calls that do not allege
215.27 the abuse, neglect, or exploitation of a vulnerable adult to other organizations that might
215.28 resolve the reporter's concerns.

215.29 (i) A common entry point must be operated in a manner that enables the commissioner
215.30 of human services to:

216.1 (1) track critical steps in the reporting, evaluation, referral, response, disposition, and
216.2 investigative process to ensure compliance with all requirements for all reports;

216.3 (2) maintain data to facilitate the production of aggregate statistical reports for monitoring
216.4 patterns of abuse, neglect, or exploitation;

216.5 (3) serve as a resource for the evaluation, management, and planning of preventative
216.6 and remedial services for vulnerable adults who have been subject to abuse, neglect, or
216.7 exploitation;

216.8 (4) set standards, priorities, and policies to maximize the efficiency and effectiveness
216.9 of the common entry point; and

216.10 (5) track and manage consumer complaints related to the common entry point, including
216.11 tracking and cross-referencing multiple complaints concerning:

216.12 (i) the same alleged perpetrator, facility, or licensee;

216.13 (ii) the same vulnerable adult; and

216.14 (iii) the same incident.

216.15 (j) The commissioners of human services and health shall collaborate on the creation of
216.16 a system for referring reports to the lead investigative agencies. This system shall enable
216.17 the commissioner of human services to track critical steps in the reporting, evaluation,
216.18 referral, response, disposition, investigation, notification, determination, and appeal processes.

216.19 Sec. 44. Minnesota Statutes 2016, section 626.557, subdivision 9a, is amended to read:

216.20 Subd. 9a. **Evaluation and referral of reports made to common entry point.** (a) The
216.21 common entry point must screen the reports of alleged or suspected maltreatment for
216.22 immediate risk and make all necessary referrals as follows:

216.23 (1) if the common entry point determines that there is an immediate need for emergency
216.24 adult protective services, the common entry point agency shall immediately notify the
216.25 appropriate county agency;

216.26 (2) if the common entry point determines an immediate need exists for response by law
216.27 enforcement, including the urgent need to secure a crime scene, interview witnesses, remove
216.28 the alleged perpetrator, or safeguard the vulnerable adult's property, or if the report contains
216.29 suspected criminal activity against a vulnerable adult, the common entry point shall
216.30 immediately notify the appropriate law enforcement agency;

217.1 (3) the common entry point shall refer all reports of alleged or suspected maltreatment
217.2 to the appropriate lead investigative agency as soon as possible, but in any event no longer
217.3 than two working days;

217.4 (4) if the report contains information about a suspicious death, the common entry point
217.5 shall immediately notify the appropriate law enforcement agencies, the local medical
217.6 examiner, and the ombudsman for mental health and developmental disabilities established
217.7 under section 245.92. Law enforcement agencies shall coordinate with the local medical
217.8 examiner and the ombudsman as provided by law; and

217.9 (5) for reports involving multiple locations or changing circumstances, the common
217.10 entry point shall determine the county agency responsible for emergency adult protective
217.11 services and the county responsible as the lead investigative agency, using referral guidelines
217.12 established by the commissioner.

217.13 (b) If the lead investigative agency receiving a report believes the report was referred
217.14 by the common entry point in error, the lead investigative agency shall immediately notify
217.15 the common entry point of the error, including the basis for the lead investigative agency's
217.16 belief that the referral was made in error. The common entry point shall review the
217.17 information submitted by the lead investigative agency and immediately refer the report to
217.18 the appropriate lead investigative agency.

217.19 Sec. 45. Minnesota Statutes 2016, section 626.557, subdivision 9b, is amended to read:

217.20 Subd. 9b. **Response to reports.** Law enforcement is the primary agency to conduct
217.21 investigations of any incident in which there is reason to believe a crime has been committed.
217.22 Law enforcement shall initiate a response immediately. If the common entry point notified
217.23 a county agency for emergency adult protective services, law enforcement shall cooperate
217.24 with that county agency when both agencies are involved and shall exchange data to the
217.25 extent authorized in subdivision 12b, paragraph ~~(g)~~ (k). County adult protection shall initiate
217.26 a response immediately. Each lead investigative agency shall complete the investigative
217.27 process for reports within its jurisdiction. A lead investigative agency, county, adult protective
217.28 agency, licensed facility, or law enforcement agency shall cooperate with other agencies in
217.29 the provision of protective services, coordinating its investigations, and assisting another
217.30 agency within the limits of its resources and expertise and shall exchange data to the extent
217.31 authorized in subdivision 12b, paragraph ~~(g)~~ (k). The lead investigative agency shall obtain
217.32 the results of any investigation conducted by law enforcement officials, and law enforcement
217.33 shall obtain the results of any investigation conducted by the lead investigative agency to
217.34 determine if criminal action is warranted. The lead investigative agency has the right to

218.1 enter facilities and inspect and copy records as part of investigations. The lead investigative
218.2 agency has access to not public data, as defined in section 13.02, and medical records under
218.3 sections 144.291 to 144.298, that are maintained by facilities to the extent necessary to
218.4 conduct its investigation. Each lead investigative agency shall develop guidelines for
218.5 prioritizing reports for investigation. Nothing in this subdivision alters the duty of the lead
218.6 investigative agency to serve as the agency responsible for investigating reports made under
218.7 this section.

218.8 Sec. 46. Minnesota Statutes 2016, section 626.557, subdivision 9c, is amended to read:

218.9 Subd. 9c. **Lead investigative agency; notifications, dispositions, determinations.** (a)

218.10 ~~Upon request of the reporter,~~ The lead investigative agency shall notify the reporter that it
218.11 has received the report, and provide information on the initial disposition of the report within
218.12 five business days of receipt of the report, provided that the notification will not endanger
218.13 the vulnerable adult or hamper the investigation.

218.14 (b) The lead investigative agency must provide the following information to the vulnerable
218.15 adult or the vulnerable adult's guardian or health care agent, if known, within five days of
218.16 receipt of the report:

218.17 (1) the nature of the maltreatment allegations, including the report of maltreatment as
218.18 allowed under law;

218.19 (2) the name of the facility or other location at which alleged maltreatment occurred;

218.20 (3) the name of the alleged perpetrator if the lead investigative agency believes disclosure
218.21 of the name is necessary to protect the vulnerable adult's physical, emotional, or financial
218.22 interests;

218.23 (4) protective measures that may be recommended or taken as a result of the maltreatment
218.24 report;

218.25 (5) contact information for the investigator or other information as requested and allowed
218.26 under law; and

218.27 (6) confirmation of whether the lead investigative agency is investigating the matter
218.28 and, if so:

218.29 (i) an explanation of the process and estimated timeline for the investigation; and

218.30 (ii) a statement that the lead investigative agency will provide an update on the
218.31 investigation approximately every three weeks upon request by the vulnerable adult or the

219.1 vulnerable adult's guardian or health care agent and a report when the investigation is
219.2 concluded.

219.3 (c) The lead investigative agency may assign multiple reports of maltreatment for the
219.4 same or separate incidences related to the same vulnerable adult to the same investigator,
219.5 as deemed appropriate. Reports related to the same vulnerable adult must, at a minimum,
219.6 be cross-referenced.

219.7 ~~(b)~~ (d) Upon conclusion of every investigation it conducts, the lead investigative agency
219.8 shall make a final disposition as defined in section 626.5572, subdivision 8.

219.9 ~~(e)~~ (e) When determining whether the facility or individual is the responsible party for
219.10 substantiated maltreatment or whether both the facility and the individual are responsible
219.11 for substantiated maltreatment, the lead investigative agency shall consider at least the
219.12 following mitigating factors:

219.13 (1) whether the actions of the facility or the individual caregivers were in accordance
219.14 with, and followed the terms of, an erroneous physician order, prescription, resident care
219.15 plan, or directive. This is not a mitigating factor when the facility or caregiver is responsible
219.16 for the issuance of the erroneous order, prescription, plan, or directive or knows or should
219.17 have known of the errors and took no reasonable measures to correct the defect before
219.18 administering care;

219.19 (2) the comparative responsibility between the facility, other caregivers, and requirements
219.20 placed upon the employee, including but not limited to, the facility's compliance with related
219.21 regulatory standards and factors such as the adequacy of facility policies and procedures,
219.22 the adequacy of facility training, the adequacy of an individual's participation in the training,
219.23 the adequacy of caregiver supervision, the adequacy of facility staffing levels, and a
219.24 consideration of the scope of the individual employee's authority; and

219.25 (3) whether the facility or individual followed professional standards in exercising
219.26 professional judgment.

219.27 ~~(d)~~ (f) When substantiated maltreatment is determined to have been committed by an
219.28 individual who is also the facility license holder, both the individual and the facility must
219.29 be determined responsible for the maltreatment, and both the background study
219.30 disqualification standards under section 245C.15, subdivision 4, and the licensing actions
219.31 under section 245A.06 or 245A.07 apply.

219.32 ~~(e)~~ (g) The lead investigative agency shall complete its final disposition within 60
219.33 calendar days. If the lead investigative agency is unable to complete its final disposition

220.1 within 60 calendar days, the lead investigative agency shall notify the following persons
220.2 provided that the notification will not endanger the vulnerable adult or hamper the
220.3 investigation: (1) the vulnerable adult or the vulnerable adult's guardian or health care agent,
220.4 when known, if the lead investigative agency knows them to be aware of the investigation;
220.5 and (2) the facility, where applicable. The notice shall contain the reason for the delay and
220.6 the projected completion date. If the lead investigative agency is unable to complete its final
220.7 disposition by a subsequent projected completion date, the lead investigative agency shall
220.8 again notify the vulnerable adult or the vulnerable adult's guardian or health care agent,
220.9 when known if the lead investigative agency knows them to be aware of the investigation,
220.10 and the facility, where applicable, of the reason for the delay and the revised projected
220.11 completion date provided that the notification will not endanger the vulnerable adult or
220.12 hamper the investigation. The lead investigative agency must notify the health care agent
220.13 of the vulnerable adult only if the health care agent's authority to make health care decisions
220.14 for the vulnerable adult is currently effective ~~under section 145C.06~~ and not suspended
220.15 under section 524.5-310 ~~and the investigation relates to a duty assigned to the health care~~
220.16 ~~agent by the principal~~. A lead investigative agency's inability to complete the final disposition
220.17 within 60 calendar days or by any projected completion date does not invalidate the final
220.18 disposition.

220.19 ~~(f)~~ (h) Within ten calendar days of completing the final disposition, the lead investigative
220.20 agency shall provide a copy of the public investigation memorandum under subdivision
220.21 12b, paragraph ~~(b)~~, ~~clause (1)~~ (d), when required to be completed under this section, to the
220.22 following persons:

220.23 (1) the vulnerable adult, or the vulnerable adult's guardian or health care agent, if known,
220.24 unless the lead investigative agency knows that the notification would endanger the
220.25 well-being of the vulnerable adult;

220.26 (2) the reporter, ~~if~~ unless the reporter requested ~~notification~~ otherwise when making the
220.27 report, provided this notification would not endanger the well-being of the vulnerable adult;

220.28 (3) the alleged perpetrator, if known;

220.29 (4) the facility; ~~and~~

220.30 (5) the ombudsman for long-term care, or the ombudsman for mental health and
220.31 developmental disabilities, as appropriate;

220.32 (6) law enforcement; and

220.33 (7) the county attorney, as appropriate.

221.1 ~~(g)~~ (i) If, as a result of a reconsideration, review, or hearing, the lead investigative agency
221.2 changes the final disposition, or if a final disposition is changed on appeal, the lead
221.3 investigative agency shall notify the parties specified in paragraph ~~(f)~~ (h).

221.4 ~~(h)~~ (j) The lead investigative agency shall notify the vulnerable adult who is the subject
221.5 of the report or the vulnerable adult's guardian or health care agent, if known, and any person
221.6 or facility determined to have maltreated a vulnerable adult, of their appeal or review rights
221.7 under this section or section ~~256.024~~ 256.045.

221.8 ~~(i)~~ (k) The lead investigative agency shall routinely provide investigation memoranda
221.9 for substantiated reports to the appropriate licensing boards. These reports must include the
221.10 names of substantiated perpetrators. The lead investigative agency may not provide
221.11 investigative memoranda for inconclusive or false reports to the appropriate licensing boards
221.12 unless the lead investigative agency's investigation gives reason to believe that there may
221.13 have been a violation of the applicable professional practice laws. If the investigation
221.14 memorandum is provided to a licensing board, the subject of the investigation memorandum
221.15 shall be notified and receive a summary of the investigative findings.

221.16 ~~(j)~~ (l) In order to avoid duplication, licensing boards shall consider the findings of the
221.17 lead investigative agency in their investigations if they choose to investigate. This does not
221.18 preclude licensing boards from considering other information.

221.19 ~~(k)~~ (m) The lead investigative agency must provide to the commissioner of human
221.20 services its final dispositions, including the names of all substantiated perpetrators. The
221.21 commissioner of human services shall establish records to retain the names of substantiated
221.22 perpetrators.

221.23 Sec. 47. Minnesota Statutes 2016, section 626.557, subdivision 9d, is amended to read:

221.24 Subd. 9d. **Administrative reconsideration; review panel.** (a) Except as provided under
221.25 paragraph (e), any individual or facility which a lead investigative agency determines has
221.26 maltreated a vulnerable adult, or the vulnerable adult or an interested person acting on behalf
221.27 of the vulnerable adult, regardless of the lead investigative agency's determination, who
221.28 contests the lead investigative agency's final disposition of an allegation of maltreatment,
221.29 may request the lead investigative agency to reconsider its final disposition. The request
221.30 for reconsideration must be submitted in writing to the lead investigative agency within 15
221.31 calendar days after receipt of notice of final disposition or, if the request is made by an
221.32 interested person who is not entitled to notice, within 15 days after receipt of the notice by
221.33 the vulnerable adult or the vulnerable adult's guardian or health care agent. If mailed, the
221.34 request for reconsideration must be postmarked and sent to the lead investigative agency

222.1 within 15 calendar days of the individual's or facility's receipt of the final disposition. If the
222.2 request for reconsideration is made by personal service, it must be received by the lead
222.3 investigative agency within 15 calendar days of the individual's or facility's receipt of the
222.4 final disposition. An individual who was determined to have maltreated a vulnerable adult
222.5 under this section and who was disqualified on the basis of serious or recurring maltreatment
222.6 under sections 245C.14 and 245C.15, may request reconsideration of the maltreatment
222.7 determination and the disqualification. The request for reconsideration of the maltreatment
222.8 determination and the disqualification must be submitted in writing within 30 calendar days
222.9 of the individual's receipt of the notice of disqualification under sections 245C.16 and
222.10 245C.17. If mailed, the request for reconsideration of the maltreatment determination and
222.11 the disqualification must be postmarked and sent to the lead investigative agency within 30
222.12 calendar days of the individual's receipt of the notice of disqualification. If the request for
222.13 reconsideration is made by personal service, it must be received by the lead investigative
222.14 agency within 30 calendar days after the individual's receipt of the notice of disqualification.

222.15 (b) Except as provided under paragraphs (e) and (f), if the lead investigative agency
222.16 denies the request or fails to act upon the request within 15 working days after receiving
222.17 the request for reconsideration, the person or facility entitled to a fair hearing under section
222.18 256.045, may submit to the commissioner of human services a written request for a hearing
222.19 under that statute. ~~The vulnerable adult, or an interested person acting on behalf of the~~
222.20 ~~vulnerable adult, may request a review by the Vulnerable Adult Maltreatment Review Panel~~
222.21 ~~under section 256.021 if the lead investigative agency denies the request or fails to act upon~~
222.22 ~~the request, or if the vulnerable adult or interested person contests a reconsidered disposition.~~
222.23 The lead investigative agency shall notify persons who request reconsideration of their
222.24 rights under this paragraph. The request must be submitted in writing to the review panel
222.25 and a copy sent to the lead investigative agency within 30 calendar days of receipt of notice
222.26 of a denial of a request for reconsideration or of a reconsidered disposition. The request
222.27 must specifically identify the aspects of the lead investigative agency determination with
222.28 which the person is dissatisfied.

222.29 (c) If, as a result of a reconsideration or review, the lead investigative agency changes
222.30 the final disposition, it shall notify the parties specified in subdivision 9c, paragraph (f).

222.31 (d) For purposes of this subdivision, "interested person acting on behalf of the vulnerable
222.32 adult" means a person designated in writing by the vulnerable adult to act on behalf of the
222.33 vulnerable adult, or a legal guardian or conservator or other legal representative, a proxy
222.34 or health care agent appointed under chapter 145B or 145C, or an individual who is related
222.35 to the vulnerable adult, as defined in section 245A.02, subdivision 13.

223.1 (e) If an individual was disqualified under sections 245C.14 and 245C.15, on the basis
223.2 of a determination of maltreatment, which was serious or recurring, and the individual has
223.3 requested reconsideration of the maltreatment determination under paragraph (a) and
223.4 reconsideration of the disqualification under sections 245C.21 to 245C.27, reconsideration
223.5 of the maltreatment determination and requested reconsideration of the disqualification
223.6 shall be consolidated into a single reconsideration. If reconsideration of the maltreatment
223.7 determination is denied and the individual remains disqualified following a reconsideration
223.8 decision, the individual may request a fair hearing under section 256.045. If an individual
223.9 requests a fair hearing on the maltreatment determination and the disqualification, the scope
223.10 of the fair hearing shall include both the maltreatment determination and the disqualification.

223.11 (f) If a maltreatment determination or a disqualification based on serious or recurring
223.12 maltreatment is the basis for a denial of a license under section 245A.05 or a licensing
223.13 sanction under section 245A.07, the license holder has the right to a contested case hearing
223.14 under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. As provided for
223.15 under section 245A.08, the scope of the contested case hearing must include the maltreatment
223.16 determination, disqualification, and licensing sanction or denial of a license. In such cases,
223.17 a fair hearing must not be conducted under section 256.045. Except for family child care
223.18 and child foster care, reconsideration of a maltreatment determination under this subdivision,
223.19 and reconsideration of a disqualification under section 245C.22, must not be conducted
223.20 when:

223.21 (1) a denial of a license under section 245A.05, or a licensing sanction under section
223.22 245A.07, is based on a determination that the license holder is responsible for maltreatment
223.23 or the disqualification of a license holder based on serious or recurring maltreatment;

223.24 (2) the denial of a license or licensing sanction is issued at the same time as the
223.25 maltreatment determination or disqualification; and

223.26 (3) the license holder appeals the maltreatment determination or disqualification, and
223.27 denial of a license or licensing sanction.

223.28 Notwithstanding clauses (1) to (3), if the license holder appeals the maltreatment
223.29 determination or disqualification, but does not appeal the denial of a license or a licensing
223.30 sanction, reconsideration of the maltreatment determination shall be conducted under sections
223.31 626.556, subdivision 10i, and 626.557, subdivision 9d, and reconsideration of the
223.32 disqualification shall be conducted under section 245C.22. In such cases, a fair hearing shall
223.33 also be conducted as provided under sections 245C.27, 626.556, subdivision 10i, and
223.34 626.557, subdivision 9d.

224.1 If the disqualified subject is an individual other than the license holder and upon whom
224.2 a background study must be conducted under chapter 245C, the hearings of all parties may
224.3 be consolidated into a single contested case hearing upon consent of all parties and the
224.4 administrative law judge.

224.5 (g) Until August 1, 2002, an individual or facility that was determined by the
224.6 commissioner of human services or the commissioner of health to be responsible for neglect
224.7 under section 626.5572, subdivision 17, after October 1, 1995, and before August 1, 2001,
224.8 that believes that the finding of neglect does not meet an amended definition of neglect may
224.9 request a reconsideration of the determination of neglect. The commissioner of human
224.10 services or the commissioner of health shall mail a notice to the last known address of
224.11 individuals who are eligible to seek this reconsideration. The request for reconsideration
224.12 must state how the established findings no longer meet the elements of the definition of
224.13 neglect. The commissioner shall review the request for reconsideration and make a
224.14 determination within 15 calendar days. The commissioner's decision on this reconsideration
224.15 is the final agency action.

224.16 (1) For purposes of compliance with the data destruction schedule under subdivision
224.17 12b, paragraph (d), when a finding of substantiated maltreatment has been changed as a
224.18 result of a reconsideration under this paragraph, the date of the original finding of a
224.19 substantiated maltreatment must be used to calculate the destruction date.

224.20 (2) For purposes of any background studies under chapter 245C, when a determination
224.21 of substantiated maltreatment has been changed as a result of a reconsideration under this
224.22 paragraph, any prior disqualification of the individual under chapter 245C that was based
224.23 on this determination of maltreatment shall be rescinded, and for future background studies
224.24 under chapter 245C the commissioner must not use the previous determination of
224.25 substantiated maltreatment as a basis for disqualification or as a basis for referring the
224.26 individual's maltreatment history to a health-related licensing board under section 245C.31.

224.27 Sec. 48. Minnesota Statutes 2016, section 626.557, subdivision 10b, is amended to read:

224.28 Subd. 10b. **Investigations; guidelines.** (a) Each lead investigative agency shall develop
224.29 guidelines for prioritizing reports for investigation. When investigating a report, the lead
224.30 investigative agency shall conduct the following activities, as appropriate:

224.31 (1) interview of the alleged victim;

224.32 (2) interview of the reporter and others who may have relevant information;

224.33 (3) interview of the alleged perpetrator;

225.1 (4) examination of the environment surrounding the alleged incident;

225.2 (5) review of pertinent documentation of the alleged incident; and

225.3 (6) consultation with professionals.

225.4 (b) The lead investigator must contact the alleged victim or, if known, the alleged victim's
 225.5 guardian or health care agent, within five days after initiation of an investigation to provide
 225.6 the investigator's name and contact information and communicate with the alleged victim
 225.7 or the alleged victim's guardian or health care agent approximately every three weeks during
 225.8 the course of the investigation.

225.9 Sec. 49. Minnesota Statutes 2016, section 626.557, subdivision 12b, is amended to read:

225.10 Subd. 12b. **Data management.** (a) In performing any of the duties of this section as a
 225.11 lead investigative agency, the county social service agency shall maintain appropriate
 225.12 records. Data collected by the county social service agency under this section are welfare
 225.13 data under section 13.46. Notwithstanding section 13.46, subdivision 1, paragraph (a), data
 225.14 under this paragraph that are inactive investigative data on an individual who is a vendor
 225.15 of services are private data on individuals, as defined in section 13.02. The identity of the
 225.16 reporter may only be disclosed as provided in paragraph ~~(e)~~ (g).

225.17 (b) Data maintained by the common entry point are ~~confidential~~ private data on
 225.18 individuals or protected nonpublic data as defined in section 13.02, provided that the name
 225.19 of the reporter is confidential data on individuals. Notwithstanding section 138.163, the
 225.20 common entry point shall maintain data for three calendar years after date of receipt and
 225.21 then destroy the data unless otherwise directed by federal requirements.

225.22 ~~(b)~~ (c) The commissioners of health and human services shall prepare an investigation
 225.23 memorandum for each report alleging maltreatment investigated under this section. County
 225.24 social service agencies must maintain private data on individuals but are not required to
 225.25 prepare an investigation memorandum. During an investigation by the commissioner of
 225.26 health or the commissioner of human services, data collected under this section are
 225.27 confidential data on individuals or protected nonpublic data as defined in section 13.02,
 225.28 provided that data may be shared with the vulnerable adult or guardian or health care agent
 225.29 if both commissioners determine that sharing of the data is needed to protect the vulnerable
 225.30 adult. Upon completion of the investigation, the data are classified as provided in ~~clauses~~
 225.31 ~~(1) to (3) and paragraph (e)~~ paragraphs (d) to (g).

225.32 ~~(1)~~ (d) The investigation memorandum must contain the following data, which are public:

225.33 ~~(1)~~ (1) the name of the facility investigated;

- 226.1 ~~(ii)~~ (2) a statement of the nature of the alleged maltreatment;
- 226.2 ~~(iii)~~ (3) pertinent information obtained from medical or other records reviewed;
- 226.3 ~~(iv)~~ (4) the identity of the investigator;
- 226.4 ~~(v)~~ (5) a summary of the investigation's findings;
- 226.5 ~~(vi)~~ (6) statement of whether the report was found to be substantiated, inconclusive,
- 226.6 false, or that no determination will be made;
- 226.7 ~~(vii)~~ (7) a statement of any action taken by the facility;
- 226.8 ~~(viii)~~ (8) a statement of any action taken by the lead investigative agency; and
- 226.9 ~~(ix)~~ (9) when a lead investigative agency's determination has substantiated maltreatment,
- 226.10 a statement of whether an individual, individuals, or a facility were responsible for the
- 226.11 substantiated maltreatment, if known.

226.12 The investigation memorandum must be written in a manner which protects the identity

226.13 of the reporter and of the vulnerable adult and may not contain the names or, to the extent

226.14 possible, data on individuals or private data on individuals listed in ~~clause (2)~~ paragraph

226.15 (e).

226.16 ~~(2)~~ (e) Data on individuals collected and maintained in the investigation memorandum

226.17 are private data on individuals, including:

- 226.18 ~~(i)~~ (1) the name of the vulnerable adult;
- 226.19 ~~(ii)~~ (2) the identity of the individual alleged to be the perpetrator;
- 226.20 ~~(iii)~~ (3) the identity of the individual substantiated as the perpetrator; and
- 226.21 ~~(iv)~~ (4) the identity of all individuals interviewed as part of the investigation.

226.22 ~~(3)~~ (f) Other data on individuals maintained as part of an investigation under this section

226.23 are private data on individuals upon completion of the investigation.

226.24 ~~(e)~~ (g) After the assessment or investigation is completed, the name of the reporter must

226.25 be confidential, except:

226.26 (1) the subject of the report may compel disclosure of the name of the reporter only with

226.27 the consent of the reporter; or

226.28 (2) upon a written finding by a court that the report was false and there is evidence that

226.29 the report was made in bad faith.

227.1 This subdivision does not alter disclosure responsibilities or obligations under the Rules
227.2 of Criminal Procedure, except that where the identity of the reporter is relevant to a criminal
227.3 prosecution, the district court shall do an in-camera review prior to determining whether to
227.4 order disclosure of the identity of the reporter.

227.5 ~~(d)~~ (h) Notwithstanding section 138.163, data maintained under this section by the
227.6 commissioners of health and human services must be maintained under the following
227.7 schedule and then destroyed unless otherwise directed by federal requirements:

227.8 (1) data from reports determined to be false, maintained for three years after the finding
227.9 was made;

227.10 (2) data from reports determined to be inconclusive, maintained for four years after the
227.11 finding was made;

227.12 (3) data from reports determined to be substantiated, maintained for seven years after
227.13 the finding was made; and

227.14 (4) data from reports which were not investigated by a lead investigative agency and for
227.15 which there is no final disposition, maintained for three years from the date of the report.

227.16 ~~(e)~~ (i) The commissioners of health and human services shall annually publish on their
227.17 Web sites the number and type of reports of alleged maltreatment involving licensed facilities
227.18 reported under this section, the number of those requiring investigation under this section,
227.19 and the resolution of those investigations. On a biennial basis, the commissioners of health
227.20 and human services shall jointly report the following information to the legislature and the
227.21 governor:

227.22 (1) the number and type of reports of alleged maltreatment involving licensed facilities
227.23 reported under this section, the number of those requiring investigations under this section,
227.24 the resolution of those investigations, and which of the two lead agencies was responsible;

227.25 (2) trends about types of substantiated maltreatment found in the reporting period;

227.26 (3) ~~if there are upward trends for types of maltreatment substantiated,~~ recommendations
227.27 for preventing, addressing, and responding to them substantiated maltreatment;

227.28 (4) efforts undertaken or recommended to improve the protection of vulnerable adults;

227.29 (5) whether and where backlogs of cases result in a failure to conform with statutory
227.30 time frames and recommendations for reducing backlogs if applicable;

227.31 (6) recommended changes to statutes affecting the protection of vulnerable adults; and

227.32 (7) any other information that is relevant to the report trends and findings.

228.1 ~~(f)~~ (j) Each lead investigative agency must have a record retention policy.

228.2 ~~(g)~~ (k) Lead investigative agencies, prosecuting authorities, and law enforcement agencies
228.3 may exchange not public data, as defined in section 13.02, if the agency or authority
228.4 requesting the data determines that the data are pertinent and necessary to the requesting
228.5 agency in initiating, furthering, or completing an investigation under this section. Data
228.6 collected under this section must be made available to prosecuting authorities and law
228.7 enforcement officials, local county agencies, and licensing agencies investigating the alleged
228.8 maltreatment under this section. ~~The lead investigative agency shall exchange not public~~
228.9 ~~data with the vulnerable adult maltreatment review panel established in section 256.021 if~~
228.10 ~~the data are pertinent and necessary for a review requested under that section.~~
228.11 Notwithstanding section 138.17, upon completion of the review, not public data received
228.12 by the review panel must be destroyed.

228.13 ~~(h)~~ (l) Each lead investigative agency shall keep records of the length of time it takes to
228.14 complete its investigations.

228.15 ~~(i)~~ (m) Notwithstanding paragraph (a) or (b), a lead investigative agency may share
228.16 common entry point or investigative data and may notify other affected parties, including
228.17 the vulnerable adult and their authorized representative, if the lead investigative agency has
228.18 reason to believe maltreatment has occurred and determines the information will safeguard
228.19 the well-being of the affected parties or dispel widespread rumor or unrest in the affected
228.20 facility.

228.21 ~~(j)~~ (n) Under any notification provision of this section, where federal law specifically
228.22 prohibits the disclosure of patient identifying information, a lead investigative agency may
228.23 not provide any notice unless the vulnerable adult has consented to disclosure in a manner
228.24 which conforms to federal requirements.

228.25 Sec. 50. Minnesota Statutes 2016, section 626.557, subdivision 14, is amended to read:

228.26 Subd. 14. **Abuse prevention plans.** (a) Each facility, except home health agencies and
228.27 personal care ~~attendant services providers~~ assistance provider agencies, shall establish and
228.28 enforce an ongoing written abuse prevention plan. The plan shall contain an assessment of
228.29 the physical plant, its environment, and its population identifying factors which may
228.30 encourage or permit abuse, and a statement of specific measures to be taken to minimize
228.31 the risk of abuse. The plan shall comply with any rules governing the plan promulgated by
228.32 the licensing agency.

229.1 (b) Each facility, including a home health care agency and personal care attendant
229.2 services providers, shall develop an individual abuse prevention plan for each vulnerable
229.3 adult residing there or receiving services from them. The plan shall contain an individualized
229.4 assessment of: (1) the person's susceptibility to abuse by other individuals, including other
229.5 vulnerable adults; (2) the person's risk of abusing other vulnerable adults; and (3) statements
229.6 of the specific measures to be taken to minimize the risk of abuse to that person and other
229.7 vulnerable adults. For the purposes of this paragraph, the term "abuse" includes self-abuse.

229.8 (c) If the facility, except home health agencies and personal care attendant services
229.9 providers, knows that the vulnerable adult has committed a violent crime or an act of physical
229.10 aggression toward others, the individual abuse prevention plan must detail the measures to
229.11 be taken to minimize the risk that the vulnerable adult might reasonably be expected to pose
229.12 to visitors to the facility and persons outside the facility, if unsupervised. Under this section,
229.13 a facility knows of a vulnerable adult's history of criminal misconduct or physical aggression
229.14 if it receives such information from a law enforcement authority or through a medical record
229.15 prepared by another facility, another health care provider, or the facility's ongoing
229.16 assessments of the vulnerable adult.

229.17 (d) The commissioner of health must issue a correction order and may impose an
229.18 immediate fine upon a finding that the facility has failed to comply with this subdivision.

229.19 Sec. 51. Minnesota Statutes 2016, section 626.557, subdivision 17, is amended to read:

229.20 Subd. 17. **Retaliation prohibited.** (a) A facility or person shall not retaliate against any
229.21 person who reports in good faith suspected maltreatment pursuant to this section, or against
229.22 a vulnerable adult with respect to whom a report is made, because of the report.

229.23 (b) In addition to any remedies allowed under sections 181.931 to 181.935, any facility
229.24 or person which retaliates against any person because of a report of suspected maltreatment
229.25 is liable to that person for actual damages, punitive damages up to \$10,000, and attorney
229.26 fees.

229.27 (c) There shall be a rebuttable presumption that any adverse action, as defined below,
229.28 within 90 days of a report, is retaliatory. For purposes of this clause, the term "adverse
229.29 action" refers to action taken by a facility or person involved in a report against the person
229.30 making the report or the person with respect to whom the report was made because of the
229.31 report, and includes, but is not limited to:

229.32 (1) discharge or transfer from the facility;

229.33 (2) discharge from or termination of employment;

- 230.1 (3) demotion or reduction in remuneration for services;
- 230.2 (4) restriction or prohibition of access to the facility or its residents; or
- 230.3 (5) any restriction of rights set forth in section 144.651, 144A.44, or 144A.441.

230.4 Sec. 52. Minnesota Statutes 2016, section 626.5572, subdivision 6, is amended to read:

230.5 Subd. 6. **Facility.** (a) "Facility" means:

- 230.6 (1) a hospital or other entity required to be licensed under sections 144.50 to 144.58;
- 230.7 (2) a nursing home required to be licensed to serve adults under section 144A.02;
- 230.8 (3) a facility or service required to be licensed under chapter 245A;
- 230.9 (4) a home care provider licensed or required to be licensed under sections 144A.43 to
- 230.10 144A.482;
- 230.11 (5) a hospice provider licensed under sections 144A.75 to 144A.755;
- 230.12 (6) a housing with services establishment registered under chapter 144D, including an
- 230.13 entity operating under chapter 144G, assisted living title protection; or
- 230.14 (7) a person or organization that offers, provides, or arranges for personal care assistance
- 230.15 services under the medical assistance program as authorized under sections 256B.0625,
- 230.16 subdivision 19a, 256B.0651 to 256B.0654, 256B.0659, or 256B.85.

230.17 (b) For personal care assistance services identified in paragraph (a), clause (7), that are

230.18 provided in the vulnerable adult's own home or in another unlicensed location other than

230.19 an unlicensed setting listed in paragraph (a), the term "facility" refers to the provider, person,

230.20 or organization that offers, provides, or arranges for personal care assistance services, and

230.21 does not refer to the vulnerable adult's home or other location at which services are rendered.

230.22 Sec. 53. **REPORT; SAFETY AND QUALITY IMPROVEMENT PRACTICES.**

230.23 By January 15, 2019, the safety and quality improvement technical panel established

230.24 under Minnesota Statutes, section 144A.53, subdivision 5, shall provide recommendations

230.25 to the legislature on legislative changes needed to promote safety and quality improvement

230.26 practices in long-term care settings and with long-term care providers. The recommendations

230.27 must address:

- 230.28 (1) how to implement a system for adverse health events reporting, learning, and
- 230.29 prevention in long-term care settings and with long-term care providers; and

231.1 (2) interim actions to improve systems for the timely analysis of reports and complaints
231.2 submitted to the Office of Health Facility Complaints to identify common themes and key
231.3 prevention opportunities, and to disseminate key findings to providers across the state for
231.4 the purposes of shared learning and prevention.

231.5 Sec. 54. **REPORTS; OFFICE OF HEALTH FACILITY COMPLAINTS' RESPONSE**
231.6 **TO VULNERABLE ADULT MALTREATMENT ALLEGATIONS.**

231.7 (a) On a quarterly basis until January 2021, and annually thereafter, the commissioner
231.8 of health must publish on the Department of Health Web site, a report on the Office of
231.9 Health Facility Complaints' response to allegations of maltreatment of vulnerable adults.
231.10 The report must include:

231.11 (1) a description and assessment of the office's efforts to improve its internal processes
231.12 and compliance with federal and state requirements concerning allegations of maltreatment
231.13 of vulnerable adults, including any relevant timelines;

231.14 (2)(i) the number of reports received by type of reporter; (ii) the number of reports
231.15 investigated; (iii) the percentage and number of reported cases awaiting triage; (iv) the
231.16 number and percentage of open investigations; (v) the number and percentage of reports
231.17 that have failed to meet state or federal timelines for triaging, investigating, or making a
231.18 final disposition of an investigation by cause of delay; and (vi) processes the office will
231.19 implement to bring the office into compliance with state and federal timelines for triaging,
231.20 investigating, and making final dispositions of investigations;

231.21 (3) a trend analysis of internal audits conducted by the office; and

231.22 (4) trends and patterns in maltreatment of vulnerable adults, licensing violations by
231.23 facilities or providers serving vulnerable adults, and other metrics as determined by the
231.24 commissioner.

231.25 (b) The commissioner shall maintain on the Department of Health Web site reports
231.26 published under this section for at least the past three years.

231.27 Sec. 55. **ASSISTED LIVING AND DEMENTIA CARE LICENSING WORKING**
231.28 **GROUP.**

231.29 Subdivision 1. **Establishment; membership.** (a) An assisted living and dementia care
231.30 licensing working group is established.

231.31 (b) The commissioner of health shall appoint the following members of the working
231.32 group:

232.1 (1) four providers from the senior housing with services profession, two providing
232.2 services in the seven-county metropolitan area and two providing services outside the
232.3 seven-county metropolitan area. The providers appointed must include providers from
232.4 establishments of different sizes;

232.5 (2) two persons who reside in senior housing with services establishments, or family
232.6 members of persons who reside in senior housing with services establishments. One resident
232.7 or family member must reside in the seven-county metropolitan area and one resident or
232.8 family member must reside outside the seven-county metropolitan area;

232.9 (3) one representative from the Home Care and Assisted Living Program Advisory
232.10 Council;

232.11 (4) one representative of a health plan company;

232.12 (5) one representative from Care Providers of Minnesota;

232.13 (6) one representative from LeadingAge Minnesota;

232.14 (7) one representative from the Alzheimer's Association;

232.15 (8) one representative from the Metropolitan Area Agency on Aging and one
232.16 representative from an area agency on aging other than the Metropolitan Area Agency on
232.17 Aging;

232.18 (9) one representative from the Minnesota Rural Health Association;

232.19 (10) one federal compliance official; and

232.20 (11) one representative from the Minnesota Home Care Association.

232.21 (c) The following individuals shall also be members of the working group:

232.22 (1) two members of the house of representatives, one appointed by the speaker of the
232.23 house and one appointed by the minority leader;

232.24 (2) two members of the senate, one appointed by the majority leader and one appointed
232.25 by the minority leader;

232.26 (3) one member of the Minnesota Council on Disability or a designee, appointed by the
232.27 council;

232.28 (4) one member of the Commission of Deaf, Deafblind and Hard of Hearing Minnesotans
232.29 or a designee, appointed by the commission;

232.30 (5) the commissioner of health or a designee;

233.1 (6) the commissioner of human services or a designee;

233.2 (7) the ombudsman for long-term care or a designee; and

233.3 (8) one member of the Minnesota Board of Aging, appointed by the board.

233.4 (d) The appointing authorities under this subdivision must complete the appointments

233.5 no later than July 1, 2018.

233.6 Subd. 2. **Duties; recommendations.** (a) The assisted living and dementia care licensing

233.7 working group shall consider and make recommendations on a new regulatory framework

233.8 for assisted living and dementia care. In developing the licensing framework, the working

233.9 group must address at least the following:

233.10 (1) the appropriate level of regulation, including licensure, registration, or certification;

233.11 (2) coordination of care;

233.12 (3) the scope of care to be provided and limits on acuity levels of residents;

233.13 (4) consumer rights;

233.14 (5) building design and physical environment;

233.15 (6) dietary services;

233.16 (7) support services;

233.17 (8) transition planning;

233.18 (9) the installation and use of electronic monitoring in settings in which assisted living

233.19 or dementia care services are provided;

233.20 (10) staff training and qualifications;

233.21 (11) options for the engagement of seniors and their families;

233.22 (12) notices and financial requirements; and

233.23 (13) compliance with federal Medicaid waiver requirements for home and

233.24 community-based services settings.

233.25 (b) Facilities and providers licensed by the commissioner of human services shall be

233.26 exempt from licensing requirements for assisted living recommended under this section.

233.27 Subd. 3. **Meetings.** The commissioner of health or a designee shall convene the first

233.28 meeting of the working group no later than August 1, 2018. The members of the working

233.29 group shall elect a chair from among the group's members at the first meeting, and the

234.1 commissioner of health or a designee shall serve as the working group's chair until a chair
234.2 is elected. Meetings of the working group shall be open to the public.

234.3 Subd. 4. **Compensation.** Members of the working group appointed under subdivision
234.4 1, paragraph (b), shall serve without compensation or reimbursement for expenses.

234.5 Subd. 5. **Administrative support.** The commissioner of health shall provide
234.6 administrative support for the working group and arrange meeting space.

234.7 Subd. 6. **Report.** By January 15, 2019, the working group must submit a report with
234.8 findings, recommendations, and draft legislation to the chairs and ranking minority members
234.9 of the legislative committees with jurisdiction over health and human services policy and
234.10 finance.

234.11 Subd. 7. **Expiration.** The working group expires January 16, 2019, or the day after the
234.12 working group submits the report required under subdivision 6, whichever is earlier.

234.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

234.14 Sec. 56. **DEMENTIA CARE CERTIFICATION WORKING GROUP.**

234.15 Subdivision 1. **Establishment; membership.** (a) A dementia care certification working
234.16 group is established.

234.17 (b) The commissioner of health shall appoint the following members of the working
234.18 group:

234.19 (1) two caregivers of persons who have been diagnosed with Alzheimer's disease or
234.20 other dementia, one caregiver residing in the seven-county metropolitan area and one
234.21 caregiver residing outside the seven-county metropolitan area;

234.22 (2) two providers from the senior housing with services profession, one providing services
234.23 in the seven-county metropolitan area and one providing services outside the seven-county
234.24 metropolitan area;

234.25 (3) two geriatricians, one of whom serves a diverse or underserved community;

234.26 (4) one psychologist who specializes in dementia care;

234.27 (5) one representative of the Alzheimer's Association;

234.28 (6) one representative from Care Providers of Minnesota;

234.29 (7) one representative from LeadingAge Minnesota; and

234.30 (8) one representative from the Minnesota Home Care Association.

235.1 (c) The following individuals shall also be members of the working group:

235.2 (1) two members of the house of representatives, one appointed by the speaker of the
235.3 house and one appointed by the minority leader;

235.4 (2) two members of the senate, one appointed by the majority leader and one appointed
235.5 by the minority leader;

235.6 (3) the commissioner of health or a designee;

235.7 (4) the commissioner of human services or a designee;

235.8 (5) the ombudsman for long-term care or a designee;

235.9 (6) one member of the Minnesota Board on Aging, appointed by the board; and

235.10 (7) the executive director of the Minnesota Board on Aging, who shall serve as a
235.11 nonvoting member of the working group.

235.12 (d) The appointing authorities under this subdivision must complete their appointments
235.13 no later than July 1, 2018.

235.14 Subd. 2. **Duties; recommendations.** The dementia care certification working group
235.15 shall consider and make recommendations regarding the certification of providers offering
235.16 dementia care services to clients diagnosed with Alzheimer's disease or other dementias.

235.17 The working group must:

235.18 (1) develop standards in the following areas that nursing homes, boarding care homes,
235.19 and housing with services establishments offering care for clients diagnosed with Alzheimer's
235.20 disease or other dementias must meet in order to obtain dementia care certification, including
235.21 staffing, egress control, access to secured outdoor spaces, specialized therapeutic activities,
235.22 and specialized life enrichment programming;

235.23 (2) develop requirements for disclosing dementia care certification standards to
235.24 consumers; and

235.25 (3) develop mechanisms for enforcing dementia care certification standards.

235.26 Subd. 3. **Meetings.** The commissioner of health or a designee shall convene the first
235.27 meeting of the working group no later than August 1, 2018. The members of the working
235.28 group shall elect a chair from among the group's members at the first meeting, and the
235.29 commissioner of health or a designee shall serve as the working group's chair until a chair
235.30 is elected. Meetings of the working group shall be open to the public.

236.1 Subd. 4. **Compensation.** Members of the working group appointed under subdivision
236.2 1, paragraph (b), shall serve without compensation or reimbursement for expenses.

236.3 Subd. 5. **Administrative support.** The commissioner of health shall provide
236.4 administrative support for the working group and arrange meeting space.

236.5 Subd. 6. **Report.** By January 15, 2019, the working group must submit a report with
236.6 findings, recommendations, and draft legislation to the chairs and ranking minority members
236.7 of the legislative committees with jurisdiction over health and human services policy and
236.8 finance.

236.9 Subd. 7. **Expiration.** The working group expires January 16, 2019, or the day after the
236.10 working group submits the report required under subdivision 6, whichever is earlier.

236.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

236.12 Sec. 57. **ASSISTED LIVING REPORT CARD WORKING GROUP.**

236.13 Subdivision 1. **Establishment; membership.** (a) An assisted living report card working
236.14 group, tasked with researching and making recommendations on the development of an
236.15 assisted living report card, is established.

236.16 (b) The commissioner of human services shall appoint the following members of the
236.17 working group:

236.18 (1) two persons who reside in senior housing with services establishments, one residing
236.19 in an establishment in the seven-county metropolitan area and one residing in an
236.20 establishment outside the seven-county metropolitan area;

236.21 (2) four representatives of the senior housing with services profession, two providing
236.22 services in the seven-county metropolitan area and two providing services outside the
236.23 seven-county metropolitan area;

236.24 (3) one family member of a person who resides in a senior housing with services
236.25 establishment in the seven-county metropolitan area, and one family member of a person
236.26 who resides in a senior housing with services establishment outside the seven-county
236.27 metropolitan area;

236.28 (4) a representative from the Home Care and Assisted Living Program Advisory Council;

236.29 (5) a representative from the University of Minnesota with expertise in data and analytics;

236.30 (6) a representative from Care Providers of Minnesota; and

236.31 (7) a representative from LeadingAge Minnesota.

237.1 (c) The following individuals shall also be appointed to the working group:

237.2 (1) the commissioner of human services or a designee;

237.3 (2) the commissioner of health or a designee;

237.4 (3) the ombudsman for long-term care or a designee;

237.5 (4) one member of the Minnesota Board on Aging, appointed by the board; and

237.6 (5) the executive director of the Minnesota Board on Aging who shall serve on the
237.7 working group as a nonvoting member.

237.8 (d) The appointing authorities under this subdivision must complete the appointments
237.9 no later than July 1, 2018.

237.10 Subd. 2. **Duties.** The assisted living report card working group shall consider and make
237.11 recommendations on the development of an assisted living report card. The quality metrics
237.12 considered shall include, but are not limited to:

237.13 (1) an annual customer satisfaction survey measure using the CoreQ questions for
237.14 assisted-living residents and family members;

237.15 (2) a measure utilizing level 3 or 4 citations from Department of Health home care survey
237.16 findings and substantiated Office of Health Facility Complaints findings against a home
237.17 care provider;

237.18 (3) a home care staff retention measure; and

237.19 (4) a measure that scores a provider's staff according to their level of training and
237.20 education.

237.21 Subd. 3. **Meetings.** The commissioner of human services or a designee shall convene
237.22 the first meeting of the working group no later than August 1, 2018. The members of the
237.23 working group shall elect a chair from among the group's members at the first meeting, and
237.24 the commissioner of human services or a designee shall serve as the working group's chair
237.25 until a chair is elected. Meetings of the working group shall be open to the public.

237.26 Subd. 4. **Compensation.** Members of the working group shall serve without compensation
237.27 or reimbursement for expenses.

237.28 Subd. 5. **Administrative support.** The commissioner of human services shall provide
237.29 administrative support and arrange meeting space for the working group.

237.30 Subd. 6. **Report.** By January 15, 2019, the working group must submit a report with
237.31 findings, recommendations, and draft legislation to the chairs and ranking minority members

238.1 of the legislative committees with jurisdiction over health and human services policy and
238.2 finance.

238.3 Subd. 7. **Expiration.** The working group expires January 16, 2019, or the day after the
238.4 working group submits the report required in subdivision 6, whichever is later.

238.5 **EFFECTIVE DATE.** This section is effective the day following final enactment.

238.6 Sec. 58. **DIRECTION TO COMMISSIONER OF HEALTH; PROGRESS IN**
238.7 **IMPLEMENTING RECOMMENDATIONS OF LEGISLATIVE AUDITOR.**

238.8 By March 1, 2019, the commissioner of health must submit a report to the chairs and
238.9 ranking minority members of the legislative committees with jurisdiction over health, human
238.10 services, or aging on the progress toward implementing each recommendation of the Office
238.11 of the Legislative Auditor with which the commissioner agreed in the commissioner's letter
238.12 to the legislative auditor dated March 1, 2018. The commissioner shall include in the report
238.13 existing data collected in the course of the commissioner's continuing oversight of the Office
238.14 of Health Facility Complaints sufficient to demonstrate the implementation of the
238.15 recommendations with which the commissioner agreed.

238.16 Sec. 59. **DIRECTION TO COMMISSIONER OF HEALTH; POSTING**
238.17 **SUBSTANTIATED MALTREATMENT REPORTS.**

238.18 The commissioner of health must post every substantiated report of maltreatment of a
238.19 vulnerable adult at the Web site of the Office of Health Facility Complaints.

238.20 Sec. 60. **DIRECTION TO COMMISSIONER OF HEALTH; PROVIDER**
238.21 **EDUCATION.**

238.22 (a) The commissioner of health shall develop decision-making tools, including decision
238.23 trees, regarding provider self-reported maltreatment allegations, and shall share these tools
238.24 with providers. As soon as practicable, the commissioner shall update the decision-making
238.25 tools as necessary, including whenever federal or state requirements change, and shall inform
238.26 providers when the updated tools are available. The commissioner shall develop
238.27 decision-making tools that clarify and encourage reporting whether the provider is licensed
238.28 or registered under federal or state law, while also educating providers on any distinctions
238.29 in reporting under federal versus state law.

238.30 (b) The commissioner of health shall conduct rigorous trend analyses of maltreatment
238.31 reports, triage decisions, investigation determinations, enforcement actions, and appeals to

239.1 identify trends and patterns in reporting of maltreatment, substantiated maltreatment, and
239.2 licensing violations and shall share these findings with providers and interested stakeholders.

239.3 Sec. 61. **REPEALER.**

239.4 Minnesota Statutes 2016, section 256.021, is repealed.

239.5 **ARTICLE 7**

239.6 **CHILDREN AND FAMILIES**

239.7 Section 1. Minnesota Statutes 2016, section 119B.011, is amended by adding a subdivision
239.8 to read:

239.9 Subd. 13b. **Homeless.** "Homeless" means a self-declared housing status as defined in
239.10 the McKinney-Vento Homeless Assistance Act and United States Code, title 42, section
239.11 11302, paragraph (a).

239.12 Sec. 2. Minnesota Statutes 2017 Supplement, section 119B.011, subdivision 20, is amended
239.13 to read:

239.14 Subd. 20. **Transition year families.** "Transition year families" means families who have
239.15 received MFIP assistance, or who were eligible to receive MFIP assistance after choosing
239.16 to discontinue receipt of the cash portion of MFIP assistance under section 256J.31,
239.17 subdivision 12, or families who have received DWP assistance under section 256J.95 for
239.18 at least ~~three~~ one of the last six months before losing eligibility for MFIP or DWP.
239.19 Notwithstanding Minnesota Rules, parts 3400.0040, subpart 10, and 3400.0090, subpart 2,
239.20 transition year child care may be used to support employment, approved education or training
239.21 programs, or job search that meets the requirements of section 119B.10. Transition year
239.22 child care is not available to families who have been disqualified from MFIP or DWP due
239.23 to fraud.

239.24 Sec. 3. Minnesota Statutes 2016, section 119B.02, subdivision 7, is amended to read:

239.25 Subd. 7. **Child care market rate survey.** ~~Biennially,~~ The commissioner shall survey
239.26 prices charged by child care providers in Minnesota every three years to determine the 75th
239.27 percentile for like-care arrangements in county price clusters.

239.28 **EFFECTIVE DATE.** This section is effective retroactively from the market rate survey
239.29 conducted in calendar year 2016 and applies to any market rate survey conducted after the
239.30 2016 market rate survey.

240.1 Sec. 4. Minnesota Statutes 2017 Supplement, section 119B.025, subdivision 1, is amended
240.2 to read:

240.3 Subdivision 1. **Applications.** (a) Except as provided in paragraph (c), clause (4), the
240.4 county shall verify the following at all initial child care applications using the universal
240.5 application:

240.6 (1) identity of adults;

240.7 (2) presence of the minor child in the home, if questionable;

240.8 (3) relationship of minor child to the parent, stepparent, legal guardian, eligible relative
240.9 caretaker, or the spouses of any of the foregoing;

240.10 (4) age;

240.11 (5) immigration status, if related to eligibility;

240.12 (6) Social Security number, if given;

240.13 (7) counted income;

240.14 (8) spousal support and child support payments made to persons outside the household;

240.15 (9) residence; and

240.16 (10) inconsistent information, if related to eligibility.

240.17 (b) The county must mail a notice of approval or denial of assistance to the applicant
240.18 within 30 calendar days after receiving the application. The county may extend the response
240.19 time by 15 calendar days if the applicant is informed of the extension.

240.20 (c) For an applicant who declares that the applicant is homeless and who meets the
240.21 definition of homeless in section 119B.011, subdivision 13b, the county must:

240.22 (1) if information is needed to determine eligibility, send a request for information to
240.23 the applicant within five working days after receiving the application;

240.24 (2) if the applicant is eligible, send a notice of approval of assistance within five working
240.25 days after receiving the application;

240.26 (3) if the applicant is ineligible, send a notice of denial of assistance within 30 days after
240.27 receiving the application. The county may extend the response time by 15 calendar days if
240.28 the applicant is informed of the extension;

240.29 (4) not require verifications required by paragraph (a) before issuing the notice of approval
240.30 or denial; and

241.1 (5) follow limits set by the commissioner for how frequently expedited application
241.2 processing may be used for an applicant who declares that the applicant is homeless.

241.3 (d) An applicant who declares that the applicant is homeless must submit proof of
241.4 eligibility within three months of the date the application was received. If proof of eligibility
241.5 is not submitted within three months, eligibility ends. A 15-day adverse action notice is
241.6 required to end eligibility.

241.7 Sec. 5. Minnesota Statutes 2016, section 119B.03, subdivision 9, is amended to read:

241.8 Subd. 9. **Portability pool.** (a) The commissioner shall establish a pool of up to five
241.9 percent of the annual appropriation for the basic sliding fee program to provide continuous
241.10 child care assistance for eligible families who move between Minnesota counties. At the
241.11 end of each allocation period, any unspent funds in the portability pool must be used for
241.12 assistance under the basic sliding fee program. If expenditures from the portability pool
241.13 exceed the amount of money available, the reallocation pool must be reduced to cover these
241.14 shortages.

241.15 ~~(b) To be eligible for portable basic sliding fee assistance,~~ A family that has moved from
241.16 a county in which it was receiving basic sliding fee assistance to a county with a waiting
241.17 list for the basic sliding fee program must:

241.18 (1) meet the income and eligibility guidelines for the basic sliding fee program; and

241.19 (2) ~~notify the new county of residence within 60 days of moving and submit information~~
241.20 ~~to the new county of residence to verify eligibility for the basic sliding fee program~~ the
241.21 family's previous county of residence of the family's move to a new county of residence.

241.22 (c) The receiving county must:

241.23 (1) accept administrative responsibility for applicants for portable basic sliding fee
241.24 assistance at the end of the two months of assistance under the Unitary Residency Act;

241.25 (2) continue portability pool basic sliding fee assistance ~~for the lesser of six months or~~
241.26 until the family is able to receive assistance under the county's regular basic sliding program;
241.27 and

241.28 (3) notify the commissioner through the quarterly reporting process of any family that
241.29 meets the criteria of the portable basic sliding fee assistance pool.

242.1 Sec. 6. Minnesota Statutes 2017 Supplement, section 119B.095, is amended by adding a
242.2 subdivision to read:

242.3 Subd. 3. Assistance for persons who are experiencing homelessness. An applicant
242.4 who is homeless and eligible for child care assistance under this chapter is eligible for 60
242.5 hours of child care assistance per service period for three months from the date the county
242.6 receives the application. Additional hours may be authorized as needed based on the
242.7 applicant's participation in employment, education, or MFIP or DWP employment plan. To
242.8 continue receiving child care assistance after the initial three months, the parent must verify
242.9 that the parent meets eligibility and activity requirements for child care assistance under
242.10 this chapter.

242.11 Sec. 7. Minnesota Statutes 2017 Supplement, section 119B.13, subdivision 1, is amended
242.12 to read:

242.13 Subdivision 1. **Subsidy restrictions.** (a) Beginning ~~February 3, 2014~~ July 1, 2019, the
242.14 maximum rate paid for child care assistance in any county or county price cluster under the
242.15 child care fund shall be the greater of the 25th percentile of the ~~2011~~ 2016 child care provider
242.16 rate survey under section 119B.02, subdivision 7, or the ~~maximum rate effective November~~
242.17 ~~28, 2011.~~ rates in effect at the time of the update. For a child care provider located within
242.18 the boundaries of a city located in two or more of the counties of Benton, Sherburne, and
242.19 Stearns, the maximum rate paid for child care assistance shall be equal to the maximum
242.20 rate paid in the county with the highest maximum reimbursement rates or the provider's
242.21 charge, whichever is less. The commissioner may: (1) assign a county with no reported
242.22 provider prices to a similar price cluster; and (2) consider county level access when
242.23 determining final price clusters.

242.24 (b) A rate which includes a special needs rate paid under subdivision 3 may be in excess
242.25 of the maximum rate allowed under this subdivision.

242.26 (c) The department shall monitor the effect of this paragraph on provider rates. The
242.27 county shall pay the provider's full charges for every child in care up to the maximum
242.28 established. The commissioner shall determine the maximum rate for each type of care on
242.29 an hourly, full-day, and weekly basis, including special needs and disability care.

242.30 (d) If a child uses one provider, the maximum payment for one day of care must not
242.31 exceed the daily rate. The maximum payment for one week of care must not exceed the
242.32 weekly rate.

243.1 (e) If a child uses two providers under section 119B.097, the maximum payment must
243.2 not exceed:

243.3 (1) the daily rate for one day of care;

243.4 (2) the weekly rate for one week of care by the child's primary provider; and

243.5 (3) two daily rates during two weeks of care by a child's secondary provider.

243.6 (f) Child care providers receiving reimbursement under this chapter must not be paid
243.7 activity fees or an additional amount above the maximum rates for care provided during
243.8 nonstandard hours for families receiving assistance.

243.9 (g) If the provider charge is greater than the maximum provider rate allowed, the parent
243.10 is responsible for payment of the difference in the rates in addition to any family co-payment
243.11 fee.

243.12 (h) All maximum provider rates changes shall be implemented on the Monday following
243.13 the effective date of the maximum provider rate.

243.14 (i) Notwithstanding Minnesota Rules, part 3400.0130, subpart 7, maximum registration
243.15 fees in effect on January 1, 2013, shall remain in effect.

243.16 (j) For calendar year 2019, notwithstanding section 119B.03, subdivisions 6, 6a, and
243.17 6b, the commissioner must allocate the additional basic sliding fee child care funds for
243.18 calendar year 2019 due to the updated provider rate survey under paragraph (a) to counties
243.19 based on relative need to cover the maximum rate increases. In distributing the additional
243.20 funds, the commissioner shall consider the following factors by county:

243.21 (1) expenditures;

243.22 (2) provider type;

243.23 (3) age of children; and

243.24 (4) amount of the increase in maximum rates.

243.25 Sec. 8. Minnesota Statutes 2017 Supplement, section 245A.06, subdivision 8, is amended
243.26 to read:

243.27 Subd. 8. **Requirement to post ~~correction order~~ conditional license.** (a) For licensed
243.28 family child care providers and child care centers, upon receipt of any ~~correction order~~ or
243.29 order of conditional license issued by the commissioner under this section, and
243.30 notwithstanding a pending request for reconsideration of the ~~correction order~~ or order of
243.31 conditional license by the license holder, the license holder shall post the ~~correction order~~

244.1 ~~or~~ order of conditional license in a place that is conspicuous to the people receiving services
 244.2 and all visitors to the facility for two years. When the ~~correction order~~ or order of conditional
 244.3 license is accompanied by a maltreatment investigation memorandum prepared under section
 244.4 626.556 or 626.557, the investigation memoranda must be posted with the ~~correction order~~
 244.5 ~~or~~ order of conditional license.

244.6 ~~(b) If the commissioner reverses or rescinds a violation in a correction order upon~~
 244.7 ~~reconsideration under subdivision 2, the commissioner shall issue an amended correction~~
 244.8 ~~order and the license holder shall post the amended order according to paragraph (a).~~

244.9 ~~(c) If the correction order is rescinded or reversed in full upon reconsideration under~~
 244.10 ~~subdivision 2, the license holder shall remove the original correction order posted according~~
 244.11 ~~to paragraph (a).~~

244.12 Sec. 9. Minnesota Statutes 2017 Supplement, section 245A.50, subdivision 7, is amended
 244.13 to read:

244.14 Subd. 7. **Training requirements for family and group family child care.** (a) For
 244.15 purposes of family and group family child care, the license holder and each primary caregiver
 244.16 must complete 16 hours of ongoing training each year. For purposes of this subdivision, a
 244.17 primary caregiver is an adult caregiver who provides services in the licensed setting for
 244.18 more than 30 days in any 12-month period. Repeat of topical training requirements in
 244.19 subdivisions 2 to ~~8~~ 9 shall count toward the annual 16-hour training requirement. Additional
 244.20 ongoing training subjects to meet the annual 16-hour training requirement must be selected
 244.21 from the following areas:

244.22 (1) child development and learning training under subdivision 2, paragraph (a);

244.23 (2) developmentally appropriate learning experiences, including training in creating
 244.24 positive learning experiences, promoting cognitive development, promoting social and
 244.25 emotional development, promoting physical development, promoting creative development;
 244.26 and behavior guidance;

244.27 (3) relationships with families, including training in building a positive, respectful
 244.28 relationship with the child's family;

244.29 (4) assessment, evaluation, and individualization, including training in observing,
 244.30 recording, and assessing development; assessing and using information to plan; and assessing
 244.31 and using information to enhance and maintain program quality;

245.1 (5) historical and contemporary development of early childhood education, including
245.2 training in past and current practices in early childhood education and how current events
245.3 and issues affect children, families, and programs;

245.4 (6) professionalism, including training in knowledge, skills, and abilities that promote
245.5 ongoing professional development; and

245.6 (7) health, safety, and nutrition, including training in establishing healthy practices;
245.7 ensuring safety; and providing healthy nutrition.

245.8 (b) A family or group family child care license holder or primary caregiver who is an
245.9 approved trainer through the Minnesota Center for Professional Development and who
245.10 conducts an approved training course through the Minnesota Center for Professional
245.11 Development in any of the topical training in subdivisions 2 to 9 shall receive training credit
245.12 for the training topic in the applicable annual period. Each hour of approved training
245.13 conducted shall count toward the annual 16-hour training requirement.

245.14 **EFFECTIVE DATE.** This section is effective the day following final enactment.

245.15 Sec. 10. Minnesota Statutes 2016, section 256K.45, subdivision 2, is amended to read:

245.16 Subd. 2. **Homeless youth report.** The commissioner shall prepare a biennial report,
245.17 beginning in February 2015, which provides meaningful information to the legislative
245.18 committees having jurisdiction over the issue of homeless youth, that includes, but is not
245.19 limited to: (1) a list of the areas of the state with the greatest need for services and housing
245.20 for homeless youth, and the level and nature of the needs identified; (2) details about grants
245.21 made; (3) the distribution of funds throughout the state based on population need; (4)
245.22 follow-up information, if available, on the status of homeless youth and whether they have
245.23 stable housing two years after services are provided; and (5) any other outcomes for
245.24 populations served to determine the effectiveness of the programs and use of funding. The
245.25 commissioner is exempt from preparing this report in 2019 and must instead update the
245.26 2007 report on homeless youth under section 16.

245.27 Sec. 11. **[256K.46] STABLE HOUSING AND SUPPORT SERVICES FOR**
245.28 **VULNERABLE YOUTH.**

245.29 Subdivision 1. **Definitions.** For purposes of this section, the following terms have the
245.30 meanings given them:

245.31 (a) "Eligible applicant" means a program licensed by the commissioner of human services
245.32 to provide transitional housing and support services to youth. An eligible applicant must

246.1 have staff on site 24 hours per day and must have established confidentiality protocols as
246.2 required by state and federal law.

246.3 (b) "Living essentials" means clothing, toiletries, transportation, interpreters, other
246.4 supplies, and services necessary for daily living.

246.5 (c) "Support services" has the meaning given in section 256E.33, subdivision 1, paragraph
246.6 (b), and includes crisis intervention, conflict mediation, family reunification services,
246.7 educational services, and employment resources.

246.8 (d) "Transitional housing" means secure shelter and housing that:

246.9 (1) is provided at low or no cost;

246.10 (2) is designed to assist people transitioning from homelessness, family or relationship
246.11 violence, or sexual exploitation, to living independently in the community; and

246.12 (3) provides residents with regular staff interaction, supervision plans, and living skills
246.13 training and assistance.

246.14 (e) "Vulnerable youth" means youth 13 years of age through 17 years of age who have
246.15 reported histories of sexual exploitation or family or relationship violence. Vulnerable youth
246.16 includes youth who are homeless and youth who are parents and their children.

246.17 Subd. 2. **Grants authorized.** The commissioner of human services may award grants
246.18 to eligible applicants to plan, establish, or operate programs to provide transitional housing
246.19 and support services to vulnerable youth. An applicant may apply for and the commissioner
246.20 may award grants for two-year periods, and the commissioner shall determine the number
246.21 of grants awarded. The commissioner may reallocate underspending among grantees within
246.22 the same grant period.

246.23 Subd. 3. **Program variance.** For purposes of this grant program, the commissioner may
246.24 grant a program variance under chapter 245A allowing a program licensed to provide
246.25 transitional housing and support services to youth 16 years of age through 17 years of age
246.26 to serve youth 13 years of age through 17 years of age.

246.27 Subd. 4. **Allocation of grants.** (a) An application must be on a form and contain
246.28 information as specified by the commissioner but at a minimum must contain:

246.29 (1) a description of the purpose or project for which grant funds will be used;

246.30 (2) a description of the specific problem the grant funds are intended to address;

246.31 (3) a description of achievable objectives, a work plan, and a timeline for implementation
246.32 and completion of processes or projects enabled by the grant;

247.1 (4) a description of the eligible applicant's existing frameworks and experience providing
247.2 transitional housing and support services to vulnerable youth; and

247.3 (5) a proposed process for documenting and evaluating results of the grant.

247.4 (b) Grant funds allocated under this section may be used for purposes that include, but
247.5 are not limited to, the following:

247.6 (1) transitional housing, meals, and living essentials for vulnerable youth and their
247.7 children;

247.8 (2) support services;

247.9 (3) mental health and substance use disorder counseling;

247.10 (4) staff training;

247.11 (5) case management and referral services; and

247.12 (6) aftercare and follow-up services, including ongoing adult and peer support.

247.13 (c) The commissioner shall review each application to determine whether the application
247.14 is complete and whether the applicant and the project are eligible for a grant. In evaluating
247.15 applications, the commissioner shall establish criteria including, but not limited to:

247.16 (1) the eligibility of the applicant or project;

247.17 (2) the applicant's thoroughness and clarity in describing the problem grant funds are
247.18 intended to address;

247.19 (3) a description of the population demographics and service area of the proposed project;
247.20 and

247.21 (4) the proposed project's longevity and demonstrated financial sustainability after the
247.22 initial grant period.

247.23 (d) In evaluating applications, the commissioner may request additional information
247.24 regarding a proposed project, including information on project cost. An applicant's failure
247.25 to provide the information requested disqualifies an applicant.

247.26 Subd. 5. **Awarding of grants.** The commissioner must notify grantees of awards by
247.27 January 1, 2019.

247.28 Subd. 6. **Update.** The commissioner shall consult with providers serving homeless youth,
247.29 sex-trafficked youth, or sexually exploited youth, including providers serving older youth
247.30 under the Safe Harbor Act and Homeless Youth Act to make recommendations that resolve
247.31 conflicting requirements placed on providers and foster best practices in delivering services

248.1 to these populations of older youth. The recommendations may include the development
248.2 of additional certifications not currently available under Minnesota Rules, chapter 2960.
248.3 The commissioner shall provide an update on the stakeholder work and recommendations
248.4 identified through this process to the chairs and ranking minority members of the legislative
248.5 committees with jurisdiction over health and human services finance and policy by January
248.6 15, 2019.

248.7 Sec. 12. Minnesota Statutes 2016, section 256M.41, subdivision 3, is amended to read:

248.8 Subd. 3. **Payments based on performance.** (a) The commissioner shall make payments
248.9 under this section to each county board on a calendar year basis in an amount determined
248.10 under paragraph (b).

248.11 (b) Calendar year allocations under subdivision 1 shall be paid to counties in the following
248.12 manner:

248.13 (1) 80 percent of the allocation as determined in subdivision 1 must be paid to counties
248.14 on or before July 10 of each year;

248.15 (2) ten percent of the allocation shall be withheld until the commissioner determines if
248.16 the county has met the performance outcome threshold of 90 percent based on face-to-face
248.17 contact with alleged child victims. In order to receive the performance allocation, the county
248.18 child protection workers must have a timely face-to-face contact with at least 90 percent of
248.19 all alleged child victims of screened-in maltreatment reports. The standard requires that
248.20 each initial face-to-face contact occur consistent with timelines defined in section 626.556,
248.21 subdivision 10, paragraph (i). The commissioner shall make threshold determinations in
248.22 January of each year and payments to counties meeting the performance outcome threshold
248.23 shall occur in February of each year. Any withheld funds from this appropriation for counties
248.24 that do not meet this requirement shall be ~~reallocated by the commissioner to those counties~~
248.25 ~~meeting the requirement~~ transferred to children and families operations for use under section
248.26 626.5591, subdivision 2, to support the Child Welfare Training Academy; and

248.27 (3) ten percent of the allocation shall be withheld until the commissioner determines
248.28 that the county has met the performance outcome threshold of 90 percent based on
248.29 face-to-face visits by the case manager. In order to receive the performance allocation, the
248.30 total number of visits made by caseworkers on a monthly basis to children in foster care
248.31 and children receiving child protection services while residing in their home must be at least
248.32 90 percent of the total number of such visits that would occur if every child were visited
248.33 once per month. The commissioner shall make such determinations in January of each year
248.34 and payments to counties meeting the performance outcome threshold shall occur in February

249.1 of each year. Any withheld funds from this appropriation for counties that do not meet this
249.2 requirement shall be ~~reallocated by the commissioner to those counties meeting the~~
249.3 ~~requirement~~ transferred to children and families operations for use under section 626.5591,
249.4 subdivision 2, to support the Child Welfare Training Academy. For 2015, the commissioner
249.5 shall only apply the standard for monthly foster care visits.

249.6 (c) The commissioner shall work with stakeholders and the Human Services Performance
249.7 Council under section 402A.16 to develop recommendations for specific outcome measures
249.8 that counties should meet in order to receive funds withheld under paragraph (b), and include
249.9 in those recommendations a determination as to whether the performance measures under
249.10 paragraph (b) should be modified or phased out. The commissioner shall report the
249.11 recommendations to the legislative committees having jurisdiction over child protection
249.12 issues by January 1, 2018.

249.13 **Sec. 13. [260C.81] MINN-LINK STUDY.**

249.14 (a) The commissioner of human services shall partner with the University of Minnesota's
249.15 Minn-LInK statewide integrated administrative data project to conduct an annual study to
249.16 understand characteristics, experiences, and outcomes of children and families served by
249.17 the child welfare system. Minn-LInK researchers shall annually conduct research and provide
249.18 research briefs, reports, and consultation to the Child Welfare Training Academy to inform
249.19 the development and revision of training curriculum.

249.20 (b) The commissioner shall report a summary of the research results to the governor and
249.21 to the committees in the house of representatives and senate with jurisdiction over human
249.22 services annually by December 15.

249.23 Sec. 14. Minnesota Statutes 2016, section 518A.32, subdivision 3, is amended to read:

249.24 Subd. 3. **Parent not considered voluntarily unemployed, underemployed, or employed**
249.25 **on a less than full-time basis.** A parent is not considered voluntarily unemployed,
249.26 underemployed, or employed on a less than full-time basis upon a showing by the parent
249.27 that:

249.28 (1) the unemployment, underemployment, or employment on a less than full-time basis
249.29 is temporary and will ultimately lead to an increase in income;

249.30 (2) the unemployment, underemployment, or employment on a less than full-time basis
249.31 represents a bona fide career change that outweighs the adverse effect of that parent's
249.32 diminished income on the child; ~~or~~

250.1 (3) the unemployment, underemployment, or employment on a less than full-time basis
 250.2 is because a parent is physically or mentally incapacitated or due to incarceration, ~~except~~
 250.3 ~~where the reason for incarceration is the parent's nonpayment of support; or~~

250.4 (4) the parent has been determined by an authorized government agency to be eligible
 250.5 to receive general assistance or Supplemental Security Income payments. Any income, not
 250.6 including public assistance payments, earned by the parent who is eligible for general
 250.7 assistance or Supplemental Security Income payments may be considered for the purpose
 250.8 of calculating child support.

250.9 Sec. 15. Minnesota Statutes 2016, section 518A.685, is amended to read:

250.10 **518A.685 CONSUMER REPORTING AGENCY; REPORTING ARREARS.**

250.11 (a) If a public authority determines that an obligor has not paid the current monthly
 250.12 support obligation plus any required arrearage payment for three months, the public authority
 250.13 must report this information to a consumer reporting agency.

250.14 (b) Before reporting that an obligor is in arrears for court-ordered child support, the
 250.15 public authority must:

250.16 (1) provide written notice to the obligor that the public authority intends to report the
 250.17 arrears to a consumer reporting agency; and

250.18 (2) mail the written notice to the obligor's last known mailing address at least 30 days
 250.19 before the public authority reports the arrears to a consumer reporting agency.

250.20 (c) The obligor may, within 21 days of receipt of the notice, do the following to prevent
 250.21 the public authority from reporting the arrears to a consumer reporting agency:

250.22 (1) pay the arrears in full; or

250.23 (2) request an administrative review. An administrative review is limited to issues of
 250.24 mistaken identity, a pending legal action involving the arrears, or an incorrect arrears balance.

250.25 ~~(d) If the public authority has reported that an obligor is in arrears for court-ordered~~
 250.26 ~~child support and subsequently determines that the obligor has paid the court-ordered child~~
 250.27 ~~support arrears in full, or is paying the current monthly support obligation plus any required~~
 250.28 ~~arrears payment, the public authority must report to the consumer reporting agency that~~
 250.29 ~~the obligor is currently paying child support as ordered by the court.~~

250.30 ~~(e)~~ (d) A public authority that reports arrearage information under this section must
 250.31 make monthly reports to a consumer reporting agency. The monthly report must be consistent
 250.32 with credit reporting industry standards for child support.

251.1 ~~(f)~~ (e) For purposes of this section, "consumer reporting agency" has the meaning given
251.2 in section 13C.001, subdivision 4, and United States Code, title 15, section 1681a(f).

251.3 **Sec. 16. 2018 REPORT TO LEGISLATURE ON HOMELESS YOUTH.**

251.4 Subdivision 1. **Report development.** In lieu of the biennial homeless youth report under
251.5 Minnesota Statutes, section 256K.45, subdivision 2, the commissioner of human services
251.6 shall update the information in the 2007 legislative report on runaway and homeless youth.
251.7 In developing the updated report, the commissioner may use existing data, studies, and
251.8 analysis provided by state, county, and other entities including, but not limited to:

251.9 (1) Minnesota Housing Finance Agency analysis on housing availability;

251.10 (2) Minnesota state plan to end homelessness;

251.11 (3) continuum of care counts of youth experiencing homelessness and assessments as
251.12 provided by Department of Housing and Urban Development (HUD)-required coordinated
251.13 entry systems;

251.14 (4) data collected through the Department of Human Services Homeless Youth Act grant
251.15 program;

251.16 (5) Wilder Research homeless study;

251.17 (6) Voices of Youth Count sponsored by Hennepin County; and

251.18 (7) privately funded analysis, including:

251.19 (i) nine evidence-based principles to support youth in overcoming homelessness;

251.20 (ii) return on investment analysis conducted for YouthLink by Foldes Consulting; and

251.21 (iii) evaluation of Homeless Youth Act resources conducted by Rainbow Research.

251.22 Subd. 2. **Key elements; due date.** (a) The report may include three key elements where
251.23 significant learning has occurred in the state since the 2007 report, including:

251.24 (1) unique causes of youth homelessness;

251.25 (2) targeted responses to youth homelessness, including significance of positive youth
251.26 development as fundamental to each targeted response; and

251.27 (3) recommendations based on existing reports and analysis on what it will take to end
251.28 youth homelessness.

251.29 (b) To the extent data is available, the report must include:

252.1 (1) general accounting of the federal and philanthropic funds leveraged to support
252.2 homeless youth activities;

252.3 (2) general accounting of the increase in volunteer responses to support youth
252.4 experiencing homelessness; and

252.5 (3) data-driven accounting of geographic areas or distinct populations that have gaps in
252.6 service or are not yet served by homeless youth responses.

252.7 (c) The commissioner of human services may consult with community-based providers
252.8 of homeless youth services and other expert stakeholders to complete the report. The
252.9 commissioner shall submit the report to the chairs and ranking minority members of the
252.10 legislative committees with jurisdiction over youth homelessness by February 15, 2019.

252.11 **Sec. 17. TASK FORCE ON CHILDHOOD TRAUMA-INFORMED POLICY AND**
252.12 **PRACTICES.**

252.13 Subdivision 1. **Establishment.** The commissioner of human services must establish and
252.14 appoint a task force on trauma-informed policy and practices to prevent and reduce children's
252.15 exposure to adverse childhood experiences (ACEs) consisting of the following members:

252.16 (1) the commissioners of human services, public safety, health, and education or the
252.17 commissioners' designees;

252.18 (2) two members representing law enforcement with expertise in juvenile justice;

252.19 (3) two members representing county social services agencies;

252.20 (4) four members, one representing each of the three ethnic councils established under
252.21 Minnesota Statutes, section 15.0145, and one representing the Indian Affairs Council
252.22 established under Minnesota Statutes, section 3.922;

252.23 (5) two members representing tribal social services providers;

252.24 (6) two members with expertise in prekindergarten through grade 12 education;

252.25 (7) three licensed health care professionals with expertise in the neurobiology of
252.26 childhood development representing public health, mental health, and primary health;

252.27 (8) one member representing family service or children's mental health collaboratives;

252.28 (9) two parents who had ACEs;

252.29 (10) two ombudspersons from the Minnesota Office of Ombudsperson for Families; and

253.1 (11) representatives of any other group the commissioner of human services deems
253.2 appropriate to complete the duties of the task force.

253.3 Subd. 2. **Staff.** The commissioner of human services must provide meeting space, support
253.4 staff, and administrative services for the task force.

253.5 Subd. 3. **Duties.** The task force must perform the following duties:

253.6 (1) engage the human services, education, public health, juvenile justice, and criminal
253.7 justice systems in the creation of trauma-informed policy and practices in each of these
253.8 systems to prevent and reduce ACEs and to support the health and well-being of all families;
253.9 and

253.10 (2) identify social determinants of the health and well-being of all families and
253.11 recommend solutions to eliminate racial and ethnic disparities in the state.

253.12 Subd. 4. **Report.** The task force must submit a report on the results of its duties outlined
253.13 in subdivision 3 and any policy recommendations to the chairs and ranking minority members
253.14 of the legislative committees with jurisdiction over health and human services, public safety,
253.15 judiciary, and education by January 15, 2019.

253.16 Subd. 5. **Expiration.** The task force expires upon submission of the report required
253.17 under subdivision 4.

253.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.

253.19 Sec. 18. **CHILD WELFARE TRAINING ACADEMY.**

253.20 Subdivision 1. **Modifications.** (a) The commissioner of human services shall modify
253.21 the Child Welfare Training System developed pursuant to Minnesota Statutes, section
253.22 626.5591, subdivision 2, as provided in this section. The new training framework shall be
253.23 known as the Child Welfare Training Academy.

253.24 (b) The Child Welfare Training Academy shall be administered through five regional
253.25 hubs in northwest, northeast, southwest, southeast, and central Minnesota. Each hub shall
253.26 deliver training targeted to the needs of its particular region, taking into account varying
253.27 demographics, resources, and practice outcomes.

253.28 (c) The Child Welfare Training Academy shall use training methods best suited to the
253.29 training content. National best practices in adult learning must be used to the greatest extent
253.30 possible, including online learning methodologies, coaching, mentoring, and simulated skill
253.31 application.

254.1 (d) Each child welfare worker and supervisor shall be required to complete a certification,
254.2 including a competency-based knowledge test and a skills demonstration, at the completion
254.3 of the worker's initial training and biennially thereafter. The commissioner shall develop
254.4 ongoing training requirements and a method for tracking certifications.

254.5 (e) Each regional hub shall have a regional organizational effectiveness specialist trained
254.6 in continuous quality improvement strategies. The specialist shall provide organizational
254.7 change assistance to counties and tribes, with priority given to efforts intended to impact
254.8 child safety.

254.9 (f) The Child Welfare Training Academy shall include training and resources that address
254.10 worker well-being and secondary traumatic stress.

254.11 (g) The Child Welfare Training Academy shall serve the primary training audiences of
254.12 (1) county and tribal child welfare workers, (2) county and tribal child welfare supervisors,
254.13 and (3) staff at private agencies providing out-of-home placement services for children
254.14 involved in Minnesota's county and tribal child welfare system.

254.15 Subd. 2. **Partners.** (a) The commissioner of human services shall enter into a partnership
254.16 with the University of Minnesota to collaborate in the administration of workforce training.

254.17 (b) The commissioner of human services shall enter into a partnership with one or more
254.18 agencies to provide consultation, subject matter expertise, and capacity building in
254.19 organizational resilience and child welfare workforce well-being.

254.20 Sec. 19. **CHILD WELFARE CASELOAD STUDY.**

254.21 (a) The commissioner of human services shall conduct a child welfare caseload study
254.22 to collect data on (1) the number of child welfare workers in Minnesota, and (2) the amount
254.23 of time that child welfare workers spend on different components of child welfare work.
254.24 The study must be completed by July 1, 2019.

254.25 (b) The commissioner shall report the results of the child welfare caseload study to the
254.26 governor and to the committees in the house of representatives and senate with jurisdiction
254.27 over human services by December 1, 2019.

254.28 (c) After the child welfare caseload study is complete, the commissioner shall work with
254.29 counties and other stakeholders to develop a process for ongoing monitoring of child welfare
254.30 workers' caseloads.

255.1 Sec. 20. RULEMAKING.

255.2 The commissioner of human services may adopt rules as necessary to establish the Child
255.3 Welfare Training Academy.

255.4 Sec. 21. REVISOR'S INSTRUCTION.

255.5 The revisor of statutes, in consultation with the Department of Human Services, House
255.6 Research Department, and Senate Counsel, Research and Fiscal Analysis shall change the
255.7 terms "food support" and "food stamps" to "Supplemental Nutrition Assistance Program"
255.8 or "SNAP" in Minnesota Statutes and Minnesota Rules when appropriate. The revisor may
255.9 make technical and other necessary changes to sentence structure to preserve the meaning
255.10 of the text.

255.11 Sec. 22. EFFECTIVE DATE.

255.12 (a) Sections 1, 2, and 4 to 7 are effective as soon as practicable contingent upon:

255.13 (1) receipt of additional federal child care and development funds above the amount
255.14 received in federal fiscal year 2017 appropriated in the federal Consolidated Appropriations
255.15 Act of 2018, Public Law 115-141, and any subsequent federal appropriations, in an amount
255.16 sufficient to cover the cost associated with the amendments to those sections through June
255.17 30, 2021; and

255.18 (2) satisfactory completion of the requirements in Minnesota Statutes, section 3.3005.

255.19 (b) If the additional federal child care and development funds are not sufficient to cover
255.20 the cost of the amendments to sections 1, 2, and 4 to 7, those sections are effective upon
255.21 implementation by the commissioner of human services.

255.22 The commissioner of human services shall prioritize implementation of those sections as
255.23 follows:

255.24 (1) first priority is implementation of the amendments to Minnesota Statutes, sections
255.25 119B.011, subdivision 13b; 119B.025, subdivision 1; and 119B.095, subdivision 3;

255.26 (2) second priority is implementation of the amendments to Minnesota Statutes, section
255.27 119B.011, subdivision 20;

255.28 (3) third priority is implementation of the amendments to Minnesota Statutes, section
255.29 119B.03, subdivision 9; and

255.30 (4) fourth priority is implementation of the amendments to Minnesota Statutes, section
255.31 119B.13, subdivision 1.

256.1 (c) The commissioner of human services shall determine if the additional child care and
256.2 development funds are sufficient by June 30, 2018, and notify the revisor of statutes when
256.3 sections 1, 2, and 4 to 7 are effective.

256.4 ARTICLE 8

256.5 HEALTH LICENSING BOARDS

256.6 Section 1. Minnesota Statutes 2016, section 13.83, subdivision 2, is amended to read:

256.7 Subd. 2. **Public data.** Unless specifically classified otherwise by state statute or federal
256.8 law, the following data created or collected by a medical examiner or coroner on a deceased
256.9 individual are public: name of the deceased; date of birth; date of death; address; sex; race;
256.10 citizenship; height; weight; hair color; eye color; build; complexion; age, if known, or
256.11 approximate age; identifying marks, scars and amputations; a description of the decedent's
256.12 clothing; marital status; location of death including name of hospital where applicable; name
256.13 of spouse; whether or not the decedent ever served in the armed forces of the United States;
256.14 occupation; business; father's name (also birth name, if different); mother's name (also birth
256.15 name, if different); birthplace; birthplace of parents; cause of death; causes of cause of
256.16 death; whether an autopsy was performed and if so, whether it was conclusive; date and
256.17 place of injury, if applicable, including work place; how injury occurred; whether death
256.18 was caused by accident, suicide, homicide, or was of undetermined cause; certification of
256.19 attendance by physician or advanced practice registered nurse; physician's or advanced
256.20 practice registered nurse's name and address; certification by coroner or medical examiner;
256.21 name and signature of coroner or medical examiner; type of disposition of body; burial
256.22 place name and location, if applicable; date of burial, cremation or removal; funeral home
256.23 name and address; and name of local register or funeral director.

256.24 Sec. 2. Minnesota Statutes 2016, section 144.651, subdivision 21, is amended to read:

256.25 Subd. 21. **Communication privacy.** Patients and residents may associate and
256.26 communicate privately with persons of their choice and enter and, except as provided by
256.27 the Minnesota Commitment Act, leave the facility as they choose. Patients and residents
256.28 shall have access, at their expense, to writing instruments, stationery, and postage. Personal
256.29 mail shall be sent without interference and received unopened unless medically or
256.30 programmatically contraindicated and documented by the physician or advanced practice
256.31 registered nurse in the medical record. There shall be access to a telephone where patients
256.32 and residents can make and receive calls as well as speak privately. Facilities which are
256.33 unable to provide a private area shall make reasonable arrangements to accommodate the

257.1 privacy of patients' or residents' calls. Upon admission to a facility where federal law
257.2 prohibits unauthorized disclosure of patient or resident identifying information to callers
257.3 and visitors, the patient or resident, or the legal guardian or conservator of the patient or
257.4 resident, shall be given the opportunity to authorize disclosure of the patient's or resident's
257.5 presence in the facility to callers and visitors who may seek to communicate with the patient
257.6 or resident. To the extent possible, the legal guardian or conservator of a patient or resident
257.7 shall consider the opinions of the patient or resident regarding the disclosure of the patient's
257.8 or resident's presence in the facility. This right is limited where medically inadvisable, as
257.9 documented by the attending physician or advanced practice registered nurse in a patient's
257.10 or resident's care record. Where programmatically limited by a facility abuse prevention
257.11 plan pursuant to section 626.557, subdivision 14, paragraph (b), this right shall also be
257.12 limited accordingly.

257.13 Sec. 3. Minnesota Statutes 2016, section 144A.26, is amended to read:

257.14 **144A.26 RECIPROCITY WITH OTHER STATES AND EQUIVALENCY OF**
257.15 **HEALTH SERVICES EXECUTIVE.**

257.16 Subdivision 1. Reciprocity. The Board of Examiners may issue a nursing home
257.17 administrator's license, without examination, to any person who holds a current license as
257.18 a nursing home administrator from another jurisdiction if the board finds that the standards
257.19 for licensure in the other jurisdiction are at least the substantial equivalent of those prevailing
257.20 in this state and that the applicant is otherwise qualified.

257.21 Subd. 2. Health services executive license. The Board of Examiners may issue a health
257.22 services executive license to any person who (1) has been validated by the National
257.23 Association of Long Term Care Administrator Boards as a health services executive, and
257.24 (2) has met the education and practice requirements for the minimum qualifications of a
257.25 nursing home administrator, assisted living administrator, and home and community-based
257.26 service provider. Licensure decisions made by the board under this subdivision are final.

257.27 Sec. 4. Minnesota Statutes 2016, section 144A.4791, subdivision 13, is amended to read:

257.28 **Subd. 13. Request for discontinuation of life-sustaining treatment.** (a) If a client,
257.29 family member, or other caregiver of the client requests that an employee or other agent of
257.30 the home care provider discontinue a life-sustaining treatment, the employee or agent
257.31 receiving the request:

257.32 (1) shall take no action to discontinue the treatment; and

258.1 (2) shall promptly inform the supervisor or other agent of the home care provider of the
258.2 client's request.

258.3 (b) Upon being informed of a request for termination of treatment, the home care provider
258.4 shall promptly:

258.5 (1) inform the client that the request will be made known to the physician or advanced
258.6 practice registered nurse who ordered the client's treatment;

258.7 (2) inform the physician or advanced practice registered nurse of the client's request;
258.8 and

258.9 (3) work with the client and the client's physician or advanced practice registered nurse
258.10 to comply with the provisions of the Health Care Directive Act in chapter 145C.

258.11 (c) This section does not require the home care provider to discontinue treatment, except
258.12 as may be required by law or court order.

258.13 (d) This section does not diminish the rights of clients to control their treatments, refuse
258.14 services, or terminate their relationships with the home care provider.

258.15 (e) This section shall be construed in a manner consistent with chapter 145B or 145C,
258.16 whichever applies, and declarations made by clients under those chapters.

258.17 **Sec. 5. [148.2855] NURSE LICENSURE COMPACT.**

258.18 The Nurse Licensure Compact is enacted into law and entered into with all other
258.19 jurisdictions legally joining in it, in the form substantially as follows:

258.20 ARTICLE I

258.21 DEFINITIONS

258.22 As used in this compact:

258.23 (a) "Adverse action" means any administrative, civil, equitable, or criminal action
258.24 permitted by a state's law that is imposed by a licensing board or other authority against a
258.25 nurse, including actions against an individual's license or multistate licensure privilege such
258.26 as revocation, suspension, probation, monitoring of the licensee, limitation on the licensee's
258.27 practice, or any other encumbrance on licensure affecting a nurse's authorization to practice,
258.28 including issuance of a cease and desist action.

258.29 (b) "Alternative program" means a nondisciplinary monitoring program approved by a
258.30 licensing board.

259.1 (c) "Coordinated licensure information system" means an integrated process for collecting,
259.2 storing, and sharing information on nurse licensure and enforcement activities related to
259.3 nurse licensure laws that is administered by a nonprofit organization composed of and
259.4 controlled by licensing boards.

259.5 (d) "Current significant investigative information" means:

259.6 (1) investigative information that a licensing board, after a preliminary inquiry that
259.7 includes notification and an opportunity for the nurse to respond, if required by state law,
259.8 has reason to believe is not groundless and, if proved true, would indicate more than a minor
259.9 infraction; or

259.10 (2) investigative information that indicates that the nurse represents an immediate threat
259.11 to public health and safety, regardless of whether the nurse has been notified and had an
259.12 opportunity to respond.

259.13 (e) "Encumbrance" means a revocation or suspension of, or any limitation on, the full
259.14 and unrestricted practice of nursing imposed by a licensing board.

259.15 (f) "Home state" means the party state which is the nurse's primary state of residence.

259.16 (g) "Licensing board" means a party state's regulatory body responsible for issuing nurse
259.17 licenses.

259.18 (h) "Multistate license" means a license to practice as a registered or a licensed
259.19 practical/vocational nurse (LPN/VN) issued by a home state licensing board that authorizes
259.20 the licensed nurse to practice in all party states under a multistate licensure privilege.

259.21 (i) "Multistate licensure privilege" means a legal authorization associated with a multistate
259.22 license permitting the practice of nursing as either a registered nurse (RN) or licensed
259.23 practical/vocational nurse (LPN/VN) in a remote state.

259.24 (j) "Nurse" means a registered nurse (RN) or licensed practical/vocational nurse
259.25 (LPN/VN), as those terms are defined by each party state's practice laws.

259.26 (k) "Party state" means any state that has adopted this compact.

259.27 (l) "Remote state" means a party state, other than the home state.

259.28 (m) "Single-state license" means a nurse license issued by a party state that authorizes
259.29 practice only within the issuing state and does not include a multistate licensure privilege
259.30 to practice in any other party state.

259.31 (n) "State" means a state, territory, or possession of the United States and the District
259.32 of Columbia.

260.1 (o) "State practice laws" means a party state's laws, rules, and regulations that govern
260.2 the practice of nursing, define the scope of nursing practice, and create the methods and
260.3 grounds for imposing discipline. State practice laws do not include requirements necessary
260.4 to obtain and retain a license, except for qualifications or requirements of the home state.

260.5 ARTICLE II

260.6 GENERAL PROVISIONS AND JURISDICTION

260.7 (a) A multistate license to practice registered or licensed practical/vocational nursing
260.8 issued by a home state to a resident in that state will be recognized by each party state as
260.9 authorizing a nurse to practice as an RN or as a LPN/VN under a multistate licensure
260.10 privilege in each party state.

260.11 (b) A state must implement procedures for considering the criminal history records of
260.12 applicants for initial multistate license or licensure by endorsement. Such procedures shall
260.13 include the submission of fingerprints or other biometric-based information by applicants
260.14 for the purpose of obtaining an applicant's criminal history record information from the
260.15 Federal Bureau of Investigation and the agency responsible for retaining that state's criminal
260.16 records.

260.17 (c) Each party state shall require the following for an applicant to obtain or retain a
260.18 multistate license in the home state:

260.19 (1) meets the home state's qualifications for licensure or renewal of licensure, as well
260.20 as all other applicable state laws;

260.21 (2)(i) has graduated or is eligible to graduate from a licensing board-approved RN or
260.22 LPN/VN prelicensure education program; or

260.23 (ii) has graduated from a foreign RN or LPN/VN prelicensure education program that:

260.24 (A) has been approved by the authorized accrediting body in the applicable country; and

260.25 (B) has been verified by an independent credentials review agency to be comparable to
260.26 a licensing board-approved prelicensure education program;

260.27 (3) has, if a graduate of a foreign prelicensure education program not taught in English
260.28 or if English is not the individual's native language, successfully passed an English
260.29 proficiency examination that includes the components of reading, speaking, writing, and
260.30 listening;

260.31 (4) has successfully passed an NCLEX-RN or NCLEX-PN Examination or recognized
260.32 predecessor, as applicable;

261.1 (5) is eligible for or holds an active, unencumbered license;

261.2 (6) has submitted, in connection with an application for initial licensure or licensure by
261.3 endorsement, fingerprints, or other biometric data for the purpose of obtaining criminal
261.4 history record information from the Federal Bureau of Investigation and the agency
261.5 responsible for retaining that state's criminal records;

261.6 (7) has not been convicted or found guilty, or has entered into an agreed disposition, of
261.7 a felony offense under applicable state or federal criminal law;

261.8 (8) has not been convicted or found guilty, or has entered into an agreed disposition, of
261.9 a misdemeanor offense related to the practice of nursing as determined on a case-by-case
261.10 basis;

261.11 (9) is not currently enrolled in an alternative program;

261.12 (10) is subject to self-disclosure requirements regarding current participation in an
261.13 alternative program; and

261.14 (11) has a valid United States Social Security number.

261.15 (d) All party states shall be authorized, in accordance with existing state due process
261.16 law, to take adverse action against a nurse's multistate licensure privilege such as revocation,
261.17 suspension, probation, or any other action that affects a nurse's authorization to practice
261.18 under a multistate licensure privilege, including cease and desist actions. If a party state
261.19 takes such action, it shall promptly notify the administrator of the coordinated licensure
261.20 information system. The administrator of the coordinated licensure information system shall
261.21 promptly notify the home state of any such actions by remote states.

261.22 (e) A nurse practicing in a party state must comply with the state practice laws of the
261.23 state in which the client is located at the time service is provided. The practice of nursing
261.24 is not limited to patient care, but shall include all nursing practice as defined by the state
261.25 practice laws of the party state in which the client is located. The practice of nursing in a
261.26 party state under a multistate licensure privilege will subject a nurse to the jurisdiction of
261.27 the licensing board, the courts, and the laws of the party state in which the client is located
261.28 at the time service is provided.

261.29 (f) Individuals not residing in a party state shall continue to be able to apply for a party
261.30 state's single-state license as provided under the laws of each party state. However, the
261.31 single-state license granted to these individuals will not be recognized as granting the
261.32 privilege to practice nursing in any other party state. Nothing in this compact shall affect
261.33 the requirements established by a party state for the issuance of a single-state license.

262.1 (g) Any nurse holding a home state multistate license, on the effective date of this
262.2 compact, may retain and renew the multistate license issued by the nurse's then-current
262.3 home state, provided that:

262.4 (1) a nurse, who changes primary state of residence after this compact's effective date,
262.5 must meet all applicable paragraph (c) requirements to obtain a multistate license from a
262.6 new home state; or

262.7 (2) a nurse who fails to satisfy the multistate licensure requirements in paragraph (c)
262.8 due to a disqualifying event occurring after this compact's effective date shall be ineligible
262.9 to retain or renew a multistate license, and the nurse's multistate license shall be revoked
262.10 or deactivated in accordance with applicable rules adopted by the Interstate Commission
262.11 of Nurse Licensure Compact Administrators ("Commission").

262.12 ARTICLE III

262.13 APPLICATIONS FOR LICENSURE IN A PARTY STATE

262.14 (a) Upon application for a multistate license, the licensing board in the issuing party
262.15 state shall ascertain, through the coordinated licensure information system, whether the
262.16 applicant has ever held, or is the holder of, a license issued by any other state, whether there
262.17 are any encumbrances on any license or multistate licensure privilege held by the applicant,
262.18 whether any adverse action has been taken against any license or multistate licensure privilege
262.19 held by the applicant, and whether the applicant is currently participating in an alternative
262.20 program.

262.21 (b) A nurse may hold a multistate license, issued by the home state, in only one party
262.22 state at a time.

262.23 (c) If a nurse changes primary state of residence by moving between two party states,
262.24 the nurse must apply for licensure in the new home state, and the multistate license issued
262.25 by the prior home state will be deactivated in accordance with applicable rules adopted by
262.26 the commission:

262.27 (1) the nurse may apply for licensure in advance of a change in primary state of residence;
262.28 and

262.29 (2) a multistate license shall not be issued by the new home state until the nurse provides
262.30 satisfactory evidence of a change in primary state of residence to the new home state and
262.31 satisfies all applicable requirements to obtain a multistate license from the new home state.

263.1 (d) If a nurse changes primary state of residence by moving from a party state to a
263.2 nonparty state, the multistate license issued by the prior home state will convert to a
263.3 single-state license, valid only in the former home state.

263.4 ARTICLE IV

263.5 ADDITIONAL AUTHORITIES INVESTED IN PARTY STATE LICENSING BOARDS

263.6 (a) In addition to the other powers conferred by state law, a licensing board shall have
263.7 the authority to:

263.8 (1) take adverse action against a nurse's multistate licensure privilege to practice within
263.9 that party state:

263.10 (i) only the home state shall have the power to take adverse action against a nurse's
263.11 license issued by the home state; and

263.12 (ii) for purposes of taking adverse action, the home state licensing board shall give the
263.13 same priority and effect to reported conduct received from a remote state as it would if such
263.14 conduct occurred within the home state. In so doing, the home state shall apply its own state
263.15 laws to determine appropriate action;

263.16 (2) issue cease and desist orders or impose an encumbrance on a nurse's authority to
263.17 practice within that party state;

263.18 (3) complete any pending investigations of a nurse who changes primary state of residence
263.19 during the course of such investigations. The licensing board shall also have the authority
263.20 to take appropriate action(s) and shall promptly report the conclusions of such investigations
263.21 to the administrator of the coordinated licensure information system. The administrator of
263.22 the coordinated licensure information system shall promptly notify the new home state of
263.23 any such actions;

263.24 (4) issue subpoenas for both hearings and investigations that require the attendance and
263.25 testimony of witnesses, as well as the production of evidence. Subpoenas issued by a licensing
263.26 board in a party state for the attendance and testimony of witnesses or the production of
263.27 evidence from another party state shall be enforced in the latter state by any court of
263.28 competent jurisdiction, according to the practice and procedure of that court applicable to
263.29 subpoenas issued in proceedings pending before it. The issuing authority shall pay any
263.30 witness fees, travel expenses, mileage, and other fees required by the service statutes of the
263.31 state in which the witnesses or evidence are located;

263.32 (5) obtain and submit, for each nurse licensure applicant, fingerprint, or other
263.33 biometric-based information to the Federal Bureau of Investigation for criminal background

264.1 checks, receive the results of the Federal Bureau of Investigation record search on criminal
264.2 background checks, and use the results in making licensure decisions;

264.3 (6) if otherwise permitted by state law, recover from the affected nurse the costs of
264.4 investigations and disposition of cases resulting from any adverse action taken against that
264.5 nurse; and

264.6 (7) take adverse action based on the factual findings of the remote state, provided that
264.7 the licensing board follows its own procedures for taking such adverse action.

264.8 (b) If adverse action is taken by the home state against a nurse's multistate license, the
264.9 nurse's multistate licensure privilege to practice in all other party states shall be deactivated
264.10 until all encumbrances have been removed from the multistate license. All home state
264.11 disciplinary orders that impose adverse action against a nurse's multistate license shall
264.12 include a statement that the nurse's multistate licensure privilege is deactivated in all party
264.13 states during the pendency of the order.

264.14 (c) Nothing in this compact shall override a party state's decision that participation in
264.15 an alternative program may be used in lieu of adverse action. The home state licensing board
264.16 shall deactivate the multistate licensure privilege under the multistate license of any nurse
264.17 for the duration of the nurse's participation in an alternative program.

264.18 ARTICLE V

264.19 COORDINATED LICENSURE INFORMATION SYSTEM AND EXCHANGE OF 264.20 INFORMATION

264.21 (a) All party states shall participate in a coordinated licensure information system of all
264.22 licensed registered nurses (RNs) and licensed practical/vocational nurses (LPN/VNs). This
264.23 system will include information on the licensure and disciplinary history of each nurse, as
264.24 submitted by party states, to assist in the coordination of nurse licensure and enforcement
264.25 efforts.

264.26 (b) The commission, in consultation with the administrator of the coordinated licensure
264.27 information system, shall formulate necessary and proper procedures for the identification,
264.28 collection, and exchange of information under this compact.

264.29 (c) All licensing boards shall promptly report to the coordinated licensure information
264.30 system any adverse action, any current significant investigative information, denials of
264.31 applications, including the reasons for such denials, and nurse participation in alternative
264.32 programs known to the licensing board, regardless of whether such participation is deemed
264.33 nonpublic or confidential under state law.

265.1 (d) Current significant investigative information and participation in nonpublic or
265.2 confidential alternative programs shall be transmitted through the coordinated licensure
265.3 information system only to party state licensing boards.

265.4 (e) Notwithstanding any other provision of law, all party state licensing boards
265.5 contributing information to the coordinated licensure information system may designate
265.6 information that may not be shared with nonparty states or disclosed to other entities or
265.7 individuals without the express permission of the contributing state.

265.8 (f) Any personally identifiable information obtained from the coordinated licensure
265.9 information system by a party state licensing board shall not be shared with nonparty states
265.10 or disclosed to other entities or individuals except to the extent permitted by the laws of the
265.11 party state contributing the information.

265.12 (g) Any information contributed to the coordinated licensure information system that is
265.13 subsequently required to be expunged by the laws of the party state contributing that
265.14 information shall also be expunged from the coordinated licensure information system.

265.15 (h) The compact administrator of each party state shall furnish a uniform data set to the
265.16 compact administrator of each other party state, which shall include, at a minimum:

265.17 (1) identifying information;

265.18 (2) licensure data;

265.19 (3) information related to alternative program participation; and

265.20 (4) other information that may facilitate the administration of this compact, as determined
265.21 by commission rules.

265.22 (i) The compact administrator of a party state shall provide all investigative documents
265.23 and information requested by another party state.

265.24 ARTICLE VI

265.25 ESTABLISHMENT OF THE INTERSTATE COMMISSION OF NURSE LICENSURE

265.26 COMPACT ADMINISTRATORS

265.27 (a) The party states hereby create and establish a joint public entity known as the Interstate
265.28 Commission of Nurse Licensure Compact Administrators:

265.29 (1) the commission is an instrumentality of the party states;

265.30 (2) venue is proper, and judicial proceedings by or against the commission shall be
265.31 brought solely and exclusively, in a court of competent jurisdiction where the principal

266.1 office of the commission is located. The commission may waive venue and jurisdictional
266.2 defenses to the extent it adopts or consents to participate in alternative dispute resolution
266.3 proceedings; and

266.4 (3) nothing in this compact shall be construed to be a waiver of sovereign immunity.

266.5 (b) Membership, voting, and meetings:

266.6 (1) each party state shall have and be limited to one administrator. The head of the state
266.7 licensing board or designee shall be the administrator of this compact for each party state.

266.8 Any administrator may be removed or suspended from office as provided by the law of the
266.9 state from which the administrator is appointed. Any vacancy occurring in the commission
266.10 shall be filled in accordance with the laws of the party state in which the vacancy exists;

266.11 (2) each administrator shall be entitled to one vote with regard to the promulgation of
266.12 rules and creation of bylaws and shall otherwise have an opportunity to participate in the
266.13 business and affairs of the commission. An administrator shall vote in person or by such
266.14 other means as provided in the bylaws. The bylaws may provide for an administrator's
266.15 participation in meetings by telephone or other means of communication;

266.16 (3) the commission shall meet at least once during each calendar year. Additional
266.17 meetings shall be held as set forth in the bylaws or rules of the commission;

266.18 (4) all meetings shall be open to the public, and public notice of meetings shall be given
266.19 in the same manner as required under the rulemaking provisions in article VII;

266.20 (5) the commission may convene in a closed, nonpublic meeting if the commission must
266.21 discuss:

266.22 (i) noncompliance of a party state with its obligations under this compact;

266.23 (ii) the employment, compensation, discipline, or other personnel matters, practices, or
266.24 procedures related to specific employees or other matters related to the commission's internal
266.25 personnel practices and procedures;

266.26 (iii) current, threatened, or reasonably anticipated litigation;

266.27 (iv) negotiation of contracts for the purchase or sale of goods, services, or real estate;

266.28 (v) accusing any person of a crime or formally censuring any person;

266.29 (vi) disclosure of trade secrets or commercial or financial information that is privileged
266.30 or confidential;

267.1 (vii) disclosure of information of a personal nature where disclosure would constitute a
267.2 clearly unwarranted invasion of personal privacy;

267.3 (viii) disclosure of investigatory records compiled for law enforcement purposes;

267.4 (ix) disclosure of information related to any reports prepared by or on behalf of the
267.5 commission for the purpose of investigation of compliance with this compact; or

267.6 (x) matters specifically exempted from disclosure by federal or state statute; and

267.7 (6) if a meeting, or portion of a meeting, is closed pursuant to this provision, the
267.8 commission's legal counsel or designee shall certify that the meeting may be closed and
267.9 shall reference each relevant exempting provision. The commission shall keep minutes that
267.10 fully and clearly describe all matters discussed in a meeting and shall provide a full and
267.11 accurate summary of actions taken, and the reasons therefore, including a description of the
267.12 views expressed. All documents considered in connection with an action shall be identified
267.13 in minutes. All minutes and documents of a closed meeting shall remain under seal, subject
267.14 to release by a majority vote of the commission or order of a court of competent jurisdiction.

267.15 (c) The commission shall, by a majority vote of the administrators, prescribe bylaws or
267.16 rules to govern its conduct as may be necessary or appropriate to carry out the purposes and
267.17 exercise the powers of this compact, including, but not limited to:

267.18 (1) establishing the fiscal year of the commission;

267.19 (2) providing reasonable standards and procedures:

267.20 (i) for the establishment and meetings of other committees; and

267.21 (ii) governing any general or specific delegation of any authority or function of the
267.22 commission;

267.23 (3) providing reasonable procedures for calling and conducting meetings of the
267.24 commission, ensuring reasonable advance notice of all meetings and providing an opportunity
267.25 for attendance of such meetings by interested parties, with enumerated exceptions designed
267.26 to protect the public's interest, the privacy of individuals, and proprietary information,
267.27 including trade secrets. The commission may meet in closed session only after a majority
267.28 of the administrators vote to close a meeting in whole or in part. As soon as practicable, the
267.29 commission must make public a copy of the vote to close the meeting revealing the vote of
267.30 each administrator, with no proxy votes allowed;

267.31 (4) establishing the titles, duties, and authority and reasonable procedures for the election
267.32 of the officers of the commission;

268.1 (5) providing reasonable standards and procedures for the establishment of the personnel
268.2 policies and programs of the commission. Notwithstanding any civil service or other similar
268.3 laws of any party state, the bylaws shall exclusively govern the personnel policies and
268.4 programs of the commission; and

268.5 (6) providing a mechanism for winding up the operations of the commission and the
268.6 equitable disposition of any surplus funds that may exist after the termination of this compact
268.7 after the payment or reserving of all of its debts and obligations.

268.8 (d) The commission shall publish its bylaws and rules, and any amendments thereto, in
268.9 a convenient form on the Web site of the commission.

268.10 (e) The commission shall maintain its financial records in accordance with the bylaws.

268.11 (f) The commission shall meet and take actions as are consistent with the provisions of
268.12 this compact and the bylaws.

268.13 (g) The commission shall have the following powers:

268.14 (1) to promulgate uniform rules to facilitate and coordinate implementation and
268.15 administration of this compact. The rules shall have the force and effect of law and shall
268.16 be binding in all party states;

268.17 (2) to bring and prosecute legal proceedings or actions in the name of the commission,
268.18 provided that the standing of any licensing board to sue or be sued under applicable law
268.19 shall not be affected;

268.20 (3) to purchase and maintain insurance and bonds;

268.21 (4) to borrow, accept, or contract for services of personnel, including, but not limited
268.22 to, employees of a party state or nonprofit organizations;

268.23 (5) to cooperate with other organizations that administer state compacts related to the
268.24 regulation of nursing, including, but not limited to, sharing administrative or staff expenses,
268.25 office space, or other resources;

268.26 (6) to hire employees, elect or appoint officers, fix compensation, define duties, grant
268.27 such individuals appropriate authority to carry out the purposes of this compact, and to
268.28 establish the commission's personnel policies and programs relating to conflicts of interest,
268.29 qualifications of personnel, and other related personnel matters;

268.30 (7) to accept any and all appropriate donations, grants, and gifts of money, equipment,
268.31 supplies, materials, and services, and to receive, utilize, and dispose of the same; provided

269.1 that at all times the commission shall avoid any appearance of impropriety or conflict of
269.2 interest;

269.3 (8) to lease, purchase, accept appropriate gifts or donations of, or otherwise to own,
269.4 hold, improve, or use any property, whether real, personal, or mixed; provided that at all
269.5 times the commission shall avoid any appearance of impropriety;

269.6 (9) to sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose
269.7 of any property, whether real, personal, or mixed;

269.8 (10) to establish a budget and make expenditures;

269.9 (11) to borrow money;

269.10 (12) to appoint committees, including advisory committees comprised of administrators,
269.11 state nursing regulators, state legislators or their representatives, and consumer
269.12 representatives, and other such interested persons;

269.13 (13) to provide and receive information from, and to cooperate with, law enforcement
269.14 agencies;

269.15 (14) to adopt and use an official seal; and

269.16 (15) to perform such other functions as may be necessary or appropriate to achieve the
269.17 purposes of this Compact consistent with the state regulation of nurse licensure and practice.

269.18 (h) Financing of the commission:

269.19 (1) the commission shall pay, or provide for the payment of, the reasonable expenses of
269.20 its establishment, organization, and ongoing activities;

269.21 (2) the commission may also levy on and collect an annual assessment from each party
269.22 state to cover the cost of its operations, activities, and staff in its annual budget as approved
269.23 each year. The aggregate annual assessment amount, if any, shall be allocated based upon
269.24 a formula to be determined by the commission, which shall promulgate a rule that is binding
269.25 upon all party states;

269.26 (3) the commission shall not incur obligations of any kind prior to securing the funds
269.27 adequate to meet the same; nor shall the commission pledge the credit of any of the party
269.28 states, except by, and with the authority of, such party state; and

269.29 (4) the commission shall keep accurate accounts of all receipts and disbursements. The
269.30 receipts and disbursements of the commission shall be subject to the audit and accounting
269.31 procedures established under its bylaws. However, all receipts and disbursements of funds
269.32 handled by the commission shall be audited yearly by a certified or licensed public

270.1 accountant, and the report of the audit shall be included in and become part of the annual
270.2 report of the commission.

270.3 (i) Qualified immunity, defense, and indemnification:

270.4 (1) the administrators, officers, executive director, employees, and representatives of
270.5 the commission shall be immune from suit and liability, either personally or in their official
270.6 capacity, for any claim for damage to or loss of property or personal injury or other civil
270.7 liability caused by or arising out of any actual or alleged act, error, or omission that occurred,
270.8 or that the person against whom the claim is made had a reasonable basis for believing
270.9 occurred, within the scope of commission employment, duties, or responsibilities; provided
270.10 that nothing in this paragraph shall be construed to protect any such person from suit or
270.11 liability for any damage, loss, injury, or liability caused by the intentional, willful, or wanton
270.12 misconduct of that person;

270.13 (2) the commission shall defend any administrator, officer, executive director, employee,
270.14 or representative of the commission in any civil action seeking to impose liability arising
270.15 out of any actual or alleged act, error, or omission that occurred within the scope of
270.16 commission employment, duties, or responsibilities, or that the person against whom the
270.17 claim is made had a reasonable basis for believing occurred within the scope of commission
270.18 employment, duties, or responsibilities; provided that nothing herein shall be construed to
270.19 prohibit that person from retaining his or her own counsel; and provided further that the
270.20 actual or alleged act, error, or omission did not result from that person's intentional, willful,
270.21 or wanton misconduct; and

270.22 (3) the commission shall indemnify and hold harmless any administrator, officer,
270.23 executive director, employee, or representative of the commission for the amount of any
270.24 settlement or judgment obtained against that person arising out of any actual or alleged act,
270.25 error, or omission that occurred within the scope of commission employment, duties, or
270.26 responsibilities, or that such person had a reasonable basis for believing occurred within
270.27 the scope of commission employment, duties, or responsibilities, provided that the actual
270.28 or alleged act, error, or omission did not result from the intentional, willful, or wanton
270.29 misconduct of that person.

270.30 ARTICLE VII

270.31 RULEMAKING

270.32 (a) The commission shall exercise its rulemaking powers pursuant to the criteria set
270.33 forth in this article and the rules adopted thereunder. Rules and amendments shall become

271.1 binding as of the date specified in each rule or amendment and shall have the same force
271.2 and effect as provisions of this compact.

271.3 (b) Rules or amendments to the rules shall be adopted at a regular or special meeting of
271.4 the commission.

271.5 (c) Prior to promulgation and adoption of a final rule or rules by the commission, and
271.6 at least 60 days in advance of the meeting at which the rule will be considered and voted
271.7 upon, the commission shall file a notice of proposed rulemaking:

271.8 (1) on the Web site of the commission; and

271.9 (2) on the Web site of each licensing board or the publication in which state would
271.10 otherwise publish proposed rules.

271.11 (d) The notice of proposed rulemaking shall include:

271.12 (1) the proposed time, date, and location of the meeting in which the rule will be
271.13 considered and voted upon;

271.14 (2) the text of the proposed rule or amendment, and the reason for the proposed rule;

271.15 (3) a request for comments on the proposed rule from any interested person; and

271.16 (4) the manner in which interested persons may submit notice to the commission of their
271.17 intention to attend the public hearing and any written comments.

271.18 (e) Prior to adoption of a proposed rule, the commission shall allow persons to submit
271.19 written data, facts, opinions, and arguments, which shall be made available to the public.

271.20 (f) The commission shall grant an opportunity for a public hearing before it adopts a
271.21 rule or amendment.

271.22 (g) The commission shall publish the place, time, and date of the scheduled public
271.23 hearing:

271.24 (1) hearings shall be conducted in a manner providing each person who wishes to
271.25 comment a fair and reasonable opportunity to comment orally or in writing. All hearings
271.26 will be recorded, and a copy will be made available upon request; and

271.27 (2) nothing in this section shall be construed as requiring a separate hearing on each
271.28 rule. Rules may be grouped for the convenience of the commission at hearings required by
271.29 this section.

271.30 (h) If no one appears at the public hearing, the commission may proceed with
271.31 promulgation of the proposed rule.

272.1 (i) Following the scheduled hearing date, or by the close of business on the scheduled
272.2 hearing date if the hearing was not held, the commission shall consider all written and oral
272.3 comments received.

272.4 (j) The commission shall, by majority vote of all administrators, take final action on the
272.5 proposed rule and shall determine the effective date of the rule, if any, based on the
272.6 rulemaking record and the full text of the rule.

272.7 (k) Upon determination that an emergency exists, the commission may consider and
272.8 adopt an emergency rule without prior notice, opportunity for comment or hearing, provided
272.9 that the usual rulemaking procedures provided in this compact and in this section shall be
272.10 retroactively applied to the rule as soon as reasonably possible, in no event later than 90
272.11 days after the effective date of the rule. For the purposes of this provision, an emergency
272.12 rule is one that must be adopted immediately in order to:

272.13 (1) meet an imminent threat to public health, safety, or welfare;

272.14 (2) prevent a loss of commission or party state funds; or

272.15 (3) meet a deadline for the promulgation of an administrative rule that is required by
272.16 federal law or rule.

272.17 (l) The commission may direct revisions to a previously adopted rule or amendment for
272.18 purposes of correcting typographical errors, errors in format, errors in consistency, or
272.19 grammatical errors. Public notice of any revisions shall be posted on the Web site of the
272.20 commission. The revision shall be subject to challenge by any person for a period of 30
272.21 days after posting. The revision may be challenged only on grounds that the revision results
272.22 in a material change to a rule. A challenge shall be made in writing, and delivered to the
272.23 commission prior to the end of the notice period. If no challenge is made, the revision will
272.24 take effect without further action. If the revision is challenged, the revision may not take
272.25 effect without the approval of the commission.

272.26 ARTICLE VIII

272.27 OVERSIGHT, DISPUTE RESOLUTION, AND ENFORCEMENT

272.28 (a) Oversight:

272.29 (1) each party state shall enforce this compact and take all actions necessary and
272.30 appropriate to effectuate this compact's purposes and intent; and

272.31 (2) the commission shall be entitled to receive service of process in any proceeding that
272.32 may affect the powers, responsibilities, or actions of the commission, and shall have standing

273.1 to intervene in such a proceeding for all purposes. Failure to provide service of process in
273.2 such proceeding to the commission shall render a judgment or order void as to the
273.3 commission, this compact, or promulgated rules.

273.4 (b) Default, technical assistance, and termination:

273.5 (1) if the commission determines that a party state has defaulted in the performance of
273.6 its obligations or responsibilities under this compact or the promulgated rules, the commission
273.7 shall:

273.8 (i) provide written notice to the defaulting state and other party states of the nature of
273.9 the default, the proposed means of curing the default or any other action to be taken by the
273.10 commission; and

273.11 (ii) provide remedial training and specific technical assistance regarding the default;

273.12 (2) if a state in default fails to cure the default, the defaulting state's membership in this
273.13 compact may be terminated upon an affirmative vote of a majority of the administrators,
273.14 and all rights, privileges, and benefits conferred by this compact may be terminated on the
273.15 effective date of termination. A cure of the default does not relieve the offending state of
273.16 obligations or liabilities incurred during the period of default;

273.17 (3) termination of membership in this compact shall be imposed only after all other
273.18 means of securing compliance have been exhausted. Notice of intent to suspend or terminate
273.19 shall be given by the commission to the governor of the defaulting state and to the executive
273.20 officer of the defaulting state's licensing board and each of the party states;

273.21 (4) a state whose membership in this compact has been terminated is responsible for all
273.22 assessments, obligations, and liabilities incurred through the effective date of termination,
273.23 including obligations that extend beyond the effective date of termination;

273.24 (5) the commission shall not bear any costs related to a state that is found to be in default
273.25 or whose membership in this compact has been terminated, unless agreed upon in writing
273.26 between the commission and the defaulting state; and

273.27 (6) the defaulting state may appeal the action of the commission by petitioning the U.S.
273.28 District Court for the District of Columbia or the federal district in which the commission
273.29 has its principal offices. The prevailing party shall be awarded all costs of such litigation,
273.30 including reasonable attorneys' fees.

273.31 (c) Dispute resolution:

274.1 (1) upon request by a party state, the commission shall attempt to resolve disputes related
274.2 to the compact that arise among party states and between party and nonparty states;

274.3 (2) the commission shall promulgate a rule providing for both mediation and binding
274.4 dispute resolution for disputes, as appropriate; and

274.5 (3) in the event the commission cannot resolve disputes among party states arising under
274.6 this compact:

274.7 (i) the party states may submit the issues in dispute to an arbitration panel, which will
274.8 be comprised of individuals appointed by the compact administrator in each of the affected
274.9 party states and an individual mutually agreed upon by the compact administrators of all
274.10 the party states involved in the dispute; and

274.11 (ii) the decision of a majority of the arbitrators shall be final and binding.

274.12 (d) Enforcement:

274.13 (1) the commission, in the reasonable exercise of its discretion, shall enforce the
274.14 provisions and rules of this compact;

274.15 (2) by majority vote, the commission may initiate legal action in the U.S. District Court
274.16 for the District of Columbia or the federal district in which the commission has its principal
274.17 offices against a party state that is in default to enforce compliance with the provisions of
274.18 this compact and its promulgated rules and bylaws. The relief sought may include both
274.19 injunctive relief and damages. In the event judicial enforcement is necessary, the prevailing
274.20 party shall be awarded all costs of such litigation, including reasonable attorneys' fees; and

274.21 (3) the remedies herein shall not be the exclusive remedies of the commission. The
274.22 commission may pursue any other remedies available under federal or state law.

274.23 ARTICLE IX

274.24 EFFECTIVE DATE, WITHDRAWAL, AND AMENDMENT

274.25 (a) This compact shall become effective and binding on the earlier of the date of
274.26 legislative enactment of this compact into law by no less than 26 states or December 31,
274.27 2018. All party states to this compact, that also were parties to the prior Nurse Licensure
274.28 Compact, superseded by this compact, ("prior compact"), shall be deemed to have withdrawn
274.29 from said prior compact within six months after the effective date of this compact.

274.30 (b) Each party state to this compact shall continue to recognize a nurse's multistate
274.31 licensure privilege to practice in that party state issued under the prior compact until such
274.32 party state has withdrawn from the prior compact.

275.1 (c) Any party state may withdraw from this compact by enacting a statute repealing the
275.2 same. A party state's withdrawal shall not take effect until six months after enactment of
275.3 the repealing statute.

275.4 (d) A party state's withdrawal or termination shall not affect the continuing requirement
275.5 of the withdrawing or terminated state's licensing board to report adverse actions and
275.6 significant investigations occurring prior to the effective date of such withdrawal or
275.7 termination.

275.8 (e) Nothing contained in this compact shall be construed to invalidate or prevent any
275.9 nurse licensure agreement or other cooperative arrangement between a party state and a
275.10 nonparty state that is made in accordance with the other provisions of this compact.

275.11 (f) This compact may be amended by the party states. No amendment to this compact
275.12 shall become effective and binding upon the party states, unless and until it is enacted into
275.13 the laws of all party states.

275.14 (g) Representatives of nonparty states to this compact shall be invited to participate in
275.15 the activities of the commission, on a nonvoting basis, prior to the adoption of this compact
275.16 by all states.

275.17 ARTICLE X

275.18 CONSTRUCTION AND SEVERABILITY

275.19 This compact shall be liberally construed so as to effectuate the purposes thereof. The
275.20 provisions of this compact shall be severable, and if any phrase, clause, sentence, or provision
275.21 of this compact is declared to be contrary to the constitution of any party state or of the
275.22 United States, or if the applicability thereof to any government, agency, person, or
275.23 circumstance is held invalid, the validity of the remainder of this compact and the
275.24 applicability thereof to any government, agency, person, or circumstance shall not be affected
275.25 thereby. If this compact shall be held to be contrary to the constitution of any party state,
275.26 this compact shall remain in full force and effect as to the remaining party states and in full
275.27 force and effect as to the party state affected as to all severable matters.

275.28 **EFFECTIVE DATE.** This section is effective upon implementation of the coordinated
275.29 licensure information system defined in Minnesota Statutes, section 148.2855, article V,
275.30 but no sooner than July 1, 2019.

276.1 Sec. 6. [148.2856] APPLICATION OF NURSE LICENSURE COMPACT TO
276.2 EXISTING LAWS.

276.3 (a) Section 148.2855 does not relieve employers of nurses from complying with statutorily
276.4 imposed obligations.

276.5 (b) Section 148.2855 does not supersede existing state labor laws.

276.6 (c) For purposes of the Minnesota Government Data Practices Act, chapter 13, an
276.7 individual not licensed as a nurse under sections 148.171 to 148.285 who practices
276.8 professional or practical nursing in Minnesota under the authority of section 148.2855 is
276.9 considered to be a licensee of the board.

276.10 (d) Proceedings brought against an individual's multistate privilege shall be adjudicated
276.11 following the procedures listed in sections 14.50 to 14.62 and shall be subject to judicial
276.12 review as provided for in sections 14.63 to 14.69.

276.13 (e) The reporting requirements of sections 144.4175, 148.263, 626.52, and 626.557
276.14 apply to individuals not licensed as registered or licensed practical nurses under sections
276.15 148.171 to 148.285 who practice professional or practical nursing in Minnesota under the
276.16 authority of section 148.2855.

276.17 (f) The board may take action against an individual's multistate privilege based on the
276.18 grounds listed in section 148.261, subdivision 1, and any other statute authorizing or requiring
276.19 the board to take corrective or disciplinary action.

276.20 (g) The board may take all forms of disciplinary action provided for in section 148.262,
276.21 subdivision 1, and corrective action provided for in section 214.103, subdivision 6, against
276.22 an individual's multistate privilege.

276.23 (h) The immunity provisions of section 148.264, subdivision 1, apply to individuals who
276.24 practice professional or practical nursing in Minnesota under the authority of section
276.25 148.2855.

276.26 (i) The cooperation requirements of section 148.265 apply to individuals who practice
276.27 professional or practical nursing in Minnesota under the authority of section 148.2855.

276.28 (j) The provisions of section 148.283 shall not apply to individuals who practice
276.29 professional or practical nursing in Minnesota under the authority of section 148.2855.

276.30 (k) Complaints against individuals who practice professional or practical nursing in
276.31 Minnesota under the authority of section 148.2855 shall be handled as provided in sections
276.32 214.10 and 214.103.

277.1 **EFFECTIVE DATE.** This section is effective upon implementation of the coordinated
 277.2 licensure information system defined in Minnesota Statutes, section 148.2855, article V,
 277.3 but no sooner than July 1, 2019.

277.4 Sec. 7. **[148.2858] MISCELLANEOUS PROVISIONS.**

277.5 (a) For the purposes of section 148.2855, "head of the Nurse Licensing Board" means
 277.6 the executive director of the board.

277.7 (b) The Board of Nursing shall have the authority to recover from a nurse practicing
 277.8 professional or practical nursing in Minnesota under the authority of section 148.2855 the
 277.9 costs of investigation and disposition of cases resulting from any adverse action taken against
 277.10 the nurse.

277.11 **EFFECTIVE DATE.** This section is effective upon implementation of the coordinated
 277.12 licensure information system defined in Minnesota Statutes, section 148.2855, article V,
 277.13 but no sooner than July 1, 2019.

277.14 Sec. 8. Minnesota Statutes 2016, section 148.59, is amended to read:

277.15 **148.59 LICENSE RENEWAL; LICENSE AND REGISTRATION FEES.**

277.16 A licensed optometrist shall pay to the state Board of Optometry a fee as set by the board
 277.17 in order to renew a license as provided by board rule. No fees shall be refunded. Fees may
 277.18 not exceed the following amounts but may be adjusted lower by board direction and are for
 277.19 the exclusive use of the board:

277.20 (1) optometry licensure application, \$160;

277.21 (2) optometry annual licensure renewal, ~~\$135~~ \$170;

277.22 (3) optometry late penalty fee, \$75;

277.23 (4) annual license renewal card, \$10;

277.24 (5) continuing education provider application, \$45;

277.25 (6) emeritus registration, \$10;

277.26 (7) endorsement/reciprocity application, \$160;

277.27 (8) replacement of initial license, \$12; ~~and~~

277.28 (9) license verification, \$50.2;

277.29 (10) jurisprudence state examination, \$75;

- 278.1 (11) Optometric Education Continuing Education data bank registration, \$20; and
 278.2 (12) data requests and labels, \$50.

278.3 Sec. 9. Minnesota Statutes 2016, section 148E.180, is amended to read:

278.4 **148E.180 FEE AMOUNTS.**

278.5 Subdivision 1. **Application fees.** Nonrefundable application fees for licensure are as
 278.6 follows may not exceed the following amounts but may be adjusted lower by board action:

- 278.7 (1) for a licensed social worker, ~~\$45~~ \$75;
 278.8 (2) for a licensed graduate social worker, ~~\$45~~ \$75;
 278.9 (3) for a licensed independent social worker, ~~\$45~~ \$75;
 278.10 (4) for a licensed independent clinical social worker, ~~\$45~~ \$75;
 278.11 (5) for a temporary license, \$50; and
 278.12 (6) for a licensure by endorsement, ~~\$85~~ \$115.

278.13 The fee for criminal background checks is the fee charged by the Bureau of Criminal
 278.14 Apprehension. The criminal background check fee must be included with the application
 278.15 fee as required according to section 148E.055.

278.16 Subd. 2. **License fees.** Nonrefundable license fees are as follows may not exceed the
 278.17 following amounts but may be adjusted lower by board action:

- 278.18 (1) for a licensed social worker, ~~\$81~~ \$115;
 278.19 (2) for a licensed graduate social worker, ~~\$144~~ \$210;
 278.20 (3) for a licensed independent social worker, ~~\$216~~ \$305;
 278.21 (4) for a licensed independent clinical social worker, ~~\$238.50~~ \$335;
 278.22 (5) for an emeritus inactive license, ~~\$43.20~~ \$65;
 278.23 (6) for an emeritus active license, one-half of the renewal fee specified in subdivision
 278.24 3; and
 278.25 (7) for a temporary leave fee, the same as the renewal fee specified in subdivision 3.

278.26 If the licensee's initial license term is less or more than 24 months, the required license
 278.27 fees must be prorated proportionately.

279.1 Subd. 3. **Renewal fees.** Nonrefundable renewal fees for licensure are as follows the
279.2 two-year renewal term may not exceed the following amounts but may be adjusted lower
279.3 by board action:

279.4 (1) for a licensed social worker, ~~\$81~~ \$115;

279.5 (2) for a licensed graduate social worker, ~~\$144~~ \$210;

279.6 (3) for a licensed independent social worker, ~~\$216~~ \$305; and

279.7 (4) for a licensed independent clinical social worker, ~~\$238.50~~ \$335.

279.8 Subd. 4. **Continuing education provider fees.** Continuing education provider fees are
279.9 as follows the following nonrefundable amounts:

279.10 (1) for a provider who offers programs totaling one to eight clock hours in a one-year
279.11 period according to section 148E.145, \$50;

279.12 (2) for a provider who offers programs totaling nine to 16 clock hours in a one-year
279.13 period according to section 148E.145, \$100;

279.14 (3) for a provider who offers programs totaling 17 to 32 clock hours in a one-year period
279.15 according to section 148E.145, \$200;

279.16 (4) for a provider who offers programs totaling 33 to 48 clock hours in a one-year period
279.17 according to section 148E.145, \$400; and

279.18 (5) for a provider who offers programs totaling 49 or more clock hours in a one-year
279.19 period according to section 148E.145, \$600.

279.20 Subd. 5. **Late fees.** Late fees are as follows the following nonrefundable amounts:

279.21 (1) renewal late fee, one-fourth of the renewal fee specified in subdivision 3;

279.22 (2) supervision plan late fee, \$40; and

279.23 (3) license late fee, \$100 plus the prorated share of the license fee specified in subdivision
279.24 2 for the number of months during which the individual practiced social work without a
279.25 license.

279.26 Subd. 6. **License cards and wall certificates.** (a) The fee for a license card as specified
279.27 in section 148E.095 is \$10.

279.28 (b) The fee for a license wall certificate as specified in section 148E.095 is \$30.

279.29 Subd. 7. **Reactivation fees.** Reactivation fees are as follows the following nonrefundable
279.30 amounts:

280.1 (1) reactivation from a temporary leave or emeritus status, the prorated share of the
280.2 renewal fee specified in subdivision 3; and

280.3 (2) reactivation of an expired license, 1-1/2 times the renewal fees specified in subdivision
280.4 3.

280.5 Sec. 10. Minnesota Statutes 2016, section 150A.06, subdivision 1a, is amended to read:

280.6 Subd. 1a. **Faculty dentists.** (a) Faculty members of a school of dentistry must be licensed
280.7 in order to practice dentistry as defined in section 150A.05. The board may issue to members
280.8 of the faculty of a school of dentistry a license designated as either a "limited faculty license"
280.9 or a "full faculty license" entitling the holder to practice dentistry within the terms described
280.10 in paragraph (b) or (c). The dean of a school of dentistry and program directors of a
280.11 Minnesota dental hygiene, dental therapy, or dental assisting school accredited by the
280.12 Commission on Dental Accreditation shall certify to the board those members of the school's
280.13 faculty who practice dentistry but are not licensed to practice dentistry in Minnesota. A
280.14 faculty member who practices dentistry as defined in section 150A.05, before beginning
280.15 duties in a school of dentistry ~~or a~~, dental therapy, dental hygiene, or dental assisting ~~school~~,
280.16 shall apply to the board for a limited or full faculty license. Pursuant to Minnesota Rules,
280.17 chapter 3100, and at the discretion of the board, a limited faculty license must be renewed
280.18 annually and a full faculty license must be renewed biennially. The faculty applicant shall
280.19 pay a nonrefundable fee set by the board for issuing and renewing the faculty license. The
280.20 faculty license is valid during the time the holder remains a member of the faculty of a
280.21 school of dentistry ~~or a~~, dental therapy, dental hygiene, or dental assisting ~~school~~ and subjects
280.22 the holder to this chapter.

280.23 (b) The board may issue to dentist members of the faculty of a Minnesota school of
280.24 dentistry, dental therapy, dental hygiene, or dental assisting accredited by the Commission
280.25 on Dental Accreditation, a license designated as a limited faculty license entitling the holder
280.26 to practice dentistry within the school and its affiliated teaching facilities, but only for the
280.27 purposes of teaching or conducting research. The practice of dentistry at a school facility
280.28 for purposes other than teaching or research is not allowed unless the dentist was a faculty
280.29 member on August 1, 1993.

280.30 (c) The board may issue to dentist members of the faculty of a Minnesota school of
280.31 dentistry, dental therapy, dental hygiene, or dental assisting accredited by the Commission
280.32 on Dental Accreditation a license designated as a full faculty license entitling the holder to
280.33 practice dentistry within the school and its affiliated ~~teaching~~ facilities ~~and elsewhere~~ if the
280.34 holder of the license is employed ~~50 percent time or more~~ full time by the school in the

281.1 practice of teaching, supervising, or research, and upon successful review by the board of
281.2 the applicant's qualifications as described in subdivisions 1, 1c, and 4 and board rule. The
281.3 board, at its discretion, may waive specific licensing prerequisites.

281.4 Sec. 11. Minnesota Statutes 2016, section 150A.06, is amended by adding a subdivision
281.5 to read:

281.6 Subd. 10. Emeritus inactive license. (a) A dental professional licensed under this chapter
281.7 to practice dentistry, dental therapy, dental hygiene, or dental assisting who retires from
281.8 active practice in the state may apply to the board for an emeritus inactive license. An
281.9 applicant must apply for an emeritus inactive license on the biennial licensing form or by
281.10 petitioning the board.

281.11 (b) The board shall not grant an emeritus inactive license to an applicant who is the
281.12 subject of a disciplinary action resulting in the current suspension, revocation,
281.13 disqualification, condition, or restriction of the applicant's license to practice dentistry,
281.14 dental therapy, dental hygiene, or dental assisting.

281.15 (c) An emeritus inactive licensee is prohibited from practicing dentistry, dental therapy,
281.16 dental hygiene, or dental assisting. An emeritus inactive license is a formal recognition of
281.17 completion of the licensee's dental career in good standing.

281.18 (d) The board shall charge a onetime fee for issuance of an emeritus inactive license,
281.19 pursuant to section 150A.091.

281.20 Sec. 12. Minnesota Statutes 2016, section 150A.06, is amended by adding a subdivision
281.21 to read:

281.22 Subd. 11. Emeritus active license. (a) A dental professional licensed to practice dentistry,
281.23 dental therapy, dental hygiene, or dental assisting, pursuant to section 150A.05 and Minnesota
281.24 Rules, part 3100.8500, who declares retirement from active practice in the state may apply
281.25 to the board for an emeritus active license. An applicant must apply for an emeritus active
281.26 license on a form as required by the board.

281.27 (b) An emeritus active licensee may engage only in pro bono or volunteer practice, paid
281.28 practice not to exceed 240 hours per calendar year for the purpose of providing license
281.29 supervision to meet board requirements, and paid consulting services not to exceed 240
281.30 hours per calendar year.

281.31 (c) An emeritus active licensee is prohibited from representing that the licensee is
281.32 authorized to engage in any practice except as provided in paragraph (b). The board may

282.1 take disciplinary or corrective action against an emeritus active licensee as provided in
282.2 section 150A.08.

282.3 (d) An emeritus active license must be renewed biennially. The renewal requirements
282.4 for an emeritus active license are:

282.5 (1) completion of a renewal form as required by the board;

282.6 (2) payment of a renewal fee pursuant to section 150A.091; and

282.7 (3) reporting of 25 completed continuing education hours, which must include:

282.8 (i) courses in two required CORE areas;

282.9 (ii) one hour of credit on infection control;

282.10 (iii) for emeritus active licenses in dentistry and dental therapy, at least 15 fundamental
282.11 credits and no more than ten elective credits; and

282.12 (iv) for emeritus active licenses in dental hygiene and dental assisting, at least seven
282.13 fundamental credits and no more than six elective credits.

282.14 Sec. 13. Minnesota Statutes 2016, section 150A.091, is amended by adding a subdivision
282.15 to read:

282.16 Subd. 19. **Emeritus inactive license.** Each applicant shall submit with an application
282.17 for an emeritus inactive license a onetime, nonrefundable fee in the amount of \$50.

282.18 Sec. 14. Minnesota Statutes 2016, section 150A.091, is amended by adding a subdivision
282.19 to read:

282.20 Subd. 20. **Emeritus active license.** Each applicant shall submit with an application for
282.21 an emeritus inactive license, and each emeritus active licensee shall submit with a renewal
282.22 application, a nonrefundable fee as follows:

282.23 (1) for an emeritus active license in dentistry, \$212;

282.24 (2) for an emeritus active license in dental therapy, \$100;

282.25 (3) for an emeritus active license in dental hygiene, \$75; and

282.26 (4) for an emeritus active license in dental assisting, \$55.

283.1 Sec. 15. Minnesota Statutes 2016, section 151.15, is amended by adding a subdivision to
283.2 read:

283.3 Subd. 5. **Receipt of emergency prescription orders.** A pharmacist, when that pharmacist
283.4 is not present within a licensed pharmacy, may accept a written, verbal, or electronic
283.5 prescription drug order from a practitioner only if:

283.6 (1) the prescription drug order is for an emergency situation where waiting for the
283.7 licensed pharmacy from which the prescription will be dispensed to open would likely cause
283.8 the patient to experience significant physical harm or discomfort;

283.9 (2) the pharmacy from which the prescription drug order will be dispensed is closed for
283.10 business;

283.11 (3) the pharmacist has been designated to be on call for the licensed pharmacy that will
283.12 fill the prescription drug order;

283.13 (4) in the case of an electronic prescription drug order, the order must be received through
283.14 secure and encrypted electronic means;

283.15 (5) the pharmacist takes reasonable precautions to ensure that the prescription drug order
283.16 will be handled in a manner consistent with federal and state statutes regarding the handling
283.17 of protected health information; and

283.18 (6) the pharmacy from which the prescription drug order will be dispensed has relevant
283.19 and appropriate policies and procedures in place and makes them available to the board
283.20 upon request.

283.21 Sec. 16. Minnesota Statutes 2016, section 151.15, is amended by adding a subdivision to
283.22 read:

283.23 Subd. 6. **Processing of emergency prescription orders.** A pharmacist, when that
283.24 pharmacist is not present within a licensed pharmacy, may access a pharmacy prescription
283.25 processing system through secure and encrypted electronic means in order to process an
283.26 emergency prescription accepted pursuant to subdivision 5 only if:

283.27 (1) the pharmacy from which the prescription drug order will be dispensed is closed for
283.28 business;

283.29 (2) the pharmacist has been designated to be on call for the licensed pharmacy that will
283.30 fill the prescription drug order;

283.31 (3) the prescription drug order is for a patient of a long-term care facility or a county
283.32 correctional facility;

284.1 (4) the prescription drug order is processed pursuant to this chapter and rules adopted
284.2 under this chapter; and

284.3 (5) the pharmacy from which the prescription drug order will be dispensed has relevant
284.4 and appropriate policies and procedures in place and makes them available to the board
284.5 upon request.

284.6 Sec. 17. Minnesota Statutes 2016, section 151.19, subdivision 1, is amended to read:

284.7 Subdivision 1. **Pharmacy licensure requirements.** (a) No person shall operate a
284.8 pharmacy without first obtaining a license from the board and paying any applicable fee
284.9 specified in section 151.065. The license shall be displayed in a conspicuous place in the
284.10 pharmacy for which it is issued and expires on June 30 following the date of issue. It is
284.11 unlawful for any person to operate a pharmacy unless the license has been issued to the
284.12 person by the board.

284.13 (b) Application for a pharmacy license under this section shall be made in a manner
284.14 specified by the board.

284.15 (c) No license shall be issued or renewed for a pharmacy located within the state unless
284.16 the applicant agrees to operate the pharmacy in a manner prescribed by federal and state
284.17 law and according to rules adopted by the board. No license shall be issued for a pharmacy
284.18 located outside of the state unless the applicant agrees to operate the pharmacy in a manner
284.19 prescribed by federal law and, when dispensing medications for residents of this state, the
284.20 laws of this state, and Minnesota Rules.

284.21 (d) No license shall be issued or renewed for a pharmacy that is required to be licensed
284.22 or registered by the state in which it is physically located unless the applicant supplies the
284.23 board with proof of such licensure or registration.

284.24 (e) The board shall require a separate license for each pharmacy located within the state
284.25 and for each pharmacy located outside of the state at which any portion of the dispensing
284.26 process occurs for drugs dispensed to residents of this state.

284.27 (f) The board shall not issue an initial or renewed license for a pharmacy unless the
284.28 pharmacy passes an inspection conducted by an authorized representative of the board. In
284.29 the case of a pharmacy located outside of the state, the board may require the applicant to
284.30 pay the cost of the inspection, in addition to the license fee in section 151.065, unless the
284.31 applicant furnishes the board with a report, issued by the appropriate regulatory agency of
284.32 the state in which the facility is located, of an inspection that has occurred within the 24
284.33 months immediately preceding receipt of the license application by the board. The board

285.1 may deny licensure unless the applicant submits documentation satisfactory to the board
285.2 that any deficiencies noted in an inspection report have been corrected.

285.3 (g) The board shall not issue an initial or renewed license for a pharmacy located outside
285.4 of the state unless the applicant discloses and certifies:

285.5 (1) the location, names, and titles of all principal corporate officers and all pharmacists
285.6 who are involved in dispensing drugs to residents of this state;

285.7 (2) that it maintains its records of drugs dispensed to residents of this state so that the
285.8 records are readily retrievable from the records of other drugs dispensed;

285.9 (3) that it agrees to cooperate with, and provide information to, the board concerning
285.10 matters related to dispensing drugs to residents of this state;

285.11 (4) that, during its regular hours of operation, but no less than six days per week, for a
285.12 minimum of 40 hours per week, a toll-free telephone service is provided to facilitate
285.13 communication between patients in this state and a pharmacist at the pharmacy who has
285.14 access to the patients' records; the toll-free number must be disclosed on the label affixed
285.15 to each container of drugs dispensed to residents of this state; and

285.16 (5) that, upon request of a resident of a long-term care facility located in this state, the
285.17 resident's authorized representative, or a contract pharmacy or licensed health care facility
285.18 acting on behalf of the resident, the pharmacy will dispense medications prescribed for the
285.19 resident in unit-dose packaging or, alternatively, comply with section 151.415, subdivision
285.20 5.

285.21 (h) This subdivision does not apply to a manufacturer licensed under section 151.252,
285.22 subdivision 1, a wholesale drug distributor licensed under section 151.47, or a third-party
285.23 logistics provider, to the extent the manufacturer, wholesale drug distributor, or third-party
285.24 logistics provider is engaged in the distribution of dialysate or devices necessary to perform
285.25 home peritoneal dialysis on patients with end-stage renal disease, if:

285.26 (1) the manufacturer or its agent leases or owns the licensed manufacturing or wholesaling
285.27 facility from which the dialysate or devices will be delivered;

285.28 (2) the dialysate is comprised of dextrose or icodextrin and has been approved by the
285.29 United States Food and Drug Administration;

285.30 (3) the dialysate is stored and delivered in its original, sealed, and unopened
285.31 manufacturer's packaging;

285.32 (4) the dialysate or devices are delivered only upon:

- 286.1 (i) receipt of a physician's order by a Minnesota licensed pharmacy; and
286.2 (ii) the review and processing of the prescription by a pharmacist licensed by the state
286.3 in which the pharmacy is located, who is employed by or under contract to the pharmacy;
286.4 (5) prescriptions, policies, procedures, and records of delivery are maintained by the
286.5 manufacturer for a minimum of three years and are made available to the board upon request;
286.6 and
286.7 (6) the manufacturer or the manufacturer's agent delivers the dialysate or devices directly
286.8 to:
286.9 (i) a patient with end-stage renal disease for whom the prescription was written or the
286.10 patient's designee, for the patient's self-administration of the dialysis therapy; or
286.11 (ii) a health care provider or institution, for administration or delivery of the dialysis
286.12 therapy to a patient with end-stage renal disease for whom the prescription was written.

286.13 Sec. 18. Minnesota Statutes 2016, section 151.46, is amended to read:

286.14 **151.46 PROHIBITED DRUG PURCHASES OR RECEIPT.**

286.15 It is unlawful for any person to knowingly purchase or receive a prescription drug from
286.16 a source other than a person or entity licensed under the laws of the state, except where
286.17 otherwise provided. Licensed wholesale drug distributors other than pharmacies shall not
286.18 dispense or distribute prescription drugs directly to patients except for licensed facilities
286.19 that dispense or distribute home peritoneal dialysis products directly to patients pursuant
286.20 to section 151.19, subdivision 1, paragraph (h). A person violating the provisions of this
286.21 section is guilty of a misdemeanor.

286.22 Sec. 19. Minnesota Statutes 2016, section 214.075, subdivision 1, is amended to read:

286.23 Subdivision 1. **Applications.** (a) ~~By January 1, 2018,~~ Each health-related licensing
286.24 board, as defined in section 214.01, subdivision 2, shall require ~~applicants for initial licensure,~~
286.25 ~~licensure by endorsement, or reinstatement or other relicensure after a lapse in licensure,~~
286.26 ~~as defined by the individual health-related licensing boards,~~ the following individuals to
286.27 submit to a criminal history records check of state data completed by the Bureau of Criminal
286.28 Apprehension (BCA) and a national criminal history records check, including a search of
286.29 the records of the Federal Bureau of Investigation (FBI);:

287.1 (1) applicants for initial licensure or licensure by endorsement. An applicant is exempt
287.2 from this paragraph if the applicant submitted to a state and national criminal history records
287.3 check as described in this paragraph for a license issued by the same board;

287.4 (2) applicants seeking reinstatement or relicensure, as defined by the individual
287.5 health-related licensing board, if more than one year has elapsed since the applicant's license
287.6 or registration expiration date; or

287.7 (3) licensees applying for eligibility to participate in an interstate licensure compact.

287.8 ~~(b) An applicant must complete a criminal background check if more than one year has~~
287.9 ~~elapsed since the applicant last submitted a background check to the board. An applicant's~~
287.10 criminal background check results are valid for one year from the date the background check
287.11 results were received by the board. If more than one year has elapsed since the results were
287.12 received by the board, then an applicant who has not completed the licensure, reinstatement,
287.13 or relicensure process must complete a new background check.

287.14 **EFFECTIVE DATE.** This section is effective the day following final enactment.

287.15 Sec. 20. Minnesota Statutes 2016, section 214.075, subdivision 4, is amended to read:

287.16 Subd. 4. **Refusal to consent.** (a) The health-related licensing boards shall not issue a
287.17 license to any applicant who refuses to consent to a criminal background check or fails to
287.18 submit fingerprints ~~within 90 days~~ after submission of an application for licensure. Any
287.19 fees paid by the applicant to the board shall be forfeited if the applicant refuses to consent
287.20 to the criminal background check or fails to submit the required fingerprints.

287.21 (b) The failure of a licensee to submit to a criminal background check as provided in
287.22 subdivision 3 is grounds for disciplinary action by the respective health-related licensing
287.23 board.

287.24 **EFFECTIVE DATE.** This section is effective the day following final enactment.

287.25 Sec. 21. Minnesota Statutes 2016, section 214.075, subdivision 5, is amended to read:

287.26 Subd. 5. **Submission of fingerprints to the Bureau of Criminal Apprehension.** The
287.27 health-related licensing board or designee shall submit applicant or licensee fingerprints to
287.28 the BCA. The BCA shall perform a check for state criminal justice information and shall
287.29 forward the applicant's or licensee's fingerprints to the FBI to perform a check for national
287.30 criminal justice information regarding the applicant or licensee. The BCA shall report to
287.31 the board the results of the state and national criminal ~~justice information~~ history records
287.32 checks.

288.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

288.2 Sec. 22. Minnesota Statutes 2016, section 214.075, subdivision 6, is amended to read:

288.3 Subd. 6. **Alternatives to fingerprint-based criminal background checks.** The
288.4 health-related licensing board may require an alternative method of criminal history checks
288.5 for an applicant or licensee who has submitted at least ~~three~~ two sets of fingerprints in
288.6 accordance with this section that have been unreadable by the BCA or the FBI.

288.7 **EFFECTIVE DATE.** This section is effective the day following final enactment.

288.8 Sec. 23. Minnesota Statutes 2016, section 214.077, is amended to read:

288.9 **214.077 TEMPORARY LICENSE SUSPENSION; IMMINENT RISK OF SERIOUS**
288.10 **HARM.**

288.11 (a) Notwithstanding any provision of a health-related professional practice act, when a
288.12 health-related licensing board receives a complaint regarding a regulated person and has
288.13 probable cause to believe that the regulated person has violated a statute or rule that the
288.14 health-related licensing board is empowered to enforce, and continued practice by the
288.15 regulated person presents an imminent risk of serious harm, the health-related licensing
288.16 board shall issue an order temporarily suspending the regulated person's authority to practice.
288.17 The temporary suspension order shall specify the reason for the suspension, including the
288.18 statute or rule alleged to have been violated. The temporary suspension order shall take
288.19 effect upon personal service on the regulated person or the regulated person's attorney, or
288.20 upon the third calendar day after the order is served by first class mail to the most recent
288.21 address provided to the health-related licensing board for the regulated person or the regulated
288.22 person's attorney.

288.23 (b) The temporary suspension shall remain in effect until the health-related licensing
288.24 board or the commissioner completes an investigation, holds a contested case hearing
288.25 pursuant to the Administrative Procedure Act, and issues a final order in the matter as
288.26 provided for in this section.

288.27 (c) At the time it issues the temporary suspension order, the health-related licensing
288.28 board shall schedule a contested case hearing, on the merits of whether discipline is
288.29 warranted, to be held pursuant to the Administrative Procedure Act. The regulated person
288.30 shall be provided with at least ten days' notice of any contested case hearing held pursuant
288.31 to this section. The contested case hearing shall be scheduled to begin no later than 30 days
288.32 after the effective service of the temporary suspension order.

289.1 (d) The administrative law judge presiding over the contested case hearing shall issue
289.2 a report and recommendation to the health-related licensing board no later than 30 days
289.3 after the final day of the contested case hearing. If the administrative law judge's report and
289.4 recommendations are for no action, the health-related licensing board shall issue a final
289.5 order pursuant to sections 14.61 and 14.62 within 30 days of receipt of the administrative
289.6 law judge's report and recommendations. If the administrative law judge's report and
289.7 recommendations are for action, the health-related licensing board shall issue a final order
289.8 pursuant to sections 14.61 and 14.62 within 60 days of receipt of the administrative law
289.9 judge's report and recommendations. Except as provided in paragraph (e), if the health-related
289.10 licensing board has not issued a final order pursuant to sections 14.61 and 14.62 within 30
289.11 days of receipt of the administrative law judge's report and recommendations for no action
289.12 or within 60 days of receipt of the administrative law judge's report and recommendations
289.13 for action, the temporary suspension shall be lifted.

289.14 (e) If the regulated person requests a delay in the contested case proceedings provided
289.15 for in paragraphs (c) and (d) for any reason, the temporary suspension shall remain in effect
289.16 until the health-related licensing board issues a final order pursuant to sections 14.61 and
289.17 14.62.

289.18 (f) This section shall not apply to the Office of Unlicensed Complementary and
289.19 Alternative Health Practice established under section 146A.02. The commissioner of health
289.20 shall conduct temporary suspensions for complementary and alternative health care
289.21 practitioners in accordance with section 146A.09.

289.22 **EFFECTIVE DATE.** This section is effective the day following final enactment.

289.23 Sec. 24. Minnesota Statutes 2016, section 214.10, subdivision 8, is amended to read:

289.24 Subd. 8. **Special requirements for health-related licensing boards.** In addition to the
289.25 provisions of this section that apply to all examining and licensing boards, the requirements
289.26 in this subdivision apply to all health-related licensing boards, except the Board of Veterinary
289.27 Medicine.

289.28 (a) If the executive director or consulted board member determines that a communication
289.29 received alleges a violation of statute or rule that involves sexual contact with a patient or
289.30 client, the communication shall be forwarded to the designee of the attorney general for an
289.31 investigation of the facts alleged in the communication. If, after an investigation it is the
289.32 opinion of the executive director or consulted board member that there is sufficient evidence
289.33 to justify disciplinary action, the board shall conduct a disciplinary conference or hearing.
289.34 If, after a hearing or disciplinary conference the board determines that misconduct involving

290.1 sexual contact with a patient or client occurred, the board shall take disciplinary action.
290.2 Notwithstanding subdivision 2, a board may not attempt to correct improper activities or
290.3 redress grievances through education, conciliation, and persuasion, unless in the opinion of
290.4 the executive director or consulted board member there is insufficient evidence to justify
290.5 disciplinary action. The board may settle a case by stipulation prior to, or during, a hearing
290.6 if the stipulation provides for disciplinary action.

290.7 (b) A board member who has a direct current or former financial connection or
290.8 professional relationship to a person who is the subject of board disciplinary activities must
290.9 not participate in board activities relating to that case.

290.10 (c) Each health-related licensing board shall establish procedures for exchanging
290.11 information with other Minnesota state boards, agencies, and departments responsible for
290.12 regulating health-related occupations, facilities, and programs, and for coordinating
290.13 investigations involving matters within the jurisdiction of more than one regulatory body.
290.14 The procedures must provide for the forwarding to other regulatory bodies of all information
290.15 and evidence, including the results of investigations, that are relevant to matters within that
290.16 licensing body's regulatory jurisdiction. Each health-related licensing board shall have access
290.17 to any data of the Department of Human Services relating to a person subject to the
290.18 jurisdiction of the licensing board. The data shall have the same classification under chapter
290.19 13, the Minnesota Government Data Practices Act, in the hands of the agency receiving the
290.20 data as it had in the hands of the Department of Human Services.

290.21 (d) Each health-related licensing board shall establish procedures for exchanging
290.22 information with other states regarding disciplinary actions against licensees. The procedures
290.23 must provide for the collection of information from other states about disciplinary actions
290.24 taken against persons who are licensed to practice in Minnesota or who have applied to be
290.25 licensed in this state and the dissemination of information to other states regarding
290.26 disciplinary actions taken in Minnesota. In addition to any authority in chapter 13 permitting
290.27 the dissemination of data, the board may, in its discretion, disseminate data to other states
290.28 regardless of its classification under chapter 13. Criminal history record information shall
290.29 not be exchanged. Before transferring any data that is not public, the board shall obtain
290.30 reasonable assurances from the receiving state that the data will not be made public.

290.31 **EFFECTIVE DATE.** This section is effective the day following final enactment.

291.1 Sec. 25. Minnesota Statutes 2016, section 214.12, is amended by adding a subdivision to
291.2 read:

291.3 Subd. 6. **Opioid and controlled substances prescribing.** (a) The Board of Medical
291.4 Practice, the Board of Nursing, the Board of Dentistry, the Board of Optometry, and the
291.5 Board of Podiatric Medicine shall require that licensees with the authority to prescribe
291.6 controlled substances obtain at least two hours of continuing education credit on best practices
291.7 in prescribing opioids and controlled substances, as part of the continuing education
291.8 requirements for licensure renewal. Licensees shall not be required to complete more than
291.9 two credit hours of continuing education on best practices in prescribing opioids and
291.10 controlled substances before this subdivision expires. Continuing education credit on best
291.11 practices in prescribing opioids and controlled substances must meet board requirements.

291.12 (b) This subdivision expires January 1, 2023.

291.13 **EFFECTIVE DATE.** This section is effective January 1, 2019.

291.14 Sec. 26. Minnesota Statutes 2017 Supplement, section 245G.22, subdivision 2, is amended
291.15 to read:

291.16 Subd. 2. **Definitions.** (a) For purposes of this section, the terms defined in this subdivision
291.17 have the meanings given them.

291.18 (b) "Diversion" means the use of a medication for the treatment of opioid addiction being
291.19 diverted from intended use of the medication.

291.20 (c) "Guest dose" means administration of a medication used for the treatment of opioid
291.21 addiction to a person who is not a client of the program that is administering or dispensing
291.22 the medication.

291.23 (d) "Medical director" means a physician licensed to practice medicine in the jurisdiction
291.24 that the opioid treatment program is located who assumes responsibility for administering
291.25 all medical services performed by the program, either by performing the services directly
291.26 or by delegating specific responsibility to (1) authorized program physicians and; (2)
291.27 advanced practice registered nurses, when approved by variance by the State Opioid
291.28 Treatment Authority under section 254A.03 and the federal Substance Abuse and Mental
291.29 Health Services Administration; or (3) health care professionals functioning under the
291.30 medical director's direct supervision.

291.31 (e) "Medication used for the treatment of opioid use disorder" means a medication
291.32 approved by the Food and Drug Administration for the treatment of opioid use disorder.

292.1 (f) "Minnesota health care programs" has the meaning given in section 256B.0636.

292.2 (g) "Opioid treatment program" has the meaning given in Code of Federal Regulations,
292.3 title 42, section 8.12, and includes programs licensed under this chapter.

292.4 (h) "Placing authority" has the meaning given in Minnesota Rules, part 9530.6605,
292.5 subpart 21a.

292.6 (i) "Unsupervised use" means the use of a medication for the treatment of opioid use
292.7 disorder dispensed for use by a client outside of the program setting.

292.8 Sec. 27. Minnesota Statutes 2016, section 256.975, subdivision 7b, is amended to read:

292.9 Subd. 7b. **Exemptions and emergency admissions.** (a) Exemptions from the federal
292.10 screening requirements outlined in subdivision 7a, paragraphs (b) and (c), are limited to:

292.11 (1) a person who, having entered an acute care facility from a certified nursing facility,
292.12 is returning to a certified nursing facility; or

292.13 (2) a person transferring from one certified nursing facility in Minnesota to another
292.14 certified nursing facility in Minnesota.

292.15 (b) Persons who are exempt from preadmission screening for purposes of level of care
292.16 determination include:

292.17 (1) persons described in paragraph (a);

292.18 (2) an individual who has a contractual right to have nursing facility care paid for
292.19 indefinitely by the Veterans Administration;

292.20 (3) an individual enrolled in a demonstration project under section 256B.69, subdivision
292.21 8, at the time of application to a nursing facility; and

292.22 (4) an individual currently being served under the alternative care program or under a
292.23 home and community-based services waiver authorized under section 1915(c) of the federal
292.24 Social Security Act.

292.25 (c) Persons admitted to a Medicaid-certified nursing facility from the community on an
292.26 emergency basis as described in paragraph (d) or from an acute care facility on a nonworking
292.27 day must be screened the first working day after admission.

292.28 (d) Emergency admission to a nursing facility prior to screening is permitted when all
292.29 of the following conditions are met:

292.30 (1) a person is admitted from the community to a certified nursing or certified boarding
292.31 care facility during Senior LinkAge Line nonworking hours;

293.1 (2) a physician or advanced practice registered nurse has determined that delaying
293.2 admission until preadmission screening is completed would adversely affect the person's
293.3 health and safety;

293.4 (3) there is a recent precipitating event that precludes the client from living safely in the
293.5 community, such as sustaining an injury, sudden onset of acute illness, or a caregiver's
293.6 inability to continue to provide care;

293.7 (4) the attending physician or advanced practice registered nurse has authorized the
293.8 emergency placement and has documented the reason that the emergency placement is
293.9 recommended; and

293.10 (5) the Senior LinkAge Line is contacted on the first working day following the
293.11 emergency admission.

293.12 Transfer of a patient from an acute care hospital to a nursing facility is not considered
293.13 an emergency except for a person who has received hospital services in the following
293.14 situations: hospital admission for observation, care in an emergency room without hospital
293.15 admission, or following hospital 24-hour bed care and from whom admission is being sought
293.16 on a nonworking day.

293.17 (e) A nursing facility must provide written information to all persons admitted regarding
293.18 the person's right to request and receive long-term care consultation services as defined in
293.19 section 256B.0911, subdivision 1a. The information must be provided prior to the person's
293.20 discharge from the facility and in a format specified by the commissioner.

293.21 Sec. 28. Minnesota Statutes 2016, section 256B.0575, subdivision 1, is amended to read:

293.22 Subdivision 1. **Income deductions.** When an institutionalized person is determined
293.23 eligible for medical assistance, the income that exceeds the deductions in paragraphs (a)
293.24 and (b) must be applied to the cost of institutional care.

293.25 (a) The following amounts must be deducted from the institutionalized person's income
293.26 in the following order:

293.27 (1) the personal needs allowance under section 256B.35 or, for a veteran who does not
293.28 have a spouse or child, or a surviving spouse of a veteran having no child, the amount of
293.29 an improved pension received from the veteran's administration not exceeding \$90 per
293.30 month;

293.31 (2) the personal allowance for disabled individuals under section 256B.36;

294.1 (3) if the institutionalized person has a legally appointed guardian or conservator, five
294.2 percent of the recipient's gross monthly income up to \$100 as reimbursement for guardianship
294.3 or conservatorship services;

294.4 (4) a monthly income allowance determined under section 256B.058, subdivision 2, but
294.5 only to the extent income of the institutionalized spouse is made available to the community
294.6 spouse;

294.7 (5) a monthly allowance for children under age 18 which, together with the net income
294.8 of the children, would provide income equal to the medical assistance standard for families
294.9 and children according to section 256B.056, subdivision 4, for a family size that includes
294.10 only the minor children. This deduction applies only if the children do not live with the
294.11 community spouse and only to the extent that the deduction is not included in the personal
294.12 needs allowance under section 256B.35, subdivision 1, as child support garnished under a
294.13 court order;

294.14 (6) a monthly family allowance for other family members, equal to one-third of the
294.15 difference between 122 percent of the federal poverty guidelines and the monthly income
294.16 for that family member;

294.17 (7) reparations payments made by the Federal Republic of Germany and reparations
294.18 payments made by the Netherlands for victims of Nazi persecution between 1940 and 1945;

294.19 (8) all other exclusions from income for institutionalized persons as mandated by federal
294.20 law; and

294.21 (9) amounts for reasonable expenses, as specified in subdivision 2, incurred for necessary
294.22 medical or remedial care for the institutionalized person that are recognized under state law,
294.23 not medical assistance covered expenses, and not subject to payment by a third party.

294.24 For purposes of clause (6), "other family member" means a person who resides with the
294.25 community spouse and who is a minor or dependent child, dependent parent, or dependent
294.26 sibling of either spouse. "Dependent" means a person who could be claimed as a dependent
294.27 for federal income tax purposes under the Internal Revenue Code.

294.28 (b) Income shall be allocated to an institutionalized person for a period of up to three
294.29 calendar months, in an amount equal to the medical assistance standard for a family size of
294.30 one if:

294.31 (1) a physician or advanced practice registered nurse certifies that the person is expected
294.32 to reside in the long-term care facility for three calendar months or less;

294.33 (2) if the person has expenses of maintaining a residence in the community; and

295.1 (3) if one of the following circumstances apply:

295.2 (i) the person was not living together with a spouse or a family member as defined in
295.3 paragraph (a) when the person entered a long-term care facility; or

295.4 (ii) the person and the person's spouse become institutionalized on the same date, in
295.5 which case the allocation shall be applied to the income of one of the spouses.

295.6 For purposes of this paragraph, a person is determined to be residing in a licensed nursing
295.7 home, regional treatment center, or medical institution if the person is expected to remain
295.8 for a period of one full calendar month or more.

295.9 Sec. 29. Minnesota Statutes 2016, section 256B.0595, subdivision 3, is amended to read:

295.10 Subd. 3. **Homestead exception to transfer prohibition.** (a) An institutionalized person
295.11 is not ineligible for long-term care services due to a transfer of assets for less than fair market
295.12 value if the asset transferred was a homestead and:

295.13 (1) title to the homestead was transferred to the individual's:

295.14 (i) spouse;

295.15 (ii) child who is under age 21;

295.16 (iii) blind or permanently and totally disabled child as defined in the Supplemental
295.17 Security Income program;

295.18 (iv) sibling who has equity interest in the home and who was residing in the home for
295.19 a period of at least one year immediately before the date of the individual's admission to
295.20 the facility; or

295.21 (v) son or daughter who was residing in the individual's home for a period of at least
295.22 two years immediately before the date the individual became an institutionalized person,
295.23 and who provided care to the individual that, as certified by the individual's attending
295.24 physician or advanced practice registered nurse, permitted the individual to reside at home
295.25 rather than receive care in an institution or facility;

295.26 (2) a satisfactory showing is made that the individual intended to dispose of the homestead
295.27 at fair market value or for other valuable consideration; or

295.28 (3) the local agency grants a waiver of a penalty resulting from a transfer for less than
295.29 fair market value because denial of eligibility would cause undue hardship for the individual,
295.30 based on imminent threat to the individual's health and well-being. Whenever an applicant
295.31 or recipient is denied eligibility because of a transfer for less than fair market value, the

296.1 local agency shall notify the applicant or recipient that the applicant or recipient may request
296.2 a waiver of the penalty if the denial of eligibility will cause undue hardship. With the written
296.3 consent of the individual or the personal representative of the individual, a long-term care
296.4 facility in which an individual is residing may file an undue hardship waiver request, on
296.5 behalf of the individual who is denied eligibility for long-term care services on or after July
296.6 1, 2006, due to a period of ineligibility resulting from a transfer on or after February 8,
296.7 2006. In evaluating a waiver, the local agency shall take into account whether the individual
296.8 was the victim of financial exploitation, whether the individual has made reasonable efforts
296.9 to recover the transferred property or resource, and other factors relevant to a determination
296.10 of hardship. If the local agency does not approve a hardship waiver, the local agency shall
296.11 issue a written notice to the individual stating the reasons for the denial and the process for
296.12 appealing the local agency's decision.

296.13 (b) When a waiver is granted under paragraph (a), clause (3), a cause of action exists
296.14 against the person to whom the homestead was transferred for that portion of long-term
296.15 care services provided within:

296.16 (1) 30 months of a transfer made on or before August 10, 1993;

296.17 (2) 60 months if the homestead was transferred after August 10, 1993, to a trust or portion
296.18 of a trust that is considered a transfer of assets under federal law;

296.19 (3) 36 months if transferred in any other manner after August 10, 1993, but prior to
296.20 February 8, 2006; or

296.21 (4) 60 months if the homestead was transferred on or after February 8, 2006,
296.22 or the amount of the uncompensated transfer, whichever is less, together with the costs
296.23 incurred due to the action.

296.24 Sec. 30. Minnesota Statutes 2016, section 256B.0625, subdivision 2, is amended to read:

296.25 Subd. 2. **Skilled and intermediate nursing care.** (a) Medical assistance covers skilled
296.26 nursing home services and services of intermediate care facilities, including training and
296.27 habilitation services, as defined in section 252.41, subdivision 3, for persons with
296.28 developmental disabilities who are residing in intermediate care facilities for persons with
296.29 developmental disabilities. Medical assistance must not be used to pay the costs of nursing
296.30 care provided to a patient in a swing bed as defined in section 144.562, unless (1) the facility
296.31 in which the swing bed is located is eligible as a sole community provider, as defined in
296.32 Code of Federal Regulations, title 42, section 412.92, or the facility is a public hospital
296.33 owned by a governmental entity with 15 or fewer licensed acute care beds; (2) the Centers

297.1 for Medicare and Medicaid Services approves the necessary state plan amendments; (3) the
297.2 patient was screened as provided by law; (4) the patient no longer requires acute care
297.3 services; and (5) no nursing home beds are available within 25 miles of the facility. The
297.4 commissioner shall exempt a facility from compliance with the sole community provider
297.5 requirement in clause (1) if, as of January 1, 2004, the facility had an agreement with the
297.6 commissioner to provide medical assistance swing bed services.

297.7 (b) Medical assistance also covers up to ten days of nursing care provided to a patient
297.8 in a swing bed if: (1) the patient's physician or advanced practice registered nurse certifies
297.9 that the patient has a terminal illness or condition that is likely to result in death within 30
297.10 days and that moving the patient would not be in the best interests of the patient and patient's
297.11 family; (2) no open nursing home beds are available within 25 miles of the facility; and (3)
297.12 no open beds are available in any Medicare hospice program within 50 miles of the facility.
297.13 The daily medical assistance payment for nursing care for the patient in the swing bed is
297.14 the statewide average medical assistance skilled nursing care per diem as computed annually
297.15 by the commissioner on July 1 of each year.

297.16 Sec. 31. Minnesota Statutes 2016, section 259.24, subdivision 2, is amended to read:

297.17 Subd. 2. **Parents, guardian.** If an unmarried parent who consents to the adoption of a
297.18 child is under 18 years of age, the consent of the minor parent's parents or guardian, if any,
297.19 also shall be required; if either or both the parents are disqualified for any of the reasons
297.20 enumerated in subdivision 1, the consent of such parent shall be waived, and the consent
297.21 of the guardian only shall be sufficient; and, if there be neither parent nor guardian qualified
297.22 to give such consent, the consent may be given by the commissioner. The agency overseeing
297.23 the adoption proceedings shall ensure that the minor parent is offered the opportunity to
297.24 consult with an attorney, a member of the clergy ~~or~~, a physician, or an advanced practice
297.25 registered nurse before consenting to adoption of the child. The advice or opinion of the
297.26 attorney, clergy member ~~or~~, physician, or advanced practice registered nurse shall not be
297.27 binding on the minor parent. If the minor parent cannot afford the cost of consulting with
297.28 an attorney, a member of the clergy ~~or~~, a physician, or an advanced practice registered nurse,
297.29 the county shall bear that cost.

297.30 Sec. 32. Minnesota Statutes 2017 Supplement, section 260C.007, subdivision 6, is amended
297.31 to read:

297.32 Subd. 6. **Child in need of protection or services.** "Child in need of protection or
297.33 services" means a child who is in need of protection or services because the child:

298.1 (1) is abandoned or without parent, guardian, or custodian;

298.2 (2)(i) has been a victim of physical or sexual abuse as defined in section 626.556,
298.3 subdivision 2, (ii) resides with or has resided with a victim of child abuse as defined in
298.4 subdivision 5 or domestic child abuse as defined in subdivision 13, (iii) resides with or
298.5 would reside with a perpetrator of domestic child abuse as defined in subdivision 13 or child
298.6 abuse as defined in subdivision 5 or 13, or (iv) is a victim of emotional maltreatment as
298.7 defined in subdivision 15;

298.8 (3) is without necessary food, clothing, shelter, education, or other required care for the
298.9 child's physical or mental health or morals because the child's parent, guardian, or custodian
298.10 is unable or unwilling to provide that care;

298.11 (4) is without the special care made necessary by a physical, mental, or emotional
298.12 condition because the child's parent, guardian, or custodian is unable or unwilling to provide
298.13 that care;

298.14 (5) is medically neglected, which includes, but is not limited to, the withholding of
298.15 medically indicated treatment from an infant with a disability with a life-threatening
298.16 condition. The term "withholding of medically indicated treatment" means the failure to
298.17 respond to the infant's life-threatening conditions by providing treatment, including
298.18 appropriate nutrition, hydration, and medication which, in the treating physician's or
298.19 ~~physicians'~~ advanced practice registered nurse's reasonable medical judgment, will be most
298.20 likely to be effective in ameliorating or correcting all conditions, except that the term does
298.21 not include the failure to provide treatment other than appropriate nutrition, hydration, or
298.22 medication to an infant when, in the treating physician's or ~~physicians'~~ advanced practice
298.23 registered nurse's reasonable medical judgment:

298.24 (i) the infant is chronically and irreversibly comatose;

298.25 (ii) the provision of the treatment would merely prolong dying, not be effective in
298.26 ameliorating or correcting all of the infant's life-threatening conditions, or otherwise be
298.27 futile in terms of the survival of the infant; or

298.28 (iii) the provision of the treatment would be virtually futile in terms of the survival of
298.29 the infant and the treatment itself under the circumstances would be inhumane;

298.30 (6) is one whose parent, guardian, or other custodian for good cause desires to be relieved
298.31 of the child's care and custody, including a child who entered foster care under a voluntary
298.32 placement agreement between the parent and the responsible social services agency under
298.33 section 260C.227;

299.1 (7) has been placed for adoption or care in violation of law;

299.2 (8) is without proper parental care because of the emotional, mental, or physical disability,
299.3 or state of immaturity of the child's parent, guardian, or other custodian;

299.4 (9) is one whose behavior, condition, or environment is such as to be injurious or
299.5 dangerous to the child or others. An injurious or dangerous environment may include, but
299.6 is not limited to, the exposure of a child to criminal activity in the child's home;

299.7 (10) is experiencing growth delays, which may be referred to as failure to thrive, that
299.8 have been diagnosed by a physician and are due to parental neglect;

299.9 (11) is a sexually exploited youth;

299.10 (12) has committed a delinquent act or a juvenile petty offense before becoming ten
299.11 years old;

299.12 (13) is a runaway;

299.13 (14) is a habitual truant;

299.14 (15) has been found incompetent to proceed or has been found not guilty by reason of
299.15 mental illness or mental deficiency in connection with a delinquency proceeding, a
299.16 certification under section 260B.125, an extended jurisdiction juvenile prosecution, or a
299.17 proceeding involving a juvenile petty offense; or

299.18 (16) has a parent whose parental rights to one or more other children were involuntarily
299.19 terminated or whose custodial rights to another child have been involuntarily transferred to
299.20 a relative and there is a case plan prepared by the responsible social services agency
299.21 documenting a compelling reason why filing the termination of parental rights petition under
299.22 section 260C.503, subdivision 2, is not in the best interests of the child.

299.23 Sec. 33. Minnesota Statutes 2017 Supplement, section 364.09, is amended to read:

299.24 **364.09 EXCEPTIONS.**

299.25 (a) This chapter does not apply to the licensing process for peace officers; to law
299.26 enforcement agencies as defined in section 626.84, subdivision 1, paragraph (f); to fire
299.27 protection agencies; to eligibility for a private detective or protective agent license; to the
299.28 licensing and background study process under chapters 245A and 245C; to the licensing
299.29 and background investigation process under chapter 240; to eligibility for school bus driver
299.30 endorsements; to eligibility for special transportation service endorsements; to eligibility
299.31 for a commercial driver training instructor license, which is governed by section 171.35
299.32 and rules adopted under that section; to emergency medical services personnel, or to the

300.1 licensing by political subdivisions of taxicab drivers, if the applicant for the license has
300.2 been discharged from sentence for a conviction within the ten years immediately preceding
300.3 application of a violation of any of the following:

300.4 (1) sections 609.185 to 609.2114, 609.221 to 609.223, 609.342 to 609.3451, or 617.23,
300.5 subdivision 2 or 3; or Minnesota Statutes 2012, section 609.21;

300.6 (2) any provision of chapter 152 that is punishable by a maximum sentence of 15 years
300.7 or more; or

300.8 (3) a violation of chapter 169 or 169A involving driving under the influence, leaving
300.9 the scene of an accident, or reckless or careless driving.

300.10 This chapter also shall not apply to eligibility for juvenile corrections employment, where
300.11 the offense involved child physical or sexual abuse or criminal sexual conduct.

300.12 (b) This chapter does not apply to a school district or to eligibility for a license issued
300.13 or renewed by the Professional Educator Licensing and Standards Board or the commissioner
300.14 of education.

300.15 (c) Nothing in this section precludes the Minnesota Police and Peace Officers Training
300.16 Board or the state fire marshal from recommending policies set forth in this chapter to the
300.17 attorney general for adoption in the attorney general's discretion to apply to law enforcement
300.18 or fire protection agencies.

300.19 ~~(d) This chapter does not apply to a license to practice medicine that has been denied or~~
300.20 ~~revoked by the Board of Medical Practice pursuant to section 147.091, subdivision 1a.~~

300.21 ~~(e) This chapter does not apply to any person who has been denied a license to practice~~
300.22 ~~chiropractic or whose license to practice chiropractic has been revoked by the board in~~
300.23 ~~accordance with section 148.10, subdivision 7.~~

300.24 ~~(f) This chapter does not apply to any license, registration, or permit that has been denied~~
300.25 ~~or revoked by the Board of Nursing in accordance with section 148.261, subdivision 1a.~~

300.26 ~~(g)~~ (d) This chapter does not apply to any license, registration, permit, or certificate that
300.27 has been denied or revoked by the commissioner of health according to section 148.5195,
300.28 subdivision 5; or 153A.15, subdivision 2.

300.29 ~~(h)~~ (e) This chapter does not supersede a requirement under law to conduct a criminal
300.30 history background investigation or consider criminal history records in hiring for particular
300.31 types of employment.

301.1 (f) This chapter does not apply to the licensing or registration process for, or to any
301.2 license, registration, or permit that has been denied or revoked by, a health licensing board
301.3 listed in section 214.01, subdivision 2.

301.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.

301.5 Sec. 34. **COUNCIL OF HEALTH BOARDS WORK GROUP.**

301.6 (a) The Council of Health Boards shall convene a work group to study and make
301.7 recommendations on:

301.8 (1) increasing the use of telehealth technologies including, but not limited to, high-fidelity
301.9 simulation and teleconferencing to complete portions of the clinical experiences required
301.10 as part of postsecondary educational programs that relate to counseling. Clinical experiences
301.11 may include supervised practicum and internship hours. The study shall include the
301.12 parameters in which the proposed technology may be utilized in order to ensure that students
301.13 are integrating classroom theory in a lifelike clinical setting without compromising clinical
301.14 competency outcomes;

301.15 (2) increasing access to telehealth technologies for use in supervision of persons
301.16 completing postdegree supervised practice work experience and training required for
301.17 licensure. The study shall include the parameters in which the proposed technology may be
301.18 utilized for supervision to ensure the quality and competence of the activities supervised;
301.19 and

301.20 (3) increasing client access to mental health services through use of telehealth
301.21 technologies.

301.22 (b) The work group must consist of representatives of:

301.23 (1) the Boards of Psychology, Social Work, Marriage and Family Therapy, and Behavioral
301.24 Health and Therapy;

301.25 (2) postsecondary educational institutions that have accredited educational programs
301.26 for social work, psychology, alcohol and drug counseling, marriage and family therapy,
301.27 and professional counseling; and

301.28 (3) the relevant professional counseling associations, including the Minnesota Counseling
301.29 Association; Minnesota Psychology Association; National Association of Social Workers,
301.30 Minnesota chapter; Minnesota Association for Marriage and Family Therapy; and the
301.31 Minnesota Association of Resources for Recovery and Chemical Health.

302.1 (c) By February 1, 2019, the council shall submit recommendations for using telehealth
 302.2 technologies to the chairs and ranking minority members of the legislative committees with
 302.3 jurisdiction over health occupations and higher education, and shall include a plan for
 302.4 implementing the recommendations and any legislative changes necessary for
 302.5 implementation.

302.6 Sec. 35. **REPEALER.**

302.7 Minnesota Statutes 2016, section 214.075, subdivision 8, is repealed.

302.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.

302.9 **ARTICLE 9**

302.10 **MISCELLANEOUS**

302.11 Section 1. Minnesota Statutes 2016, section 62V.05, subdivision 2, is amended to read:

302.12 Subd. 2. **Operations funding.** ~~(a) Prior to January 1, 2015, MNsure shall retain or collect~~
 302.13 ~~up to 1.5 percent of total premiums for individual and small group market health plans and~~
 302.14 ~~dental plans sold through MNsure to fund the cash reserves of MNsure, but the amount~~
 302.15 ~~collected shall not exceed a dollar amount equal to 25 percent of the funds collected under~~
 302.16 ~~section 62E.11, subdivision 6, for calendar year 2012.~~

302.17 ~~(b) Beginning January 1, 2015, MNsure shall retain or collect up to 3.5 percent of total~~
 302.18 ~~premiums for individual and small group market health plans and dental plans sold through~~
 302.19 ~~MNsure to fund the operations of MNsure, but the amount collected shall not exceed a~~
 302.20 ~~dollar amount equal to 50 percent of the funds collected under section 62E.11, subdivision~~
 302.21 ~~6, for calendar year 2012.~~

302.22 ~~(e)~~ (a) Beginning January 1, 2016, through December 31, 2018, MNsure shall retain or
 302.23 collect up to 3.5 percent of total premiums for individual and small group market health
 302.24 plans and dental plans sold through MNsure to fund the operations of MNsure, but the
 302.25 amount collected may never exceed a dollar amount greater than 100 percent of the funds
 302.26 collected under section 62E.11, subdivision 6, for calendar year 2012.

302.27 ~~(d) For fiscal years 2014 and 2015, the commissioner of management and budget is~~
 302.28 ~~authorized to provide cash flow assistance of up to \$20,000,000 from the special revenue~~
 302.29 ~~fund or the statutory general fund under section 16A.671, subdivision 3, paragraph (a), to~~
 302.30 ~~MNsure. Any funds provided under this paragraph shall be repaid, with interest, by June~~
 302.31 ~~30, 2015.~~

303.1 (b) Beginning January 1, 2019, MNsure shall retain or collect up to two percent of total
303.2 premiums for individual and small group health plans and dental plans sold through MNsure
303.3 to fund the operations of MNsure, but the amount collected may never exceed a dollar
303.4 amount greater than 25 percent of the funds collected under section 62E.11, subdivision 6,
303.5 for calendar year 2012.

303.6 ~~(e)~~ (c) Funding for the operations of MNsure shall cover any compensation provided to
303.7 navigators participating in the navigator program.

303.8 (d) Interagency agreements between MNsure and the Department of Human Services,
303.9 and the Public Assistance Cost Allocation Plan for the Department of Human Services,
303.10 shall not be modified to reflect any changes to the percentage of premiums that MNsure is
303.11 allowed to retain or collect under this section, and no additional funding shall be transferred
303.12 from the Department of Human Services to MNsure as a result of any changes to the
303.13 percentage of premiums that MNsure is allowed to retain or collect under this section.

303.14 Sec. 2. Minnesota Statutes 2016, section 62V.05, subdivision 5, is amended to read:

303.15 Subd. 5. **Health carrier and health plan requirements; participation.** (a) Beginning
303.16 January 1, 2015, the board may establish certification requirements for health carriers and
303.17 health plans to be offered through MNsure that satisfy federal requirements under ~~section~~
303.18 ~~1311(e)(1) of the Affordable Care Act, Public Law 111-148~~ United States Code, title 42,
303.19 section 18031(c)(1).

303.20 (b) Paragraph (a) does not apply if by June 1, 2013, the legislature enacts regulatory
303.21 requirements that:

303.22 (1) apply uniformly to all health carriers and health plans in the individual market;

303.23 (2) apply uniformly to all health carriers and health plans in the small group market; and

303.24 (3) satisfy minimum federal certification requirements under ~~section 1311(e)(1) of the~~
303.25 ~~Affordable Care Act, Public Law 111-148~~ United States Code, title 42, section 18031(c)(1).

303.26 (c) In accordance with ~~section 1311(e) of the Affordable Care Act, Public Law 111-148~~
303.27 United States Code, title 42, section 18031(e), the board shall establish policies and
303.28 procedures for certification and selection of health plans to be offered as qualified health
303.29 plans through MNsure. The board shall certify and select a health plan as a qualified health
303.30 plan to be offered through MNsure, if:

303.31 (1) the health plan meets the minimum certification requirements established in paragraph
303.32 (a) or the market regulatory requirements in paragraph (b);

304.1 (2) the board determines that making the health plan available through MNsure is in the
304.2 interest of qualified individuals and qualified employers;

304.3 (3) the health carrier applying to offer the health plan through MNsure also applies to
304.4 offer health plans at each actuarial value level and service area that the health carrier currently
304.5 offers in the individual and small group markets; and

304.6 (4) the health carrier does not apply to offer health plans in the individual and small
304.7 group markets through MNsure under a separate license of a parent organization or holding
304.8 company under section 60D.15, that is different from what the health carrier offers in the
304.9 individual and small group markets outside MNsure.

304.10 (d) In determining the interests of qualified individuals and employers under paragraph
304.11 (c), clause (2), the board may not exclude a health plan for any reason specified under section
304.12 ~~1311(e)(1)(B) of the Affordable Care Act, Public Law 111-148~~ United States Code, title
304.13 42, section 18031(e)(1)(B). ~~The board may consider:~~

304.14 ~~(1) affordability;~~

304.15 ~~(2) quality and value of health plans;~~

304.16 ~~(3) promotion of prevention and wellness;~~

304.17 ~~(4) promotion of initiatives to reduce health disparities;~~

304.18 ~~(5) market stability and adverse selection;~~

304.19 ~~(6) meaningful choices and access;~~

304.20 ~~(7) alignment and coordination with state agency and private sector purchasing strategies~~
304.21 ~~and payment reform efforts; and~~

304.22 ~~(8) other criteria that the board determines appropriate.~~

304.23 (e) A health plan that meets the minimum certification requirements under paragraph
304.24 (c) and United States Code, title 42, section 18031(c)(1), and any regulations and guidance
304.25 issued under that section, is deemed to be in the interest of qualified individuals and qualified
304.26 employers. The board shall not establish certification requirements for health carriers and
304.27 health plans for participation in MNsure that are in addition to the certification requirements
304.28 under paragraph (c) and United States Code, title 42, section 18031(c)(1), and any regulations
304.29 and guidance issued under that section. The board shall not determine the cost of, cost-sharing
304.30 elements of, or benefits provided in health plans sold through MNsure.

304.31 ~~(e)~~ (f) For qualified health plans offered through MNsure on or after January 1, 2015,
304.32 the board shall establish policies and procedures under paragraphs (c) and (d) for selection

305.1 of health plans to be offered as qualified health plans through MNsure by February 1 of
305.2 each year, beginning February 1, 2014. The board shall consistently and uniformly apply
305.3 all policies and procedures and any requirements, standards, or criteria to all health carriers
305.4 and health plans. For any policies, procedures, requirements, standards, or criteria that are
305.5 defined as rules under section 14.02, subdivision 4, the board may use the process described
305.6 in subdivision 9.

305.7 ~~(f) For 2014, the board shall not have the power to select health carriers and health plans~~
305.8 ~~for participation in MNsure. The board shall permit all health plans that meet the certification~~
305.9 ~~requirements under section 1311(e)(1) of the Affordable Care Act, Public Law 111-148, to~~
305.10 ~~be offered through MNsure.~~

305.11 (g) Under this subdivision, the board shall have the power to verify that health carriers
305.12 and health plans are properly certified to be eligible for participation in MNsure.

305.13 (h) The board has the authority to decertify health carriers and health plans that fail to
305.14 maintain compliance with ~~section 1311(e)(1) of the Affordable Care Act, Public Law 111-148~~
305.15 United States Code, title 42, section 18031(c)(1).

305.16 (i) For qualified health plans offered through MNsure beginning January 1, 2015, health
305.17 carriers must use the most current addendum for Indian health care providers approved by
305.18 the Centers for Medicare and Medicaid Services and the tribes as part of their contracts with
305.19 Indian health care providers. MNsure shall comply with all future changes in federal law
305.20 with regard to health coverage for the tribes.

305.21 Sec. 3. Minnesota Statutes 2016, section 62V.05, subdivision 10, is amended to read:

305.22 Subd. 10. **Limitations; risk-bearing.** (a) The board shall not bear insurance risk or enter
305.23 into any agreement with health care providers to pay claims.

305.24 (b) Nothing in this subdivision shall prevent MNsure from providing insurance for its
305.25 employees.

305.26 (c) The commissioner of human services shall not bear insurance risk or enter into any
305.27 agreement with providers to pay claims for any health coverage administered by the
305.28 commissioner that is made available for purchase through the MNsure Web site as an
305.29 alternative to purchasing a qualifying health plan through MNsure or an individual health
305.30 plan offered outside of MNsure.

305.31 (d) Nothing in this subdivision shall prohibit:

306.1 (1) the commissioner of human services from administering the medical assistance
306.2 program under chapter 256B and the MinnesotaCare program under chapter 256L, as long
306.3 as health coverage under these programs is not purchased by the individual through the
306.4 MNsure Web site; and

306.5 (2) employees of the Department of Human Services from obtaining insurance from the
306.6 state employee group insurance program.

306.7 **EFFECTIVE DATE.** This section is effective the day following final enactment.

306.8 Sec. 4. Minnesota Statutes 2016, section 169.345, subdivision 2, is amended to read:

306.9 Subd. 2. **Definitions.** (a) For the purpose of section 168.021 and this section, the following
306.10 terms have the meanings given them in this subdivision.

306.11 (b) "Health professional" means a licensed physician, licensed physician assistant,
306.12 advanced practice registered nurse, licensed physical therapist, or licensed chiropractor.

306.13 (c) "Long-term certificate" means a certificate issued for a period greater than 12 months
306.14 but not greater than 71 months.

306.15 (d) "Organization certificate" means a certificate issued to an entity other than a natural
306.16 person for a period of three years.

306.17 (e) "Permit" refers to a permit that is issued for a period of 30 days, in lieu of the
306.18 certificate referred to in subdivision 3, while the application is being processed.

306.19 (f) "Physically disabled person" means a person who:

306.20 (1) because of disability cannot walk without significant risk of falling;

306.21 (2) because of disability cannot walk 200 feet without stopping to rest;

306.22 (3) because of disability cannot walk without the aid of another person, a walker, a cane,
306.23 crutches, braces, a prosthetic device, or a wheelchair;

306.24 (4) is restricted by a respiratory disease to such an extent that the person's forced
306.25 (respiratory) expiratory volume for one second, when measured by spirometry, is less than
306.26 one liter;

306.27 (5) has an arterial oxygen tension (PaO₂) of less than 60 mm/Hg on room air at rest;

306.28 (6) uses portable oxygen;

307.1 (7) has a cardiac condition to the extent that the person's functional limitations are
307.2 classified in severity as class III or class IV according to standards set by the American
307.3 Heart Association;

307.4 (8) has lost an arm or a leg and does not have or cannot use an artificial limb; or

307.5 (9) has a disability that would be aggravated by walking 200 feet under normal
307.6 environmental conditions to an extent that would be life threatening.

307.7 (g) "Short-term certificate" means a certificate issued for a period greater than six months
307.8 but not greater than 12 months.

307.9 (h) "Six-year certificate" means a certificate issued for a period of six years.

307.10 (i) "Temporary certificate" means a certificate issued for a period not greater than six
307.11 months.

307.12 Sec. 5. Minnesota Statutes 2016, section 243.166, subdivision 4b, is amended to read:

307.13 Subd. 4b. **Health care facility; notice of status.** (a) For the purposes of this subdivision:

307.14 (1) "health care facility" means a facility:

307.15 ~~(1)~~ (i) licensed by the commissioner of health as a hospital, boarding care home or
307.16 supervised living facility under sections 144.50 to 144.58, or a nursing home under chapter
307.17 144A;

307.18 ~~(2)~~ (ii) registered by the commissioner of health as a housing with services establishment
307.19 as defined in section 144D.01; or

307.20 ~~(3)~~ (iii) licensed by the commissioner of human services as a residential facility under
307.21 chapter 245A to provide adult foster care, adult mental health treatment, chemical dependency
307.22 treatment to adults, or residential services to persons with disabilities; and

307.23 (2) "home care provider" has the meaning given in section 144A.43.

307.24 (b) Prior to admission to a health care facility or home care services from a home care
307.25 provider, a person required to register under this section shall disclose to:

307.26 (1) the health care facility employee or the home care provider processing the admission
307.27 the person's status as a registered predatory offender under this section; and

307.28 (2) the person's corrections agent, or if the person does not have an assigned corrections
307.29 agent, the law enforcement authority with whom the person is currently required to register,
307.30 that ~~inpatient~~ admission will occur.

308.1 (c) A law enforcement authority or corrections agent who receives notice under paragraph
308.2 (b) or who knows that a person required to register under this section is planning to be
308.3 admitted and receive, or has been admitted and is receiving health care at a health care
308.4 facility or home care services from a home care provider, shall notify the administrator of
308.5 the facility or the home care provider and deliver a fact sheet to the administrator or provider
308.6 containing the following information: (1) name and physical description of the offender;
308.7 (2) the offender's conviction history, including the dates of conviction; (3) the risk level
308.8 classification assigned to the offender under section 244.052, if any; and (4) the profile of
308.9 likely victims.

308.10 (d) Except for a hospital licensed under sections 144.50 to 144.58, if a health care facility
308.11 receives a fact sheet under paragraph (c) that includes a risk level classification for the
308.12 offender, and if the facility admits the offender, the facility shall distribute the fact sheet to
308.13 all residents at the facility. If the facility determines that distribution to a resident is not
308.14 appropriate given the resident's medical, emotional, or mental status, the facility shall
308.15 distribute the fact sheet to the patient's next of kin or emergency contact.

308.16 (e) If a home care provider receives a fact sheet under paragraph (c) that includes a risk
308.17 level classification for the offender, the provider shall distribute the fact sheet to any
308.18 individual who will provide direct services to the offender before the individual begins to
308.19 provide the service.

308.20 Sec. 6. **HUMAN SERVICES DEPARTMENT RESTRUCTURING WORKING**
308.21 **GROUP.**

308.22 Subdivision 1. **Establishment; membership.** (a) A working group to consider
308.23 restructuring the Department of Human Services is established.

308.24 (b) The working group shall include 17 members as follows:

308.25 (1) two members of the house of representatives, one appointed by the speaker of the
308.26 house and one appointed by the minority leader of the house of representatives;

308.27 (2) two members of the senate, one appointed by the senate majority leader and one
308.28 appointed by the senate minority leader;

308.29 (3) the legislative auditor or a designee;

308.30 (4) the commissioner of administration or a designee;

308.31 (5) two representatives from county social services agencies, appointed by the
308.32 commissioner of human services;

309.1 (6) two representatives from tribal social services agencies, appointed by the
309.2 commissioner of human services;

309.3 (7) two representatives from organizations that represent people served by programs
309.4 administered by the Department of Human Services, appointed by the commissioner of
309.5 human services;

309.6 (8) two representatives from organizations that represent service providers that are either
309.7 licensed or reimbursed by the Department of Human Services, appointed by the commissioner
309.8 of human services;

309.9 (9) one member representing the Cultural and Ethnic Communities Leadership Council,
309.10 appointed by the commissioner of human services; and

309.11 (10) two representatives of labor organizations, who must be full-time employees of the
309.12 Department of Human Services working in facilities located in different geographic regions
309.13 of the state, appointed by the governor.

309.14 (c) The appointing authorities under this subdivision must complete their appointments
309.15 no later than July 1, 2018.

309.16 Subd. 2. **Duties.** The working group shall review the current structure of the Department
309.17 of Human Services and programs administered by that agency and propose a restructuring
309.18 of the agency to provide for better coordination and control of programs, accountability,
309.19 and continuity. In making recommendations, the working group must consider:

309.20 (1) how human services agencies are structured in other states;

309.21 (2) transferring duties to other state agencies;

309.22 (3) the effect of a restructuring on clients and counties;

309.23 (4) administrative efficiencies;

309.24 (5) various analytical methods to evaluate efficiencies, including but not limited to
309.25 zero-based budgeting;

309.26 (6) budget and policy priorities;

309.27 (7) program funding sources;

309.28 (8) avoiding conflicting agency roles;

309.29 (9) the extent to which the agency should provide direct services to clients;

309.30 (10) eliminating any duplication of services; and

310.1 (11) staffing issues.

310.2 Subd. 3. **Meetings.** The legislative auditor or a designee shall convene the first meeting
310.3 of the working group no later than August 1, 2018. The legislative auditor or a designee
310.4 shall serve as the chair of the working group. Meetings of the working group are open to
310.5 the public.

310.6 Subd. 4. **Compensation.** Members of the working group shall serve without compensation
310.7 or reimbursement for expenses.

310.8 Subd. 5. **Administrative support.** The Legislative Coordinating Commission shall
310.9 provide administrative support for the working group and arrange for meeting space.

310.10 Subd. 6. **Report.** By March 1, 2019, the working group must submit a report with
310.11 findings, recommendations, and draft legislation to the chairs and ranking minority members
310.12 of the legislative committees with jurisdiction over human services policy and finance. The
310.13 report must include a discussion of the costs and benefits associated with any proposed
310.14 restructuring.

310.15 Subd. 7. **Expiration.** The working group expires March 2, 2019, or the day after the
310.16 working group submits the report required under subdivision 6, whichever is earlier.

310.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

310.18 Sec. 7. **RATES FOR INDIVIDUAL MARKET HEALTH AND DENTAL PLANS**
310.19 **FOR 2019.**

310.20 (a) Health carriers must take into account the reduction in the premium withhold
310.21 percentage under Minnesota Statutes, section 62V.05, subdivision 2, applicable beginning
310.22 in calendar year 2019 for individual market health plans and dental plans sold through
310.23 MNsure when setting rates for individual market health plans and dental plans for calendar
310.24 year 2019.

310.25 (b) For purposes of this section, "dental plan," "health carrier," "health plan," and
310.26 "individual market" have the meanings given in Minnesota Statutes, section 62V.02.

310.27 **ARTICLE 10**

310.28 **FORECAST ADJUSTMENTS**

310.29 Section 1. **HUMAN SERVICES APPROPRIATION.**

310.30 The dollar amounts shown in the columns marked "Appropriations" are added to or, if
310.31 shown in parentheses, are subtracted from the appropriations in Laws 2017, First Special

311.1 Session chapter 6, article 18, from the general fund or any fund named to the Department
 311.2 of Human Services for the purposes specified in this article, to be available for the fiscal
 311.3 year indicated for each purpose. The figures "2018" and "2019" used in this article mean
 311.4 that the appropriations listed under them are available for the fiscal years ending June 30,
 311.5 2018, or June 30, 2019, respectively. "The first year" is fiscal year 2018. "The second year"
 311.6 is fiscal year 2019. "The biennium" is fiscal years 2018 and 2019.

APPROPRIATIONS

Available for the Year

Ending June 30

2018

2019

311.11 **Sec. 2. COMMISSIONER OF HUMAN**
 311.12 **SERVICES**

311.13 **Subdivision 1. Total Appropriation** \$ **(208,963,000)** \$ **(88,363,000)**

311.14 **Appropriations by Fund**

311.15 **General Fund** (210,083,000) (103,535,000)

311.16 **Health Care Access**

311.17 **Fund** 7,620,000 9,258,000

311.18 **Federal TANF** (6,500,000) 5,914,000

311.19 **Subd. 2. Forecasted Programs**

311.20 **(a) MFIP/DWP**

311.21 **Appropriations by Fund**

311.22 **General Fund** (3,749,000) (11,267,000)

311.23 **Federal TANF** (7,418,000) 4,565,000

311.24 **(b) MFIP Child Care Assistance** (7,995,000) (521,000)

311.25 **(c) General Assistance** (4,850,000) (3,770,000)

311.26 **(d) Minnesota Supplemental Aid** (1,179,000) (821,000)

311.27 **(e) Housing Support** (3,260,000) (3,038,000)

311.28 **(f) Northstar Care for Children** (5,168,000) (6,458,000)

311.29 **(g) MinnesotaCare** 7,620,000 9,258,000

311.30 **These appropriations are from the health care**
 311.31 **access fund.**

311.32 **(h) Medical Assistance**

311.33 **Appropriations by Fund**

312.1	<u>General Fund</u>	<u>(199,817,000)</u>	<u>(106,124,000)</u>		
312.2	<u>Health Care Access</u>				
312.3	<u>Fund</u>	<u>-0-</u>	<u>-0-</u>		
312.4	<u>(i) Alternative Care Program</u>			<u>-0-</u>	<u>-0-</u>
312.5	<u>(j) CCDTF Entitlements</u>			<u>15,935,000</u>	<u>28,464,000</u>
312.6	<u>Subd. 3. Technical Activities</u>			<u>918,000</u>	<u>1,349,000</u>

312.7 These appropriations are from the federal
 312.8 TANF fund.

312.9 **EFFECTIVE DATE.** This section is effective the day following final enactment.

312.10

ARTICLE 11

312.11

HEALTH AND HUMAN SERVICES APPROPRIATIONS

312.12 Section 1. **HEALTH AND HUMAN SERVICES APPROPRIATIONS.**

312.13 The sums shown in the columns marked "Appropriations" are added to or, if shown in
 312.14 parentheses, subtracted from the appropriations in Laws 2017, First Special Session chapter
 312.15 6, article 18, to the agencies and for the purposes specified in this article. The appropriations
 312.16 are from the general fund and are available for the fiscal years indicated for each purpose.
 312.17 The figures "2018" and "2019" used in this article mean that the addition to or subtraction
 312.18 from the appropriation listed under them is available for the fiscal year ending June 30,
 312.19 2018, or June 30, 2019, respectively. Base adjustments mean the addition to or subtraction
 312.20 from the base level adjustment set in Laws 2017, First Special Session chapter 6, article 18.
 312.21 Supplemental appropriations and reductions to appropriations for the fiscal year ending
 312.22 June 30, 2018, are effective the day following final enactment unless a different effective
 312.23 date is explicit.

312.24

APPROPRIATIONS

312.25

Available for the Year

312.26

Ending June 30

312.27

2018

2019

312.28 Sec. 2. **COMMISSIONER OF HUMAN**

312.29 **SERVICES**

312.30 Subdivision 1. **Total Appropriation** **\$** **-0-** **\$** **28,476,000**

- 313.1 Subd. 2. **Central Office; Operations** -0- 5,772,000
- 313.2 (a) **Foster Care Recruitment Models.**
- 313.3 \$75,000 in fiscal year 2019 is from the general
- 313.4 fund for a grant to Hennepin County to
- 313.5 establish and promote family foster care
- 313.6 recruitment models. The county shall use the
- 313.7 grant funds for the purpose of increasing foster
- 313.8 care providers through administrative
- 313.9 simplification, nontraditional recruitment
- 313.10 models, and family incentive options, and
- 313.11 develop a strategic planning model to recruit
- 313.12 family foster care providers. This is a onetime
- 313.13 appropriation.
- 313.14 (b) **Transfer; Advisory Council on Rare**
- 313.15 **Diseases.** \$150,000 in fiscal year 2019 is from
- 313.16 the general fund for transfer to the Board of
- 313.17 Regents of the University of Minnesota for
- 313.18 the advisory council on rare diseases under
- 313.19 Minnesota Statutes, section 137.68.
- 313.20 (c) **Transfer; Study and Report on Health**
- 313.21 **Insurance Rate Disparities between**
- 313.22 **Geographic Rating Areas.** \$251,000 in fiscal
- 313.23 year 2019 is from the general fund for transfer
- 313.24 to the Legislative Coordinating Commission
- 313.25 for the Office of the Legislative Auditor to
- 313.26 study and report on disparities between
- 313.27 geographic rating areas in individual and small
- 313.28 group market health insurance rates. This is a
- 313.29 onetime appropriation.
- 313.30 (d) **Substance Abuse Recovery Services**
- 313.31 **Provided through Minnesota Recovery**
- 313.32 **Corps.** \$450,000 in fiscal year 2019 is from
- 313.33 the general fund for transfer to
- 313.34 ServeMinnesota under Minnesota Statutes,
- 313.35 section 124D.37, for purposes of providing

314.1 evidenced-based substance abuse recovery
 314.2 services through Minnesota Recovery Corps.
 314.3 Funds shall be used to support training,
 314.4 supervision, and deployment of AmeriCorps
 314.5 members to serve as recovery navigators. The
 314.6 Minnesota Commission on National and
 314.7 Community Service shall include in the
 314.8 commission's report to the legislature under
 314.9 Minnesota Statutes, section 124D.385,
 314.10 subdivision 3, an evaluation of program data
 314.11 to determine the efficacy of the services
 314.12 promoting sustained substance abuse recovery,
 314.13 including but not limited to stable housing,
 314.14 relationship-building, employment skills, or
 314.15 a year of AmeriCorps service. This is a
 314.16 onetime appropriation.

314.17 **(e) Base Adjustment.** The general fund base
 314.18 is increased \$6,135,000 in fiscal year 2020
 314.19 and \$6,144,000 in fiscal year 2021.

314.20 <u>Subd. 3. Central Office; Children and Families</u>	<u>-0-</u>	<u>1,420,000</u>
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314.21 **(a) Task Force on Childhood**
 314.22 **Trauma-Informed Policy and Practices.**
 314.23 \$55,000 in fiscal year 2019 is from the general
 314.24 fund for the task force on childhood
 314.25 trauma-informed policy and practices. This is
 314.26 a onetime appropriation.

314.27 **(b) Child Welfare Training Academy.**
 314.28 \$786,000 in fiscal year 2019 is from the
 314.29 general fund for the child welfare training
 314.30 academy, which shall provide training to
 314.31 county and tribal child welfare workers,
 314.32 county and tribal child welfare supervisors,
 314.33 and staff at agencies providing out-of-home
 314.34 placement services. This is a onetime
 314.35 appropriation.

315.1 (c) Child Welfare Caseload Study. \$400,000
 315.2 in fiscal year 2019 is from the general fund
 315.3 for a child welfare caseload study. This is a
 315.4 onetime appropriation.

315.5 (d) Minn-LInK Study. \$150,000 in fiscal
 315.6 year 2019 is from the general fund for the
 315.7 Minn-LInK study under Minnesota Statutes,
 315.8 section 260C.81. This is a onetime
 315.9 appropriation.

315.10 Subd. 4. Central Office; Health Care -0- 1,836,000

315.11 (a) Encounter Reporting of 340B Eligible
 315.12 Drugs. \$35,000 in fiscal year 2019 is from the
 315.13 general fund for development of
 315.14 recommendations for a process to identify
 315.15 340B eligible drugs and report them at the
 315.16 point of sale. This is a onetime appropriation.

315.17 (b) Base Adjustment. The general fund base
 315.18 is increased \$2,235,000 in fiscal year 2020
 315.19 and \$2,255,000 in fiscal year 2021.

315.20 Subd. 5. Central Office; Continuing Care -0- 1,200,000

315.21 (a) Regional Ombudsmen. \$612,000 in fiscal
 315.22 year 2019 is from the general fund to fund five
 315.23 additional regional ombudsman in the Office
 315.24 of Ombudsman for Long-Term Care, to
 315.25 perform the duties in Minnesota Statutes,
 315.26 section 256.9742.

315.27 (b) Live Well At Home Grants. Of the fiscal
 315.28 year 2019 general fund appropriation in Laws
 315.29 2017, First Special Session chapter 6, article
 315.30 18, section 2, subdivision 6: (1) \$50,000 shall
 315.31 be used to provide a live well at home grant
 315.32 under Minnesota Statutes, section 256B.0917,
 315.33 to an organization that provides block nurse
 315.34 services to the elderly in the city of McGregor;

316.1 and (2) if an organization providing block
 316.2 nurse services to the elderly in the city of
 316.3 Grove City does not receive a live well at
 316.4 home grant award by November 1, 2018,
 316.5 \$120,000 shall be used to provide a live well
 316.6 at home grant under Minnesota Statutes,
 316.7 section 256B.0917, to that organization.

316.8 (c) **Base Adjustment.** The general fund base
 316.9 is increased \$746,000 in fiscal year 2020 and
 316.10 \$746,000 in fiscal year 2021.

316.11 Subd. 6. **Central Office; Community Supports** -0- 4,032,000

316.12 **Base Adjustment.** The general fund base is
 316.13 increased \$4,000,000 in fiscal year 2020 and
 316.14 \$3,885,000 in fiscal year 2021.

316.15 Subd. 7. **Forecasted Programs; Medical**
 316.16 **Assistance** -0- 25,392,000

316.17 Subd. 8. **Forecasted Programs; Alternative Care** -0- (28,000)

316.18 Subd. 9. **Forecasted Programs; Chemical**
 316.19 **Dependency Treatment Fund** -0- (14,243,000)

316.20 Subd. 10. **Grant Programs; Child and Economic**
 316.21 **Support Grants** -0- 1,900,000

316.22 (a) **Community Action Grants.** \$750,000 in
 316.23 fiscal year 2019 is from the general fund for
 316.24 community action grants under Minnesota
 316.25 Statutes, sections 256E.30 to 256E.32. This is
 316.26 a onetime appropriation.

316.27 (b) **Mobile food shelf grants.** (1) \$750,000
 316.28 in fiscal year 2019 is from the general fund
 316.29 for mobile food shelf grants to be awarded by
 316.30 Hunger Solutions. Of this appropriation,
 316.31 \$375,000 is for sustaining existing mobile
 316.32 food shelf programs and \$375,000 is for
 316.33 creating new mobile food shelf programs.

316.34 (2) Hunger Solutions shall award grants on a
 316.35 priority basis under clause (4). A grant to

- 317.1 sustain an existing mobile food shelf program
317.2 shall not exceed \$25,000. A grant to create a
317.3 new mobile food shelf program shall not
317.4 exceed \$75,000.
- 317.5 (3) An applicant for a mobile food shelf grant
317.6 must provide the following information to
317.7 Hunger Solutions:
- 317.8 (i) the location of the project;
317.9 (ii) a description of the mobile program,
317.10 including the program's size and scope;
317.11 (iii) evidence regarding the unserved or
317.12 underserved nature of the community in which
317.13 the program is located;
317.14 (iv) evidence of community support for the
317.15 program;
317.16 (v) the total cost of the program;
317.17 (vi) the amount of the grant request and how
317.18 funds will be used;
317.19 (vii) sources of funding or in-kind
317.20 contributions for the program that may
317.21 supplement any grant award;
317.22 (viii) the applicant's commitment to maintain
317.23 the mobile program; and
317.24 (ix) any additional information requested by
317.25 Hunger Solutions.
- 317.26 (4) In evaluating applications and awarding
317.27 grants, Hunger Solutions must give priority
317.28 to an applicant who:
- 317.29 (i) serves unserved or underserved areas;
317.30 (ii) creates a new mobile program or expands
317.31 an existing mobile program;

318.1 (iii) serves areas where a high level of need is
 318.2 identified;
 318.3 (iv) provides evidence of strong support for
 318.4 the program from residents and other
 318.5 institutions in the community;
 318.6 (v) leverages funding for the program from
 318.7 other private and public sources; and
 318.8 (vi) commits to maintaining the program on
 318.9 a multiyear basis.

318.10 (5) This is a onetime appropriation.

318.11 (c) **Project Legacy.** \$400,000 in fiscal year
 318.12 2019 is from the general fund for a grant to
 318.13 Project Legacy to provide counseling and
 318.14 outreach to youth and young adults from
 318.15 families with a history of generational poverty.
 318.16 Money from this appropriation must be spent
 318.17 for mental health care, medical care, chemical
 318.18 dependency interventions, housing, and
 318.19 mentoring and counseling services for first
 318.20 generation college students. This is a onetime
 318.21 appropriation.

318.22 Subd. 11. **Grant Programs; Child Mental Health**
 318.23 **Grants**

-0-

250,000

318.24 **School-Linked Mental Health Services**
 318.25 **Delivered by Telemedicine.** \$250,000 in
 318.26 fiscal year 2019 is from the general fund for
 318.27 grants for four pilot projects to deliver
 318.28 school-linked mental health services by
 318.29 telemedicine. The grants are for new or
 318.30 existing providers and must be two pilot
 318.31 projects in greater Minnesota, one in the
 318.32 seven-county metropolitan area excluding
 318.33 Minneapolis and St. Paul, and one in
 318.34 Minneapolis or St. Paul. No later than six

319.1 months after the funds are expended, the
 319.2 commissioner shall report to the legislative
 319.3 committees with jurisdiction over mental
 319.4 health issues on the effectiveness of the pilot
 319.5 projects. This is a onetime appropriation and
 319.6 is available until June 30, 2021.

319.7 **Subd. 12. Grant Programs; Chemical**
 319.8 **Dependency Treatment Support Grants** -0- 945,000

319.9 **Student Health Initiative to Limit Opioid**
 319.10 **Harm. \$945,000 in fiscal year 2019 is from**
 319.11 **the general fund for the student health**
 319.12 **initiative to limit opioid harm. This is a**
 319.13 **onetime appropriation.**

319.14 **Sec. 3. COMMISSIONER OF HEALTH**

319.15 **Subdivision 1. Total Appropriation** **\$ -0- \$ 11,565,000**

319.16 Appropriations by Fund

	<u>2018</u>	<u>2019</u>
319.17 <u>General</u>	-0-	<u>11,481,000</u>
319.18 <u>State Government</u>		
319.19 <u>Special Revenue</u>	-0-	<u>84,000</u>

319.20 **Subd. 2. Health Improvement** -0- 8,505,000

319.21 **(a) Health Professional Education Loan**
 319.22 **Forgiveness Program. \$1,000,000 in fiscal**
 319.23 **year 2019 is from the general fund for the**
 319.24 **health professional education loan forgiveness**
 319.25 **program under Minnesota Statutes, section**
 319.26 **144.1501. Of this amount, \$112,000 is for**
 319.27 **administration.**

319.28 **(b) Transfer; Minnesota Biomedicine and**
 319.29 **Bioethics Innovation Grants. \$2,897,000 in**
 319.30 **fiscal year 2019 is from the general fund for**
 319.31 **transfer to the Board of Regents of the**
 319.32 **University of Minnesota for Minnesota**
 319.33 **biomedicine and bioethics innovation grants**

320.1 under Minnesota Statutes, section 137.67. This
320.2 appropriation is available until June 30, 2021.
320.3 The general fund base for this program is
320.4 \$992,000 in fiscal year 2020 and \$986,000 in
320.5 fiscal year 2021.

320.6 **(c) Addressing Disparities in Prenatal Care**
320.7 **Access and Utilization.** \$613,000 in fiscal
320.8 year 2019 is from the general fund for grants
320.9 under Minnesota Statutes, section 145.928,
320.10 subdivision 7, paragraph (a), clause (2), to
320.11 decrease racial and ethnic disparities in access
320.12 to and utilization of high-quality prenatal care.
320.13 Of this amount, \$113,000 is for administration.
320.14 This is a onetime appropriation.

320.15 **(d) Information on Congenital**
320.16 **Cytomegalovirus.** \$127,000 in fiscal year
320.17 2019 is from the general fund for the
320.18 development and dissemination of information
320.19 about congenital cytomegalovirus according
320.20 to Minnesota Statutes, section 144.064.

320.21 **(e) Older Adult Social Isolation Working**
320.22 **Group.** \$85,000 in fiscal year 2018 is from
320.23 the general fund for the older adult social
320.24 isolation working group, for costs related to
320.25 the salary of an independent, professional
320.26 facilitator, printing and duplicating costs, and
320.27 expenses related to meeting management for
320.28 the working group. This is a onetime
320.29 appropriation.

320.30 **(f) Transfer; Mental Health and Substance**
320.31 **Use Disorder Parity Work Group.** \$75,000
320.32 in fiscal year 2019 is from the general fund
320.33 for transfer to the commissioner of commerce
320.34 for the mental health and substance use

321.1 disorder parity work group. This is a onetime
321.2 appropriation.

321.3 **(g) The TAP Program.** \$10,000 in fiscal year
321.4 2019 is from the general fund for a grant to
321.5 the TAP in St. Paul to support mental health
321.6 in disability communities through spoken art
321.7 forms, community supports, and community
321.8 engagement. This is a onetime appropriation.

321.9 **(h) Statewide Tobacco Cessation Services.**
321.10 \$291,000 in fiscal year 2019 is from the
321.11 general fund for statewide tobacco cessation
321.12 services under Minnesota Statutes, section
321.13 144.397. The general fund base for this
321.14 appropriation is \$1,550,000 in fiscal year 2020
321.15 and \$2,955,000 in fiscal year 2021.

321.16 **(i) Opioid Abuse Prevention Pilot Project.**
321.17 \$2,000,000 in fiscal year 2019 is from the
321.18 general fund for opioid abuse prevention pilot
321.19 projects under Laws 2017, First Special
321.20 Session chapter 6, article 10, section 144. Of
321.21 this amount: (1) \$1,400,000 is for the opioid
321.22 abuse prevention pilot project through CHI
321.23 St. Gabriel's Health Family Medical Center,
321.24 also known as Unity Family Health Care; and
321.25 (2) \$600,000 is for Project Echo through CHI
321.26 St. Gabriel's Health Family Medical Center
321.27 for e-learning sessions centered around opioid
321.28 case management and best practices for opioid
321.29 abuse prevention. This is a onetime
321.30 appropriation.

321.31 **(j) Opioid Overdose Reduction Pilot**
321.32 **Program.** \$1,000,000 in fiscal year 2019 is
321.33 from the general fund for the opioid overdose
321.34 reduction pilot program, which provides grants
321.35 to ambulance services to fund community

322.1 paramedic teams. Of this amount, \$112,000
322.2 is for administration. This is a onetime
322.3 appropriation and is available until June 30,
322.4 2021.

322.5 **(k) Prescription Drug Deactivation and**
322.6 **Disposal Products. (1) \$1,104,000 in fiscal**
322.7 **year 2019 is from the general fund to provide**
322.8 **grants to pharmacists and other prescription**
322.9 **drug dispensers, health care providers, local**
322.10 **law enforcement and emergency services**
322.11 **personnel, and local health and human services**
322.12 **departments to purchase at-home prescription**
322.13 **drug deactivation and disposal products that**
322.14 **render drugs and medications inert and**
322.15 **irretrievable. The grants must be awarded on**
322.16 **a competitive basis and targeted toward**
322.17 **geographic areas of the state with the highest**
322.18 **rates of overdose deaths. Of this amount,**
322.19 **\$104,000 is for administration.**

322.20 **(2) Grant recipients must provide these**
322.21 **deactivation and disposal products free of**
322.22 **charge to members of the public. Grant**
322.23 **recipients, and the vendors providing**
322.24 **deactivation and disposal products to grant**
322.25 **recipients, shall provide information necessary**
322.26 **to evaluate the effectiveness of the grant**
322.27 **program to the commissioner of health, in the**
322.28 **form and manner specified by the**
322.29 **commissioner. At a minimum, a grant**
322.30 **recipient must provide the commissioner with**
322.31 **the number of deactivation and disposal**
322.32 **products the grant recipient provided to**
322.33 **members of the public under this program,**
322.34 **and an estimate of the total number of dosages**
322.35 **that may have been deactivated and disposed**

323.1 of using the products. The commissioner may
 323.2 contract with a third party to conduct the
 323.3 evaluation.

323.4 (3) This is a onetime appropriation.

323.5 (1) **Base Adjustments.** The general fund base
 323.6 is increased \$4,669,000 in fiscal year 2020
 323.7 and \$6,068,000 in fiscal year 2021.

323.8 Subd. 3. **Health Protection**

323.9	<u>Appropriations by Fund</u>		
323.10	<u>General</u>	<u>-0-</u>	<u>2,976,000</u>
323.11	<u>State Government</u>		
323.12	<u>Special Revenue</u>	<u>-0-</u>	<u>84,000</u>

323.13 (a) **Technology Upgrades.** \$1,250,000 in
 323.14 fiscal year 2019 is from the general fund for
 323.15 technology upgrades at the Office of Health
 323.16 Facility Complaints. These technology
 323.17 upgrades must be provided by an external
 323.18 vendor selected on a competitive basis by the
 323.19 commissioner of administration. The
 323.20 commissioner shall not transfer this
 323.21 appropriation or use the appropriated funds
 323.22 for any other purpose. This is a onetime
 323.23 appropriation and is available until June 30,
 323.24 2022.

323.25 (b) **Base Adjustments.** The general fund base
 323.26 is increased \$980,000 in fiscal year 2020 and
 323.27 \$933,000 in fiscal year 2021. The state
 323.28 government special revenue fund base is
 323.29 increased \$365,000 in fiscal year 2020 and
 323.30 \$77,000 in fiscal year 2021.

323.31 Sec. 4. **HEALTH-RELATED BOARDS**

323.32	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>-0-</u>	<u>\$</u>	<u>224,000</u>
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324.1 Unless otherwise noted, this appropriation is
 324.2 from the state government special revenue
 324.3 fund. The amounts that may be spent for each
 324.4 purpose are specified in the following
 324.5 subdivisions.

324.6 **Subd. 2. Board of Dentistry** -0- 13,000

324.7 **Base Adjustments.** The state government
 324.8 special revenue fund base is increased \$5,000
 324.9 in fiscal year 2020 and \$5,000 in fiscal year
 324.10 2021.

324.11 **Subd. 3. Board of Nursing** -0- 162,000

324.12 **(a) Nurse Licensure Compact.** \$157,000 in
 324.13 fiscal year 2019 is for implementation of
 324.14 Minnesota Statutes, section 148.2855.

324.15 **(b) Base Adjustments.** The state government
 324.16 special revenue fund base is increased by
 324.17 \$6,000 in fiscal year 2020 and \$6,000 in fiscal
 324.18 year 2021.

324.19 **Subd. 4. Board of Nursing Home Administrators** -0- 25,000

324.20 **Council of Health Boards Work Group.**
 324.21 \$25,000 in fiscal year 2019 is for the
 324.22 administrative services unit to convene a
 324.23 Council of Health Boards work group to study
 324.24 and make recommendations on the use of
 324.25 telehealth technologies. This is a onetime
 324.26 appropriation.

324.27 **Subd. 5. Board of Optometry** -0- 5,000

324.28 This is a onetime appropriation.

324.29 **Subd. 6. Board of Pharmacy** -0- 14,000

324.30 **Base Adjustments.** The state government
 324.31 special revenue fund base is increased by
 324.32 \$12,000 in fiscal year 2020 and \$12,000 in
 324.33 fiscal year 2021.

325.1 Subd. 7. **Board of Podiatric Medicine** -0- 5,000

325.2 This is a onetime appropriation.

325.3 Sec. 5. **EMERGENCY MEDICAL SERVICES**

325.4 **REGULATORY BOARD** \$ -0- \$ 35,000

325.5 **Base Adjustment.** The general fund base is

325.6 increased by \$15,000 in fiscal year 2020 only.

325.7 Sec. 6. Minnesota Statutes 2016, section 256.01, is amended by adding a subdivision to
325.8 read:

325.9 Subd. 17a. **Transfers for routine administrative operations.** (a) The commissioner
325.10 may only transfer money from the general fund to any other fund for routine administrative
325.11 operations and may not transfer money from the general fund to any other fund without
325.12 approval from the commissioner of management and budget unless specifically authorized
325.13 by law. If the commissioner of management and budget determines that a transfer proposed
325.14 by the commissioner is necessary for routine administrative operations of the Department
325.15 of Human Services, the commissioner may approve the transfer. If the commissioner of
325.16 management and budget determines that the transfer proposed by the commissioner is not
325.17 necessary for routine administrative operations of the Department of Human Services, the
325.18 commissioner may not approve the transfer unless the requirements of paragraph (b) are
325.19 met.

325.20 (b) If the commissioner of management and budget determines that a transfer under
325.21 paragraph (a) is not necessary for routine administrative operations of the Department of
325.22 Human Services, the commissioner may request approval of the transfer from the Legislative
325.23 Advisory Commission under section 3.30. To request approval of a transfer from the
325.24 Legislative Advisory Commission, the commissioner must submit a request that includes
325.25 the amount of the transfer, the budget activity and fund from which money would be
325.26 transferred and the budget activity and fund to which money would be transferred, an
325.27 explanation of the administrative necessity of the transfer, and a statement from the
325.28 commissioner of management and budget explaining why the transfer is not necessary for
325.29 routine administrative operations of the Department of Human Services. The Legislative
325.30 Advisory Commission shall review the proposed transfer and make a recommendation
325.31 within 20 days of the request from the commissioner. If the Legislative Advisory Commission
325.32 makes a positive recommendation or no recommendation, the commissioner may approve
325.33 the transfer. If the Legislative Advisory Commission makes a negative recommendation or

326.1 a request for more information, the commissioner may not approve the transfer. A
 326.2 recommendation of the Legislative Advisory Commission must be made by a majority of
 326.3 the commission and must be made at a meeting of the commission unless a written
 326.4 recommendation is signed by a majority of the commission members required to vote on
 326.5 the question. If the commission makes a negative recommendation or a request for more
 326.6 information, the commission may subsequently withdraw or change its recommendation.

326.7 Sec. 7. Laws 2017, First Special Session chapter 6, article 18, section 3, subdivision 2, is
 326.8 amended to read:

326.9 **Subd. 2. Health Improvement**

326.10	Appropriations by Fund		
326.11	General	81,438,000	78,100,000
326.12	State Government		
326.13	Special Revenue	6,215,000	6,182,000
326.14	Health Care Access	36,643,000	36,258,000
326.15	Federal TANF	11,713,000	11,713,000

326.16 **(a) TANF Appropriations.** (1) \$3,579,000
 326.17 of the TANF fund each year is for home
 326.18 visiting and nutritional services listed under
 326.19 Minnesota Statutes, section 145.882,
 326.20 subdivision 7, clauses (6) and (7). Funds must
 326.21 be distributed to community health boards
 326.22 according to Minnesota Statutes, section
 326.23 145A.131, subdivision 1.

326.24 (2) \$2,000,000 of the TANF fund each year
 326.25 is for decreasing racial and ethnic disparities
 326.26 in infant mortality rates under Minnesota
 326.27 Statutes, section 145.928, subdivision 7.

326.28 (3) \$4,978,000 of the TANF fund each year
 326.29 is for the family home visiting grant program
 326.30 according to Minnesota Statutes, section
 326.31 145A.17. \$4,000,000 of the funding must be
 326.32 distributed to community health boards
 326.33 according to Minnesota Statutes, section
 326.34 145A.131, subdivision 1. \$978,000 of the

327.1 funding must be distributed to tribal
327.2 governments according to Minnesota Statutes,
327.3 section 145A.14, subdivision 2a.

327.4 (4) \$1,156,000 of the TANF fund each year
327.5 is for family planning grants under Minnesota
327.6 Statutes, section 145.925.

327.7 (5) The commissioner may use up to 6.23
327.8 percent of the funds appropriated each year to
327.9 conduct the ongoing evaluations required
327.10 under Minnesota Statutes, section 145A.17,
327.11 subdivision 7, and training and technical
327.12 assistance as required under Minnesota
327.13 Statutes, section 145A.17, subdivisions 4 and
327.14 5.

327.15 (b) **TANF Carryforward.** Any unexpended
327.16 balance of the TANF appropriation in the first
327.17 year of the biennium does not cancel but is
327.18 available for the second year.

327.19 (c) ~~Evidence-Based Home Visiting to~~
327.20 **Pregnant Women and Families with Young**
327.21 **Children.** \$6,000,000 in fiscal year 2018 and
327.22 \$6,000,000 in fiscal year 2019 are from the
327.23 general fund to start up or expand
327.24 ~~evidence-based home visiting programs to~~
327.25 pregnant women and families with young
327.26 children. The commissioner shall award grants
327.27 to community health boards, nonprofits, or
327.28 tribal nations in urban and rural areas of the
327.29 state. Grant funds must be used to start up or
327.30 expand evidence-based or targeted home
327.31 visiting programs in the county, reservation,
327.32 or region to serve families, such as parents
327.33 with high risk or high needs, parents with a
327.34 history of mental illness, domestic abuse, or
327.35 substance abuse, or first-time mothers

328.1 prenatally until the child is four years of age,
328.2 who are eligible for medical assistance under
328.3 Minnesota Statutes, chapter 256B, or the
328.4 federal Special Supplemental Nutrition
328.5 Program for Women, Infants, and Children.
328.6 For fiscal year 2019, the commissioner shall
328.7 allocate at least 75 percent of the grant funds
328.8 not yet awarded to evidence-based home
328.9 visiting programs and up to 25 percent of the
328.10 grant funds not yet awarded to other targeted
328.11 home visiting programs in order to promote
328.12 innovation and serve high-need families.
328.13 Priority for grants to rural areas shall be given
328.14 to community health boards, nonprofits, and
328.15 tribal nations that expand services within
328.16 regional partnerships that provide the
328.17 ~~evidence-based~~ home visiting programs. This
328.18 funding shall only be used to supplement, not
328.19 to replace, funds being used for
328.20 evidence-based or targeted home visiting
328.21 services as of June 30, 2017. Up to seven
328.22 percent of the appropriation may be used for
328.23 training, technical assistance, evaluation, and
328.24 other costs to administer the grants. The
328.25 general fund base for this program is
328.26 \$16,500,000 in fiscal year 2020 and
328.27 \$16,500,000 in fiscal year 2021.

328.28 **(d) Safe Harbor for Sexually Exploited**
328.29 **Youth Services.** \$250,000 in fiscal year 2018
328.30 and \$250,000 in fiscal year 2019 are from the
328.31 general fund for trauma-informed, culturally
328.32 specific services for sexually exploited youth.
328.33 Youth 24 years of age or younger are eligible
328.34 for services under this paragraph.

329.1 **(e) Safe Harbor Program Technical**
329.2 **Assistance and Evaluation.** \$200,000 in
329.3 fiscal year 2018 and \$200,000 in fiscal year
329.4 2019 are from the general fund for training,
329.5 technical assistance, protocol implementation,
329.6 and evaluation activities related to the safe
329.7 harbor program. Of these amounts:

329.8 (1) \$90,000 each fiscal year is for providing
329.9 training and technical assistance to individuals
329.10 and organizations that provide safe harbor
329.11 services and receive funds for that purpose
329.12 from the commissioner of human services or
329.13 commissioner of health;

329.14 (2) \$90,000 each fiscal year is for protocol
329.15 implementation, which includes providing
329.16 technical assistance in establishing best
329.17 practices-based systems for effectively
329.18 identifying, interacting with, and referring
329.19 sexually exploited youth to appropriate
329.20 resources; and

329.21 (3) \$20,000 each fiscal year is for program
329.22 evaluation activities in compliance with
329.23 Minnesota Statutes, section 145.4718.

329.24 **(f) Promoting Safe Harbor Capacity.** In
329.25 funding services and activities under
329.26 paragraphs (d) and (e), the commissioner shall
329.27 emphasize activities that promote
329.28 capacity-building and development of
329.29 resources in greater Minnesota.

329.30 **(g) Administration of Safe Harbor**
329.31 **Program.** \$60,000 in fiscal year 2018 and
329.32 \$60,000 in fiscal year 2019 are for
329.33 administration of the safe harbor for sexually
329.34 exploited youth program.

330.1 **(h) Palliative Care Advisory Council.**
330.2 \$44,000 in fiscal year 2018 and \$44,000 in
330.3 fiscal year 2019 are from the general fund for
330.4 the Palliative Care Advisory Council under
330.5 Minnesota Statutes, section 144.059. This is
330.6 a onetime appropriation.

330.7 **(i) Transfer; Minnesota Biomedicine and**
330.8 **Bioethics Innovation Grants.** \$2,500,000 in
330.9 fiscal year 2018 is from the general fund for
330.10 transfer to the Board of Regents of the
330.11 University of Minnesota for Minnesota
330.12 biomedicine and bioethics innovation grants
330.13 under Minnesota Statutes, section 137.67. The
330.14 full amount of the appropriation is for grants,
330.15 and the University of Minnesota shall not use
330.16 any portion for administrative or monitoring
330.17 expenses. The steering committee of the
330.18 University of Minnesota and Mayo Foundation
330.19 partnership must submit a preliminary report
330.20 by April 1, 2018, and a final report by April
330.21 1, 2019, on all grant activities funded under
330.22 Minnesota Statutes, section 137.67, to the
330.23 chairs and ranking minority members of the
330.24 legislative committees with jurisdiction over
330.25 health and human services finance. This is a
330.26 onetime appropriation and is available until
330.27 June 30, 2021.

330.28 **(j) Statewide Strategic Plan for Victims of**
330.29 **Sex Trafficking.** \$73,000 in fiscal year 2018
330.30 is from the general fund for the development
330.31 of a comprehensive statewide strategic plan
330.32 and report to address the needs of sex
330.33 trafficking victims statewide. This is a onetime
330.34 appropriation.

331.1 **(k) Home and Community-Based Services**
331.2 **Employee Scholarship Program.** \$500,000
331.3 in fiscal year 2018 and \$500,000 in fiscal year
331.4 2019 are from the general fund for the home
331.5 and community-based services employee
331.6 scholarship program under Minnesota Statutes,
331.7 section 144.1503.

331.8 **(l) Comprehensive Advanced Life Support**
331.9 **Educational Program.** \$100,000 in fiscal
331.10 year 2018 and \$100,000 in fiscal year 2019
331.11 are from the general fund for the
331.12 comprehensive advanced life support
331.13 educational program under Minnesota Statutes,
331.14 section 144.6062. This is a onetime
331.15 appropriation.

331.16 **(m) Opioid Abuse Prevention.** \$1,028,000
331.17 in fiscal year 2018 is to establish and evaluate
331.18 accountable community for health opioid
331.19 abuse prevention pilot projects. \$28,000 of
331.20 this amount is for administration. This is a
331.21 onetime appropriation and is available until
331.22 June 30, 2021.

331.23 **(n) Advanced Care Planning.** \$250,000 in
331.24 fiscal year 2018 and \$250,000 in fiscal year
331.25 2019 are from the general fund for a grant to
331.26 a statewide advanced care planning resource
331.27 organization that has expertise in convening
331.28 and coordinating community-based strategies
331.29 to encourage individuals, families, caregivers,
331.30 and health care providers to begin
331.31 conversations regarding end-of-life care
331.32 choices that express an individual's health care
331.33 values and preferences and are based on
331.34 informed health care decisions. Of this

332.1 amount, \$9,000 each year is for administration.

332.2 This is a onetime appropriation.

332.3 **(o) Health Professionals Clinical Training**

332.4 **Expansion Grant Program.** \$526,000 in

332.5 fiscal year 2018 and \$526,000 in fiscal year

332.6 2019 are from the general fund for the primary

332.7 care and mental health professions clinical

332.8 training expansion grant program under

332.9 Minnesota Statutes, section 144.1505. Of this

332.10 amount, \$26,000 each year is for

332.11 administration.

332.12 **(p) Federally Qualified Health Centers.**

332.13 \$500,000 in fiscal year 2018 and \$500,000 in

332.14 fiscal year 2019 are from the general fund to

332.15 provide subsidies to federally qualified health

332.16 centers under Minnesota Statutes, section

332.17 145.9269. This is a onetime appropriation.

332.18 **(q) Base Level Adjustments.** The general

332.19 fund base is \$87,656,000 in fiscal year 2020

332.20 and \$87,706,000 in fiscal year 2021. The

332.21 health care access fund base is \$36,858,000

332.22 in fiscal year 2020 and \$36,258,000 in fiscal

332.23 year 2021.

332.24 Sec. 8. Laws 2017, First Special Session chapter 6, article 18, section 16, subdivision 2,

332.25 is amended to read:

332.26 Subd. 2. **Administration.** Subject to Minnesota Statutes, section 256.01, subdivision

332.27 17a, positions, salary money, and nonsalary administrative money may be transferred within

332.28 the Departments of Health and Human Services as the commissioners consider necessary,

332.29 with the advance approval of the commissioner of management and budget. The

332.30 commissioner shall inform the chairs and ranking minority members of the senate Health

332.31 and Human Services Finance and Policy Committee, the senate Human Services Reform

332.32 Finance and Policy Committee, and the house of representatives Health and Human Services

332.33 Finance Committee quarterly about transfers made under this subdivision.

333.1 Sec. 9. **TRANSFERS.**

333.2 By June 30, 2018, the commissioner of management and budget shall transfer:

333.3 (1) \$14,000,000 from the systems operations account in the special revenue fund to the
333.4 general fund;

333.5 (2) \$2,000,000 from the system long-term care options product account in the special
333.6 revenue fund to the general fund;

333.7 (3) \$2,400,000 from the direct care and treatment special health care receipts account
333.8 in the special revenue fund to the general fund; and

333.9 (4) \$8,800,000 from the systems operations account in the special revenue fund to the
333.10 general fund.

333.11 Sec. 10. **EXPIRATION OF UNCODIFIED LANGUAGE.**

333.12 All uncodified language contained in this article expires on June 30, 2019, unless a
333.13 different expiration date is explicit.

333.14 Sec. 11. **EFFECTIVE DATE.**

333.15 This article is effective July 1, 2018, unless a different effective date is specified.

333.16 **ARTICLE 12**

333.17 **TRANSPORTATION APPROPRIATIONS**

333.18 Section 1. **APPROPRIATIONS.**

333.19 The sums shown in the column under "Appropriations" are added to the appropriations
333.20 in Laws 2017, First Special Session chapter 3, article 1, to the agencies and for the purposes
333.21 specified in this article. The appropriations are from the general fund, or another named
333.22 fund, and are available for the fiscal years indicated for each purpose. Amounts for "Total
333.23 Appropriation" and sums shown in the corresponding columns marked "Appropriations by
333.24 Fund" are summary only and do not have legal effect. The figures "2018" and "2019" used
333.25 in this article mean that the addition to the appropriation listed under them is available for
333.26 the fiscal year ending June 30, 2018, or June 30, 2019, respectively.

333.27
333.28
333.29
333.30

APPROPRIATIONS
Available for the Year
Ending June 30
2018 **2019**

334.1 **Sec. 2. DEPARTMENT OF**
 334.2 **TRANSPORTATION**

334.3 **Subdivision 1. Total Appropriation** \$ **-0-** \$ **135,539,000**

334.4 Appropriations by Fund

334.5	<u>2018</u>	<u>2019</u>
334.6 <u>General</u>	<u>-0-</u>	<u>22,230,000</u>
334.7 <u>Special Revenue</u>	<u>-0-</u>	<u>1,550,000</u>
334.8 <u>C.S.A.H.</u>	<u>-0-</u>	<u>24,945,000</u>
334.9 <u>M.S.A.S.</u>	<u>-0-</u>	<u>6,552,000</u>
334.10 <u>Trunk Highway</u>	<u>-0-</u>	<u>80,750,000</u>

334.11 The appropriations in this section are to the
 334.12 commissioner of transportation. The amounts
 334.13 that may be spent for each purpose are
 334.14 specified in the following subdivisions.

334.15 **Subd. 2. Aeronautics** -0- 3,000,000

334.16 Appropriations by Fund

334.17	<u>2018</u>	<u>2019</u>
334.18 <u>General</u>	<u>-0-</u>	<u>2,000,000</u>
334.19 <u>Airports</u>	<u>-0-</u>	<u>1,000,000</u>

334.20 This appropriation is for a grant to the city of
 334.21 Rochester to acquire and install a CAT II
 334.22 approach system at the Rochester International
 334.23 Airport. This appropriation is available when
 334.24 the commissioner of management and budget
 334.25 determines that sufficient resources have been
 334.26 committed to complete the project, as required
 334.27 by Minnesota Statutes, section 16A.502, and
 334.28 is available until the project is completed or
 334.29 abandoned, subject to Minnesota Statutes,
 334.30 section 16A.642. This is a onetime
 334.31 appropriation.

334.32 **Subd. 3. Freight Rail**

334.33 **(a) Freight Rail Economic Development (FRED)** -0- 5,000,000

335.1 This appropriation is for the freight rail
 335.2 economic development program under
 335.3 Minnesota Statutes, section 222.505.

335.4 The base is \$2,000,000 in each of fiscal years
 335.5 2020 and 2021.

335.6 **(b) Rice Creek Railroad Bridge** -0- 1,550,000

335.7 This appropriation is from the freight rail
 335.8 account in the special revenue fund under the
 335.9 freight rail economic development program
 335.10 in Minnesota Statutes, section 222.505, for
 335.11 the grant under section 11. This appropriation
 335.12 is available when the commissioner of
 335.13 management and budget determines that
 335.14 sufficient resources have been committed to
 335.15 complete the project, as required by Minnesota
 335.16 Statutes, section 16A.502, and is available
 335.17 until the project is completed or abandoned
 335.18 subject to Minnesota Statutes, section
 335.19 16A.642. This is a onetime appropriation.

335.20 **Subd. 4. State Roads**

335.21 Unless otherwise specified, the appropriations
 335.22 in this subdivision are from the trunk highway
 335.23 fund.

335.24 **(a) Operations and Maintenance** -0- 11,095,000

335.25 This is a onetime appropriation.

335.26 **(b) Program Planning and Delivery**

335.27 **(1) Planning and Research** -0- 2,094,000

335.28 If a balance remains of this appropriation, the
 335.29 commissioner may transfer up to that amount
 335.30 for program delivery under clause (2).

335.31 \$500,000 in the second year is to conduct a
 335.32 study on the feasibility of an interchange at
 335.33 marked Interstate Highway 35 and County

336.1 Road 9 in Rice County. At a minimum, the
 336.2 study must include estimated construction
 336.3 costs, traffic modeling, an environmental
 336.4 analysis, and a potential design layout for an
 336.5 interchange.

336.6 \$500,000 in the second year is to conduct a
 336.7 study on the feasibility of expanding or
 336.8 reconstructing marked Interstate Highway 94
 336.9 from the city of St. Michael to the city of St.
 336.10 Cloud. At a minimum, the study must include
 336.11 traffic modeling and an environmental
 336.12 analysis.

336.13 This is a onetime appropriation.

336.14 **(2) Program Delivery** -0- 13,317,000

336.15	<u>Appropriations by Fund</u>	
336.16	<u>2018</u>	<u>2019</u>
336.17	<u>General</u>	<u>-0-</u> <u>6,230,000</u>
336.18	<u>Trunk Highway</u>	<u>-0-</u> <u>7,087,000</u>

336.19 This appropriation includes use of consultants
 336.20 to support development and management of
 336.21 projects. This is a onetime appropriation.

336.22 \$5,400,000 in the second year is from the
 336.23 general fund for a grant to the city of Virginia
 336.24 to repay loans incurred by the city for costs
 336.25 related to utility relocation for the U.S.
 336.26 Highway 53 project. This is a onetime
 336.27 appropriation.

336.28 \$830,000 in the second year is from the
 336.29 general fund for a grant to the city of Mankato
 336.30 for a project to increase the height of a levee
 336.31 and related construction on a segment of
 336.32 marked Trunk Highway 169 north of the
 336.33 Highway 14 interchange to accommodate the
 336.34 raising of a levee. This appropriation is for the

337.1 local share the city of Mankato would be
 337.2 responsible for under the state's Cost
 337.3 Participation and Maintenance with Local
 337.4 Units of Government Manual, or any contract
 337.5 between the state and the city of Mankato.
 337.6 This is a onetime appropriation and is
 337.7 available when the commissioner of
 337.8 management and budget determines that
 337.9 sufficient resources have been committed to
 337.10 complete the project, as required by Minnesota
 337.11 Statutes, section 16A.502.

337.12 **(c) State Road Construction** -0- 48,155,000

337.13 This appropriation is for the actual
 337.14 construction, reconstruction, and improvement
 337.15 of trunk highways, including design-build
 337.16 contracts, internal department costs associated
 337.17 with delivering the construction program,
 337.18 consultant use to support the activities, and
 337.19 the cost of actual payments to landowners for
 337.20 lands acquired for highway rights-of-way,
 337.21 payment to lessees, interest subsidies, and
 337.22 relocation expenses. This is a onetime
 337.23 appropriation.

337.24 For any trunk highway reconstruction or
 337.25 resurfacing project in 2020 or 2021 that
 337.26 includes establishment of one or more
 337.27 temporary lanes of travel, the commissioner
 337.28 must establish additional permanent general
 337.29 purpose lanes for that segment if (1) the
 337.30 project is on an Interstate Highway; (2) the
 337.31 total project cost estimate is at least
 337.32 \$30,000,000; and (3) the annual average daily
 337.33 traffic is at least 40,000 at any point within
 337.34 the project limits.

337.35 **(d) Corridors of Commerce** -0- 10,000,000

338.1	<u>This appropriation is for the corridors of</u>		
338.2	<u>commerce program under Minnesota Statutes,</u>		
338.3	<u>section 161.088. This is a onetime</u>		
338.4	<u>appropriation.</u>		
338.5	<u>(e) Highway Debt Service</u>	<u>-0-</u>	<u>2,319,000</u>
338.6	<u>\$2,319,000 in fiscal year 2019 is for transfer</u>		
338.7	<u>to the state bond fund. If this appropriation is</u>		
338.8	<u>insufficient to make all transfers required in</u>		
338.9	<u>the year for which it is made, the</u>		
338.10	<u>commissioner of management and budget must</u>		
338.11	<u>transfer the deficiency amount under the</u>		
338.12	<u>statutory open appropriation and notify the</u>		
338.13	<u>chairs, ranking minority members, and staff</u>		
338.14	<u>of the legislative committees with jurisdiction</u>		
338.15	<u>over transportation finance and the chairs of</u>		
338.16	<u>the senate Finance Committee and the house</u>		
338.17	<u>of representatives Ways and Means Committee</u>		
338.18	<u>of the amount of the deficiency. Any excess</u>		
338.19	<u>appropriation cancels to the trunk highway</u>		
338.20	<u>fund.</u>		
338.21	<u>Subd. 5. Local Roads</u>		
338.22	<u>(a) County State-Aid Roads</u>	<u>-0-</u>	<u>24,945,000</u>
338.23	<u>This appropriation is from the county state-aid</u>		
338.24	<u>highway fund under Minnesota Statutes,</u>		
338.25	<u>sections 161.081 and 297A.815, subdivision</u>		
338.26	<u>3, and Minnesota Statutes, chapter 162, and</u>		
338.27	<u>is available until June 30, 2027. This is a</u>		
338.28	<u>onetime appropriation.</u>		
338.29	<u>(b) Municipal State-Aid Roads</u>	<u>-0-</u>	<u>6,552,000</u>
338.30	<u>This appropriation is from the municipal</u>		
338.31	<u>state-aid street fund under Minnesota Statutes,</u>		
338.32	<u>chapter 162, and is available until June 30,</u>		
338.33	<u>2027. This is a onetime appropriation.</u>		
338.34	<u>(c) Small Cities Assistance</u>	<u>-0-</u>	<u>7,000,000</u>

339.1 This appropriation is for the small cities
 339.2 assistance program under Minnesota Statutes,
 339.3 section 162.145.

339.4 The base is \$8,081,000 in fiscal year 2020 and
 339.5 \$8,082,000 in fiscal year 2021.

339.6 If a constitutional amendment that dedicates
 339.7 revenue from the state general sales tax
 339.8 attributable to motor vehicle repair and
 339.9 replacement parts is ratified in 2018, the base
 339.10 is \$549,000 in fiscal year 2021 and \$0 in fiscal
 339.11 years 2022 and thereafter.

339.12 **(d) Town Roads** -0- 2,000,000

339.13 This appropriation is for town roads, to be
 339.14 distributed in the manner provided under
 339.15 Minnesota Statutes, section 162.081. This is
 339.16 a onetime appropriation.

339.17 **Subd. 6. Tribal Training Program**

339.18 The commissioner must implement
 339.19 interagency billing to state agencies for costs
 339.20 related to that agency's participation in tribal
 339.21 training activities provided by the Department
 339.22 of Transportation.

339.23 **Sec. 3. METROPOLITAN COUNCIL** \$ -0- \$ 3,500,000

339.24 This appropriation is for financial assistance
 339.25 to replacement service providers under
 339.26 Minnesota Statutes, section 473.388, for the
 339.27 purposes of the suburb-to-suburb transit
 339.28 project authorized under Laws 2015, chapter
 339.29 75, article 1, section 4. Of the amount in the
 339.30 second year, \$2,500,000 is for capital
 339.31 improvements, including bus replacement,
 339.32 associated with the project. The replacement
 339.33 service providers must collectively identify

340.1 and notify the Metropolitan Council of the
 340.2 capital expenditures under this rider, and the
 340.3 Metropolitan Council must allocate funds as
 340.4 directed by the replacement service providers.
 340.5 The council is prohibited from retaining any
 340.6 portion of the funds under this appropriation.
 340.7 This is a onetime appropriation.

340.8 Notwithstanding Laws 2017, First Special
 340.9 Session chapter 3, article 1, section 3, the base
 340.10 is \$90,747,000 in fiscal year 2020 and
 340.11 \$90,730,000 in fiscal year 2021.

340.12 <u>Sec. 4. DEPARTMENT OF MANAGEMENT</u>				
340.13 <u>AND BUDGET</u>	<u>\$</u>	<u>9,000,000</u>	<u>\$</u>	<u>-0-</u>

340.14 This appropriation is for reimbursement grants
 340.15 to deputy registrars under Minnesota Statutes,
 340.16 section 168.335, provided that the time period
 340.17 under Minnesota Statutes, section 168.335,
 340.18 subdivision 3, paragraph (a), clause (1), is
 340.19 August 1, 2017, through January 31, 2018.

340.20 \$6,265,000 in the first year is from the driver
 340.21 services operating account and \$2,735,000 in
 340.22 the first year is from the vehicle services
 340.23 operating account.

340.24 For the appropriation in the first year, the
 340.25 commissioner of management and budget must
 340.26 make efforts to reimburse deputy registrars
 340.27 within 30 days of the effective date of this
 340.28 section.

340.29 The base from the general fund is \$9,000,000
 340.30 in each of fiscal years 2020 and 2021. The
 340.31 base from the driver services operating
 340.32 account is \$0 in each of fiscal years 2020 and
 340.33 2021. The base from the vehicle services

341.1 operating account is \$0 in each of fiscal years
 341.2 2020 and 2021.

341.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

341.4 Sec. 5. Laws 2017, First Special Session chapter 3, article 1, section 2, subdivision 2, is
 341.5 amended to read:

341.6 Subd. 2. **Multimodal Systems**

341.7 (a) **Aeronautics**

341.8 (1) **Airport Development and Assistance** 26,001,000 16,598,000

341.9 This appropriation is from the state airports
 341.10 fund and must be spent according to
 341.11 Minnesota Statutes, section 360.305,
 341.12 subdivision 4.

341.13 Notwithstanding Minnesota Statutes, section
 341.14 16A.28, subdivision 6, this appropriation is
 341.15 available for five years after the year of the
 341.16 appropriation. If the appropriation for either
 341.17 year is insufficient, the appropriation for the
 341.18 other year is available for it.

341.19 \$6,619,000 in the first year is for a grant to
 341.20 the Duluth Airport Authority for
 341.21 improvements at the Duluth International
 341.22 Airport and the Sky Harbor Airport in
 341.23 accordance with Minnesota Statutes, section
 341.24 360.017. For the purposes of this
 341.25 appropriation, the commissioner may waive
 341.26 the requirements of Minnesota Statutes,
 341.27 section 360.305, subdivision 4, paragraph (b).

341.28 This appropriation may be used to reimburse
 341.29 the Authority for costs incurred after March
 341.30 1, 2015. This is a onetime appropriation.

341.31 \$2,334,000 in the first year is for a grant to
 341.32 the city of Rochester for improvements to the
 341.33 passenger terminal building at the Rochester

342.1 International Airport in accordance with
342.2 Minnesota Statutes, section 360.017. For the
342.3 purposes of this appropriation, the
342.4 commissioner of transportation may waive the
342.5 requirements of Minnesota Statutes, section
342.6 360.305, subdivision 4, paragraph (b). This
342.7 appropriation may be used to reimburse the
342.8 city for costs incurred after May 1, 2016. This
342.9 is a onetime appropriation.

342.10 Notwithstanding Minnesota Statutes, section
342.11 360.017, \$250,000 in the first year is for a
342.12 grant to the city of St. Cloud for an air
342.13 transport optimization planning study for the
342.14 St. Cloud Regional Airport. The study must
342.15 be comprehensive and market-based, using
342.16 economic development and air service
342.17 expertise to research, analyze, and develop
342.18 models and strategies that maximize the return
342.19 on investments made to enhance the use and
342.20 impact of the St. Cloud Regional Airport. By
342.21 January 5, 2018, the city of St. Cloud shall
342.22 submit a report to the governor and the
342.23 members and staff of the legislative
342.24 committees with jurisdiction over capital
342.25 investment, transportation, and economic
342.26 development with recommendations based on
342.27 the findings of the study. This is a onetime
342.28 appropriation.

342.29 If the commissioner of transportation
342.30 determines that a balance remains in the state
342.31 airports fund following the appropriations
342.32 made in this article and that the appropriations
342.33 made are insufficient for advancing airport
342.34 development and assistance projects, an
342.35 amount necessary to advance the projects, not

343.1 to exceed the balance in the state airports fund,
 343.2 is appropriated in each year to the
 343.3 commissioner and must be spent according to
 343.4 Minnesota Statutes, section 360.305,
 343.5 subdivision 4. Within two weeks of a
 343.6 determination under this contingent
 343.7 appropriation, the commissioner of
 343.8 transportation must notify the commissioner
 343.9 of management and budget and the chairs,
 343.10 ranking minority members, and staff of the
 343.11 legislative committees with jurisdiction over
 343.12 transportation finance concerning the funds
 343.13 appropriated. Funds appropriated under this
 343.14 contingent appropriation do not adjust the base
 343.15 for fiscal years 2020 and 2021.

343.16 The base is \$15,298,000 in each of fiscal years
 343.17 2020 and 2021.

343.18 (2) Aviation Support and Services	6,710,000	6,854,000
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343.19 Appropriations by Fund

	2018	2019
343.20 Airports	5,231,000	5,231,000
343.21 Trunk Highway	1,479,000	1,623,000

343.22 (3) Civil Air Patrol	3,580,000	80,000
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343.24 This appropriation is from the state airports
 343.25 fund for the Civil Air Patrol.

343.26 \$3,500,000 in the first year is for a grant to:
 343.27 (1) perform site selection and analysis; (2)
 343.28 purchase, renovate a portion of and, or
 343.29 construct an addition to the training and
 343.30 maintenance facility located at the South St.
 343.31 Paul airport, facilities; and to (3) furnish and
 343.32 equip the facility facilities, including
 343.33 communications equipment. If the Civil Air
 343.34 Patrol purchases an existing facility, predesign
 343.35 requirements are waived. The facilities must

344.1 be located at an airport in Minnesota.
 344.2 Notwithstanding the matching requirements
 344.3 in Minnesota Statutes, section 360.305,
 344.4 subdivision 4, a nonstate contribution is not
 344.5 required for this appropriation.

344.6 Notwithstanding Minnesota Statutes, section
 344.7 16A.28, subdivision 6, this appropriation is
 344.8 available for ~~five~~ six years after the year of
 344.9 the appropriation. This is a onetime
 344.10 appropriation.

344.11 **(b) Transit** 1,416,000 18,268,000

344.12	Appropriations by Fund	
344.13	2018	2019
344.14	General	570,000 17,395,000
344.15	Trunk Highway	846,000 873,000

344.16 \$150,000 in each year is from the general fund
 344.17 for grants to transportation management
 344.18 organizations that provide services exclusively
 344.19 or primarily in the city located along the
 344.20 marked Interstate Highway 494 corridor
 344.21 having the highest population as of the
 344.22 effective date of this section. The
 344.23 commissioner must not retain any portion of
 344.24 the funds appropriated under this section.
 344.25 From the appropriation in each fiscal year, the
 344.26 commissioner must make grant payments in
 344.27 full by July 31. Permissible uses of funds
 344.28 under this grant include administrative
 344.29 expenses and programming and service
 344.30 expansion, including but not limited to
 344.31 staffing, communications, outreach and
 344.32 education program development, and
 344.33 operations management. This is a onetime
 344.34 appropriation.

345.1 The base from the general fund is \$17,245,000
 345.2 in each year for fiscal years 2020 and 2021.

345.3 **(c) Safe Routes to School** 500,000 500,000

345.4 This appropriation is from the general fund
 345.5 for the safe routes to school program under
 345.6 Minnesota Statutes, section 174.40.

345.7 **(d) Passenger Rail** 500,000 500,000

345.8 This appropriation is from the general fund
 345.9 for passenger rail system planning, alternatives
 345.10 analysis, environmental analysis, design, and
 345.11 preliminary engineering under Minnesota
 345.12 Statutes, sections 174.632 to 174.636.

345.13 **(e) Freight**

345.14 **Freight and Commercial Vehicle Operations** 8,506,000 6,578,000

345.15	Appropriations by Fund		
345.16		2018	2019
345.17	General	3,156,000	1,056,000
345.18	Trunk Highway	5,350,000	5,522,000

345.19 \$1,100,000 in the first year is from the general
 345.20 fund for port development assistance grants
 345.21 under Minnesota Statutes, chapter 457A, to
 345.22 the city of Red Wing and to the Port Authority
 345.23 of Winona. Any improvements made with the
 345.24 proceeds of the grants must be publicly owned.

345.25 This is a onetime appropriation and is
 345.26 available in the second year.

345.27 \$800,000 in each year is from the general fund
 345.28 for additional rail safety and rail service
 345.29 activities.

345.30 \$1,000,000 in the first year is from the general
 345.31 fund for a grant to the city of Grand Rapids to
 345.32 fund rail planning studies, design, and
 345.33 preliminary engineering relating to the
 345.34 construction of a freight rail line located in the

346.1 counties of Itasca, St. Louis, and Lake to serve
 346.2 local producers and shippers. The city of
 346.3 Grand Rapids shall collaborate with the Itasca
 346.4 Economic Development Corporation and the
 346.5 Itasca County Regional Railroad Authority in
 346.6 the activities funded with the proceeds of this
 346.7 grant. This is a onetime appropriation and is
 346.8 available until June 30, 2019.

346.9 Sec. 6. Laws 2017, First Special Session chapter 3, article 1, section 4, subdivision 1, is
 346.10 amended to read:

346.11				199,407,000
346.12	Subdivision 1. Total Appropriation	\$	199,838,000	\$ <u>198,041,000</u>

346.13	Appropriations by Fund			
346.14		2018	2019	
346.15	General	19,971,000	14,381,000	
346.16	Special Revenue	63,945,000	65,087,000	
346.17			10,486,000	
346.18	H.U.T.D.	10,474,000	<u>9,120,000</u>	
346.19	Trunk Highway	105,448,000	109,453,000	

346.20 The appropriations in this section are to the
 346.21 commissioner of public safety. The amounts
 346.22 that may be spent for each purpose are
 346.23 specified in the following subdivisions.

346.24 Sec. 7. Laws 2017, First Special Session chapter 3, article 1, section 4, subdivision 2, is
 346.25 amended to read:

346.26 **Subd. 2. Administration and Related Services**

346.27	(a) Office of Communications	553,000	573,000
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346.28	Appropriations by Fund			
346.29		2018	2019	
346.30	General	127,000	130,000	
346.31	Trunk Highway	426,000	443,000	

346.32				6,569,000
346.33	(b) Public Safety Support		6,372,000	<u>5,203,000</u>

346.34 Appropriations by Fund

347.1		2018	2019		
347.2	General	1,225,000	1,235,000		
347.3			1,366,000		
347.4	H.U.T.D.	1,366,000	<u>-0-</u>		
347.5	Trunk Highway	3,781,000	3,968,000		
347.6	(c) Public Safety Officer Survivor Benefits			640,000	640,000
347.7	This appropriation is from the general fund				
347.8	for payment of public safety officer survivor				
347.9	benefits under Minnesota Statutes, section				
347.10	299A.44.				
347.11	If the appropriation for either year is				
347.12	insufficient, the appropriation for the other				
347.13	year is available for it.				
347.14	(d) Public Safety Officer Reimbursements			1,367,000	1,367,000
347.15	This appropriation is from the general fund to				
347.16	be deposited in the public safety officer's				
347.17	benefit account. This money is available for				
347.18	reimbursements under Minnesota Statutes,				
347.19	section 299A.465.				
347.20	(e) Soft Body Armor Reimbursements			700,000	700,000
347.21	Appropriations by Fund				
347.22		2018	2019		
347.23	General	600,000	600,000		
347.24	Trunk Highway	100,000	100,000		
347.25	This appropriation is for soft body armor				
347.26	reimbursements under Minnesota Statutes,				
347.27	section 299A.38.				
347.28	(f) Technology and Support Service			3,777,000	3,814,000
347.29	Appropriations by Fund				
347.30		2018	2019		
347.31	General	1,353,000	1,365,000		
347.32	H.U.T.D.	19,000	19,000		
347.33	Trunk Highway	2,405,000	2,430,000		

348.1 Sec. 8. **HIGHWAY USER TAX DISTRIBUTION FUND TRANSFER.**

348.2 \$75,270,000 in fiscal year 2019 is transferred from the general fund to the commissioner
348.3 of transportation for deposit in the highway user tax distribution fund.

348.4 Sec. 9. **RAIL SERVICE IMPROVEMENT ACCOUNT TRANSFER.**

348.5 On June 30, 2018, the commissioner of transportation must transfer the entire balance
348.6 in the rail service improvement account to the freight rail account in the special revenue
348.7 fund. Any encumbrance from the rail service improvement account made before the transfer
348.8 remains in effect from the freight rail account following the transfer.

348.9 **EFFECTIVE DATE.** This section is effective the day following final enactment.

348.10 Sec. 10. **DRIVER AND VEHICLE SERVICES FUND.**

348.11 (a) On July 1, 2018, the commissioner of public safety must transfer the entire account
348.12 balances as follows: (1) from the driver services operating account in the special revenue
348.13 fund to the driver services operating account in the driver and vehicle services fund; (2)
348.14 from the vehicle services operating account in the special revenue fund to the vehicle services
348.15 operating account in the driver and vehicle services fund; and (3) from the driver and vehicle
348.16 services technology account in the special revenue fund to the driver and vehicle services
348.17 technology account in the driver and vehicle services fund.

348.18 (b) Any encumbrance from an account identified in paragraph (a) made before the
348.19 transfer remains in effect from the corresponding account following the transfer.

348.20 (c) The appropriations in fiscal year 2019 from the driver services operating account
348.21 and from the vehicle services operating account under Laws 2017, First Special Session
348.22 chapter 3, article 1, section 4, are available from the corresponding account in the driver
348.23 and vehicle services fund under Minnesota Statutes, sections 299A.704 and 299A.705, for
348.24 the purposes specified under Laws 2017, First Special Session chapter 3, article 1, section
348.25 4.

348.26 Sec. 11. **RICE CREEK RAILROAD BRIDGE.**

348.27 (a) From funds specifically made available for purposes of this section, the commissioner
348.28 of transportation must provide a grant to Minnesota Commercial Railway Company to
348.29 demolish the existing railroad bridge over Rice Creek in New Brighton and to predesign,
348.30 design, acquire any needed right-of-way, engineer, construct, and equip a replacement
348.31 railroad bridge to meet the needs of the railroad operators that use the bridge.

349.1 (b) The grant under this section is contingent on:

349.2 (1) review and approval of the railway company's design, engineering, and plans for the
349.3 project by Ramsey County to ensure the project does not interfere with recreational use of
349.4 adjacent park property and Rice Creek, and by the Rice Creek Watershed District to ensure
349.5 that the project's impact on flows in the creek complies with the watershed district's adopted
349.6 rules. These reviews and approvals are in addition to any other reviews, permits, or approvals
349.7 required for the project;

349.8 (2) Minnesota Commercial Railway Company removing all structures related to the
349.9 existing bridge, including any pilings, footings, or water control structures placed to protect
349.10 the existing bridge structures, from the Rice Creek streambed as part of the demolition and
349.11 removal of the existing bridge, except to the extent prohibited by a permitting authority,
349.12 including but not limited to the Department of Natural Resources and the United States
349.13 Army Corps of Engineers. The replacement bridge and structures are the property of the
349.14 owner of the railroad right-of-way and railroad operator, as may be arranged between them;
349.15 and

349.16 (3) Minnesota Commercial Railway Company entering into an agreement with Ramsey
349.17 County that: (i) grants the company access to both construct and perform ongoing
349.18 maintenance on the bridge; and (ii) provides for repair of the county trail damaged by railway
349.19 maintenance work that occurred on the two years before the effective date of this section,
349.20 as well as immediately after construction and any subsequent maintenance activities.

349.21 (c) By entering into a grant agreement with the commissioner of transportation, Minnesota
349.22 Commercial Railway Company agrees to cooperate with the city of New Brighton and
349.23 Ramsey County to develop crossings and trails in or near to the railway right-of-way in the
349.24 city.

349.25 **Sec. 12. EFFECT OF DUPLICATE APPROPRIATIONS.**

349.26 If an appropriation in this act is enacted more than once in the 2018 legislative session
349.27 for the same purpose, the appropriation must be given effect only once.

349.28 **ARTICLE 13**

349.29 **TRANSPORTATION BONDS**

349.30 **Section 1. BOND APPROPRIATIONS.**

349.31 The sums shown in the column under "Appropriations" are appropriated from the bond
349.32 proceeds account in the trunk highway fund to the state agencies or officials indicated, to

350.1 be spent for public purposes. Appropriations of bond proceeds must be spent as authorized
 350.2 by the Minnesota Constitution, articles XI and XIV. Unless otherwise specified, money
 350.3 appropriated in this article for a capital program or project may be used to pay state agency
 350.4 staff costs that are attributed directly to the capital program or project in accordance with
 350.5 accounting policies adopted by the commissioner of management and budget.

350.6 **SUMMARY**

350.7	<u>Department of Transportation</u>	\$	<u>250,000,000</u>
350.8	<u>Department of Management and Budget</u>		<u>250,000</u>
350.9	<u>TOTAL</u>	\$	<u>250,250,000</u>

350.10 **APPROPRIATIONS**

350.11 **Sec. 2. DEPARTMENT OF**
 350.12 **TRANSPORTATION**

350.13 Subdivision 1. **Corridors of Commerce** **\$** **145,000,000**

350.14 This appropriation is to the commissioner of
 350.15 transportation for the corridors of commerce
 350.16 program under Minnesota Statutes, section
 350.17 161.088.

350.18 The commissioner may use up to 17 percent
 350.19 of the amount for program delivery.

350.20 Subd. 2. **Trunk Highway-Rail Grade Separations** **\$** **75,000,000**

350.21 This appropriation is to the commissioner of
 350.22 transportation for trunk highway-rail grade
 350.23 separation projects (1) identified as priority
 350.24 grade separation recommendations in the final
 350.25 report on highway-rail grade crossing
 350.26 improvements submitted under Laws 2014,
 350.27 chapter 312, article 10, section 10; and (2) for
 350.28 which trunk highway bond proceeds are a
 350.29 permissible use. The commissioner must first
 350.30 prioritize grade separation projects that
 350.31 eliminate a skewed intersection of two trunk
 350.32 highways.

350.33 If any proceeds under this subdivision remain
 350.34 following a determination by the

351.1 commissioner that sufficient resources have
 351.2 been committed to complete all eligible
 351.3 projects, the remaining amount is available
 351.4 for the corridors of commerce program under
 351.5 Minnesota Statutes, section 161.088.

351.6 **Subd. 3. Transportation Facilities Capital** **\$ 30,000,000**

351.7 This appropriation is to the commissioner of
 351.8 transportation for the transportation facilities
 351.9 capital program under Minnesota Statutes,
 351.10 section 174.13.

351.11 **Sec. 3. BOND SALE EXPENSES** **\$ 250,000**

351.12 This appropriation is to the commissioner of
 351.13 management and budget for bond sale
 351.14 expenses under Minnesota Statutes, sections
 351.15 16A.641, subdivision 8, and 167.50,
 351.16 subdivision 4.

351.17 **Sec. 4. BOND SALE AUTHORIZATION.**

351.18 To provide the money appropriated in this article from the bond proceeds account in the
 351.19 trunk highway fund, the commissioner of management and budget shall sell and issue bonds
 351.20 of the state in an amount up to \$250,250,000 in the manner, upon the terms, and with the
 351.21 effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the Minnesota
 351.22 Constitution, article XIV, section 11, at the times and in the amounts requested by the
 351.23 commissioner of transportation. The proceeds of the bonds, except accrued interest and any
 351.24 premium received from the sale of the bonds, must be deposited in the bond proceeds account
 351.25 in the trunk highway fund.

351.26 **ARTICLE 14**

351.27 **TRANSPORTATION POLICY AND FINANCE**

351.28 Section 1. Minnesota Statutes 2017 Supplement, section 3.972, subdivision 4, is amended
 351.29 to read:

351.30 Subd. 4. **Certain transit financial activity reporting.** (a) The legislative auditor must
 351.31 perform a transit financial activity review of financial information for the Metropolitan
 351.32 Council's Transportation Division ~~and the joint powers board under section 297A.992.~~

352.1 ~~Within 14 days of the end of each fiscal quarter, two times each year. The first report, due~~
352.2 ~~April 1, must include the quarters ending on September 30 and December 31 of the previous~~
352.3 ~~calendar year. The second report, due October 1, must include the quarters ending on March~~
352.4 ~~31 and June 30 of the current year. The legislative auditor must submit the review to the~~
352.5 Legislative Audit Commission and the chairs and ranking minority members of the legislative
352.6 committees with jurisdiction over transportation policy and finance, finance, and ways and
352.7 means.

352.8 (b) At a minimum, each transit financial activity review must include:

352.9 (1) a summary of monthly financial statements, including balance sheets and operating
352.10 statements, that shows income, expenditures, and fund balance;

352.11 (2) a list of any obligations and agreements entered into related to transit purposes,
352.12 whether for capital or operating, including but not limited to bonds, notes, grants, and future
352.13 funding commitments;

352.14 (3) the amount of funds in clause (2) that has been committed;

352.15 (4) independent analysis by the fiscal oversight officer of the fiscal viability of revenues
352.16 and fund balance compared to expenditures, taking into account:

352.17 (i) all expenditure commitments;

352.18 (ii) cash flow;

352.19 (iii) sufficiency of estimated funds; and

352.20 (iv) financial solvency of anticipated transit projects; and

352.21 (5) a notification concerning whether the requirements under paragraph (c) have been
352.22 met.

352.23 (c) ~~The Metropolitan Council and the joint powers board under section 297A.992 must~~
352.24 produce monthly financial statements as necessary for the review under paragraph (b),
352.25 clause (1), and provide timely information as requested by the legislative auditor.

352.26 (d) This subdivision expires April 15, 2023.

352.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

352.28 Sec. 2. Minnesota Statutes 2016, section 13.461, is amended by adding a subdivision to
352.29 read:

352.30 Subd. 33. **Metropolitan Council special transportation service.** Data sharing between
352.31 the commissioner of human services and the Metropolitan Council to administer and

353.1 coordinate transportation services for individuals with disabilities and elderly individuals
353.2 is governed by section 473.386, subdivision 9.

353.3 **EFFECTIVE DATE.** This section is effective the day following final enactment and
353.4 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

353.5 Sec. 3. Minnesota Statutes 2016, section 13.6905, subdivision 3, is amended to read:

353.6 Subd. 3. **Motor vehicle registration.** Various data on motor vehicle registrations are
353.7 classified under sections 168.327, subdivision 3, and 168.346. Use of vehicle registration
353.8 data is governed by section 168.345.

353.9 Sec. 4. Minnesota Statutes 2016, section 13.72, subdivision 10, is amended to read:

353.10 Subd. 10. **Transportation service data.** (a) Personal, medical, financial, familial, or
353.11 locational information data pertaining to applicants for or users of services providing
353.12 transportation for ~~the disabled~~ individuals with disabilities or elderly individuals are private
353.13 data on individuals.

353.14 (b) Private transportation service data may be disclosed between the commissioner of
353.15 human services and the Metropolitan Council to administer and coordinate human services
353.16 programs and transportation services for individuals with disabilities and elderly individuals
353.17 under section 473.386.

353.18 **EFFECTIVE DATE.** This section is effective the day following final enactment and
353.19 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

353.20 Sec. 5. Minnesota Statutes 2017 Supplement, section 160.02, subdivision 1a, is amended
353.21 to read:

353.22 Subd. 1a. **Bikeway.** "~~Bikeway~~" ~~means a bicycle lane, bicycle path, shared use path,~~
353.23 ~~bicycle route, or similar bicycle facility, regardless of whether designed for the exclusive~~
353.24 ~~use of bicycles or for shared use with other transportation modes~~ has the meaning given in
353.25 section 169.011, subdivision 9.

353.26 Sec. 6. Minnesota Statutes 2016, section 160.295, subdivision 5, is amended to read:

353.27 Subd. 5. **Rural agricultural business or tourist-oriented business.** (a) A rural
353.28 agricultural or tourist-oriented business serviced by a specific service sign must be open a
353.29 minimum of eight hours per day, six days per week, and 12 months per year. ~~However,~~

354.1 (b) A seasonal business may qualify if it is serviced by a specific service sign must be
354.2 open eight hours per day and six days per week during the normal seasonal period.

354.3 (c) A farm winery serviced by a specific service sign must:

354.4 (1) be licensed under section 340A.315;

354.5 (2) be licensed by the Department of Health under section 157.16 or by the commissioner
354.6 of agriculture under section 28A.04;

354.7 (3) provide continuous, staffed food service operation; and

354.8 (4) be open at least four hours per day and two days per week.

354.9 **EFFECTIVE DATE.** This section is effective the day following final enactment.

354.10 Sec. 7. Minnesota Statutes 2016, section 161.115, subdivision 111, is amended to read:

354.11 Subd. 111. **Route No. 180.** Beginning at a point on Route No. ~~392 southwest or west~~
354.12 ~~of Ashby 3 at or near Erdahl,~~ thence extending in a general northerly or northeasterly
354.13 direction to a point on Route No. ~~153 as herein established at or near Ashby,~~ thence extending
354.14 ~~in a northeasterly direction to a point on~~ Route No. 181 as herein established at or near
354.15 Ottertail.

354.16 Sec. 8. Minnesota Statutes 2016, section 161.14, is amended by adding a subdivision to
354.17 read:

354.18 Subd. 87. **Specialist Noah Pierce Bridge.** The bridge on marked U.S. Highway 53 over
354.19 marked Trunk Highway 37 in the city of Eveleth is designated as "Specialist Noah Pierce
354.20 Bridge." Subject to section 161.139, the commissioner shall adopt a suitable design to mark
354.21 this bridge and erect appropriate signs.

354.22 Sec. 9. Minnesota Statutes 2016, section 161.14, is amended by adding a subdivision to
354.23 read:

354.24 Subd. 88. **Officer Bill Mathews Memorial Highway.** That segment of marked U.S.
354.25 Highway 12 within the city limits of Wayzata is designated as "Officer Bill Mathews
354.26 Memorial Highway." Subject to section 161.139, the commissioner shall adopt a suitable
354.27 design to mark this highway and erect appropriate signs.

355.1 Sec. 10. Minnesota Statutes 2016, section 161.14, is amended by adding a subdivision to
355.2 read:

355.3 Subd. 89. **Warrant Officer Dennis A. Groth Memorial Bridge.** The bridge on marked
355.4 U.S. Highway 52 over Dakota County State-Aid Highway 42, known as 145th Street within
355.5 the city of Rosemount, is designated as "Warrant Officer Dennis A. Groth Memorial Bridge."
355.6 Subject to section 161.139, the commissioner shall adopt a suitable design to mark the
355.7 bridge and erect appropriate signs.

355.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.

355.9 Sec. 11. Minnesota Statutes 2016, section 161.14, is amended by adding a subdivision to
355.10 read:

355.11 Subd. 90. **State Trooper Ray Krueger Memorial Highway.** That segment of marked
355.12 Trunk Highway 210 within Cass County is designated as "State Trooper Ray Krueger
355.13 Memorial Highway." Subject to section 161.139, the commissioner shall adopt a suitable
355.14 design to mark this highway and erect appropriate signs in the vicinity of the location where
355.15 Trooper Krueger died.

355.16 Sec. 12. Minnesota Statutes 2016, section 161.32, subdivision 2, is amended to read:

355.17 Subd. 2. **Direct negotiation.** In cases where the estimated cost of construction work or
355.18 maintenance work does not exceed ~~\$150,000~~ \$250,000, the commissioner may enter into
355.19 a contract for the work by direct negotiation, by obtaining two or more quotations for the
355.20 work, and without advertising for bids or otherwise complying with the requirements of
355.21 competitive bidding if the total contractual obligation of the state for the directly negotiated
355.22 contract or contracts on any single project does not exceed ~~\$150,000~~ \$250,000. All quotations
355.23 obtained shall be kept on file for a period of at least one year after receipt of the quotation.

355.24 Sec. 13. **[161.369] INDIAN EMPLOYMENT PREFERENCE.**

355.25 (a) As authorized by United States Code, title 23, section 140(d), the commissioner of
355.26 transportation may implement an Indian employment preference for members of federally
355.27 recognized tribes on projects carried out under United States Code, title 23, near an Indian
355.28 reservation.

355.29 (b) For purposes of this section, a project is near a reservation if: (1) the project is within
355.30 the distance a person seeking employment could reasonably be expected to commute to and
355.31 from each work day; or (2) the commissioner, in consultation with federally recognized
355.32 Minnesota tribes, determines a project is near an Indian reservation.

356.1 Sec. 14. Minnesota Statutes 2016, section 168.10, subdivision 1h, is amended to read:

356.2 Subd. 1h. **Collector military vehicle.** (a) A motor vehicle, including a truck, shall be
356.3 listed and registered under this section if it meets the following conditions:

356.4 (1) it is at least 20 years old;

356.5 (2) its first owner following its manufacture was a branch of the armed forces of the
356.6 United States and it presently conforms to the vehicle specifications required during the
356.7 time of military ownership, or it has been restored and presently conforms to the
356.8 specifications required by a branch of the armed forces for the model year that the restored
356.9 vehicle could have been owned by that branch of the armed forces; and

356.10 (3) it is owned by a nonprofit organization and operated solely as a collector's vehicle.
356.11 For purposes of this subdivision, "nonprofit organization" means a corporation, society,
356.12 association, foundation, or institution organized and operated exclusively for historical or
356.13 educational purposes, no part of the net earnings of which inures to the benefit of a private
356.14 individual.

356.15 (b) The owner of the vehicle shall execute an affidavit stating the name and address of
356.16 the person from whom purchased and of the new owner; the make, year, and model number
356.17 of the motor vehicle; the manufacturer's identification number; and the collector military
356.18 vehicle identification number, if any, located on the exterior of the vehicle. The affidavit
356.19 must affirm that the vehicle is owned by a nonprofit organization and is operated solely as
356.20 a collector's item and not for general transportation purposes. If the commissioner is satisfied
356.21 that the affidavit is true and correct and the owner pays a \$25 tax and the plate fee authorized
356.22 under section 168.12, the commissioner shall list the vehicle for taxation and registration
356.23 and shall issue number plates. The number plates shall bear the inscriptions "Collector" and
356.24 "Minnesota" and the registration number, but no date. The number plates are valid without
356.25 renewal as long as the vehicle is in existence in Minnesota. The commissioner may revoke
356.26 the plates for failure to comply with this subdivision.

356.27 (c) Notwithstanding section 168.09, 168.12, or other law to the contrary, the owner of
356.28 a registered collector military vehicle is not required to display registration plates on the
356.29 exterior of the vehicle if the vehicle has an exterior number identification that conforms to
356.30 the identifying system for military vehicles in effect when the vehicle was last owned by
356.31 the branch of the armed forces of the United States or in effect in the year to which the
356.32 collector military vehicle has been restored. However, the state registration plates must be
356.33 carried in or on the collector military vehicle at all times.

357.1 (d) The owner of a registered collector military vehicle that is not required to display
357.2 registration plates under paragraph (c) may tow a registered trailer behind it. The trailer is
357.3 not required to display registration plates if the trailer:

357.4 (1) does not exceed a gross weight of 15,000 pounds;

357.5 (2) otherwise conforms to registration, licensing, and safety laws and specifications;

357.6 (3) conforms to military specifications for appearance and identification;

357.7 (4) is intended to represent and does represent a military trailer; and

357.8 (5) carries registration plates on or in the trailer or the collector military vehicle towing
357.9 the trailer.

357.10 (e) This subdivision does not apply to a decommissioned military vehicle that (1) was
357.11 also manufactured and sold as a comparable civilian vehicle, and (2) has the same size
357.12 dimensions and vehicle weight as the comparable civilian vehicle. A decommissioned
357.13 military vehicle under this paragraph is eligible for a motor vehicle title under chapter 168A
357.14 and is subject to the same registration, insurance, equipment, and operating requirements
357.15 as a motor vehicle.

357.16 Sec. 15. Minnesota Statutes 2016, section 168.101, subdivision 2a, is amended to read:

357.17 Subd. 2a. ~~Failure to send to registrar~~ submit within ten days. Any person who fails
357.18 to mail in the application for registration or transfer with appropriate taxes and fees to the
357.19 commissioner or a deputy registrar of motor vehicles, or otherwise fails to submit ~~said the~~
357.20 forms and remittance to the registrar, within ten days following date of sale ~~shall be~~ is guilty
357.21 of a misdemeanor.

357.22 **EFFECTIVE DATE.** This section is effective July 1, 2019.

357.23 Sec. 16. Minnesota Statutes 2016, section 168.127, subdivision 6, is amended to read:

357.24 Subd. 6. ~~Fee. Instead of the filing fee described in section 168.33, subdivision 7, For~~
357.25 each vehicle in the fleet, the applicant for fleet registration shall pay:

357.26 (1) the filing fee in section 168.33, subdivision 7, for transactions processed by a deputy
357.27 registrar; or

357.28 (2) an equivalent administrative fee to the for transactions processed by the commissioner
357.29 for each vehicle in the fleet, which is imposed in lieu of but in the same amount as the filing
357.30 fee in section 168.33, subdivision 7.

358.1 **EFFECTIVE DATE.** This section is effective July 1, 2019.

358.2 Sec. 17. Minnesota Statutes 2016, section 168.326, is amended to read:

358.3 **168.326 EXPEDITED DRIVER AND VEHICLE SERVICES; FEE.**

358.4 (a) When an applicant requests and pays an expedited service fee of \$20, in addition to
358.5 other specified and statutorily mandated fees and taxes, the commissioner or, if appropriate,
358.6 a driver's license agent or deputy registrar, shall expedite the processing of an application
358.7 for a driver's license, driving instruction permit, Minnesota identification card, or vehicle
358.8 title transaction.

358.9 (b) A driver's license agent or deputy registrar may retain \$10 of the expedited service
358.10 fee for each expedited service request processed by the licensing agent or deputy registrar.

358.11 (c) When expedited service is requested, materials must be mailed or delivered to the
358.12 requester within three days of receipt of the expedited service fee excluding Saturdays,
358.13 Sundays, or the holidays listed in section 645.44, subdivision 5. The requester shall comply
358.14 with all relevant requirements of the requested document.

358.15 (d) The commissioner may decline to accept an expedited service request if it is apparent
358.16 at the time it is made that the request cannot be granted. The commissioner must not decline
358.17 an expedited service request and must not prevent a driver's license agent or deputy from
358.18 accepting an expedited service request solely on the basis of limitations of the driver and
358.19 vehicle services information technology system.

358.20 (e) The expedited service fees collected under this section for an application for a driver's
358.21 license, driving instruction permit, or Minnesota identification card minus any portion
358.22 retained by a licensing agent or deputy registrar under paragraph (b) must be paid into the
358.23 driver services operating account in the special revenue fund specified under section
358.24 299A.705.

358.25 (f) The expedited service fees collected under this section for a transaction for a vehicle
358.26 service minus any portion retained by a licensing agent or deputy registrar under paragraph
358.27 (b) must be paid into the vehicle services operating account in the special revenue fund
358.28 specified under section 299A.705.

358.29 **EFFECTIVE DATE.** This section is effective November 1, 2019.

359.1 Sec. 18. Minnesota Statutes 2016, section 168.33, is amended by adding a subdivision to
359.2 read:

359.3 Subd. 8b. **Transactions by mail.** A deputy registrar may receive motor vehicle
359.4 applications and submissions under this chapter and chapter 168A by mail, process the
359.5 transactions, and retain the appropriate filing fee under subdivision 7.

359.6 **EFFECTIVE DATE.** This section is effective July 1, 2019.

359.7 Sec. 19. **[168.335] DEPUTY REGISTRAR REIMBURSEMENTS.**

359.8 Subdivision 1. **Reimbursement grants.** (a) By August 1 of a fiscal year in which funds
359.9 are specifically made available for purposes of this section, the commissioner of management
359.10 and budget must provide reimbursement grants to deputy registrars.

359.11 (b) The commissioner must use existing resources to administer the reimbursements.

359.12 Subd. 2. **Eligibility.** A deputy registrar office operated by the state is not eligible to
359.13 receive funds under this section.

359.14 Subd. 3. **Aid distribution.** (a) The reimbursement grant to each deputy registrar, as
359.15 identified by the Driver and Vehicle Services-designated office location number, is calculated
359.16 as follows:

359.17 (1) 50 percent of available funds allocated proportionally based on (i) the number of
359.18 transactions where a filing fee under section 168.33, subdivision 7, is retained by each
359.19 deputy registrar during the preceding fiscal year, compared to (ii) the total number of
359.20 transactions where a filing fee is retained by all deputy registrars during that time period;
359.21 and

359.22 (2) 50 percent of available funds allocated proportionally based on (i) the number of
359.23 transactions where a filing fee is retained by each deputy registrar from July 1, 2014, through
359.24 June 30, 2017, compared to (ii) the total number of transactions where a filing fee is retained
359.25 by all deputy registrars during that time period.

359.26 (b) For a deputy registrar appointed after July 1, 2014, the commissioner of management
359.27 and budget must identify whether a corresponding discontinued deputy registrar appointment
359.28 exists. If a corresponding discontinued deputy registrar is identified, the commissioner must
359.29 include the transactions of the discontinued deputy registrar in the calculations under
359.30 paragraph (a) for the deputy registrar appointed after July 1, 2014.

359.31 (c) For a deputy registrar appointed after July 1, 2014, for which paragraph (b) does not
359.32 apply, the commissioner of management and budget must calculate that deputy registrar's

360.1 proportional share under paragraph (a), clause (2), based on the average number of
360.2 transactions where a filing fee is retained among the deputy registrars, as calculated excluding
360.3 any deputy registrars for which this paragraph applies.

360.4 (d) In the calculations under paragraph (a), the commissioner of management and budget
360.5 must exclude transactions for (1) a deputy registrar office operated by the state, and (2) a
360.6 discontinued deputy registrar for which paragraph (b) does not apply.

360.7 **EFFECTIVE DATE.** This section is effective the day following final enactment.

360.8 Sec. 20. Minnesota Statutes 2016, section 168.345, subdivision 2, is amended to read:

360.9 Subd. 2. **Lessees; information.** The commissioner may not furnish information about
360.10 registered owners of passenger automobiles who are lessees under a lease for a term of 180
360.11 days or more to any person except the personnel of law enforcement agencies ~~and~~, trade
360.12 associations performing a member service under section 604.15, subdivision 4a, federal,
360.13 state, and local governmental units, and, at the commissioner's discretion, to persons who
360.14 use the information to notify lessees of automobile recalls. The commissioner may release
360.15 information about lessees in the form of summary data, as defined in section 13.02, to
360.16 persons who use the information in conducting statistical analysis and market research.

360.17 Sec. 21. Minnesota Statutes 2016, section 168A.02, subdivision 1, is amended to read:

360.18 Subdivision 1. **Application for certificate of title.** (a) Except as provided in section
360.19 168A.03, every owner of a vehicle which is in this state and for which no currently effective
360.20 certificate of title has been issued in this state shall make application to the department for
360.21 a certificate of title of the vehicle, pursuant to rules adopted by the department under section
360.22 168A.24, subdivision 2, clause ~~3~~ (3).

360.23 (b) A decommissioned military vehicle that (1) was also manufactured and sold as a
360.24 comparable civilian vehicle, and (2) has the same size dimensions and vehicle weight as
360.25 the comparable civilian vehicle, is eligible for a certificate of title under this chapter.

360.26 Sec. 22. Minnesota Statutes 2016, section 168A.151, subdivision 1, is amended to read:

360.27 Subdivision 1. **Salvage titles.** (a) When an insurer, licensed to conduct business in
360.28 Minnesota, acquires ownership of a ~~late-model or high-value~~ vehicle through payment of
360.29 damages, the insurer shall immediately apply for a salvage certificate of title or shall stamp
360.30 the existing certificate of title with the legend "SALVAGE CERTIFICATE OF TITLE" in
360.31 a manner prescribed by the department. Within ten days of obtaining the title of a vehicle

361.1 through payment of damages, an insurer must notify the department in a manner prescribed
361.2 by the department.

361.3 (b) A person shall immediately apply for a salvage certificate of title if the person acquires
361.4 a damaged ~~late-model or high-value~~ vehicle with an out-of-state title and the vehicle:

361.5 (1) is a vehicle that was acquired by an insurer through payment of damages;

361.6 (2) is a vehicle for which the cost of repairs exceeds the value of the damaged vehicle;

361.7 or

361.8 (3) has an out-of-state salvage certificate of title as proof of ownership.

361.9 (c) A self-insured owner of a ~~late-model or high-value~~ vehicle that sustains damage by
361.10 collision or other occurrence which exceeds 80 percent of its actual cash value shall
361.11 immediately apply for a salvage certificate of title.

361.12 Sec. 23. Minnesota Statutes 2016, section 168A.29, subdivision 1, is amended to read:

361.13 Subdivision 1. **Amounts.** (a) The department must be paid the following fees:

361.14 (1) for filing an application for and the issuance of an original certificate of title, ~~the~~
361.15 ~~sum of:~~

361.16 ~~(i) until December 31, 2016, \$6.25 of which \$3.25 must be paid into the vehicle services~~
361.17 ~~operating account of the special revenue fund under section 299A.705, and from July 1,~~
361.18 ~~2012, to June 30, 2016, a surcharge of \$1 must be added to the fee and credited to the driver~~
361.19 ~~and vehicle services technology account; and~~

361.20 ~~(ii) on and after January 1, 2017, \$8.25, of which \$4.15 must be paid into the vehicle~~
361.21 ~~services operating account under section 299A.705;~~

361.22 (2) for each security interest when first noted upon a certificate of title, including the
361.23 concurrent notation of any assignment thereof and its subsequent release or satisfaction, ~~the~~
361.24 ~~sum of \$2, except that no fee is due for a security interest filed by a public authority under~~
361.25 ~~section 168A.05, subdivision 8;~~

361.26 ~~(3) until December 31, 2016, for the transfer of the interest of an owner and the issuance~~
361.27 ~~of a new certificate of title, the sum of \$5.50 of which \$2.50 must be paid into the vehicle~~
361.28 ~~services operating account of the special revenue fund under section 299A.705, and from~~
361.29 ~~July 1, 2012, to June 30, 2016, a surcharge of \$1 must be added to the fee and credited to~~
361.30 ~~the driver and vehicle services technology account;~~

362.1 ~~(4)~~ (3) for each assignment of a security interest when first noted on a certificate of title,
362.2 unless noted concurrently with the security interest, ~~the sum of \$1~~; and

362.3 ~~(5)~~ (4) for issuing a duplicate certificate of title, ~~the sum of \$7.25~~, of which \$3.25 must
362.4 be paid into the vehicle services operating account ~~of the special revenue fund~~ under section
362.5 299A.705; ~~from July 1, 2012, to June 30, 2016, a surcharge of \$1 must be added to the fee~~
362.6 ~~and credited to the driver and vehicle services technology account.~~

362.7 (b) In addition to the fee required under paragraph (a), clause (1), the department must
362.8 be paid \$3.50. The additional \$3.50 fee collected under this paragraph must be deposited
362.9 in the special revenue fund and credited to the public safety motor vehicle account established
362.10 in section 299A.70.

362.11 **EFFECTIVE DATE.** This section is effective July 1, 2018.

362.12 Sec. 24. Minnesota Statutes 2016, section 169.011, subdivision 5, is amended to read:

362.13 Subd. 5. **Bicycle lane.** "Bicycle lane" means a portion of a roadway ~~or shoulder~~ designed
362.14 for exclusive or preferential use by persons using bicycles. Bicycle lanes are to be
362.15 distinguished from the portion of the roadway ~~or shoulder~~ used for motor vehicle traffic by
362.16 physical barrier, striping, marking, or other similar device.

362.17 Sec. 25. Minnesota Statutes 2016, section 169.011, subdivision 9, is amended to read:

362.18 Subd. 9. **Bikeway.** "Bikeway" means a bicycle lane, bicycle path, ~~or~~ bicycle route, shared
362.19 use path, or similar bicycle facility, regardless of whether it is designed for the exclusive
362.20 use of bicycles or ~~is to be~~ for shared use with other transportation modes.

362.21 Sec. 26. Minnesota Statutes 2016, section 169.011, subdivision 60, is amended to read:

362.22 Subd. 60. **Railroad train.** "Railroad train" means a steam engine, electric or other motor,
362.23 with or without cars coupled thereto, operated upon rails, except streetcars. Railroad train
362.24 includes on-track equipment or other rolling stock operated upon rails, whether the on-track
362.25 equipment or rolling stock is self-propelled or coupled to another device.

362.26 Sec. 27. Minnesota Statutes 2016, section 169.18, subdivision 3, is amended to read:

362.27 Subd. 3. **Passing.** ~~The following rules shall govern the overtaking and passing of vehicles~~
362.28 ~~proceeding in the same direction, subject to the limitations, exceptions, and special rules~~
362.29 ~~hereinafter stated:~~

363.1 ~~(1)~~ (a) The driver of a vehicle overtaking another vehicle proceeding in the same direction
 363.2 ~~shall~~ must pass to the left ~~thereof~~ of the other vehicle at a safe distance and ~~shall not again~~
 363.3 ~~drive~~ is prohibited from returning to the right side of the roadway until safely clear of the
 363.4 overtaken vehicle;

363.5 ~~(2)~~ (b) Except when overtaking and passing on the right is permitted, the driver of an
 363.6 overtaken vehicle ~~shall~~ must give way to the right in favor of the overtaking vehicle ~~on~~
 363.7 ~~audible warning~~, and ~~shall~~ must not increase ~~the speed of the overtaken vehicle~~ until
 363.8 completely passed by the overtaking vehicle; ~~and~~.

363.9 ~~(3)~~ (c) The operator of a motor vehicle overtaking a bicycle or individual proceeding in
 363.10 the same direction on the roadway ~~shall leave~~ or shoulder must:

363.11 (1) either (i) maintain a safe clearance distance while passing, but in no case less than
 363.12 three feet clearance, when passing the bicycle or individual or one-half the width of the
 363.13 motor vehicle, whichever is greater; or (ii) completely enter another lane of the roadway
 363.14 while passing; and shall

363.15 (2) maintain clearance until the motor vehicle has safely past passed the overtaken bicycle
 363.16 or individual.

363.17 Sec. 28. Minnesota Statutes 2016, section 169.222, subdivision 1, is amended to read:

363.18 Subdivision 1. **Traffic laws apply.** (a) Every person operating a bicycle shall have has
 363.19 all of the rights and duties applicable to the driver of any other vehicle by this chapter,
 363.20 except in respect to those provisions in this chapter relating expressly to bicycles and in
 363.21 respect to those provisions of this chapter which by their nature cannot reasonably be applied
 363.22 to bicycles. This subdivision applies to a bicycle operating on the shoulder of a roadway.

363.23 (b) A person lawfully operating a bicycle (1) on a sidewalk, or (2) across a roadway or
 363.24 shoulder on a crosswalk, has all the rights and duties applicable to a pedestrian under the
 363.25 same circumstances.

363.26 Sec. 29. Minnesota Statutes 2016, section 169.222, subdivision 4, is amended to read:

363.27 Subd. 4. **Riding rules.** (a) Every person operating a bicycle upon a roadway shall on a
 363.28 road must ride as close as practicable to the right-hand curb or edge of the roadway except
 363.29 under any of the following situations road as the bicycle operator determines is safe. A
 363.30 person operating a bicycle is not required to ride as close to the right-hand curb when:

363.31 (1) when overtaking and passing another vehicle proceeding in the same direction;

- 364.1 (2) ~~when~~ preparing for a left turn at an intersection or into a private road or driveway;
- 364.2 (3) ~~when~~ reasonably necessary to avoid conditions that make it unsafe to continue along
- 364.3 the right-hand curb or edge, including fixed or moving objects, vehicles, pedestrians, animals,
- 364.4 surface hazards, or narrow width lanes, ~~that make it unsafe to continue along the right-hand~~
- 364.5 ~~curb or edge; or~~
- 364.6 (4) ~~when~~ operating on the shoulder of a roadway or in a bicycle lane; or
- 364.7 (5) operating in a right-hand turn lane before entering an intersection.
- 364.8 (b) If a bicycle is traveling on a shoulder of a roadway, the bicycle ~~shall~~ operator must
- 364.9 travel in the same direction as adjacent vehicular traffic.
- 364.10 (c) Persons riding bicycles upon a roadway or shoulder shall not ride more than two
- 364.11 abreast and shall not impede the normal and reasonable movement of traffic and, on a laned
- 364.12 roadway, shall ride within a single lane.
- 364.13 (d) A person operating a bicycle upon a sidewalk, or across a roadway or shoulder on a
- 364.14 crosswalk, shall yield the right-of-way to any pedestrian and shall give an audible signal
- 364.15 when necessary before overtaking and passing any pedestrian. No person shall ride a bicycle
- 364.16 upon a sidewalk within a business district unless permitted by local authorities. Local
- 364.17 authorities may prohibit the operation of bicycles on any sidewalk or crosswalk under their
- 364.18 jurisdiction.
- 364.19 (e) An individual operating a bicycle or other vehicle on a bikeway shall leave a safe
- 364.20 distance when overtaking a bicycle or individual proceeding in the same direction on the
- 364.21 bikeway, and shall maintain clearance until safely past the overtaken bicycle or individual.
- 364.22 ~~(f) A person lawfully operating a bicycle on a sidewalk, or across a roadway or shoulder~~
- 364.23 ~~on a crosswalk, shall have all the rights and duties applicable to a pedestrian under the same~~
- 364.24 ~~circumstances.~~
- 364.25 ~~(g)~~ (f) A person may operate an electric-assisted bicycle on the shoulder of a roadway,
- 364.26 on a bikeway, or on a bicycle trail if not otherwise prohibited under section 85.015,
- 364.27 subdivision 1d; 85.018, subdivision 2, paragraph (d); or 160.263, subdivision 2, paragraph
- 364.28 (b), as applicable.
- 364.29 (g) Notwithstanding section 169.06, subdivision 4, a bicycle operator may cross an
- 364.30 intersection proceeding from a dedicated right-hand turn lane without turning right.

365.1 Sec. 30. Minnesota Statutes 2016, section 169.26, subdivision 1, is amended to read:

365.2 Subdivision 1. **Requirements.** (a) Except as provided in section 169.28, subdivision 1,
365.3 when any person driving a vehicle approaches a railroad grade crossing under any of the
365.4 circumstances stated in this paragraph, the driver shall stop the vehicle not less than ten feet
365.5 from the nearest railroad track and shall not proceed until safe to do so and until the roadway
365.6 is clear of traffic so that the vehicle can proceed without stopping until the rear of the vehicle
365.7 is at least ten feet past the farthest railroad track. These requirements apply when:

365.8 (1) a clearly visible electric or mechanical signal device warns of the immediate approach
365.9 of a railroad train; or

365.10 (2) an approaching railroad train is plainly visible and is in hazardous proximity.

365.11 (b) The fact that a moving railroad train approaching a railroad grade crossing is visible
365.12 from the crossing is prima facie evidence that it is not safe to proceed.

365.13 (c) The driver of a vehicle shall stop and remain stopped and not traverse the grade
365.14 crossing when a human flagger signals the approach or passage of a railroad train or when
365.15 a crossing gate is lowered warning of the immediate approach or passage of a railroad train.
365.16 No person may drive a vehicle past a flagger at a railroad crossing until the flagger signals
365.17 that the way is clear to proceed or drive a vehicle past a lowered crossing gate.

365.18 Sec. 31. Minnesota Statutes 2016, section 169.28, is amended to read:

365.19 **169.28 CERTAIN VEHICLES TO STOP AT RAILROAD CROSSING.**

365.20 Subdivision 1. **Requirements.** (a) The driver of any motor vehicle carrying passengers
365.21 for hire, or of any school bus whether carrying passengers or not, or of any Head Start bus
365.22 whether carrying passengers or not, or of any vehicle that is required to stop at railroad
365.23 grade crossings under Code of Federal Regulations, title 49, section 392.10, before crossing
365.24 at grade any track or tracks of a railroad, shall stop the vehicle not less than 15 feet nor more
365.25 than 50 feet from the nearest rail of the railroad and while so stopped shall listen and look
365.26 in both directions along the track for any approaching railroad train, and for signals indicating
365.27 the approach of a railroad train, except as ~~hereinafter~~ otherwise provided, and in this section.
365.28 The driver shall not proceed until safe to do so and until the roadway is clear of traffic so
365.29 that the vehicle can proceed without stopping until the rear of the vehicle is at least ten feet
365.30 past the farthest railroad track. The driver must not shift gears while crossing the railroad
365.31 tracks.

366.1 (b) A school bus or Head Start bus shall not be flagged across railroad grade crossings
366.2 except at those railroad grade crossings that the local school administrative officer may
366.3 designate.

366.4 (c) A type III vehicle, as defined in section 169.011, is exempt from the requirement of
366.5 school buses to stop at railroad grade crossings.

366.6 (d) The requirements of this subdivision do not apply to the crossing of light rail vehicle
366.7 track or tracks that are located in a public street when:

366.8 (1) the crossing occurs within the intersection of two or more public streets;

366.9 (2) the intersection is controlled by a traffic-control signal; and

366.10 (3) the intersection is marked with signs indicating to drivers that the requirements of
366.11 this subdivision do not apply. Notwithstanding any other provision of law, the owner or
366.12 operator of the track or tracks is authorized to place, maintain, and display the signs upon
366.13 and in the view of the public street or streets.

366.14 Subd. 2. **Exempt crossing.** (a) The commissioner may designate a crossing as an exempt
366.15 crossing:

366.16 (1) if the crossing is on a rail line on which service has been abandoned;

366.17 (2) if the crossing is on a rail line that carries fewer than five trains each year, traveling
366.18 at speeds of ten miles per hour or less; or

366.19 (3) as agreed to by the operating railroad and the Department of Transportation, following
366.20 a diagnostic review of the crossing.

366.21 (b) The commissioner shall direct the railroad to erect at the crossing signs bearing the
366.22 word "Exempt" that conform to section 169.06. The installation or presence of an exempt
366.23 sign does not relieve a driver of the duty to use due care.

366.24 (c) A railroad train must not proceed across an exempt crossing unless a police officer
366.25 is present to direct traffic or a railroad employee is on the ground to warn traffic until the
366.26 railroad train enters the crossing.

366.27 ~~(e)~~ (d) A vehicle that must stop at grade crossings under subdivision 1 is not required
366.28 to stop at a marked exempt crossing unless directed otherwise by a police officer or a railroad
366.29 employee.

366.30 Sec. 32. Minnesota Statutes 2016, section 169.29, is amended to read:

366.31 **169.29 CROSSING RAILROAD TRACKS WITH CERTAIN EQUIPMENT.**

367.1 (a) No person shall operate or move any caterpillar tractor, steam shovel, derrick, roller,
367.2 or any equipment or structure having a normal operating speed of six or less miles per hour
367.3 or a vertical body or load clearance of less than nine inches above the level surface of a
367.4 roadway upon or across any tracks at a railroad grade crossing without first complying with
367.5 this section.

367.6 (b) Before making any crossing, the person operating or moving any vehicle or equipment
367.7 set forth in this section shall first stop the same not less than ten, nor more than 50, feet
367.8 from the nearest rail of the railway, and while so stopped shall listen and look in both
367.9 directions along the track for any approaching railroad train and for signals indicating the
367.10 approach of a railroad train, and shall not proceed until the crossing can be made safely.

367.11 (c) No crossing shall be made when warning is given by automatic signal or crossing
367.12 gates or a flagger or otherwise of the immediate approach of a railroad train or car.

367.13 (d) No stop need be made at a crossing on a rail line on which service has been abandoned
367.14 and where a sign erected in conformance with section 169.06 and bearing the word "Exempt"
367.15 has been installed, unless directed otherwise by a flagger. The installation or presence of
367.16 an exempt sign shall not relieve any driver of the duty to use due care.

367.17 Sec. 33. Minnesota Statutes 2016, section 169.345, subdivision 2, is amended to read:

367.18 Subd. 2. **Definitions.** (a) For the purpose of section 168.021 and this section, the following
367.19 terms have the meanings given them in this subdivision.

367.20 (b) "Health professional" means a licensed physician, licensed physician assistant,
367.21 advanced practice registered nurse, licensed physical therapist, or licensed chiropractor.

367.22 (c) "Long-term certificate" means a certificate issued for a period greater than 12 months
367.23 but not greater than 71 months.

367.24 (d) "Organization certificate" means a certificate issued to an entity other than a natural
367.25 person for a period of three years.

367.26 (e) "Permit" refers to a permit that is issued for a period of 30 days, in lieu of the
367.27 certificate referred to in subdivision 3, while the application is being processed.

367.28 (f) "Physically disabled person" means a person who:

367.29 (1) because of disability cannot walk without significant risk of falling;

367.30 (2) because of disability cannot walk 200 feet without stopping to rest;

368.1 (3) because of disability cannot walk without the aid of another person, a walker, a cane,
368.2 crutches, braces, a prosthetic device, or a wheelchair;

368.3 (4) is restricted by a respiratory disease to such an extent that the person's forced
368.4 (respiratory) expiratory volume for one second, when measured by spirometry, is less than
368.5 one liter;

368.6 (5) has an arterial oxygen tension (PaO₂) of less than 60 mm/Hg on room air at rest;

368.7 (6) uses portable oxygen;

368.8 (7) has a cardiac condition to the extent that the person's functional limitations are
368.9 classified in severity as class III or class IV according to standards set by the American
368.10 Heart Association;

368.11 (8) has lost an arm or a leg and does not have or cannot use an artificial limb; or

368.12 (9) has a disability that would be aggravated by walking 200 feet under normal
368.13 environmental conditions to an extent that would be life threatening.

368.14 (g) "Short-term certificate" means a certificate issued for a period greater than six months
368.15 but not greater than 12 months.

368.16 (h) "Six-year certificate" means a certificate issued for a period of six years.

368.17 (i) "Temporary certificate" means a certificate issued for a period not greater than six
368.18 months.

368.19 Sec. 34. Minnesota Statutes 2016, section 169.4503, subdivision 5, is amended to read:

368.20 Subd. 5. **Colors.** Fenderettes may be black. The beltline may be painted yellow over
368.21 black or black over yellow. The rub rails ~~shall~~ must be black or yellow. The area around
368.22 the lenses of alternately flashing signal lamps extending outward from the edge of the lamp
368.23 three inches, plus or minus one-quarter inch, to the sides and top and at least one inch to
368.24 the bottom, ~~shall~~ must be black. Visors or hoods, black in color, with a minimum of four
368.25 inches may be provided.

368.26 Sec. 35. Minnesota Statutes 2016, section 169.81, is amended by adding a subdivision to
368.27 read:

368.28 Subd. 11. **Automobile transporter.** (a) For purposes of this subdivision, the following
368.29 terms have the meanings given them:

369.1 (1) "automobile transporter" means any vehicle combination designed and used to
369.2 transport assembled highway vehicles, including truck camper units;

369.3 (2) "stinger-steered combination automobile transporter" means a truck tractor semitrailer
369.4 having the fifth wheel located on a drop frame located behind and below the rear-most axle
369.5 of the power unit; and

369.6 (3) "backhaul" means the return trip of a vehicle transporting cargo or general freight,
369.7 especially when carrying goods back over all or part of the same route.

369.8 (b) Stinger-steered combination automobile transporters having a length of 80 feet or
369.9 less may be operated on interstate highways and other highways designated in this section,
369.10 and in addition may carry a load that extends the length by four feet or less in the front of
369.11 the vehicle and six feet or less in the rear of the vehicle.

369.12 (c) An automobile transporter may transport cargo or general freight on a backhaul,
369.13 provided it complies with weight limitations for a truck tractor and semitrailer combination
369.14 under section 169.824.

369.15 Sec. 36. Minnesota Statutes 2016, section 169.8261, subdivision 2, is amended to read:

369.16 Subd. 2. **Conditions.** (a) A vehicle or combination of vehicles described in subdivision
369.17 1 must:

369.18 (1) comply with seasonal load restrictions in effect between the dates set by the
369.19 commissioner under section 169.87, subdivision 2;

369.20 (2) comply with bridge load limits posted under section 169.84;

369.21 (3) be equipped and operated with six or more axles and brakes on all wheels;

369.22 (4) not exceed 90,000 pounds gross vehicle weight, or 99,000 pounds gross vehicle
369.23 weight during the time when seasonal increases are authorized under section 169.826;

369.24 (5) not be operated on interstate highways;

369.25 (6) obtain an annual permit from the commissioner of transportation;

369.26 (7) obey all road postings; and

369.27 (8) not exceed 20,000 pounds gross weight on any single axle.

369.28 (b) A vehicle operated under this section may exceed the legal axle weight limits listed
369.29 in section 169.824 by not more than 12.5 percent; except that, the weight limits may be
369.30 exceeded by not more than 23.75 percent during the time when seasonal increases are
369.31 authorized under section 169.826, subdivision 1.

370.1 (c) Notwithstanding paragraph (a), clause (5), a vehicle or combination of vehicles
370.2 hauling raw or unfinished forest products may also operate on the segment of marked
370.3 Interstate Highway 35 provided under United States Code, title 23, section 127(q)(2)(D).

370.4 Sec. 37. Minnesota Statutes 2017 Supplement, section 169.829, subdivision 4, is amended
370.5 to read:

370.6 Subd. 4. **Certain emergency vehicles.** (a) The provisions of sections 169.80 to 169.88
370.7 governing size, weight, and load do not apply to a fire apparatus, a law enforcement special
370.8 response vehicle, or a licensed land emergency ambulance service vehicle.

370.9 (b) Emergency vehicles designed to transport personnel and equipment to support the
370.10 suppression of fires and to mitigate other hazardous situations are subject to the following
370.11 weight limitations when operated on an interstate highway: (1) 24,000 pounds on a single
370.12 steering axle; (2) 33,500 pounds on a single drive axle; (3) 52,000 pounds on a tandem rear
370.13 drive steer axle; and (4) 62,000 pounds on a tandem axle. The gross weight of an emergency
370.14 vehicle operating on an interstate highway must not exceed 86,000 pounds.

370.15 Sec. 38. Minnesota Statutes 2016, section 169.829, is amended by adding a subdivision
370.16 to read:

370.17 Subd. 5. **Sewage septic tank trucks.** (a) Sections 169.823 and 169.826 to 169.828 do
370.18 not apply to a sewage septic tank truck used exclusively to transport sewage from septic or
370.19 holding tanks.

370.20 (b) The weight limitations under section 169.824 are increased by ten percent for a
370.21 single-unit vehicle transporting sewage from the point of service to (1) another point of
370.22 service, or (2) the point of unloading.

370.23 (c) Notwithstanding sections 169.824, subdivision 1, paragraph (d); 169.826, subdivision
370.24 3; or any other law to the contrary, a permit is not required to operate a vehicle under this
370.25 subdivision.

370.26 (d) The seasonal weight increases under section 169.826, subdivision 1, do not apply to
370.27 a vehicle operated under this subdivision.

370.28 (e) A vehicle operated under this subdivision is subject to bridge load limits posted under
370.29 section 169.84.

370.30 **EFFECTIVE DATE.** This section is effective the day following final enactment.

371.1 Sec. 39. Minnesota Statutes 2016, section 169.87, subdivision 6, is amended to read:

371.2 Subd. 6. **Recycling and garbage vehicles.** (a) ~~Except as provided in paragraph (b) While~~
371.3 a vehicle is engaged in the type of collection the vehicle was designed to perform, weight
371.4 restrictions imposed under subdivisions 1 and 2 do not apply to:

371.5 (1) a vehicle that does not exceed 20,000 pounds per single axle and is designed and
371.6 used exclusively for recycling, while ~~engaged in recycling~~ operating in a political subdivision
371.7 that mandates curbside recycling pickup;

371.8 ~~(b) Weight restrictions imposed under subdivisions 1 and 2 do not apply to: (1) (2) a~~
371.9 vehicle that does not exceed 14,000 pounds per single axle and is used exclusively for
371.10 recycling ~~as described in paragraph (a);~~

371.11 ~~(2) (3) a vehicle that does not exceed 14,000 pounds per single axle and is designed and~~
371.12 used exclusively for collecting mixed municipal solid waste, as defined in section 115A.03,
371.13 subdivision 21, ~~while engaged in such collection; or~~

371.14 ~~(3) (4) a portable toilet service vehicle that does not exceed 14,000 pounds per single~~
371.15 axle or 26,000 pounds gross vehicle weight, and is designed and used exclusively for
371.16 collecting liquid waste from portable toilets, ~~while engaged in such collection; or~~

371.17 (5) a sewage septic tank truck that is designed and used exclusively to haul sewage from
371.18 septic or holding tanks.

371.19 ~~(e) (b) Notwithstanding section 169.80, subdivision 1, a violation of the owner or operator~~
371.20 of a vehicle that violates the weight restrictions imposed under subdivisions 1 and 2 by a
371.21 ~~vehicle designed and used exclusively for recycling while engaged in recycling in a political~~
371.22 ~~subdivision that mandates curbside recycling pickup while engaged in such collection, by~~
371.23 ~~a vehicle that is designed and used exclusively for collecting mixed municipal solid waste~~
371.24 ~~as defined in section 115A.03, subdivision 21, while engaged in such collection, or by a~~
371.25 ~~portable toilet service vehicle that is designed and used exclusively for collecting liquid~~
371.26 ~~waste from portable toilets, while engaged in such collection,~~ is not subject to criminal
371.27 penalties but is subject to a civil penalty for excess weight under section 169.871 if the
371.28 vehicle (1) meets the requirements under paragraph (a), and (2) is engaged in the type of
371.29 collection the vehicle was designed to perform.

371.30 **EFFECTIVE DATE.** This section is effective the day following final enactment.

372.1 Sec. 40. Minnesota Statutes 2016, section 169.974, subdivision 2, is amended to read:

372.2 Subd. 2. **License endorsement and permit requirements.** (a) No person shall operate
372.3 a motorcycle on any street or highway without having a valid driver's license with a
372.4 two-wheeled vehicle endorsement as provided by law. A person may operate an autocyte
372.5 without a two-wheeled vehicle endorsement, provided the person has a valid driver's license
372.6 issued under section 171.02.

372.7 (b) The commissioner of public safety shall issue a two-wheeled vehicle endorsement
372.8 only if the applicant (1) has in possession a valid two-wheeled vehicle instruction permit
372.9 as provided in paragraph (c), (2) has passed a written examination and road test administered
372.10 by the Department of Public Safety for the endorsement, and (3) in the case of applicants
372.11 under 18 years of age, presents a certificate or other evidence of having successfully
372.12 completed an approved two-wheeled vehicle driver's safety course in this or another state,
372.13 in accordance with rules adopted by the commissioner of public safety for courses offered
372.14 by a public, private, or commercial school or institute. The commissioner of public safety
372.15 may waive the road test for any applicant on determining that the applicant possesses a valid
372.16 license to operate a two-wheeled vehicle issued by a jurisdiction that requires a comparable
372.17 road test for license issuance.

372.18 (c) The commissioner of public safety shall issue a two-wheeled vehicle instruction
372.19 permit to any person over 16 years of age who (1) is in possession of a valid driver's license,
372.20 (2) is enrolled in an approved two-wheeled vehicle driver's safety course, and (3) has passed
372.21 a written examination for the permit and paid a fee prescribed by the commissioner of public
372.22 safety. A two-wheeled vehicle instruction permit is effective for one year and may be
372.23 renewed under rules prescribed by the commissioner of public safety.

372.24 (d) No person who is operating by virtue of a two-wheeled vehicle instruction permit
372.25 shall:

372.26 (1) carry any passengers on the streets and highways of this state on the motorcycle
372.27 while the person is operating the motorcycle;

372.28 (2) drive the motorcycle at night; or

372.29 ~~(3) drive the motorcycle on any highway marked as an interstate highway pursuant to~~
372.30 ~~title 23 of the United States Code; or~~

372.31 ~~(4)~~ (3) drive the motorcycle without wearing protective headgear that complies with
372.32 standards established by the commissioner of public safety.

373.1 (e) Notwithstanding paragraphs (a) to (d), the commissioner of public safety may issue
373.2 a special motorcycle permit, restricted or qualified as the commissioner of public safety
373.3 deems proper, to any person demonstrating a need for the permit and unable to qualify for
373.4 a driver's license.

373.5 Sec. 41. [174.13] TRANSPORTATION FACILITIES CAPITAL PROGRAM.

373.6 Subdivision 1. Program established. (a) A transportation facilities capital program is
373.7 established to prioritize among eligible projects that:

373.8 (1) support the programmatic mission of the department;

373.9 (2) extend the useful life of existing buildings; or

373.10 (3) renovate or construct facilities to meet the department's current and future operational
373.11 needs.

373.12 (b) Projects under the transportation facilities capital program may be funded by proceeds
373.13 from the sale of trunk highway bonds or from other funds appropriated for the purposes of
373.14 this section.

373.15 Subd. 2. Accounts. (a) A transportation facilities capital account is established in the
373.16 trunk highway fund. The account consists of all money made available from the trunk
373.17 highway fund for the purposes of this section and any other money donated, allotted,
373.18 transferred, or otherwise provided to the account by law. Money in the account is appropriated
373.19 to the commissioner for the purposes specified and consistent with the standards and criteria
373.20 set forth in this section.

373.21 (b) A transportation facilities capital account is established in the bond proceeds account
373.22 of the trunk highway fund. The account consists of trunk highway bond proceeds appropriated
373.23 to the commissioner for the transportation facilities capital program. Money in the account
373.24 may only be expended on trunk highway purposes, which includes the purposes in this
373.25 section.

373.26 Subd. 3. Standards. (a) The legislature finds that many projects for preservation and
373.27 replacement of portions of existing capital assets constitute the construction, improvement,
373.28 and maintenance of the public highway system within the meaning of the Minnesota
373.29 Constitution, article XIV, section 11, and capital expenditures under generally accepted
373.30 accounting principles as applied to public expenditures. Projects can be financed more
373.31 efficiently and economically under the program than by direct appropriations for specific
373.32 projects.

374.1 (b) When allocating funding under this section, the commissioner must review the
374.2 projects deemed eligible under subdivision 4 and prioritize allocations using the criteria in
374.3 subdivision 5. Money allocated to a specific project in an appropriation or other law must
374.4 be allocated as provided by the law.

374.5 Subd. 4. **Eligible expenditures; limitations.** (a) A project is eligible under this section
374.6 only if it is a capital expenditure on a capital building asset owned or to be owned by the
374.7 state within the meaning of generally accepted accounting principles as applied to public
374.8 expenditures.

374.9 (b) Capital budget expenditures that are eligible under this section include but are not
374.10 limited to: (1) acquisition of land and buildings; and (2) the predesign, engineering,
374.11 construction, furnishing and equipping of district headquarter buildings, truck stations, salt
374.12 storage or other unheated storage buildings, deicing and anti-icing facilities, fuel dispensing
374.13 facilities, highway rest areas, and vehicle weigh and inspection stations.

374.14 Subd. 5. **Criteria for priorities.** When prioritizing funding allocation among projects
374.15 eligible under subdivision 4, the commissioner must consider:

374.16 (1) whether a project ensures the effective and efficient condition and operation of the
374.17 facility;

374.18 (2) the urgency in ensuring the safe use of existing buildings;

374.19 (3) the project's total life-cycle cost;

374.20 (4) additional criteria for priorities otherwise specified in state law, statute, or rule that
374.21 applies to a category listed in the act making an appropriation for the program; and

374.22 (5) any other criteria the commissioner deems necessary.

374.23 Sec. 42. Minnesota Statutes 2016, section 174.66, is amended to read:

374.24 **174.66 CONTINUATION OF CARRIER RULES.**

374.25 (a) Orders and directives in force, issued, or promulgated under authority of chapters
374.26 174A, 216A, 218, 219, 221, and 222 remain and continue in force and effect until repealed,
374.27 modified, or superseded by duly authorized orders or directives of the commissioner of
374.28 transportation. To the extent allowed under federal law or regulation, rules adopted under
374.29 authority of the following sections are transferred to the commissioner of transportation
374.30 and continue in force and effect until repealed, modified, or superseded by duly authorized
374.31 rules of the commissioner:

375.1 (1) section 218.041 except rules related to the form and manner of filing railroad rates,
375.2 railroad accounting rules, and safety rules;

375.3 (2) section 219.40;

375.4 (3) rules relating to rates or tariffs, or the granting, limiting, or modifying of permits
375.5 under section 221.031, subdivision 1; and

375.6 ~~(4) rules relating to rates, charges, and practices under section 221.161, subdivision 4;~~
375.7 ~~and~~

375.8 ~~(5) rules relating to rates, tariffs, or the granting, limiting, or modifying of permits under~~
375.9 ~~section 221.121.~~

375.10 (b) The commissioner shall review the transferred rules, orders, and directives and, when
375.11 appropriate, develop and adopt new rules, orders, or directives.

375.12 Sec. 43. Minnesota Statutes 2016, section 221.031, subdivision 2d, is amended to read:

375.13 Subd. 2d. **Hours of service exemptions; agricultural purposes.** The federal regulations
375.14 incorporated in section 221.0314, subdivision 9, for ~~maximum driving and on-duty time,~~
375.15 hours of service do not apply to drivers engaged in intrastate transportation within a
375.16 150-air-mile radius from the source of the commodities, or from the retail or wholesale
375.17 distribution point of the farm supplies, for:

375.18 (1) agricultural commodities; or

375.19 (2) farm supplies for agricultural purposes from March 15 to December 15 of each year;
375.20 ~~or.~~

375.21 ~~(2) sugar beets from September 1 to May 15 of each year.~~

375.22 Sec. 44. Minnesota Statutes 2016, section 221.031, is amended by adding a subdivision
375.23 to read:

375.24 Subd. 2f. Hours of service exemptions; utility construction. (a) The federal regulations
375.25 incorporated in section 221.0314, subdivision 9, for hours of service do not apply to drivers
375.26 engaged in intrastate transportation of utility construction materials within a 50-mile radius
375.27 from the site of a construction or maintenance project.

375.28 (b) For purposes of this subdivision, utility construction materials includes supplies and
375.29 materials used in a project to construct or maintain (1) a street or highway; (2) equipment
375.30 or facilities to furnish electric transmission service; (3) a telecommunications system or

376.1 cable communications system; (4) a waterworks system, sanitary sewer, or storm sewer;
376.2 (5) a gas heating service line; (6) a pipeline; and (7) a facility for other similar utility service.

376.3 Sec. 45. Minnesota Statutes 2016, section 221.0314, subdivision 9, is amended to read:

376.4 Subd. 9. **Hours of service of driver.** (a) Code of Federal Regulations, title 49, part 395,
376.5 is incorporated by reference, except that paragraphs (a), (c), (d), (f), (h), (i), ~~(k)~~, (m), and
376.6 (n) of section 395.1 of that part are not incorporated. In addition, cross-references to sections
376.7 or paragraphs not incorporated in this subdivision are not incorporated by reference.

376.8 (b) For purposes of Code of Federal Regulations, title 49, part 395.1, paragraph (k), the
376.9 planting and harvest period for Minnesota is from January 1 through December 31 each
376.10 year.

376.11 (c) The requirements of Code of Federal Regulations, title 49, part 395, do not apply to
376.12 drivers of lightweight vehicles.

376.13 Sec. 46. Minnesota Statutes 2016, section 221.036, subdivision 1, is amended to read:

376.14 Subdivision 1. **Order.** The commissioner may issue an order requiring violations to be
376.15 corrected and administratively assessing monetary penalties for a violation of (1) section
376.16 221.021; (2) section 221.033, subdivision 2b; (3) section 221.171; (4) section 221.141; (5)
376.17 a federal, state, or local law, regulation, rule, or ordinance pertaining to railroad-highway
376.18 grade crossings; or (6) rules of the commissioner relating to the transportation of hazardous
376.19 waste, motor carrier operations, or insurance, ~~or tariffs and accounting~~. An order must be
376.20 issued as provided in this section.

376.21 Sec. 47. Minnesota Statutes 2016, section 221.036, subdivision 3, is amended to read:

376.22 Subd. 3. **Amount of penalty; considerations.** (a) The commissioner may issue an order
376.23 assessing a penalty of up to \$5,000 for all violations identified during a single audit or
376.24 investigation of (1) section 221.021¹, 221.141², or 221.171, or (2) rules of the commissioner
376.25 relating to motor carrier operations; or insurance, ~~or tariffs and accounting, identified during~~
376.26 a single inspection, audit, or investigation.

376.27 (b) The commissioner may issue an order assessing a penalty up to a maximum of
376.28 \$10,000 for all violations of section 221.033, subdivision 2b, identified during a single
376.29 inspection or audit.

376.30 (c) In determining the amount of a penalty, the commissioner shall consider:

376.31 (1) the willfulness of the violation;

377.1 (2) the gravity of the violation, including damage to humans, animals, air, water, land,
377.2 or other natural resources of the state;

377.3 (3) the history of past violations, including the similarity of the most recent violation
377.4 and the violation to be penalized, the time elapsed since the last violation, the number of
377.5 previous violations, and the response of the person to the most recent violation identified;

377.6 (4) the economic benefit gained by the person by allowing or committing the violation;
377.7 and

377.8 (5) other factors as justice may require, if the commissioner specifically identifies the
377.9 additional factors in the commissioner's order.

377.10 (d) The commissioner shall assess a penalty in accordance with Code of Federal
377.11 Regulations, title 49, section 383.53, against:

377.12 (1) a driver who is convicted of a violation of an out-of-service order;

377.13 (2) an employer who knowingly allows or requires an employee to operate a commercial
377.14 motor vehicle in violation of an out-of-service order; or

377.15 (3) an employer who knowingly allows or requires an employee to operate a commercial
377.16 motor vehicle in violation of a federal, state, or local law or regulation pertaining to
377.17 railroad-highway grade crossings.

377.18 Sec. 48. Minnesota Statutes 2016, section 221.122, subdivision 1, is amended to read:

377.19 Subdivision 1. **Registration, insurance, and filing requirements.** (a) An order issued
377.20 by the commissioner which grants a certificate or permit must contain a service date.

377.21 (b) The person to whom the order granting the certificate or permit is issued shall do
377.22 the following within 45 days from the service date of the order:

377.23 (1) register vehicles which will be used to provide transportation under the permit or
377.24 certificate with the commissioner and pay the vehicle registration fees required by law; and

377.25 (2) file and maintain insurance or bond as required by section 221.141 and rules of the
377.26 commissioner; ~~and~~ and

377.27 ~~(3) file rates and tariffs as required by section 221.161 and rules of the commissioner.~~

377.28 Sec. 49. Minnesota Statutes 2016, section 221.161, subdivision 1, is amended to read:

377.29 Subdivision 1. ~~Filing; hearing upon commissioner initiative~~ Tariff maintenance and
377.30 contents. A household goods carrier shall file and mover must maintain with the

378.1 ~~commissioner~~ a tariff showing rates and charges for transporting household goods. Tariffs
378.2 ~~must be prepared and filed in accordance with the rules of the commissioner. When tariffs~~
378.3 ~~are filed in accordance with the rules and accepted by the commissioner, the filing constitutes~~
378.4 ~~notice to the public and interested parties of the contents of the tariffs. The commissioner~~
378.5 ~~shall not accept for filing tariffs that are unjust, unreasonable, unjustly discriminatory,~~
378.6 ~~unduly preferential or prejudicial, or otherwise in violation of this section or rules adopted~~
378.7 ~~under this section. If the tariffs appear to be unjust, unreasonable, unjustly discriminatory,~~
378.8 ~~unduly preferential or prejudicial, or otherwise in violation of this section or rules adopted~~
378.9 ~~under this section, after notification and investigation by the department, the commissioner~~
378.10 ~~may suspend and postpone the effective date of the tariffs and assign the tariffs for hearing~~
378.11 ~~upon notice to the household goods carrier filing the proposed tariffs and to other interested~~
378.12 ~~parties, including users of the service and competitive carriers by motor vehicle and rail.~~
378.13 ~~At the hearing, the burden of proof is on the household goods carrier filing the proposed~~
378.14 ~~tariff to sustain the validity of the proposed schedule of rates and charges. The tariffs and~~
378.15 ~~subsequent supplements to them or reissues of them must state the effective date, which~~
378.16 ~~may not be less than ten days following the date of filing, unless the period of time is reduced~~
378.17 ~~by special permission of the commissioner. A household goods mover must prepare a tariff~~
378.18 ~~under this section that complies with Code of Federal Regulations, title 49, part 1310.3.~~

378.19 Sec. 50. Minnesota Statutes 2016, section 221.161, is amended by adding a subdivision
378.20 to read:

378.21 Subd. 5. **Tariff availability.** (a) A household goods mover subject to this section must
378.22 maintain all of its effective tariffs at its principal place of business and at each of its terminal
378.23 locations, and must make the tariffs available to the public for inspection at all times the
378.24 household goods mover is open for business. Any publication referred to in a tariff must be
378.25 maintained with that tariff.

378.26 (b) Upon request, a household goods mover must provide copies of tariffs, specific tariff
378.27 provisions, or tariff subscriptions to the commissioner or any interested person.

378.28 Sec. 51. Minnesota Statutes 2016, section 221.171, subdivision 1, is amended to read:

378.29 Subdivision 1. **Compensation fixed by schedule on file.** ~~No~~ A household goods carrier
378.30 ~~shall~~ mover must not charge or receive a greater, lesser, or different compensation for the
378.31 transportation of persons or property or for related service; provided than the rates and
378.32 charges named in the carrier's schedule on file and in effect with the commissioner including
378.33 ~~any rate fixed by the commissioner~~ specified in the tariff under section 221.161; ~~nor shall.~~

379.1 A household goods ~~carrier~~ mover must not refund or remit in any manner or by any device,
 379.2 directly or indirectly, the rates and charges required to be collected by the ~~carrier~~ mover
 379.3 under the ~~carrier's~~ mover's schedules ~~or under the rates, if any, fixed by the commissioner.~~

379.4 Sec. 52. Minnesota Statutes 2016, section 222.46, is amended to read:

379.5 **222.46 FREIGHT RAIL SERVICE IMPROVEMENT ACT; PURPOSE.**

379.6 The legislature finds and determines that integrated transportation systems, including
 379.7 railways, highways and airways, are necessary in order to meet the economic and energy
 379.8 needs of the citizens of the state, both now and in the future. The legislature finds that a
 379.9 portion of the present railroad system in the state does not provide adequate service to
 379.10 citizens of the state. The legislature further finds and determines that it is in the best interest
 379.11 of the state to establish and fund a freight rail service improvement economic development
 379.12 program and to establish a railroad planning process in order to preserve and improve
 379.13 essential rail service in the state.

379.14 **EFFECTIVE DATE.** This section is effective June 30, 2018.

379.15 Sec. 53. Minnesota Statutes 2016, section 222.50, subdivision 3, is amended to read:

379.16 Subd. 3. **Commissioner's powers; rules.** The commissioner ~~shall have~~ has the power
 379.17 to:

379.18 ~~(1) set priorities for the allocation and expenditure of money or in kind contributions~~
 379.19 ~~authorized under the rail service improvement program and develop criteria for eligibility~~
 379.20 ~~and approval of projects under the program. The criteria shall include the anticipated~~
 379.21 ~~economic and social benefits to the state and to the area being served and the economic~~
 379.22 ~~viability of the project;~~

379.23 ~~(2)~~ negotiate and enter into contracts for rail line rehabilitation or other rail service
 379.24 improvement;

379.25 ~~(3)~~ (2) disburse state and federal money for rail service improvements; and

379.26 ~~(4)~~ (3) adopt rules necessary to carry out the purposes of sections 222.46 to 222.54.

379.27 **EFFECTIVE DATE.** This section is effective June 30, 2018.

379.28 Sec. 54. Minnesota Statutes 2016, section 222.50, subdivision 4, is amended to read:

379.29 Subd. 4. **Contract.** The commissioner may negotiate and enter into contracts for the
 379.30 purpose of rail service improvement and may incorporate funds available from the federal

380.1 government. The participants in these contracts shall be railroads, rail users, and the
380.2 department, and may be political subdivisions of the state and the federal government. In
380.3 such contracts, participation by all parties shall be voluntary. The commissioner may provide
380.4 a portion of the money required to carry out the terms of any such contract by expenditure
380.5 from the freight rail service improvement account.

380.6 **EFFECTIVE DATE.** This section is effective June 30, 2018.

380.7 Sec. 55. **[222.505] FREIGHT RAIL ECONOMIC DEVELOPMENT PROGRAM.**

380.8 Subdivision 1. **Definition.** (a) For purposes of this section, "program" means the freight
380.9 rail economic development program established in this section.

380.10 Subd. 2. **Program established.** (a) The commissioner, in consultation with the
380.11 commissioner of employment and economic development, must establish a freight rail
380.12 economic development program as provided under this section.

380.13 (b) By January 1, 2019, the commissioners must implement the program and begin
380.14 accepting applications.

380.15 Subd. 3. **Freight rail accounts; appropriation.** (a) A freight rail account is established
380.16 in the special revenue fund. The account consists of funds provided under paragraphs (b)
380.17 and (c), section 222.63, subdivision 8, and any other money donated, allotted, transferred,
380.18 or otherwise provided to the account. The account must not include any bond proceeds
380.19 authorized by the Minnesota Constitution, article XI, section 5, clause (i). Funds in the
380.20 account are annually appropriated to the commissioner for the program under this section.

380.21 (b) All funds provided to the commissioner from agreements or loans under section
380.22 222.50 must be deposited in the freight rail account in the special revenue fund.

380.23 (c) All funds made available to the commissioner from the disposition of railroad
380.24 right-of-way or of any other property acquired pursuant to sections 222.46 to 222.62 must
380.25 be deposited in the freight rail account in the special revenue fund.

380.26 (d) A freight rail account is established in the bond proceeds fund. The account consists
380.27 of state bond proceeds appropriated to the commissioner for the program under this section.
380.28 Money in the account may be expended only for bond-eligible purposes.

380.29 Subd. 4. **Program administration.** (a) The commissioner, in consultation with the
380.30 commissioner of employment and economic development, must establish a project selection
380.31 process for financial assistance under the program. The process must include public notice
380.32 of available funds, procedures to submit applications, public access to information on project

381.1 evaluation and selection, and financial assistance awards. The process must minimize
381.2 applicant burdens and the length of time for application evaluation.

381.3 (b) The commissioner must maintain on an ongoing basis a project requests list that
381.4 identifies all eligible projects that have been evaluated for grant awards under the program.

381.5 (c) An applicant must apply for financial assistance in the manner and at the times
381.6 determined by the commissioners.

381.7 (d) The commissioner must make reasonable efforts to (1) publicize each solicitation
381.8 for applications among all eligible recipients, and (2) provide technical and informational
381.9 assistance related to applications.

381.10 Subd. 5. **Consultation.** In developing the program and on an ongoing basis, the
381.11 commissioner must consult with eligible recipients of financial assistance under subdivision
381.12 8 and with counties and statutory and home rule charter cities in which industrial parks are
381.13 located or proposed to be located. At a minimum, consultation must address:

381.14 (1) the project selection process, including project eligibility requirements, evaluation
381.15 criteria and prioritization, and any significant policies in the program;

381.16 (2) flexibility of evaluation criteria to address unique situations;

381.17 (3) timeliness of project evaluation and award of financial assistance;

381.18 (4) adequacy of the program funding level; and

381.19 (5) legislative proposals for program funding.

381.20 Subd. 6. **Financial assistance; grants and loans.** The commissioner may provide
381.21 financial assistance under the program through grants or through loans in the manner provided
381.22 under section 222.50, subdivisions 4 and 5.

381.23 Subd. 7. **Financial assistance; limitations.** (a) When calculated in conjunction with
381.24 any other state funding sources, a grant award under the program must not provide combined
381.25 state funding that exceeds 85 percent of the total project cost estimate.

381.26 (b) The commissioner must ensure that financial assistance is provided in a manner that
381.27 is balanced throughout the state, including with respect to (1) the number of projects receiving
381.28 funding in a particular geographic location or region of the state, and (2) the total amount
381.29 of financial assistance provided for projects in a particular geographic location or region of
381.30 the state.

381.31 Subd. 8. **Award recipient eligibility.** (a) Eligible recipients of financial assistance under
381.32 the program are:

382.1 (1) railroad companies that are classified by federal law or regulation as Class II railroads,
382.2 Class II rail carriers, Class III railroads, or Class III rail carriers;

382.3 (2) rail users; and

382.4 (3) political subdivisions.

382.5 (b) An eligible recipient may receive funds regardless of rail facility ownership.

382.6 Subd. 9. **Project eligibility.** (a) The commissioner, in consultation with the commissioner
382.7 of employment and economic development, must establish project eligibility criteria under
382.8 the program. At a minimum, an eligible project must:

382.9 (1) improve safety, efficiency, service, or capacity of railroad freight movement;

382.10 (2) provide for rail line capital maintenance, preservation, rehabilitation, or improvements;

382.11 (3) improve rail service for a rail user or rail carrier; or

382.12 (4) promote the development of industrial parks primarily or substantially served by rail
382.13 service.

382.14 (b) A project must be consistent with transportation plans adopted by the commissioner,
382.15 including the statewide freight and passenger rail plan under section 174.03, subdivision
382.16 1b.

382.17 Subd. 10. **Project evaluation and prioritization.** The commissioner, in consultation
382.18 with the commissioner of employment and economic development, must establish project
382.19 evaluation criteria for grant awards under the program. At a minimum, the criteria must
382.20 objectively prioritize projects based on:

382.21 (1) economic and employment impacts, including but not limited to responsiveness to
382.22 emergent market conditions;

382.23 (2) addressing rail lines that have deteriorated or are in danger of deteriorating to such
382.24 a degree that the rail line is unable to carry the speeds and weights necessary to efficiently
382.25 transport goods and products; and

382.26 (3) percentage commitment of funding or in-kind assistance for the project from nonpublic
382.27 sources.

382.28 Subd. 11. **Expenditures.** The commissioner may provide financial assistance and expend
382.29 funds under the program for:

383.1 (1) capital improvement projects designed to improve a rail user or a rail carrier's rail
383.2 service which includes but is not limited to rail track, track structures, and rail facilities and
383.3 buildings;

383.4 (2) rehabilitation projects designed to improve a rail user or a rail carrier's rail service;

383.5 (3) rail-related development of industrial parks primarily or substantially served by rail
383.6 service, which:

383.7 (i) includes capital improvements to or rehabilitation of main industrial lead track; and

383.8 (ii) excludes siding track designed to serve areas of an industrial park for which occupants
383.9 are unidentified or uncommitted;

383.10 (4) highway-rail grade crossing improvement or grade separation projects, including
383.11 but not limited to the local matching portion for federal grants;

383.12 (5) capital improvement projects designed to improve capacity or safety at rail yards;

383.13 (6) acquisition, maintenance, management, and disposition of railroad right-of-way
383.14 under the state rail bank program in section 222.63;

383.15 (7) acquisition of a rail line by a regional railroad authority established under chapter
383.16 398A;

383.17 (8) rail planning studies;

383.18 (9) costs related to contractual agreements under section 222.52; and

383.19 (10) financial assistance under this section.

383.20 Subd. 12. **Design, engineering, and construction standards.** (a) The commissioner is
383.21 prohibited from establishing specifications or engineering standards that are more restrictive
383.22 than federal track safety standards under Code of Federal Regulations, title 49, part 213, or
383.23 successor requirements, for track and track structures awarded financial assistance under
383.24 the program.

383.25 (b) Sections 16B.30 to 16B.355 do not apply to rail facilities and buildings awarded
383.26 financial assistance under the program.

383.27 Subd. 13. **Political subdivisions.** Any political subdivision may, with the approval of
383.28 the commissioner, appropriate money for freight rail or rail service improvement and may
383.29 participate in the freight rail economic development program and federal rail programs.

383.30 **EFFECTIVE DATE.** This section is effective June 30, 2018.

384.1 Sec. 56. Minnesota Statutes 2016, section 222.52, is amended to read:

384.2 **222.52 COOPERATION BETWEEN STATES.**

384.3 The commissioner may cooperate with other states in connection with the freight rail
384.4 ~~service improvement~~ economic development program under section 222.505 and the railroad
384.5 planning process. In exercising the authority conferred by this section, the commissioner
384.6 may enter into contractual agreements with other states, including multistate coalitions.

384.7 **EFFECTIVE DATE.** This section is effective June 30, 2018.

384.8 Sec. 57. Minnesota Statutes 2016, section 222.57, is amended to read:

384.9 **222.57 RAIL USER AND RAIL CARRIER LOAN GUARANTEE ACCOUNT.**

384.10 There is created a rail user and rail carrier loan guarantee account as a separate account
384.11 in the rail service improvement account, which shall be used by the commissioner for
384.12 carrying out the provisions of sections 222.55 to 222.62 with respect to loans insured under
384.13 section 222.58. The commissioner may transfer to the rail user and rail carrier loan guarantee
384.14 account from money otherwise available in the freight rail service improvement account
384.15 whatever amount is necessary to implement the rail user and rail carrier loan guarantee
384.16 program, except that bond proceeds may not be transferred to the account for insurance of
384.17 loans made for the purposes specified in section 222.58, subdivision 2, paragraph (b), clauses
384.18 (3) to (5). The commissioner may withdraw any amount from the rail user and rail carrier
384.19 loan guarantee account that is not required to insure outstanding loans as provided in section
384.20 222.60, subdivision 1.

384.21 **EFFECTIVE DATE.** This section is effective June 30, 2018.

384.22 Sec. 58. Minnesota Statutes 2016, section 222.63, subdivision 8, is amended to read:

384.23 Subd. 8. **Rail bank accounts; appropriation.** (a) A special account shall be maintained
384.24 ~~in the state treasury, designated as the rail bank maintenance account; is established in the~~
384.25 special revenue fund to record the receipts and expenditures of the commissioner of
384.26 transportation for the maintenance of rail bank property. Funds received by the commissioner
384.27 of transportation from interest earnings, administrative payments, rentals, fees, or charges
384.28 for the use of rail bank property, or received from rail line rehabilitation contracts ~~shall be~~
384.29 are credited to the rail bank maintenance account and must be used for the maintenance of
384.30 ~~that~~ to maintain the property and held as a reserve for maintenance expenses in an amount
384.31 determined by the commissioner, ~~and~~. Amounts received in the rail bank maintenance

385.1 account in excess of the reserve requirements ~~shall~~ must be transferred to the freight rail
385.2 ~~service improvement~~ account under section 222.505, subdivision 3.

385.3 (b) All proceeds of the sale of abandoned rail lines shall must be deposited in the freight
385.4 rail ~~service improvement~~ account.

385.5 (c) All money to be deposited in this the rail service improvement bank maintenance
385.6 account as provided in this subdivision is appropriated to the commissioner of transportation
385.7 for the purposes of this section. The appropriations shall do not lapse but shall be and are
385.8 available until the purposes for which the funds are appropriated are accomplished.

385.9 **EFFECTIVE DATE.** This section is effective June 30, 2018.

385.10 Sec. 59. **[299A.704] DRIVER AND VEHICLE SERVICES FUND.**

385.11 A driver and vehicle services fund is established within the state treasury. The fund
385.12 consists of accounts and money as specified by law, and any other money otherwise donated,
385.13 allotted, appropriated, or legislated to the fund.

385.14 Sec. 60. Minnesota Statutes 2016, section 299A.705, is amended to read:

385.15 **299A.705 DRIVER AND VEHICLE SERVICES ACCOUNTS.**

385.16 Subdivision 1. **Vehicle services operating account.** (a) The vehicle services operating
385.17 account is created in the ~~special revenue~~ driver and vehicle services fund, consisting of all
385.18 money from the vehicle services fees specified in chapters 168, 168A, and 168D, and any
385.19 other money otherwise donated, allotted, appropriated, or legislated to ~~this~~ the account.

385.20 (b) Funds appropriated ~~are available~~ from this account must be used by the commissioner
385.21 of public safety to administer the vehicle services as specified in chapters 168, 168A, and
385.22 168D, and section 169.345, including:

385.23 (1) designing, producing, issuing, and mailing vehicle registrations, plates, emblems,
385.24 and titles;

385.25 (2) collecting title and registration taxes and fees;

385.26 (3) transferring vehicle registration plates and titles;

385.27 (4) maintaining vehicle records;

385.28 (5) issuing disability certificates and plates;

385.29 (6) licensing vehicle dealers;

385.30 (7) appointing, monitoring, and auditing deputy registrars; and

386.1 (8) inspecting vehicles when required by law.

386.2 Subd. 2. **Driver services operating account.** (a) The driver services operating account
386.3 is created in the ~~special revenue~~ driver and vehicle services fund, consisting of all money
386.4 collected under chapter 171 and any other money otherwise donated, allotted, appropriated,
386.5 or legislated to the account.

386.6 (b) ~~Money in the~~ Funds appropriated from this account must be used by the commissioner
386.7 of public safety to administer the driver services specified in chapters 169A and 171,
386.8 including the activities associated with producing and mailing drivers' licenses and
386.9 identification cards and notices relating to issuance, renewal, or withdrawal of driving and
386.10 identification card privileges for any fiscal year or years and for the testing and examination
386.11 of drivers.

386.12 Subd. 3. **Driver and vehicle services technology account.** (a) The driver and vehicle
386.13 services technology account is created in the ~~special revenue~~ driver and vehicle services
386.14 fund, consisting of the technology surcharge collected as specified in ~~chapters 168, 168A,~~
386.15 ~~and 171; the filing fee revenue collected under section 168.33, subdivision 7; section 168.33~~
386.16 and any other money otherwise donated, allotted, appropriated, or legislated to this account.

386.17 (b) Money in the account is annually appropriated to the commissioner of public safety
386.18 to support the research, development, deployment, and maintenance of a driver and vehicle
386.19 services information system.

386.20 (c) Following completion of the deposit of filing fee revenue into the driver and vehicle
386.21 services technology account as provided under section 168.33, subdivision 7, the
386.22 commissioner shall submit a notification to the chairs and ranking minority members of the
386.23 legislative committees with jurisdiction over transportation policy and finance concerning
386.24 driver and vehicle services information system implementation, which must include
386.25 information on (1) total revenue deposited in the driver and vehicle services technology
386.26 account, with a breakdown by sources of funds; (2) total project costs incurred, with a
386.27 breakdown by key project components; and (3) an estimate of ongoing system maintenance
386.28 costs.

386.29 Subd. 4. **Prohibited expenditures.** The commissioner is prohibited from expending
386.30 money from driver and vehicle services accounts created in the ~~special revenue~~ driver and
386.31 vehicle services fund for any purpose that is not specifically authorized in this section or in
386.32 the chapters specified in this section.

387.1 Sec. 61. Minnesota Statutes 2016, section 360.013, is amended by adding a subdivision
387.2 to read:

387.3 Subd. 46a. **Comprehensive plan.** "Comprehensive plan" has the meaning given in
387.4 section 394.22, subdivision 9, or 462.352, subdivision 5.

387.5 Sec. 62. Minnesota Statutes 2016, section 360.017, subdivision 1, is amended to read:

387.6 Subdivision 1. **Creation; authorized disbursements.** (a) There is hereby created a
387.7 fund to be known as the state airports fund. The fund shall consist of all money appropriated
387.8 to it, or directed to be paid into it, by the legislature.

387.9 (b) The state airports fund shall be paid out on authorization of the commissioner and
387.10 shall be used:

387.11 (1) to acquire, construct, improve, maintain, and operate airports and other air navigation
387.12 facilities;

387.13 (2) to assist municipalities in the planning, acquisition, construction, improvement, and
387.14 maintenance of airports and other air navigation facilities;

387.15 (3) to assist municipalities to initiate, enhance, and market scheduled air service at their
387.16 airports;

387.17 (4) to promote interest and safety in aeronautics through education and information; and

387.18 (5) to pay the salaries and expenses of the Department of Transportation related to
387.19 aeronautic planning, administration, and operation. All allotments of money from the state
387.20 airports fund for salaries and expenses shall be approved by the commissioner of management
387.21 and budget.

387.22 ~~(c) A municipality that adopts a comprehensive plan that the commissioner finds is~~
387.23 ~~incompatible with the state aviation plan is not eligible for assistance from the state airports~~
387.24 ~~fund.~~

387.25 Sec. 63. Minnesota Statutes 2016, section 360.021, subdivision 1, is amended to read:

387.26 Subdivision 1. **Authority to establish.** The commissioner is authorized and empowered,
387.27 on behalf of and in the name of this state, within the limitation of available appropriations,
387.28 to acquire, by purchase, gift, devise, lease, condemnation proceedings, or otherwise, property,
387.29 real or personal, for the purpose of establishing and constructing restricted landing areas
387.30 and other air navigation facilities and to acquire in like manner, own, control, establish,
387.31 construct, enlarge, improve, maintain, equip, operate, regulate, and police such restricted

388.1 landing areas and other air navigation facilities, either within or without this state; and to
388.2 make, prior to any such acquisition, investigations, surveys, and plans. The commissioner
388.3 may maintain, equip, operate, regulate, and police airports, either within or without this
388.4 state. The operation and maintenance of airports is an essential public service. The
388.5 commissioner may maintain at such airports facilities for the servicing of aircraft and for
388.6 the comfort and accommodation of air travelers. The commissioner may dispose of any
388.7 such property, airport, restricted landing area, or any other air navigation facility, by sale,
388.8 lease, or otherwise, in accordance with the laws of this state governing the disposition of
388.9 other like property of the state. The commissioner may not acquire or take over any restricted
388.10 landing area, or other air navigation facility without the consent of the owner. The
388.11 commissioner shall not acquire any additional state airports nor establish any additional
388.12 state-owned airports. The commissioner may erect, equip, operate, and maintain on any
388.13 airport buildings and equipment necessary and proper to maintain, and conduct such airport
388.14 and air navigation facilities connected therewith. The commissioner shall not expend money
388.15 for land acquisition, or for the construction, improvement, or maintenance of airports, or
388.16 for air navigation facilities for an airport, unless the ~~governmental unit~~ municipality, county,
388.17 or joint airport zoning board involved has or is establishing a zoning authority for that
388.18 airport, and the authority has made a good-faith showing that it is in the process of and will
388.19 complete with due diligence, an airport zoning ordinance in accordance with sections 360.061
388.20 to 360.074. The commissioner may provide funds to support airport safety projects that
388.21 maintain existing infrastructure, regardless of a zoning authority's efforts to complete a
388.22 zoning regulation. The commissioner may withhold funding from only the airport subject
388.23 to the proposed zoning ordinance. Notwithstanding the foregoing prohibition, the
388.24 commissioner may continue to maintain the state-owned airport at Pine Creek.

388.25 Sec. 64. Minnesota Statutes 2016, section 360.024, is amended to read:

388.26 **360.024 AIR TRANSPORTATION SERVICE ~~CHARGE~~.**

388.27 Subdivision 1. Charges. (a) The commissioner shall charge users of air transportation
388.28 services provided by the commissioner for direct operating costs, excluding pilot salary
388.29 ~~and~~.

388.30 (b) The commissioner may charge users for a portion of aircraft acquisition, replacement,
388.31 or leasing costs.

388.32 Subd. 2. Accounts; appropriation. (a) An air transportation services account is
388.33 established in the state airports fund. The account consists of money collected under
388.34 subdivision 1, paragraph (a), and any other money donated, allotted, transferred, or otherwise

389.1 provided to the account. All receipts for these services shall be deposited in the air
 389.2 transportation services account in the state airports fund and Funds in the account are
 389.3 annually appropriated to the commissioner to pay these direct air service operating costs.

389.4 (b) An aircraft capital account is established in the state airports fund. The account
 389.5 consists of collections under subdivision 1, paragraph (b), proceeds from the sale of aircraft
 389.6 under jurisdiction of the department, and any other money donated, allotted, transferred, or
 389.7 otherwise provided to the account. Except as provided by law, the commissioner must not
 389.8 transfer funds into or out of the account.

389.9 Sec. 65. Minnesota Statutes 2016, section 360.062, is amended to read:

389.10 **360.062 AIRPORT HAZARD PREVENTION; PROTECTING EXISTING**
 389.11 **NEIGHBORHOOD LAND USES.**

389.12 (a) It is hereby found that an airport hazard endangers the lives and property of users of
 389.13 the airport and of occupants of land in its vicinity, and may reduce the size of the area
 389.14 available for the landing, takeoff, and maneuvering of aircraft, thereby impairing the utility
 389.15 of the airport and the public investment therein. It is also found that the social and financial
 389.16 costs of disrupting existing land uses around airports ~~in built-up urban areas, particularly~~
 389.17 ~~established residential neighborhoods~~, often outweigh the benefits of a reduction in airport
 389.18 hazards that might result from the elimination or removal of those uses.

389.19 (b) Accordingly, it is hereby declared: (1) ~~that~~ the creation or establishment of an airport
 389.20 hazard is a public nuisance and an injury to the community served by the airport in question;
 389.21 (2) ~~that~~ it is ~~therefor~~ necessary in the interest of the public health, public safety, and general
 389.22 welfare that the creation or establishment of airport hazards be prevented and that this should
 389.23 be accomplished to the extent legally possible, by exercise of the police power, without
 389.24 compensation; and (3) ~~that~~ the elimination or removal of existing land uses, ~~particularly~~
 389.25 ~~established residential neighborhoods in built-up urban areas~~, or their designation as
 389.26 nonconforming uses is not in the public interest and should be avoided whenever possible
 389.27 consistent with reasonable standards of safety.

389.28 (c) It is further declared that the prevention of the creation or establishment of airport
 389.29 hazards and the elimination, removal, alteration, mitigation, or marking and lighting of
 389.30 existing airport hazards are essential public purposes services for which political subdivisions
 389.31 may raise and expend public funds and acquire land or property interests therein.

390.1 Sec. 66. Minnesota Statutes 2016, section 360.063, subdivision 1, is amended to read:

390.2 Subdivision 1. **Enforcement under police power.** (a) In order to prevent the creation
390.3 or establishment of airport hazards, every municipality having an airport hazard area within
390.4 its territorial limits may, unless a joint airport zoning board is permitted under subdivision
390.5 3, adopt, amend from time to time, administer, and enforce, under the police power and in
390.6 the manner and upon the conditions hereinafter prescribed, airport zoning regulations for
390.7 such airport hazard area, which regulations may divide such area into zones, and, within
390.8 such zones, specify the land uses permitted and regulate and restrict the height to which
390.9 structures and trees may be erected or allowed to grow.

390.10 (b) ~~For the purpose of promoting~~ In order to promote health, safety, order, convenience,
390.11 prosperity, general welfare and ~~for conserving~~ to conserve property values and ~~encouraging~~
390.12 encourage the most appropriate use of land, the municipality may regulate ~~the location, size~~
390.13 ~~and use of buildings and the density of population in that portion of an airport hazard area~~
390.14 ~~under approach zones for a distance not to exceed two miles from the airport boundary and~~
390.15 ~~in other portions of an~~ in airport hazard area may regulate by land use zoning for a distance
390.16 ~~not to exceed one mile from the airport boundary, and by height restriction zoning for a~~
390.17 ~~distance not to exceed 1-1/2 miles from the airport boundary~~ areas: (1) land use; (2) height
390.18 restrictions; (3) the location, size, and use of buildings; and (4) the density of population.

390.19 (c) The powers granted by this subdivision may be exercised by metropolitan airports
390.20 commissions in contiguous cities of the first class in and for which they have been created.

390.21 (d) In the case of airports owned or operated by the state of Minnesota such powers shall
390.22 be exercised by the state airport zoning boards or by the commissioner of transportation as
390.23 authorized herein.

390.24 Sec. 67. Minnesota Statutes 2016, section 360.063, subdivision 3, is amended to read:

390.25 Subd. 3. **Joint airport zoning board.** (a) Where an airport is owned or controlled by a
390.26 municipality and an airport hazard area appertaining to the airport is located within the
390.27 territorial limits of another county or municipality, the municipality owning or controlling
390.28 the airport may request a county or municipality in which an airport hazard area is located:

390.29 (1) to adopt and enforce airport zoning regulations for the area in question ~~that conform~~
390.30 ~~to standards prescribed by the commissioner pursuant to subdivision 4~~ under sections
390.31 360.0655 and 360.0656; or

390.32 (2) to join in creating a joint airport zoning board pursuant to paragraph (b). The owning
390.33 or controlling municipality shall determine which of these actions it shall request, except

391.1 as provided in paragraph (e) for the Metropolitan Airports Commission. The request shall
391.2 be made by certified mail to the governing body of each county and municipality in which
391.3 an airport hazard area is located.

391.4 (b) Where an airport is owned or controlled by a municipality and an airport hazard area
391.5 appertaining to the airport is located within the territorial limits of another county or
391.6 municipality, the municipality owning or controlling the airport and the county or other
391.7 municipality within which the airport hazard area is located may, by ordinance or resolution
391.8 duly adopted, create a joint airport zoning board, which board shall have the same power
391.9 to adopt, administer, and enforce airport zoning regulations applicable to the airport hazard
391.10 area in question as that vested by subdivision 1 in the municipality within which the area
391.11 is located. A joint board shall have as members two representatives appointed by the
391.12 municipality owning or controlling the airport and two from the county or municipality, or
391.13 in case more than one county or municipality is involved two from each county or
391.14 municipality, in which the airport hazard is located, and in addition a chair elected by a
391.15 majority of the members so appointed. All members shall serve at the pleasure of their
391.16 respective appointing authority. Notwithstanding any other provision of law to the contrary,
391.17 if the owning and controlling municipality is a city of the first class it shall appoint four
391.18 members to the board, and the chair of the board shall be elected from the membership of
391.19 the board.

391.20 (c) If a county or municipality, within 60 days of receiving a request from an owning
391.21 or controlling municipality pursuant to paragraph (a), fails to adopt, or thereafter fails to
391.22 enforce, the zoning regulations or fails to join in creating a joint airport zoning board, the
391.23 owning or controlling municipality, or a joint airport zoning board created without
391.24 participation by the subdivisions which fail to join the board, may itself adopt, administer,
391.25 and enforce airport zoning regulations for the airport hazard area in question. In the event
391.26 of conflict between the regulations and airport zoning regulations adopted by the county or
391.27 municipality within which the airport hazard area is located, section 360.064, subdivision
391.28 2, applies.

391.29 (d) "Owning or controlling municipality," as used in this subdivision, includes:

391.30 (1) a joint airport operating board created pursuant to section 360.042 that has been
391.31 granted all the powers of a municipality in zoning matters under the agreement creating the
391.32 board;

391.33 (2) a joint airport operating board created pursuant to section 360.042 that has not been
391.34 granted zoning powers under the agreement creating the board; provided that the board shall

392.1 not itself adopt zoning regulations nor shall a joint airport zoning board created at its request
 392.2 adopt zoning regulations unless all municipalities that created the joint operating board join
 392.3 to create the joint zoning board; and

392.4 (3) the Metropolitan Airports Commission established and operated pursuant to chapter
 392.5 473.

392.6 (e) The Metropolitan Airports Commission shall request creation of one joint airport
 392.7 zoning board for each airport operated under its authority.

392.8 Sec. 68. Minnesota Statutes 2016, section 360.064, subdivision 1, is amended to read:

392.9 Subdivision 1. **Comprehensive regulations.** In the event that a municipality has adopted,
 392.10 or hereafter adopts, a comprehensive zoning ordinance regulating, among other things the
 392.11 height of buildings, any airport zoning regulations applicable to the same area or portion
 392.12 thereof ~~may~~ must be incorporated by reference or incorporated in and made a part of such
 392.13 comprehensive zoning regulations and be administered and enforced in connection therewith.

392.14 Sec. 69. Minnesota Statutes 2016, section 360.065, subdivision 1, is amended to read:

392.15 Subdivision 1. **Notice of proposed zoning regulations, hearing.** (a) No airport zoning
 392.16 regulations shall be adopted, amended, or changed under sections 360.011 to 360.076,
 392.17 except by action of the governing body of the municipality or county in question, or joint
 392.18 airport zoning board under section 360.0655 or 360.0656, or the boards provided for in
 392.19 section 360.063, subdivisions 3 and 7, or by the commissioner as provided in subdivisions
 392.20 6 and 8, after public hearings, at which parties in interest and citizens shall have an
 392.21 opportunity to be heard.

392.22 (b) A public hearing shall must be held on the proposed airport zoning regulations
 392.23 proposed by a municipality, county, or joint airport zoning board before they are submitted
 392.24 for approval to the commissioner and after that approval but before final adoption by the
 392.25 local zoning authority for approval. If any changes that alter the regulations placed on a
 392.26 parcel of land are made to the proposed airport zoning regulations after the initial public
 392.27 hearing, the municipality, county, or joint airport zoning board must hold a second public
 392.28 hearing before final adoption of the regulation. The commissioner may require a second
 392.29 hearing as determined necessary.

392.30 (c) Notice of a hearing required pursuant to this subdivision shall must be published by
 392.31 the local zoning authority municipality, county, or joint airport zoning board at least three
 392.32 times during the period between 15 days and five days before the hearing in an official

393.1 newspaper and in a second newspaper designated by that authority which has a wide general
393.2 circulation in the area affected by the proposed regulations: and posted on the municipality's,
393.3 county's, or joint airport zoning board's Web site. If there is not a second newspaper of wide
393.4 general circulation in the area that the municipality, county, or joint airport zoning board
393.5 can designate for the notice, the municipality, county, or joint airport zoning board is only
393.6 required to publish the notice once in the official newspaper of the jurisdiction. The notice
393.7 shall not be published in the legal notice section of a newspaper. The notice must specify
393.8 the time, location, and purpose of the hearing, and must identify any additional location and
393.9 time the proposed regulations will be available for public inspection. A copy of the published
393.10 notice must be added to the record of the proceedings.

393.11 (d) Notice of a hearing shall also be mailed to the governing body of each political
393.12 subdivision in which property affected by the regulations is located. Notice shall must be
393.13 given by mail at least ~~15~~ ten days before each hearing to any persons in municipalities that
393.14 own land proposed to be included in safety zone A or B as provided in the rules of the
393.15 Department of Transportation and landowners where the location or size of a building, or
393.16 the density of population, will be regulated. Mailed notice must also be provided at least
393.17 ten days before each hearing to persons or municipalities that have previously requested
393.18 such notice from the ~~authority~~ municipality, county, or joint airport zoning board. The
393.19 notice must specify the time, location, and purpose of the hearing, and must identify any
393.20 additional location and time the proposed regulations will be made available for public
393.21 inspection. Mailed notice must also identify the property affected by the regulations. For
393.22 the purpose of ~~giving~~ providing mailed notice, the ~~authority~~ municipality, county, or joint
393.23 airport zoning board may use any appropriate records to determine the names and addresses
393.24 of owners. A copy of the notice and a list of the owners and addresses to which the notice
393.25 was sent ~~shall be attested to by the responsible person and shall must be made a part of~~
393.26 added to the records of the proceedings. The Failure to ~~give~~ provide mailed notice to
393.27 individual property owners; or ~~defects~~ a defect in the notice, ~~shall~~ does not invalidate the
393.28 proceedings; ~~provided~~ if a bona fide attempt to comply with this subdivision ~~has been~~ was
393.29 made. A notice ~~shall describe the property affected by the proposed regulations and the~~
393.30 ~~restrictions to be imposed on the property by the regulations and shall state the place and~~
393.31 ~~time at which the proposed regulations are available for public inspection.~~

393.32 **Sec. 70. [360.0655] AIRPORT ZONING REGULATIONS BASED ON**
393.33 **COMMISSIONER'S STANDARDS; SUBMISSION PROCESS.**

393.34 **Subdivision 1. Submission to commissioner; review.** (a) Except as provided in section
393.35 **360.0656, prior to adopting zoning regulations the municipality, county, or joint airport**

394.1 zoning board must submit the proposed regulations to the commissioner for the commissioner
394.2 to determine whether the regulations conform to the standards prescribed by the
394.3 commissioner. The municipality, county, or joint airport zoning board may elect to complete
394.4 custom airport zoning under section 360.0656 instead of using the commissioner's standard,
394.5 but only after providing written notice to the commissioner.

394.6 (b) Notwithstanding section 15.99, the commissioner must examine the proposed
394.7 regulations within 90 days of receipt of the regulations and report to the municipality, county,
394.8 or joint airport zoning board the commissioner's approval or objections, if any. Failure to
394.9 respond within 90 days is deemed an approval. The commissioner may request additional
394.10 information from the municipality, county, or joint airport zoning board within the 90-day
394.11 review period. If the commissioner requests additional information, the 90-day review period
394.12 is tolled until the commissioner receives information and deems the information satisfactory.

394.13 (c) If the commissioner objects on the grounds that the regulations do not conform to
394.14 the standards prescribed by the commissioner, the municipality, county, or joint airport
394.15 zoning board must make amendments necessary to resolve the objections or provide written
394.16 notice to the commissioner that the municipality, county, or joint airport zoning board has
394.17 elected to proceed with zoning under section 360.0656.

394.18 (d) If the municipality, county, or joint airport zoning board makes revisions to the
394.19 proposed regulations after its initial public hearing, the municipality, county, or joint airport
394.20 zoning board must conduct a second public hearing on the revisions and resubmit the revised
394.21 proposed regulations to the commissioner for review. The commissioner must examine the
394.22 revised proposed regulations within 90 days of receipt to determine whether the revised
394.23 proposed regulations conform to the standards prescribed by the commissioner.

394.24 (e) If, after a second review period, the commissioner determines that the municipality,
394.25 county, or joint airport zoning board failed to submit proposed regulations that conform to
394.26 the commissioner's standards, the commissioner must provide a final written decision to
394.27 the municipality, county, or joint airport zoning board.

394.28 (f) The municipality, county, or joint airport zoning board must not adopt regulations
394.29 or take other action until the proposed regulations are approved by the commissioner.

394.30 (g) The commissioner may approve local zoning ordinances that are more stringent than
394.31 the commissioner's standards.

394.32 (h) If the commissioner approves the proposed regulations, the municipality, county, or
394.33 joint airport zoning board may adopt the regulations.

395.1 (i) A copy of the adopted regulations must be filed with the county recorder in each
395.2 county that contains a zoned area subject to the regulations.

395.3 (j) Substantive rights that existed and had been exercised prior to August 1, 2018, are
395.4 not affected by the filing of the regulations.

395.5 Subd. 2. **Protection of existing land uses.** (a) In order to ensure minimum disruption
395.6 of existing land uses, the commissioner's airport zoning standards and local airport zoning
395.7 ordinances or regulations adopted under this section must distinguish between the creation
395.8 or establishment of a use and the elimination of an existing use, and must avoid the
395.9 elimination, removal, or reclassification of existing uses to the extent consistent with
395.10 reasonable safety standards. The commissioner's standards must include criteria for
395.11 determining when an existing land use may constitute an airport hazard so severe that public
395.12 safety considerations outweigh the public interest in preventing disruption to that land use.

395.13 (b) Airport zoning regulations that classify as a nonconforming use or require
395.14 nonconforming use classification with respect to any existing low-density structure or
395.15 existing isolated low-density building lots must be adopted under sections 360.061 to
395.16 360.074.

395.17 (c) A local airport zoning authority may classify a land use described in paragraph (b)
395.18 as an airport hazard if the authority finds that the classification is justified by public safety
395.19 considerations and is consistent with the commissioner's airport zoning standards. Any land
395.20 use described in paragraph (b) that is classified as an airport hazard must be acquired, altered,
395.21 or removed at public expense.

395.22 (d) This subdivision must not be construed to affect the classification of any land use
395.23 under any zoning ordinances or regulations not adopted under sections 360.061 to 360.074.

395.24 **Sec. 71. [360.0656] CUSTOM AIRPORT ZONING STANDARDS.**

395.25 Subdivision 1. **Custom airport zoning standards; factors.** (a) Notwithstanding section
395.26 360.0655, a municipality, county, or joint airport zoning board must provide notice to the
395.27 commissioner when the municipality, county, or joint airport zoning board intends to establish
395.28 and adopt custom airport zoning regulations under this section.

395.29 (b) Airport zoning regulations submitted to the commissioner under this subdivision are
395.30 not subject to the commissioner's zoning regulations under section 360.0655 or Minnesota
395.31 Rules, part 8800.2400.

395.32 (c) When developing and adopting custom airport zoning regulations under this section,
395.33 the municipality, county, or joint airport zoning board must include in the record a detailed

396.1 analysis that explains how the proposed custom airport zoning regulations addressed the
396.2 following factors to ensure a reasonable level of safety:

396.3 (1) the location of the airport, the surrounding land uses, and the character of
396.4 neighborhoods in the vicinity of the airport, including:

396.5 (i) the location of vulnerable populations, including schools, hospitals, and nursing
396.6 homes, in the airport hazard area;

396.7 (ii) the location of land uses that attract large assemblies of people in the airport hazard
396.8 area;

396.9 (iii) the availability of contiguous open spaces in the airport hazard area;

396.10 (iv) the location of wildlife attractants in the airport hazard area;

396.11 (v) airport ownership or control of the federal Runway Protection Zone and the
396.12 department's Clear Zone;

396.13 (vi) land uses that create or cause interference with the operation of radio or electronic
396.14 facilities used by the airport or aircraft;

396.15 (vii) land uses that make it difficult for pilots to distinguish between airport lights and
396.16 other lights, result in glare in the eyes of pilots using the airport, or impair visibility in the
396.17 vicinity of the airport;

396.18 (viii) land uses that otherwise inhibit a pilot's ability to land, take off, or maneuver the
396.19 aircraft;

396.20 (ix) airspace protection to prevent the creation of air navigation hazards in the airport
396.21 hazard area; and

396.22 (x) the social and economic costs of restricting land uses;

396.23 (2) the airport's type of operations and how the operations affect safety surrounding the
396.24 airport;

396.25 (3) the accident rate at the airport compared to a statistically significant sample, including
396.26 an analysis of accident distribution based on the rate with a higher accident incidence;

396.27 (4) the planned land uses within an airport hazard area, including any applicable platting,
396.28 zoning, comprehensive plan, or transportation plan; and

396.29 (5) any other information relevant to safety or the airport.

396.30 Subd. 2. **Submission to commissioner; review.** (a) Except as provided in section
396.31 360.0655, prior to adopting zoning regulations, the municipality, county, or joint airport

397.1 zoning board must submit its proposed regulations and the supporting record to the
397.2 commissioner for review. The commissioner must determine whether the proposed custom
397.3 airport zoning regulations and supporting record (1) evaluate the criteria under subdivision
397.4 1, and (2) provide a reasonable level of safety.

397.5 (b) Notwithstanding section 15.99, the commissioner must examine the proposed
397.6 regulations within 90 days of receipt of the regulations and report to the municipality, county,
397.7 or joint airport zoning board the commissioner's approval or objections, if any. Failure to
397.8 respond within 90 days is deemed an approval. The commissioner may request additional
397.9 information from the municipality, county, or joint airport zoning board within the 90-day
397.10 review period.

397.11 (c) If the commissioner objects on the grounds that the regulations do not provide a
397.12 reasonable level of safety, the municipality, county, or joint airport zoning board must
397.13 review, consider, and provide a detailed explanation demonstrating how it evaluated the
397.14 objections and what action it took or did not take in response to the objections. If the
397.15 municipality, county, or joint airport zoning board submits amended regulations after its
397.16 initial public hearing, the municipality, county, or joint airport zoning board must conduct
397.17 a second public hearing on the revisions and resubmit the revised proposed regulations to
397.18 the commissioner for review. The commissioner must examine the revised proposed
397.19 regulations within 90 days of receipt of the regulations. If the commissioner requests
397.20 additional information, the 90-day review period is tolled until satisfactory information is
397.21 received by the commissioner. Failure to respond within 90 days is deemed an approval.

397.22 (d) If, after the second review period, the commissioner determines that the municipality,
397.23 county, or joint airport zoning board failed to submit proposed regulations that provide a
397.24 reasonable safety level, the commissioner must provide a final written decision to the
397.25 municipality, county, or joint airport zoning board.

397.26 (e) A municipality, county, or joint airport zoning board is prohibited from adopting
397.27 custom regulations or taking other action until the proposed regulations are approved by
397.28 the commissioner.

397.29 (f) If the commissioner approves the proposed regulations, the municipality, county, or
397.30 joint airport zoning board may adopt the regulations.

397.31 (g) A copy of the adopted regulations must be filed with the county recorder in each
397.32 county that contains a zoned area subject to the regulations.

397.33 (h) Substantive rights that existed and had been exercised prior to August 1, 2018, are
397.34 not affected by the filing of the regulations.

398.1 Sec. 72. Minnesota Statutes 2016, section 360.066, subdivision 1, is amended to read:

398.2 Subdivision 1. **Reasonableness.** ~~Standards of the commissioner~~ Zoning standards defining
398.3 airport hazard areas and the categories of uses permitted and airport zoning regulations
398.4 adopted under sections 360.011 to 360.076, ~~shall~~ must be reasonable, and none shall impose
398.5 a requirement or restriction ~~which~~ that is not reasonably necessary to effectuate the purposes
398.6 of sections 360.011 to 360.076. ~~In determining what minimum airport zoning regulations~~
398.7 ~~may be adopted, the commissioner and a local airport zoning authority shall consider, among~~
398.8 ~~other things, the character of the flying operations expected to be conducted at the airport,~~
398.9 ~~the location of the airport, the nature of the terrain within the airport hazard area, the existing~~
398.10 ~~land uses and character of the neighborhood around the airport, the uses to which the property~~
398.11 ~~to be zoned are planned and adaptable, and the social and economic costs of restricting land~~
398.12 ~~uses versus the benefits derived from a strict application of the standards of the commissioner.~~

398.13 Sec. 73. Minnesota Statutes 2016, section 360.067, is amended by adding a subdivision
398.14 to read:

398.15 Subd. 5. Federal no hazard determination. (a) Notwithstanding subdivisions 1 and 2,
398.16 a municipality, county, or joint airport zoning board may include in its custom airport zoning
398.17 regulations adopted under section 360.0656 an option to permit construction of a structure,
398.18 an increase or alteration of the height of a structure, or the growth of an existing tree without
398.19 a variance from height restrictions if the Federal Aviation Administration has analyzed the
398.20 proposed construction, alteration, or growth under Code of Federal Regulations, title 14,
398.21 part 77, and has determined the proposed construction, alteration, or growth does not:

398.22 (1) pose a hazard to air navigation;

398.23 (2) require changes to airport or aircraft operations; or

398.24 (3) require any mitigation conditions by the Federal Aviation Administration that cannot
398.25 be satisfied by the landowner.

398.26 (b) A municipality, county, or joint airport zoning board that permits an exception to
398.27 height restrictions under this subdivision must require the applicant to file the Federal
398.28 Aviation Administration's no hazard determination with the applicable zoning administrator.
398.29 The applicant must obtain written approval of the zoning administrator before construction,
398.30 alteration, or growth may occur. Failure of the administrator to respond within 60 days to
398.31 a filing under this subdivision is deemed a denial. The Federal Aviation Administration's
398.32 no hazard determination does not apply to requests for variation from land use, density, or
398.33 any other requirement unrelated to the height of structures or the growth of trees.

399.1 Sec. 74. Minnesota Statutes 2016, section 360.071, subdivision 2, is amended to read:

399.2 Subd. 2. **Membership.** (a) Where a zoning board of appeals or adjustment already exists,
399.3 it may be appointed as the board of adjustment. Otherwise, the board of adjustment shall
399.4 consist of five members, each to be appointed for a term of three years by the authority
399.5 adopting the regulations and to be removable by the appointing authority for cause, upon
399.6 written charges and after public hearing. The length of initial appointments may be staggered.

399.7 (b) In the case of a Metropolitan Airports Commission, five members shall be appointed
399.8 by the commission chair from the area in and for which the commission was created, any
399.9 of whom may be members of the commission. In the case of an airport owned or operated
399.10 by the state of Minnesota, the board of commissioners of the county, or counties, in which
399.11 the airport hazard area is located shall constitute the airport board of adjustment and shall
399.12 exercise the powers and duties of such board as provided herein.

399.13 Sec. 75. Minnesota Statutes 2016, section 360.305, subdivision 6, is amended to read:

399.14 Subd. 6. **Zoning required.** The commissioner ~~shall~~ must not expend money for planning
399.15 or land acquisition, or for the construction, improvement, or maintenance of airports, or for
399.16 air navigation facilities for an airport, unless the ~~governmental unit~~ municipality, county,
399.17 or joint airport zoning board involved has or is establishing a zoning authority for that
399.18 airport, and the authority has made a good-faith showing that it is in the process of and will
399.19 complete with due diligence, an airport zoning ordinance in accordance with sections 360.061
399.20 to 360.074. The commissioner may provide funds to support airport safety projects that
399.21 maintain existing infrastructure, regardless of a zoning authority's efforts to complete a
399.22 zoning regulation. The commissioner ~~shall~~ must make maximum use of zoning and easements
399.23 to eliminate runway and other potential airport hazards rather than land acquisition in fee.

399.24 Sec. 76. Minnesota Statutes 2016, section 394.22, is amended by adding a subdivision to
399.25 read:

399.26 Subd. 1a. **Airport safety zone.** "Airport safety zone" means an area subject to land use
399.27 zoning controls adopted under sections 360.061 to 360.074 if the zoning controls regulate
399.28 (1) the size or location of buildings, or (2) the density of population.

399.29 Sec. 77. Minnesota Statutes 2016, section 394.23, is amended to read:

399.30 **394.23 COMPREHENSIVE PLAN.**

399.31 The board has the power and authority to prepare and adopt by ordinance, a
399.32 comprehensive plan. A comprehensive plan or plans when adopted by ordinance must be

400.1 the basis for official controls adopted under the provisions of sections 394.21 to 394.37.
400.2 The commissioner of natural resources must provide the natural heritage data from the
400.3 county biological survey, if available, to each county for use in the comprehensive plan.
400.4 When adopting or updating the comprehensive plan, the board must, if the data is available
400.5 to the county, consider natural heritage data resulting from the county biological survey. In
400.6 a county that is not a greater than 80 percent area, as defined in section 103G.005, subdivision
400.7 10b, the board must consider adopting goals and objectives that will protect open space and
400.8 the environment. The board must consider the location and dimensions of airport safety
400.9 zones in any portion of the county, and of any airport improvements, identified in the airport's
400.10 most recent approved airport layout plan.

400.11 Sec. 78. Minnesota Statutes 2016, section 394.231, is amended to read:

400.12 **394.231 COMPREHENSIVE PLANS IN GREATER MINNESOTA; OPEN SPACE.**

400.13 A county adopting or updating a comprehensive plan in a county outside the metropolitan
400.14 area as defined by section 473.121, subdivision 2, and that is not a greater than 80 percent
400.15 area, as defined in section 103G.005, subdivision 10b, shall consider adopting goals and
400.16 objectives for the preservation of agricultural, forest, wildlife, and open space land, and
400.17 minimizing development in sensitive shoreland areas. Within three years of updating the
400.18 comprehensive plan, the county shall consider adopting ordinances as part of the county's
400.19 official controls that encourage the implementation of the goals and objectives. The county
400.20 shall consider the following goals and objectives:

400.21 (1) minimizing the fragmentation and development of agricultural, forest, wildlife, and
400.22 open space lands, including consideration of appropriate minimum lot sizes;

400.23 (2) minimizing further development in sensitive shoreland areas;

400.24 (3) minimizing development near wildlife management areas, scientific and natural
400.25 areas, and nature centers;

400.26 (4) encouraging land uses in airport safety zones that are compatible with the safe
400.27 operation of the airport and the safety of people in the vicinity of the airport;

400.28 ~~(4)~~ (5) identification of areas of preference for higher density, including consideration
400.29 of existing and necessary water and wastewater services, infrastructure, other services, and
400.30 to the extent feasible, encouraging full development of areas previously zoned for
400.31 nonagricultural uses;

400.32 ~~(5)~~ (6) encouraging development close to places of employment, shopping centers,
400.33 schools, mass transit, and other public and private service centers;

401.1 ~~(6)~~ (7) identification of areas where other developments are appropriate; and

401.2 ~~(7)~~ (8) other goals and objectives a county may identify.

401.3 Sec. 79. Minnesota Statutes 2016, section 394.25, subdivision 3, is amended to read:

401.4 Subd. 3. **In district zoning, maps.** Within each such district zoning ordinances or maps
401.5 may also be adopted designating or limiting the location, height, width, bulk, type of
401.6 foundation, number of stories, size of, and the specific uses for which dwellings, buildings,
401.7 and structures may be erected or altered; the minimum and maximum size of yards, courts,
401.8 or other open spaces; setback from existing roads and highways and roads and highways
401.9 designated on an official map; protective measures necessary to protect the public interest
401.10 including but not limited to controls relating to appearance, signs, lighting, hours of operation
401.11 and other aesthetic performance characteristics including but not limited to noise, heat,
401.12 glare, vibrations and smoke; the area required to provide for off street loading and parking
401.13 facilities; heights of trees and structures near airports; and to avoid too great concentration
401.14 or scattering of the population. All such provisions shall be uniform for each class of land
401.15 or building throughout each district, but the provisions in one district may differ from those
401.16 in other districts. No provision may prohibit earth sheltered construction as defined in section
401.17 216C.06, subdivision 14, or manufactured homes built in conformance with sections 327.31
401.18 to 327.35 that comply with all other zoning ordinances promulgated pursuant to this section.
401.19 Airport safety zones must be included on maps that illustrate boundaries of zoning districts
401.20 and that are adopted as official controls.

401.21 **EFFECTIVE DATE.** This section is effective August 1, 2018, and applies to maps
401.22 created or updated under this section on or after that date.

401.23 Sec. 80. Minnesota Statutes 2016, section 462.352, is amended by adding a subdivision
401.24 to read:

401.25 Subd. 1a. **Airport safety zone.** "Airport safety zone" has the meaning given in section
401.26 394.22, subdivision 1a.

401.27 Sec. 81. Minnesota Statutes 2016, section 462.355, subdivision 1, is amended to read:

401.28 Subdivision 1. **Preparation and review.** The planning agency shall prepare the
401.29 comprehensive municipal plan. In discharging this duty the planning agency shall consult
401.30 with and coordinate the planning activities of other departments and agencies of the
401.31 municipality to insure conformity with and to assist in the development of the comprehensive
401.32 municipal plan. In its planning activities the planning agency shall take due cognizance of

402.1 the planning activities of adjacent units of government and other affected public agencies.
402.2 The planning agency shall periodically review the plan and recommend amendments
402.3 whenever necessary. When preparing or recommending amendments to the comprehensive
402.4 plan, the planning agency of a municipality located within a county that is not a greater than
402.5 80 percent area, as defined in section 103G.005, subdivision 10b, must consider adopting
402.6 goals and objectives that will protect open space and the environment. When preparing or
402.7 recommending amendments to the comprehensive plan, the planning agency must consider
402.8 (1) the location and dimensions of airport safety zones in any portion of the municipality,
402.9 and (2) any airport improvements identified in the airport's most recent approved airport
402.10 layout plan.

402.11 Sec. 82. Minnesota Statutes 2016, section 462.357, is amended by adding a subdivision
402.12 to read:

402.13 Subd. 1i. **Airport safety zones on zoning maps.** Airport safety zones must be included
402.14 on maps that illustrate boundaries of zoning districts and that are adopted as official controls.

402.15 **EFFECTIVE DATE.** This section is effective August 1, 2018, and applies to maps
402.16 created or updated under this section on or after that date.

402.17 Sec. 83. Minnesota Statutes 2016, section 462.357, subdivision 9, is amended to read:

402.18 **Subd. 9. Development goals and objectives.** In adopting official controls after July 1,
402.19 2008, in a municipality outside the metropolitan area, as defined by section 473.121,
402.20 subdivision 2, the municipality shall consider restricting new residential, commercial, and
402.21 industrial development so that the new development takes place in areas subject to the
402.22 following goals and objectives:

402.23 (1) minimizing the fragmentation and development of agricultural, forest, wildlife, and
402.24 open space lands, including consideration of appropriate minimum lot sizes;

402.25 (2) minimizing further development in sensitive shoreland areas;

402.26 (3) minimizing development near wildlife management areas, scientific and natural
402.27 areas, and nature centers;

402.28 (4) encouraging land uses in airport safety zones that are compatible with the safe
402.29 operation of the airport and the safety of people in the vicinity of the airport;

402.30 ~~(4)~~ (5) identification of areas of preference for higher density, including consideration
402.31 of existing and necessary water and wastewater services, infrastructure, other services, and

403.1 to the extent feasible, encouraging full development of areas previously zoned for
403.2 nonagricultural uses;

403.3 ~~(5)~~ (6) encouraging development close to places of employment, shopping centers,
403.4 schools, mass transit, and other public and private service centers;

403.5 ~~(6)~~ (7) identification of areas where other developments are appropriate; and

403.6 ~~(7)~~ (8) other goals and objectives a municipality may identify.

403.7 Sec. 84. Minnesota Statutes 2016, section 473.13, is amended by adding a subdivision to
403.8 read:

403.9 Subd. 1d. **Budget amendments.** In conjunction with the adoption of any amendment
403.10 to a budget under subdivision 1, the council must submit a summary of the budget changes
403.11 and a copy of the amended budget to the members and staff of the legislative committees
403.12 with jurisdiction over transportation policy and finance and to the Legislative Commission
403.13 on Metropolitan Government.

403.14 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
403.15 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
403.16 Scott, and Washington.

403.17 Sec. 85. Minnesota Statutes 2016, section 473.13, is amended by adding a subdivision to
403.18 read:

403.19 Subd. 6. **Overview of revenues and expenditures; forecast.** (a) In cooperation with
403.20 the Department of Management and Budget and as required by section 16A.103, in February
403.21 and November of each year the council must prepare a financial overview and forecast of
403.22 revenues and expenditures for the transportation components of the council's budget.

403.23 (b) At a minimum, the financial overview and forecast must identify:

403.24 (1) actual revenues, expenditures, transfers, reserves, and balances for each of the previous
403.25 four budget years;

403.26 (2) budgeted and forecasted revenues, expenditures, transfers, reserves, and balances
403.27 for each year within the state forecast period; and

403.28 (3) a comparison of the information under clause (2) to the prior forecast, including any
403.29 changes made.

403.30 (c) The information under paragraph (b), clauses (1) and (2), must include:

404.1 (1) a breakdown for each transportation operating budget category established by the
404.2 council, including but not limited to bus, light rail transit, commuter rail, planning, special
404.3 transportation service under section 473.386, and assistance to replacement service providers
404.4 under section 473.388;

404.5 (2) data for both transportation operating and capital expenditures; and

404.6 (3) fund balances for each replacement service provider under section 473.388.

404.7 (d) The financial overview and forecast must summarize reserve policies, identify the
404.8 methodology for cost allocation, and review revenue assumptions and variables affecting
404.9 the assumptions.

404.10 (e) The council must review the financial overview and forecast information with the
404.11 chairs, ranking minority members, and staff of the legislative committees with jurisdiction
404.12 over finance, ways and means, and transportation finance no later than two weeks following
404.13 the release of the forecast.

404.14 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
404.15 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
404.16 Scott, and Washington.

404.17 Sec. 86. Minnesota Statutes 2016, section 473.386, subdivision 3, is amended to read:

404.18 Subd. 3. **Duties of council.** In implementing the special transportation service, the council
404.19 shall:

404.20 (a) encourage participation in the service by public, private, and private nonprofit
404.21 providers of special transportation currently receiving capital or operating assistance from
404.22 a public agency;

404.23 (b) when feasible and cost-efficient, contract with public, private, and private nonprofit
404.24 providers that have demonstrated their ability to effectively provide service at a reasonable
404.25 cost;

404.26 (c) encourage individuals using special transportation to use the type of service most
404.27 appropriate to their particular needs;

404.28 (d) encourage shared rides to the greatest extent practicable;

404.29 (e) encourage public agencies that provide transportation to eligible individuals as a
404.30 component of human services and educational programs to coordinate with this service and
404.31 to allow reimbursement for transportation provided through the service at rates that reflect
404.32 the public cost of providing that transportation;

405.1 (f) establish criteria to be used in determining individual eligibility for special
405.2 transportation services;

405.3 (g) consult with the Transportation Accessibility Advisory Committee in a timely manner
405.4 before changes are made in the provision of special transportation services;

405.5 (h) provide for effective administration and enforcement of council policies and standards;
405.6 and

405.7 (i) ensure that, taken as a whole including contracts with public, private, and private
405.8 nonprofit providers, the geographic coverage area of the special transportation service is
405.9 continuous within the boundaries of the transit taxing district, as defined as of March 1,
405.10 2006, in section 473.446, subdivision 2, and any area added to the transit taxing district
405.11 under section 473.4461 that received capital improvements financed in part by the Minnesota
405.12 Urban Partnership Agreement (UPA) under the United States Department of Transportation
405.13 UPA program.

405.14 **EFFECTIVE DATE; APPLICATION.** This section is effective July 1, 2019, and
405.15 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

405.16 Sec. 87. Minnesota Statutes 2016, section 473.386, is amended by adding a subdivision
405.17 to read:

405.18 **Subd. 9. Data practices.** (a) For purposes of administering this section, and only with
405.19 the consent of the data subject, the commissioner of human services and the Metropolitan
405.20 Council may share the following private data on individuals eligible for special transportation
405.21 services:

405.22 (1) name;

405.23 (2) date of birth;

405.24 (3) residential address; and

405.25 (4) program eligibility status with expiration date, to inform the other party of program
405.26 eligibility.

405.27 (b) The commissioner of human services and the Metropolitan Council must provide
405.28 notice regarding data sharing to each individual applying for or renewing eligibility to use
405.29 special transportation services. The notice must seek consent to engage in data sharing under
405.30 paragraph (a), and must state how and for what purposes the individual's private data will
405.31 be shared between the commissioner of human services and the Metropolitan Council. A

406.1 consent to engage in data sharing is effective until the individual's eligibility expires, but
406.2 may be renewed if the individual applies to renew eligibility.

406.3 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
406.4 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
406.5 Scott, and Washington. Within 60 days of this section's effective date, the commissioner
406.6 of human services and the Metropolitan Council must provide notice regarding data sharing
406.7 to each individual who is currently receiving special transportation services under Minnesota
406.8 Statutes, section 473.386. The notice must provide an opportunity to opt out of data sharing
406.9 under paragraph (a) of this section, and must state how and for what purposes the individual's
406.10 private data will be shared between the commissioner of human services and the Metropolitan
406.11 Council. An individual who is currently receiving special transportation services on this
406.12 section's effective date is presumed to have consented to data sharing under paragraph (a)
406.13 unless, within 60 days of the dissemination of the notice, the individual appropriately informs
406.14 the commissioner of human services or the Metropolitan Council that the individual opts
406.15 out of data sharing.

406.16 Sec. 88. Minnesota Statutes 2017 Supplement, section 473.4051, subdivision 2, is amended
406.17 to read:

406.18 Subd. 2. **Operating costs.** (a) After operating revenue and federal money have been
406.19 used to pay for light rail transit operations, 50 percent of the remaining operating costs must
406.20 be paid by the state.

406.21 (b) Notwithstanding paragraph (a), all operating and ongoing capital maintenance costs
406.22 must be paid from nonstate sources for a segment of a light rail transit line or line extension
406.23 project that formally entered the engineering phase of the Federal Transit Administration's
406.24 "New Starts" capital investment grant program between August 1, 2016, and December 31,
406.25 2016.

406.26 (c) For purposes of this subdivision, operating costs consist of the costs associated with
406.27 light rail system daily operations and the maintenance costs associated with keeping light
406.28 rail services and facilities operating. Operating costs do not include costs incurred to construct
406.29 new buildings or facilities, purchase new vehicles, or make technology improvements.

406.30 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
406.31 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
406.32 Scott, and Washington.

407.1 Sec. 89. Minnesota Statutes 2016, section 473.4051, subdivision 3, is amended to read:

407.2 Subd. 3. **Capital costs.** State money ~~may~~ must not be used ~~to pay more than ten percent~~
407.3 ~~of~~ for the ~~total~~ capital cost of a light rail transit project.

407.4 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
407.5 final enactment for appropriations encumbered on or after that date and applies in the
407.6 counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

407.7 Sec. 90. Minnesota Statutes 2016, section 473.606, subdivision 5, is amended to read:

407.8 Subd. 5. **Employees, others, affirmative action; prevailing wage.** The corporation
407.9 shall have the power to appoint engineers and other consultants, attorneys, and such other
407.10 officers, agents, and employees as it may see fit, who shall perform such duties and receive
407.11 such compensation as the corporation may determine notwithstanding the provisions of
407.12 section 43A.17, subdivision 9, and be removable at the pleasure of the corporation. The
407.13 corporation must adopt an affirmative action plan, which shall be submitted to the appropriate
407.14 agency or office of the state for review and approval. The plan must include a yearly progress
407.15 report to the agency or office. Whenever the corporation performs any work within the
407.16 limits of a city of the first class, or establishes a minimum wage for skilled or unskilled
407.17 labor in the specifications or any contract for work within one of the cities, the rate of pay
407.18 to such skilled and unskilled labor must be the prevailing rate of wage for such labor in that
407.19 city.

407.20 Sec. 91. Minnesota Statutes 2016, section 574.26, subdivision 1a, is amended to read:

407.21 Subd. 1a. **Exemptions: certain manufacturers; commissioner of transportation;**
407.22 **road maintenance.** (a) Sections 574.26 to 574.32 do not apply to a manufacturer of public
407.23 transit buses that manufactures at least 100 public transit buses in a calendar year. For
407.24 purposes of this section, "public transit bus" means a motor vehicle designed to transport
407.25 people, with a design capacity for carrying more than 40 passengers, including the driver.
407.26 The term "public transit bus" does not include a school bus, as defined in section 169.011,
407.27 subdivision 71.

407.28 (b) At the discretion of the commissioner of transportation, sections 574.26 to 574.32
407.29 do not apply to any projects of the Department of Transportation (1) costing less than the
407.30 amount in section 471.345, subdivision 3, ~~or~~ (2) involving the permanent or semipermanent
407.31 installation of heavy machinery, fixtures, or other capital equipment to be used primarily
407.32 for maintenance or repair, or (3) awarded under section 161.32, subdivision 2.

408.1 (c) Sections 574.26 to 574.32 do not apply to contracts for snow removal, ice removal,
408.2 grading, or other similar routine road maintenance on town roads.

408.3 Sec. 92. Laws 2014, chapter 312, article 11, section 38, subdivision 5, is amended to read:

408.4 Subd. 5. **Pilot program evaluation.** In coordination with the city, the commissioner of
408.5 transportation shall evaluate effectiveness of the pilot program under this section, which
408.6 must include analysis of traffic safety impacts, utility to motorists and tourists, costs and
408.7 expenditures, extent of community support, and pilot program termination or continuation.
408.8 By January 15, ~~2024~~ 2024, the commissioner shall submit a report on the evaluation to the
408.9 ~~chairs and ranking minority members and staff~~ of the legislative committees with jurisdiction
408.10 over transportation policy and finance.

408.11 Sec. 93. Laws 2014, chapter 312, article 11, section 38, subdivision 6, is amended to read:

408.12 Subd. 6. **Expiration.** The pilot program under this section expires January 1, ~~2022~~ 2025.

408.13 Sec. 94. **LEGISLATIVE ROUTE NO. 222 REMOVED.**

408.14 (a) Minnesota Statutes, section 161.115, subdivision 153, is repealed effective the day
408.15 after the commissioner of transportation receives a copy of the agreement between the
408.16 commissioner and the governing body of Red Lake County to transfer jurisdiction of
408.17 Legislative Route No. 222 and after the commissioner notifies the revisor of statutes under
408.18 paragraph (b).

408.19 (b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota
408.20 Statutes when the commissioner of transportation sends notice to the revisor electronically
408.21 or in writing that the conditions required to transfer the route have been satisfied.

408.22 Sec. 95. **LEGISLATIVE ROUTE NO. 253 REMOVED.**

408.23 (a) Minnesota Statutes, section 161.115, subdivision 184, is repealed effective the day
408.24 after the commissioner of transportation receives a copy of the agreement between the
408.25 commissioner and the governing body of Faribault County to transfer jurisdiction of
408.26 Legislative Route No. 253 and after the commissioner notifies the revisor of statutes under
408.27 paragraph (b).

408.28 (b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota
408.29 Statutes when the commissioner of transportation sends notice to the revisor electronically
408.30 or in writing that the conditions required to transfer the route have been satisfied.

409.1 **Sec. 96. LEGISLATIVE ROUTE NO. 254 REMOVED.**

409.2 (a) Minnesota Statutes, section 161.115, subdivision 185, is repealed effective the day
409.3 after the commissioner of transportation receives a copy of the agreement between the
409.4 commissioner and the governing body of Faribault County to transfer jurisdiction of
409.5 Legislative Route No. 254 and after the commissioner notifies the revisor of statutes under
409.6 paragraph (b).

409.7 (b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota
409.8 Statutes when the commissioner of transportation sends notice to the revisor electronically
409.9 or in writing that the conditions required to transfer the route have been satisfied.

409.10 **Sec. 97. LEGISLATIVE ROUTE NO. 277 REMOVED.**

409.11 (a) Minnesota Statutes, section 161.115, subdivision 208, is repealed effective the day
409.12 after the commissioner of transportation receives a copy of the agreement between the
409.13 commissioner and the governing body of Chippewa County to transfer jurisdiction of
409.14 Legislative Route No. 277 and after the commissioner notifies the revisor of statutes under
409.15 paragraph (b).

409.16 (b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota
409.17 Statutes when the commissioner of transportation sends notice to the revisor electronically
409.18 or in writing that the conditions required to transfer the route have been satisfied.

409.19 **Sec. 98. LEGISLATIVE ROUTE NO. 298 REMOVED.**

409.20 (a) Minnesota Statutes, section 161.115, subdivision 229, is repealed effective the day
409.21 after the commissioner of transportation receives a copy of the agreement between the
409.22 commissioner and the governing body of the city of Faribault to transfer jurisdiction of
409.23 Legislative Route No. 298 and after the commissioner notifies the revisor of statutes under
409.24 paragraph (b).

409.25 (b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota
409.26 Statutes when the commissioner of transportation sends notice to the revisor electronically
409.27 or in writing that the conditions required to transfer the route have been satisfied.

409.28 **Sec. 99. LEGISLATIVE ROUTE NO. 299 REMOVED.**

409.29 (a) Minnesota Statutes, section 161.115, subdivision 230, is repealed effective the day
409.30 after the commissioner of transportation receives a copy of the agreement between the
409.31 commissioner and the governing body of the city of Faribault to transfer jurisdiction of

410.1 Legislative Route No. 299 and after the commissioner notifies the revisor of statutes under
410.2 paragraph (b).

410.3 (b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota
410.4 Statutes when the commissioner of transportation sends notice to the revisor electronically
410.5 or in writing that the conditions required to transfer the route have been satisfied.

410.6 **Sec. 100. LEGISLATIVE ROUTE NO. 323 REMOVED.**

410.7 (a) Minnesota Statutes, section 161.115, subdivision 254, is repealed effective the day
410.8 after the commissioner of transportation receives a copy of the agreement between the
410.9 commissioner and the governing body of the city of Faribault to transfer jurisdiction of
410.10 Legislative Route No. 323 and after the commissioner notifies the revisor of statutes under
410.11 paragraph (b).

410.12 (b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota
410.13 Statutes when the commissioner of transportation sends notice to the revisor electronically
410.14 or in writing that the conditions required to transfer the route have been satisfied.

410.15 **Sec. 101. DEPARTMENT OF TRANSPORTATION LOAN CONVERSION AND**
410.16 **LIEN RELEASE.**

410.17 The commissioner of transportation must (1) convert to a grant the remaining balance
410.18 on Minnesota Department of Transportation Contract No. 1000714, originally executed as
410.19 of June 1, 2015, with Minnesota Commercial Railway Company; (2) cancel all future
410.20 payments under the contract; (3) release liens on the locomotives designated as MNNR 49
410.21 and MNNR 84; and (4) perform the appropriate filing. The commissioner is prohibited from
410.22 requiring or accepting additional payments under the contract as of the effective date of this
410.23 section. Notwithstanding the loan conversion and payment cancellation under this section,
410.24 all other terms and conditions under Contract No. 1000714 remain effective for the duration
410.25 of the period specified in the contract.

410.26 **EFFECTIVE DATE.** This section is effective the day following final enactment.

410.27 **Sec. 102. NORTHSTAR CORRIDOR EXTENSION; NEGOTIATIONS.**

410.28 The Department of Transportation must contact Burlington Northern Santa Fe Railway
410.29 (BNSF) to negotiate an extension of the Northstar Corridor between Big Lake and St. Cloud.
410.30 Negotiations under this section are subject to the following conditions:

411.1 (1) the Northstar Corridor will add at least one morning round trip departure between
411.2 the St. Cloud Amtrak Depot and Big Lake Station with continuing service to Target Station
411.3 each weekday, plus one evening round trip between Big Lake Station and St. Cloud Amtrak
411.4 Depot that must begin at Target Station, with the departure and arrival times set so that
411.5 approximately ten or more hours elapse between the morning departure and evening return
411.6 each day for both round trips. The Department of Transportation may also negotiate weekend
411.7 departures and arrivals between St. Cloud and Target Station;

411.8 (2) the Department of Transportation may negotiate for fewer round trip departures from
411.9 Big Lake to Target Station each weekday, and fewer round trip departures on weekends;

411.10 (3) BNSF must continue to crew and dispatch all trains and provide other track-related
411.11 services;

411.12 (4) the St. Cloud Metropolitan Transit Commission (MTC) must be responsible for fare
411.13 collection in St. Cloud and must negotiate with Amtrak for using the Amtrak station. The
411.14 MTC must negotiate an agreement with the Metropolitan Council, which is subject to
411.15 approval by the city of St. Cloud, regarding the sharing of revenues and expenses related
411.16 to the Amtrak Depot, fare collection, and advertising. The MTC, city of St. Cloud, and
411.17 Stearns, Benton, and Sherburne Counties are prohibited from entering into agreements with
411.18 the Metropolitan Council on any subject other than the operation of the Northstar Corridor;

411.19 (5) the Department of Transportation is prohibited from committing to spend any state
411.20 funds on capital expenditures;

411.21 (6) the Department of Transportation is prohibited from committing to spend any more
411.22 state funds on operating costs than the total sum it and the Metropolitan Council have
411.23 budgeted for the Northstar Corridor; and

411.24 (7) the Department of Transportation may negotiate with the federal government, counties
411.25 and cities, or the Northstar Corridor Development Authority to provide additional funding
411.26 for services necessary to extend the Northstar Corridor.

411.27 Sec. 103. **NORTHSTAR COMMUTER RAIL OPERATING COSTS; EXCEPTION.**

411.28 (a) Minnesota Statutes, section 398A.10, subdivision 2, does not apply for reserve funds
411.29 available to the Anoka County Regional Railroad Authority as of June 30, 2018, that are
411.30 used to pay operating and maintenance costs of Northstar Commuter Rail.

411.31 (b) This section expires on January 1, 2021.

412.1 Sec. 104. **MARKED INTERSTATE HIGHWAY 35 SIGNS.**

412.2 The commissioner of transportation must erect signs that identify and direct motorists
412.3 to the campuses of Minnesota State Academy for the Deaf and Minnesota State Academy
412.4 for the Blind under Minnesota Statutes, sections 125A.61 to 125A.73. At least one sign in
412.5 each direction of travel must be placed on marked Interstate Highway 35, located as near
412.6 as practical to exits that reasonably access the campuses. The commissioner is prohibited
412.7 from removing signs for the campuses posted on marked Trunk Highway 60.

412.8 Sec. 105. **COMMERCIAL DRIVER'S LICENSE FEDERAL REGULATION**
412.9 **WAIVER REQUEST.**

412.10 The commissioner of public safety must apply to the Federal Motor Carrier Safety
412.11 Administration for a waiver from the federal regulation that requires a person to have a
412.12 passenger endorsement to drive a bus with no passengers for the sole purpose of delivering
412.13 the bus to the purchaser.

412.14 **EFFECTIVE DATE.** This section is effective the day following final enactment.

412.15 Sec. 106. **REVISOR INSTRUCTIONS.**

412.16 (a) The revisor of statutes shall renumber Minnesota Statutes, section 160.02, subdivision
412.17 27a, as Minnesota Statutes, section 169.011, subdivision 73a. The revisor shall correct any
412.18 cross-references made necessary by this renumbering.

412.19 (b) The revisor of statutes shall change the term "special revenue fund" to "driver and
412.20 vehicle services fund" wherever the term appears in Minnesota Statutes when referring to
412.21 the accounts under Minnesota Statutes, section 299A.705.

412.22 Sec. 107. **REPEALER.**

412.23 (a) Minnesota Statutes 2016, section 168.013, subdivision 21, is repealed.

412.24 (b) Minnesota Statutes 2016, section 221.161, subdivisions 2, 3, and 4, are repealed.

412.25 (c) Minnesota Statutes 2016, sections 360.063, subdivision 4; 360.065, subdivision 2;
412.26 and 360.066, subdivisions 1a and 1b, are repealed.

412.27 (d) Minnesota Statutes 2016, sections 222.47; 222.50, subdivisions 1 and 7; and 222.51,
412.28 are repealed.

412.29 (e) Minnesota Statutes 2017 Supplement, sections 222.49; and 222.50, subdivision 6,
412.30 are repealed.

413.1 Sec. 108. **EFFECTIVE DATE; APPLICATION.**

413.2 (a) Sections 61 to 63, 65 to 83, and section 107, paragraph (c), are effective August 1,
413.3 2018, and apply to airport sponsors that make or plan to make changes to runway lengths
413.4 or configurations on or after that date.

413.5 (b) Sections 61 to 63, 65 to 83, and section 107, paragraph (c), do not apply to airports
413.6 that (1) have airport safety zoning ordinances approved by this commissioner in effect on
413.7 August 1, 2018; (2) have not made and are not planning to make changes to runway lengths
413.8 or configurations; and (3) are not required to update airport safety zoning ordinances.

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62A.65 INDIVIDUAL MARKET REGULATION.

Subd. 7a. **Short-term coverage; applicability.** Notwithstanding subdivision 3, paragraph (g), and subdivision 7, paragraph (c), short-term coverage is not subject to section 62A.021.

144A.45 REGULATION OF HOME CARE SERVICES.

Subd. 6. **Home care providers; tuberculosis prevention and control.** (a) A home care provider must establish and maintain a comprehensive tuberculosis infection control program according to the most current tuberculosis infection control guidelines issued by the United States Centers for Disease Control and Prevention (CDC), Division of Tuberculosis Elimination, as published in CDC's Morbidity and Mortality Weekly Report (MMWR). This program must include a tuberculosis infection control plan that covers all paid and unpaid employees, contractors, students, and volunteers. The Department of Health shall provide technical assistance regarding implementation of the guidelines.

(b) Written compliance with this subdivision must be maintained by the home care provider.

144A.481 HOME CARE LICENSING IMPLEMENTATION FOR NEW LICENSEES AND TRANSITION PERIOD FOR CURRENT LICENSEES.

Subdivision 1. **Temporary home care licenses and changes of ownership.** (a) Beginning January 1, 2014, all temporary license applicants must apply for either a temporary basic or comprehensive home care license.

(b) Temporary home care licenses issued beginning January 1, 2014, shall be issued according to sections 144A.43 to 144A.4798, and the fees in section 144A.472. Temporary licensees must comply with the requirements of this chapter.

(c) No temporary license applications will be accepted nor temporary licenses issued between December 1, 2013, and December 31, 2013.

(d) Beginning October 1, 2013, changes in ownership applications will require payment of the new fees listed in section 144A.472. Providers who are providing nursing, delegated nursing, or professional health care services, must submit the fee for comprehensive home care providers, and all other providers must submit the fee for basic home care providers as provided in section 144A.472. Change of ownership applicants will be issued a new home care license based on the licensure law in effect on June 30, 2013.

Subd. 2. **Current home care licensees with licenses as of December 31, 2013.** (a) Beginning July 1, 2014, department licensed home care providers must apply for either the basic or comprehensive home care license on their regularly scheduled renewal date.

(b) By June 30, 2015, all home care providers must either have a basic or comprehensive home care license or temporary license.

Subd. 3. **Renewal application of home care licensure during transition period.** (a) Renewal and change of ownership applications of home care licenses issued beginning July 1, 2014, will be issued according to sections 144A.43 to 144A.4798 and, upon license renewal or issuance of a new license for a change of ownership, providers must comply with sections 144A.43 to 144A.4798. Prior to renewal, providers must comply with the home care licensure law in effect on June 30, 2013.

(b) The fees charged for licenses renewed between July 1, 2014, and June 30, 2016, shall be the lesser of 200 percent or \$1,000, except where the 200 percent or \$1,000 increase exceeds the actual renewal fee charged, with a maximum renewal fee of \$6,625.

(c) For fiscal year 2014 only, the fees for providers with revenues greater than \$25,000 and no more than \$100,000 will be \$313 and for providers with revenues no more than \$25,000 the fee will be \$125.

146B.02 ESTABLISHMENT LICENSE PROCEDURES.

Subd. 7a. **Supervisors.** (a) Only a technician who has been licensed as a body artist for at least two years in Minnesota or in a jurisdiction with which Minnesota has reciprocity may supervise a temporary technician.

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(b) Any technician who agrees to supervise more than two temporary technicians during the same time period must provide to the commissioner a supervisory plan that describes how the technician will provide supervision to each temporary technician in accordance with section 146B.01, subdivision 28.

(c) The commissioner may refuse to approve as a supervisor a technician who has been disciplined in Minnesota or in another jurisdiction after considering the criteria described in subdivision 10, paragraph (b).

151.55 CANCER DRUG REPOSITORY PROGRAM.

Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms defined in this subdivision have the meanings given.

(b) "Board" means the Board of Pharmacy.

(c) "Cancer drug" means a prescription drug that is used to treat:

(1) cancer or the side effects of cancer; or

(2) the side effects of any prescription drug that is used to treat cancer or the side effects of cancer.

(d) "Cancer drug repository" means a medical facility or pharmacy that has notified the board of its election to participate in the cancer drug repository program.

(e) "Cancer supply" or "supplies" means prescription and nonprescription cancer supplies needed to administer a cancer drug.

(f) "Dispense" has the meaning given in section 151.01, subdivision 30.

(g) "Distribute" means to deliver, other than by administering or dispensing.

(h) "Donor" means an individual and not a drug manufacturer or wholesale drug distributor who donates a cancer drug or supply according to the requirements of the cancer drug repository program.

(i) "Medical facility" means an institution defined in section 144.50, subdivision 2.

(j) "Medical supplies" means any prescription and nonprescription medical supply needed to administer a cancer drug.

(k) "Pharmacist" has the meaning given in section 151.01, subdivision 3.

(l) "Pharmacy" means any pharmacy registered with the Board of Pharmacy according to section 151.19, subdivision 1.

(m) "Practitioner" has the meaning given in section 151.01, subdivision 23.

(n) "Prescription drug" means a legend drug as defined in section 151.01, subdivision 17.

(o) "Side effects of cancer" means symptoms of cancer.

(p) "Single-unit-dose packaging" means a single-unit container for articles intended for administration as a single dose, direct from the container.

(q) "Tamper-evident unit dose packaging" means a container within which a drug is sealed so that the contents cannot be opened without obvious destruction of the seal.

Subd. 2. **Establishment.** The Board of Pharmacy shall establish and maintain a cancer drug repository program, under which any person may donate a cancer drug or supply for use by an individual who meets the eligibility criteria specified under subdivision 4. Under the program, donations may be made on the premises of a medical facility or pharmacy that elects to participate in the program and meets the requirements specified under subdivision 3.

Subd. 3. **Requirements for participation by pharmacies and medical facilities.** (a) To be eligible for participation in the cancer drug repository program, a pharmacy or medical facility must be licensed and in compliance with all applicable federal and state laws and administrative rules.

(b) Participation in the cancer drug repository program is voluntary. A pharmacy or medical facility may elect to participate in the cancer drug repository program by submitting the following information to the board, in a form provided by the board:

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(1) the name, street address, and telephone number of the pharmacy or medical facility;

(2) the name and telephone number of a pharmacist who is employed by or under contract with the pharmacy or medical facility, or other contact person who is familiar with the pharmacy's or medical facility's participation in the cancer drug repository program; and

(3) a statement indicating that the pharmacy or medical facility meets the eligibility requirements under paragraph (a) and the chosen level of participation under paragraph (c).

(c) A pharmacy or medical facility may fully participate in the cancer drug repository program by accepting, storing, and dispensing or administering donated drugs and supplies, or may limit its participation to only accepting and storing donated drugs and supplies. If a pharmacy or facility chooses to limit its participation, the pharmacy or facility shall distribute any donated drugs to a fully participating cancer drug repository according to subdivision 8.

(d) A pharmacy or medical facility may withdraw from participation in the cancer drug repository program at any time upon notification to the board. A notice to withdraw from participation may be given by telephone or regular mail.

Subd. 4. **Individual eligibility requirements.** Any Minnesota resident who is diagnosed with cancer is eligible to receive drugs or supplies under the cancer drug repository program. Drugs and supplies shall be dispensed or administered according to the priority given under subdivision 6, paragraph (d).

Subd. 5. **Donations of cancer drugs and supplies.** (a) Any one of the following persons may donate legally obtained cancer drugs or supplies to a cancer drug repository, if the drugs or supplies meet the requirements under paragraph (b) or (c) as determined by a pharmacist who is employed by or under contract with a cancer drug repository:

(1) an individual who is 18 years old or older; or

(2) a pharmacy, medical facility, drug manufacturer, or wholesale drug distributor, if the donated drugs have not been previously dispensed.

(b) A cancer drug is eligible for donation under the cancer drug repository program only if the following requirements are met:

(1) the donation is accompanied by a cancer drug repository donor form described under paragraph (d) that is signed by the person making the donation or that person's authorized representative;

(2) the drug's expiration date is at least six months later than the date that the drug was donated;

(3) the drug is in its original, unopened, tamper-evident unit dose packaging that includes the drug's lot number and expiration date. Single-unit dose drugs may be accepted if the single-unit-dose packaging is unopened; and

(4) the drug is not adulterated or misbranded.

(c) Cancer supplies are eligible for donation under the cancer drug repository program only if the following requirements are met:

(1) the supplies are not adulterated or misbranded;

(2) the supplies are in their original, unopened, sealed packaging; and

(3) the donation is accompanied by a cancer drug repository donor form described under paragraph (d) that is signed by the person making the donation or that person's authorized representative.

(d) The cancer drug repository donor form must be provided by the board and shall state that to the best of the donor's knowledge the donated drug or supply has been properly stored and that the drug or supply has never been opened, used, tampered with, adulterated, or misbranded. The board shall make the cancer drug repository donor form available on the Board of Pharmacy's Web site.

(e) Controlled substances and drugs and supplies that do not meet the criteria under this subdivision are not eligible for donation or acceptance under the cancer drug repository program.

(f) Drugs and supplies may be donated on the premises of a cancer drug repository to a pharmacist designated by the repository. A drop box may not be used to deliver or accept donations.

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(g) Cancer drugs and supplies donated under the cancer drug repository program must be stored in a secure storage area under environmental conditions appropriate for the drugs or supplies being stored. Donated drugs and supplies may not be stored with nondonated inventory.

Subd. 6. Dispensing requirements. (a) Drugs and supplies must be dispensed by a licensed pharmacist pursuant to a prescription by a practitioner or may be dispensed or administered by a practitioner according to the requirements of chapter 151 and within the practitioner's scope of practice.

(b) Cancer drugs and supplies shall be visually inspected by the pharmacist or practitioner before being dispensed or administered for adulteration, misbranding, and date of expiration. Drugs or supplies that have expired or appear upon visual inspection to be adulterated, misbranded, or tampered with in any way may not be dispensed or administered.

(c) Before a cancer drug or supply may be dispensed or administered to an individual, the individual must sign a cancer drug repository recipient form provided by the board acknowledging that the individual understands the information stated on the form. The form shall include the following information:

(1) that the drug or supply being dispensed or administered has been donated and may have been previously dispensed;

(2) that a visual inspection has been conducted by the pharmacist or practitioner to ensure that the drug has not expired, has not been adulterated or misbranded, and is in its original, unopened packaging; and

(3) that the dispensing pharmacist, the dispensing or administering practitioner, the cancer drug repository, the Board of Pharmacy, and any other participant of the cancer drug repository program cannot guarantee the safety of the drug or supply being dispensed or administered and that the pharmacist or practitioner has determined that the drug or supply is safe to dispense or administer based on the accuracy of the donor's form submitted with the donated drug or supply and the visual inspection required to be performed by the pharmacist or practitioner before dispensing or administering.

The board shall make the cancer drug repository form available on the Board of Pharmacy's Web site.

(d) Drugs and supplies shall only be dispensed or administered to individuals who meet the eligibility requirements in subdivision 4 and in the following order of priority:

(1) individuals who are uninsured;

(2) individuals who are enrolled in medical assistance, MinnesotaCare, Medicare, or other public assistance health care; and

(3) all other individuals who are otherwise eligible under subdivision 4 to receive drugs or supplies from a cancer drug repository.

Subd. 7. Handling fees. A cancer drug repository may charge the individual receiving a drug or supply a handling fee of no more than 250 percent of the medical assistance program dispensing fee for each cancer drug or supply dispensed or administered.

Subd. 8. Distribution of donated cancer drugs and supplies. (a) Cancer drug repositories may distribute drugs and supplies donated under the cancer drug repository program to other repositories if requested by a participating repository.

(b) A cancer drug repository that has elected not to dispense donated drugs or supplies shall distribute any donated drugs and supplies to a participating repository upon request of the repository.

(c) If a cancer drug repository distributes drugs or supplies under paragraph (a) or (b), the repository shall complete a cancer drug repository donor form provided by the board. The completed form and a copy of the donor form that was completed by the original donor under subdivision 5 shall be provided to the fully participating cancer drug repository at the time of distribution.

Subd. 9. Resale of donated drugs or supplies. Donated drugs and supplies may not be resold.

Subd. 10. Record-keeping requirements. (a) Cancer drug repository donor and recipient forms shall be maintained for at least five years.

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(b) A record of destruction of donated drugs and supplies that are not dispensed under subdivision 6 shall be maintained by the dispensing repository for at least five years. For each drug or supply destroyed, the record shall include the following information:

- (1) the date of destruction;
- (2) the name, strength, and quantity of the cancer drug destroyed;
- (3) the name of the person or firm that destroyed the drug; and
- (4) the source of the drugs or supplies destroyed.

Subd. 11. **Liability.** (a) The manufacturer of a drug or supply is not subject to criminal or civil liability for injury, death, or loss to a person or to property for causes of action described in clauses (1) and (2). A manufacturer is not liable for:

- (1) the intentional or unintentional alteration of the drug or supply by a party not under the control of the manufacturer; or
- (2) the failure of a party not under the control of the manufacturer to transfer or communicate product or consumer information or the expiration date of the donated drug or supply.

(b) A medical facility or pharmacy participating in the program, a pharmacist dispensing a drug or supply pursuant to the program, a practitioner dispensing or administering a drug or supply pursuant to the program, or a donor of a cancer drug or supply as defined in subdivision 1 is immune from civil liability for an act or omission that causes injury to or the death of an individual to whom the cancer drug or supply is dispensed and no disciplinary action shall be taken against a pharmacist or practitioner so long as the drug or supply is donated, accepted, distributed, and dispensed according to the requirements of this section. This immunity does not apply if the act or omission involves reckless, wanton, or intentional misconduct, or malpractice unrelated to the quality of the cancer drug or supply.

168.013 VEHICLE REGISTRATION TAXES.

Subd. 21. **Technology surcharge.** For every vehicle registration renewal required under this chapter, the commissioner shall collect a surcharge of: (1) \$1.75 until June 30, 2012; and (2) \$1 from July 1, 2012, to June 30, 2016. Surcharges collected under this subdivision must be credited to the driver and vehicle services technology account in the special revenue fund under section 299A.705.

214.075 HEALTH-RELATED LICENSING BOARDS; CRIMINAL BACKGROUND CHECKS.

Subd. 8. **Instructions to the board; plans.** The health-related licensing boards, in collaboration with the commissioner of human services and the BCA, shall establish a plan for completing criminal background checks of all licensees who were licensed before the effective date requirement under subdivision 1. The plan must seek to minimize duplication of requirements for background checks of licensed health professionals. The plan for background checks of current licensees shall be developed no later than January 1, 2017, and may be contingent upon the implementation of a system by the BCA or FBI in which any new crimes that an applicant or licensee commits after an initial background check are flagged in the BCA's or FBI's database and reported back to the board. The plan shall include recommendations for any necessary statutory changes.

221.161 SCHEDULE OF RATES AND CHARGES.

Subd. 2. **Hearing upon complaint.** Tariffs, supplements, and reissues must be prepared and filed in accordance with rules of the commissioner. Rates or charges, including pickup charges named therein, are subject to complaint to the commissioner by an interested party. The commissioner, after investigation by the department, by order on not less than ten days' notice, may assign the complaint for hearing, and if at the hearing, the complainant submits facts and evidence sufficient to establish proof that the rates or charges complained of are excessive or noncompensatory, the commissioner may order the rates or charges canceled, and require the filing of alternative and reasonable rates and charges, the reasonable level of which at that time must be indicated by the commissioner in the order.

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Subd. 3. **Hearing upon petition by another carrier.** Upon the filing of a tariff or subsequent supplement or reissue, any other carrier has the right to petition the commissioner to suspend it from taking effect until opportunity is had for a hearing on the reasonableness of the rates or charges, and the commissioner may suspend the rates or charges if in its judgment the rates or charges complained of are so unreasonably low as to create destructive competitive practices among or jeopardize the economic position of competing carriers. In determining whether the rates or charges are excessive or noncompensatory, the commissioner shall include in consideration, among other things, the reasonable cost of the services rendered for the transportation, including a reasonable return on the money invested in the business and an adequate sum for maintenance and depreciation of the property used.

Subd. 4. **Hearing on merits of rates and charges.** The commissioner, (1) after a suspension and hearing upon a schedule of rates and charges, or upon complaint, or upon the commissioner's own initiative, either in extension of an existing complaint or without a complaint whatever, (2) after department investigation and petition, (3) upon notice to the permit carrier or tariff agent proposing, maintaining, or charging a schedule of rates and charges on a single group of related commodities, and (4) upon notice to the users of the service and competitive carriers by motor vehicle and rail, may assign for hearing the schedule of rates and charges proposed, maintained, or charged by any or all permit carriers. Upon a finding, after a hearing, that the schedule of rates and charges are unjust or unreasonable or unjustly discriminatory or unduly preferential or prejudicial or otherwise in violation of this section, the commissioner may prescribe minimum rates and charges and the rates, rules, and practices thereafter to be maintained and applied by the permit carrier or tariff agent. In the hearing the burden of proof is upon the permit carrier or tariff agent whose schedules of rates and charges are under investigation to show that the schedules are not below a minimum reasonable level or are not noncompensatory.

222.47 CITATION.

Sections 222.46 to 222.54 may be cited as the "Minnesota Rail Service Improvement Act."

222.49 RAIL SERVICE IMPROVEMENT ACCOUNT; APPROPRIATION.

The rail service improvement account is created in the special revenue fund in the state treasury. The account consists of funds as provided by law, and any other money donated, allotted, transferred, or otherwise provided to the account, excluding bond proceeds as authorized by article XI, section 5, clause (i), of the Minnesota Constitution. All money so deposited is appropriated to the department for expenditure for rail service improvement in accordance with applicable state and federal law. This appropriation shall not lapse but shall be available until the purpose for which it was appropriated has been accomplished.

222.50 RAIL SERVICE IMPROVEMENT PROGRAM.

Subdivision 1. **Creation.** There is created the rail service improvement program to provide assistance for improvement of rail service in the state.

Subd. 6. **Grants.** The commissioner may approve grants from the rail service improvement account for freight rail service improvements that support economic development.

Subd. 7. **Expenditures.** (a) The commissioner may expend money from the rail service improvement account for the following purposes:

(1) to make transfers as provided under section 222.57 or to pay interest adjustments on loans guaranteed under the state rail user and rail carrier loan guarantee program;

(2) to pay a portion of the costs of capital improvement projects designed to improve rail service of a rail user or a rail carrier;

(3) to pay a portion of the costs of rehabilitation projects designed to improve rail service of a rail user or a rail carrier;

(4) to acquire, maintain, manage, and dispose of railroad right-of-way pursuant to the state rail bank program;

(5) to provide for aerial photography survey of proposed and abandoned railroad tracks for the purpose of recording and reestablishing by analytical triangulation the existing alignment of the in-place track;

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(6) to pay a portion of the costs of acquiring a rail line by a regional railroad authority established pursuant to chapter 398A;

(7) to pay the state matching portion of federal grants for rail-highway grade crossing improvement projects;

(8) for expenditures made before July 1, 2017, to pay the state matching portion of grants under the federal Transportation Investment Generating Economic Recovery (TIGER) program of the United States Department of Transportation;

(9) to fund rail planning studies; and

(10) to pay a portion of the costs of capital improvement projects designed to improve capacity or safety at rail yards.

(b) All money derived by the commissioner from the disposition of railroad right-of-way or of any other property acquired pursuant to sections 222.46 to 222.62 shall be deposited in the rail service improvement account.

222.51 PARTICIPATION BY POLITICAL SUBDIVISION.

The governing body of any political subdivision of the state may, with the approval of the commissioner, appropriate money for rail service improvement and may participate in the state rail service improvement program and federal rail programs.

256.021 VULNERABLE ADULT MALTREATMENT REVIEW PANEL.

Subdivision 1. **Creation.** (a) The commissioner of human services shall establish a review panel for purposes of reviewing lead investigative agency determinations regarding maltreatment of a vulnerable adult in response to requests received under section 626.557, subdivision 9d, paragraph (b). The panel shall hold quarterly meetings for purposes of conducting reviews under this section.

(b) The review panel consists of:

(1) the commissioners of health and human services or their designees;

(2) the ombudsman for long-term care and ombudsman for mental health and developmental disabilities, or their designees;

(3) a member of the board on aging, appointed by the board; and

(4) a representative from the county human services administrators appointed by the commissioner of human services or the administrator's designee.

Subd. 2. **Review procedure.** (a) If a vulnerable adult or an interested person acting on behalf of the vulnerable adult requests a review under this section, the panel shall review the request at its next quarterly meeting. If the next quarterly meeting is within ten days of the panel's receipt of the request for review, the review may be delayed until the next subsequent meeting. The panel shall review the request and the investigation memorandum and may review any other data on the investigation maintained by the lead investigative agency that are pertinent and necessary to its review of the final disposition. If more than one person requests a review under this section with respect to the same final disposition, the review panel shall combine the requests into one review. The panel shall submit its written request for the case file and other documentation relevant to the review to the supervisor of the investigator conducting the investigation under review.

(b) Within 30 days of the review under this section, the panel shall notify the director or manager of the lead investigative agency and the vulnerable adult or interested person who requested the review as to whether the panel concurs with the final disposition or whether the lead investigative agency must reconsider the final disposition. If the panel determines that the lead investigative agency must reconsider the final disposition, the panel must make specific recommendations to the director or manager of the lead investigative agency. The recommendation must include an explanation of the factors that form the basis of the recommendation to reconsider the final disposition and must specifically identify the disputed facts, the disputed application of maltreatment definitions, the disputed application of responsibility for maltreatment, and the disputed weighing of evidence, whichever apply. Within 30 days the lead investigative agency shall conduct a review and report back to the panel with its determination and the specific rationale for its final disposition. At a minimum, the specific rationale must include a detailed response to each of the factors identified by the panel that formed the basis for the recommendations of the panel.

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(c) Upon receiving the report of reconsideration from the lead investigative agency, the panel shall communicate the decision in writing to the vulnerable adult or interested person acting on behalf of the vulnerable adult who requested the review. The panel shall include the specific rationale provided by the lead investigative agency as part of the communication.

Subd. 3. **Report.** By January 15 of each year, the panel shall submit a report to the committees of the legislature with jurisdiction over section 626.557 regarding the number of requests for review it receives under this section, the number of cases where the panel requires the lead investigative agency to reconsider its final disposition, and the number of cases where the final disposition is changed, and any recommendations to improve the review or investigative process.

Subd. 4. **Data.** Data of the review panel created or received as part of a review under this section are private data on individuals as defined in section 13.02.

256B.0705 PERSONAL CARE ASSISTANCE SERVICES; MANDATED SERVICE VERIFICATION.

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given them.

(b) "Personal care assistance services" or "PCA services" means services provided according to section 256B.0659.

(c) "Personal care assistant" or "PCA" has the meaning given in section 256B.0659, subdivision 1.

(d) "Service verification" means a random, unscheduled telephone call made for the purpose of verifying that the individual personal care assistant is present at the location where personal care assistance services are being provided and is providing services as scheduled.

Subd. 2. **Verification schedule.** An agency that submits claims for reimbursement for PCA services under this chapter must develop and implement administrative policies and procedures by which the agency verifies the services provided by a PCA. For each service recipient, the agency must conduct at least one service verification every 90 days. If more than one PCA provides services to a single service recipient, the agency must conduct a service verification for each PCA providing services before conducting a service verification for a PCA whose services were previously verified by the agency. Service verification must occur on an ongoing basis while the agency provides PCA services to the recipient. During service verification, the agency must speak with both the PCA and the service recipient or recipient's authorized representative. Only qualified professional service verifications are eligible for reimbursement. An agency may substitute a visit by a qualified professional that is eligible for reimbursement under section 256B.0659, subdivision 14 or 19.

Subd. 3. **Documentation of verification.** An agency must fully document service verifications in a legible manner and must maintain the documentation on site for at least five years from the date of documentation. For each service verification, documentation must include:

(1) the names and signatures of the service recipient or recipient's authorized representative, the PCA and any other agency staff present with the PCA during the service verification, and the staff person conducting the service verification; and

(2) the start and end time, day, month, and year of the service verification, and the corresponding PCA time sheet.

Subd. 4. **Variance.** The Office of Inspector General at the Department of Human Services may grant a variance to the service verification requirements in this section if an agency uses an electronic monitoring system or other methods that verify a PCA is present at the location where services are provided and is providing services according to the prescribed schedule. A decision to grant or deny a variance request is final and not subject to appeal under chapter 14.

360.063 AIRPORT ZONING; AUTHORITY, PROCEDURE.

Subd. 4. **Airport approach.** The commissioner may recommend an airport approach plan for each publicly owned airport in the state and for each privately owned airport of the publicly owned class and from time to time recommend revisions of the plan. A plan shall indicate the circumstances in which structures or trees are or would be airport hazards, the airport hazard area, and what measures should be taken to eliminate airport hazards. The commissioner shall prescribe airport approach and turning standards for airports of various classes, and airport zoning regulations adopted

by a municipality, county, or joint airport zoning board shall conform to the standards, except as provided in sections 360.065 and 360.066.

360.065 AIRPORT ZONING; ADOPTION AND APPROVAL OF PROPOSED REGULATIONS.

Subd. 2. **Regulations submitted to commissioner.** Prior to adopting zoning regulations for an airport hazard area under sections 360.011 to 360.076, the municipality, county, or joint airport zoning board which is to adopt the regulations shall submit its proposed regulations to the commissioner in order that the commissioner may determine whether it conforms to the standards prescribed by the commissioner. The commissioner shall immediately examine the proposed regulations and report to the municipality, county, or joint airport zoning board the commissioner's approval, or objections, if any. If objections are made by the commissioner on the ground that the regulations do not conform to the standards prescribed by the commissioner for the class of airport involved, the municipality, county, or joint zoning board shall make amendments as are necessary to meet the objections unless it demonstrates that the social and economic costs of restricting land uses in accordance with the standards outweigh the benefits of a strict application of the standards. The governing body of the municipality or county or the joint airport zoning board shall not adopt the regulations or take other action until the proposed regulations are approved by the commissioner. The commissioner may approve local zoning ordinances that are more stringent than the standards. A copy of the regulations as adopted shall be filed with the county recorder in each county in which the zoned area is located.

Substantive rights existing prior to the passage of this subdivision and previously exercised are not affected by the filing of the regulations.

360.066 AIRPORT ZONING; MINIMUM STANDARDS, LAND USES.

Subd. 1a. **Protection of existing neighborhood.** (a) In order to ensure the minimum disruption of existing land uses, particularly established residential neighborhoods in built-up urban areas, the airport zoning standards of the commissioner and the local airport zoning ordinances or regulations adopted under sections 360.061 to 360.074 shall distinguish between the creation or establishment of a use and the elimination of an existing use, and shall avoid the elimination, removal, or reclassification of existing uses to the extent consistent with reasonable standards of safety. The standards of the commissioner shall include criteria for determining when an existing land use may constitute an airport hazard so severe that considerations of public safety outweigh the public interest in preventing disruption to that land use.

(b) No airport zoning standards or local airport zoning ordinances or regulations shall be adopted pursuant to sections 360.061 to 360.074 that classify as a nonconforming use or require such classification with respect to any low-density residential structure or isolated low-density residential building lots existing on January 1, 1978 in an established residential neighborhood.

(c) A local airport zoning authority may classify a land use described in paragraph (b) as an airport hazard if that authority finds that this classification is justified by considerations of public safety and is consistent with the airport zoning standards of the commissioner. Any land use described in paragraph (b) which is classified as an airport hazard shall be acquired, altered, or removed at public expense.

(d) The provisions of this subdivision shall not be construed to affect the classification of any land use under any zoning ordinances or regulations not adopted pursuant to sections 360.061 to 360.074.

Subd. 1b. **Amendment of standards.** Within nine months after March 29, 1978, the commissioner shall amend the standards defining airport hazard areas and categories of uses permitted therein to conform with the requirements of Laws 1978, chapter 654. Until the commissioner adopts amended standards as required by this subdivision the unamended standards, insofar as they require classification of any residential property as a nonconforming use contrary to the provisions of subdivision 1a, paragraph (b), shall be without force or effect.