SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION

S.F. No. 4699

(SENATE AUTHORS: WIKLUND)

DATE	D-PG	OFFICIAL STATUS
03/07/2024	12048	Introduction and first reading
		Referred to Health and Human Services
04/25/2024	14948a	Comm report: To pass as amended and re-refer to Finance
05/02/2024	15789a	Comm report: To pass as amended
		Rule 12.10: report of votes in committee
	15818	Second reading
05/03/2024		Special Order: Amended
		Third reading Passed

1.1 A bill for an act

1.2 relating to state government; modifying provisions governing health care, health
1.3 insurance, health policy, emergency medical services, the Department of Health,
1.4 the Department of Human Services, MNsure, health care workforce, health-related
1.5 licensing boards, health care affordability and delivery, background studies, child
1.6 protection and welfare, child care licensing, behavioral health, economic assistance,
1.7 housing and homelessness, human services policy, the Minnesota Indian Family
1.8 Preservation Act, and the Department of Children, Youth, and Families; establishing
1.9 the Office of Emergency Medical Services; establishing the Minnesota African
1.10 American Family Preservation and Child Welfare Disproportionality Act; making
1.11 technical and conforming changes; requiring reports; imposing penalties; providing
1.12 appointments; making forecast adjustments; appropriating money; amending
1.13 Minnesota Statutes 2022, sections 16A.055, subdivision 1a, by adding a subdivision;
1.14 16A.103, by adding a subdivision; 62A.0411; 62A.15, subdivision 4, by adding a
1.15 subdivision; 62A.28, subdivision 2; 62D.02, subdivisions 4, 7; 62D.03, subdivision
1.16 1; 62D.05, subdivision 1; 62D.06, subdivision 1; 62D.14, subdivision 1; 62D.19;
1.17 62D.20, subdivision 1; 62D.22, subdivision 5; 62E.02, subdivision 3; 62J.49,
1.18 subdivision 1; 62J.61, subdivision 5; 62M.01, subdivision 3; 62Q.097, by adding
1.19 a subdivision; 62Q.14; 62V.05, subdivision 12; 62V.08; 62V.11, subdivision 4;
1.20 103I.621, subdivisions 1, 2; 121A.15, subdivision 3, by adding a subdivision;
1.21 144.05, subdivision 6, by adding a subdivision; 144.058; 144.0724, subdivisions
1.22 2, 3a, 4, 6, 7, 8, 9, 11; 144.1464, subdivisions 1, 2, 3; 144.1501, subdivision 5;
1.23 144.1911, subdivision 2; 144.212, by adding a subdivision; 144.216, subdivision
1.24 2, by adding subdivisions; 144.218, by adding a subdivision; 144.292, subdivision
1.25 6; 144.293, subdivisions 2, 4, 9, 10; 144.493, by adding a subdivision; 144.494,
1.26 subdivision 2; 144.551, subdivision 1; 144.555, subdivisions 1a, 1b, 2, by adding
1.27 subdivisions; 144.605, by adding a subdivision; 144.99, subdivision 3; 144A.10,
1.28 subdivisions 15, 16; 144A.471, by adding a subdivision; 144A.474, subdivision
1.29 13; 144A.61, subdivision 3a; 144A.70, subdivisions 3, 5, 6, 7; 144A.71, subdivision
1.30 2, by adding a subdivision; 144A.72, subdivision 1; 144A.73; 144E.001, subdivision
1.31 3a, by adding subdivisions; 144E.101, by adding a subdivision; 144E.16,
1.32 subdivisions 5, 7; 144E.19, subdivision 3; 144E.27, subdivisions 3, 5, 6; 144E.28,
1.33 subdivisions 3, 5, 6, 8; 144E.285, subdivisions 1, 2, 4, 6, by adding subdivisions;
1.34 144E.287; 144E.305, subdivision 3; 144G.08, subdivision 29; 144G.10, by adding
1.35 a subdivision; 144G.16, subdivision 6; 146B.03, subdivision 7a; 146B.10,
1.36 subdivisions 1, 3; 148.235, subdivision 10; 149A.02, subdivisions 3, 3b, 16, 23,
1.37 26a, 27, 35, 37c, by adding subdivisions; 149A.03; 149A.65; 149A.70, subdivisions
1.38 1, 2, 3, 5; 149A.71, subdivisions 2, 4; 149A.72, subdivisions 3, 9; 149A.73,

2.1 subdivision 1; 149A.74, subdivision 1; 149A.93, subdivision 3; 149A.94,
2.2 subdivisions 1, 3, 4; 149A.97, subdivision 2; 151.01, subdivisions 23, 27; 151.065,
2.3 by adding subdivisions; 151.066, subdivisions 1, 2, 3; 151.212, by adding a
2.4 subdivision; 151.37, by adding a subdivision; 151.74, subdivision 6; 152.22,
2.5 subdivision 14, by adding a subdivision; 152.25, subdivision 2; 152.27, subdivisions
2.6 2, 6, by adding a subdivision; 176.175, subdivision 2; 214.025; 214.04, subdivision
2.7 2a; 214.29; 214.31; 214.355; 243.166, subdivision 7, as amended; 245.096; 245.462,
2.8 subdivision 6; 245.4663, subdivision 2; 245A.04, subdivision 10, by adding a
2.9 subdivision; 245A.043, subdivisions 2, 4, by adding subdivisions; 245A.07,
2.10 subdivision 6; 245A.10, subdivisions 1, as amended, 2, as amended; 245A.14,
2.11 subdivision 17; 245A.144; 245A.175; 245A.52, subdivision 2, by adding a
2.12 subdivision; 245A.66, subdivision 2; 245C.05, subdivision 5; 245C.08, subdivision
2.13 4; 245C.10, subdivision 18; 245C.14, subdivision 1, by adding a subdivision;
2.14 245C.15, subdivisions 3, 4; 245C.22, subdivision 4; 245C.24, subdivisions 2, 5;
2.15 245C.30, by adding a subdivision; 245E.08; 245F.09, subdivision 2; 245F.14, by
2.16 adding a subdivision; 245F.17; 245G.07, subdivision 4; 245G.08, subdivisions 5,
2.17 6; 245G.10, by adding a subdivision; 245G.22, subdivisions 6, 7; 245H.01, by
2.18 adding subdivisions; 245H.08, subdivision 1; 245H.14, subdivisions 1, 4; 245I.02,
2.19 subdivisions 17, 19; 245I.10, subdivision 9; 245I.11, subdivision 1, by adding a
2.20 subdivision; 245I.20, subdivision 4; 245I.23, subdivision 14; 256.01, subdivision
2.21 41, by adding a subdivision; 256.029, as amended; 256.045, subdivisions 3b, as
2.22 amended, 5, as amended, 7, as amended; 256.0451, subdivisions 1, as amended,
2.23 22, 24; 256.046, subdivision 2, as amended; 256.9657, subdivision 8, by adding
2.24 a subdivision; 256.969, by adding subdivisions; 256B.056, subdivisions 1a, 10;
2.25 256B.0622, subdivisions 2a, 3a, 7a, 7d; 256B.0623, subdivision 5; 256B.0625,
2.26 subdivisions 12, 20, 39, by adding subdivisions; 256B.0757, subdivisions 4a, 4d,
2.27 by adding a subdivision; 256B.0943, subdivision 12; 256B.0947, subdivision 5;
2.28 256B.76, subdivision 6; 256B.795; 256I.04, subdivision 2f; 256J.08, subdivision
2.29 34a; 256J.28, subdivision 1; 256K.45, subdivision 2; 256N.22, subdivision 10;
2.30 256N.24, subdivision 10; 256N.26, subdivisions 12, 13, 15, 16, 18, 21, 22; 256P.05,
2.31 by adding a subdivision; 256R.02, subdivision 20; 259.20, subdivision 2; 259.37,
2.32 subdivision 2; 259.52, subdivisions 2, 4; 259.53, by adding a subdivision; 259.79,
2.33 subdivision 1; 259.83, subdivision 4; 260.755, subdivisions 2a, 5, 14, 17a, by
2.34 adding subdivisions; 260.775; 260.785, subdivisions 1, 3; 260.810, subdivision 3;
2.35 260C.007, subdivisions 6, 26b; 260C.141, by adding a subdivision; 260C.178,
2.36 subdivisions 1, as amended, 7; 260C.202; 260C.209, subdivision 1; 260C.212,
2.37 subdivisions 1, 2; 260C.301, subdivision 1, as amended; 260C.329, subdivisions
2.38 3, 8; 260C.4411, by adding a subdivision; 260C.515, subdivision 4; 260C.607,
2.39 subdivisions 1, 6; 260C.611; 260C.613, subdivision 1; 260C.615, subdivision 1;
2.40 260D.01; 260E.03, subdivision 23, as amended; 260E.30, subdivision 3, as
2.41 amended; 260E.33, subdivision 2, as amended; 317A.811, subdivisions 1, 2, 4;
2.42 393.07, subdivision 10a; 518.17, by adding a subdivision; 519.05; 524.3-801, as
2.43 amended; Minnesota Statutes 2023 Supplement, sections 13.46, subdivision 4, as
2.44 amended; 15A.0815, subdivision 2; 43A.08, subdivision 1a; 62J.84, subdivision
2.45 10; 62Q.46, subdivision 1; 62Q.473, by adding subdivisions; 62Q.522, subdivision
2.46 1; 119B.011, subdivision 15; 119B.16, subdivisions 1a, 1c; 119B.161, subdivision
2.47 2; 124D.142, subdivision 2, as amended; 142A.03, by adding a subdivision;
2.48 144.0526, subdivision 1; 144.1501, subdivisions 1, 2, 3, 4; 144.1505, subdivision
2.49 2; 144.2252, subdivision 2; 144.2253; 144.587, subdivision 4; 144A.4791,
2.50 subdivision 10; 144E.101, subdivisions 6, 7, as amended; 145.561, subdivision 4;
2.51 151.555, subdivisions 1, 4, 5, 6, 7, 8, 9, 11, 12; 151.74, subdivision 3; 152.126,
2.52 subdivision 6; 152.28, subdivision 1; 245.4889, subdivision 1; 245A.02, subdivision
2.53 2c; 245A.03, subdivisions 2, as amended, 7, as amended; 245A.043, subdivision
2.54 3; 245A.07, subdivision 1, as amended; 245A.11, subdivision 7; 245A.16,
2.55 subdivisions 1, as amended, 11; 245A.211, subdivision 4; 245A.242, subdivision
2.56 2; 245A.50, subdivisions 3, 4; 245A.66, subdivision 4, as amended; 245C.02,
2.57 subdivisions 6a, 13e; 245C.033, subdivision 3; 245C.08, subdivision 1; 245C.10,
2.58 subdivision 15; 245C.15, subdivisions 2, 4a; 245C.31, subdivision 1; 245G.22,

3.1 subdivisions 2, 17; 245H.06, subdivisions 1, 2; 245H.08, subdivisions 4, 5;
3.2 254B.04, subdivision 1a; 256.01, subdivision 12b; 256.043, subdivisions 3, 3a;
3.3 256.045, subdivision 3, as amended; 256.046, subdivision 3; 256.0471, subdivision
3.4 1, as amended; 256.969, subdivision 2b; 256B.0622, subdivisions 7b, 8; 256B.0625,
3.5 subdivisions 3a, 5m, 9, 13e, as amended, 13f, 13k, 16; 256B.064, subdivision 4;
3.6 256B.0671, subdivision 5; 256B.0701, subdivision 6; 256B.0947, subdivision 7;
3.7 256B.764; 256D.01, subdivision 1a; 256E.38, subdivision 4; 256I.05, subdivisions
3.8 1a, 11; 256L.03, subdivision 1; 256M.42, by adding a subdivision; 256P.06,
3.9 subdivision 3; 259.83, subdivisions 1, 1b, 3a; 260.014, by adding a subdivision;
3.10 260.755, subdivisions 1a, 3, 3a, 5b, 20, 22; 260.758, subdivisions 2, 4, 5; 260.761;
3.11 260.762; 260.763, subdivisions 1, 4, 5; 260.765, subdivisions 2, 3a, 4b; 260.771,
3.12 subdivisions 1a, 1b, 1c, 2b, 2d, 6, by adding a subdivision; 260.773, subdivisions
3.13 1, 2, 3, 4, 5, 10, 11; 260.774, subdivisions 1, 2, 3; 260.781, subdivision 1; 260.786,
3.14 subdivision 2; 260.795, subdivision 1; 342.01, subdivision 63; 342.52, subdivision
3.15 3; 342.53; 342.54, subdivision 2; 342.55, subdivision 2; 518A.42, subdivision 3;
3.16 Laws 1987, chapter 404, section 18, subdivision 1; Laws 2023, chapter 22, section
3.17 4, subdivision 2; Laws 2023, chapter 57, article 1, section 6; Laws 2023, chapter
3.18 70, article 1, section 35; article 11, section 13, subdivision 8; article 12, section
3.19 30, subdivisions 2, 3; article 14, section 42, subdivision 6; article 20, sections 2,
3.20 subdivisions 5, 22, 24, 29, 31; 3, subdivision 2; 12, as amended; 23; Laws 2024,
3.21 chapter 80, article 1, sections 38, subdivisions 1, 2, 5, 6, 7, 9; 96; article 2, sections
3.22 5, subdivision 21, by adding a subdivision; 6, subdivisions 2, 3, 3a, by adding a
3.23 subdivision; 7, subdivision 2; 10, subdivisions 1, 6; 16, subdivision 1, by adding
3.24 a subdivision; 30, subdivision 2; 31; 74; article 4, section 26; article 6, section 4;
3.25 article 7, section 4; proposing coding for new law in Minnesota Statutes, chapters
3.26 62D; 62J; 62Q; 137; 142A; 144; 144A; 144E; 145; 149A; 151; 214; 245C; 245H;
3.27 256B; 259; 260; 260D; 260E; 524; proposing coding for new law as Minnesota
3.28 Statutes, chapters 142B; 142F; 332C; repealing Minnesota Statutes 2022, sections
3.29 62A.041, subdivision 3; 144.218, subdivision 3; 144.497; 144E.001, subdivision
3.30 5; 144E.01; 144E.123, subdivision 5; 144E.27, subdivisions 1, 1a; 144E.50,
3.31 subdivision 3; 245A.065; 245C.125; 256.01, subdivisions 12, 12a; 256B.79,
3.32 subdivision 6; 256D.19, subdivisions 1, 2; 256D.20, subdivisions 1, 2, 3, 4;
3.33 256D.23, subdivisions 1, 2, 3; 256R.02, subdivision 46; 260.755, subdivision 13;
3.34 Minnesota Statutes 2023 Supplement, sections 62J.312, subdivision 6; 62Q.522,
3.35 subdivisions 3, 4; 144.0528, subdivision 5; 245C.08, subdivision 2; Laws 2023,
3.36 chapter 25, section 190, subdivision 10; Laws 2024, chapter 80, article 1, sections
3.37 38, subdivisions 3, 4, 11; 39; 43, subdivision 2; article 2, sections 1, subdivision
3.38 11; 3, subdivision 3; 4, subdivision 4; 6, subdivision 4; 10, subdivision 4; 33; 69;
3.39 article 7, sections 3; 9; Minnesota Rules, parts 9502.0425, subparts 5, 10;
3.40 9545.0805, subpart 1; 9545.0845; 9560.0232, subpart 5.

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

3.42 **ARTICLE 1**

3.43 **DEPARTMENT OF HUMAN SERVICES HEALTH CARE FINANCE**

3.44 Section 1. Minnesota Statutes 2022, section 256.9657, is amended by adding a subdivision
3.45 to read:

3.46 Subd. 2a. **Teaching hospital surcharge.** (a) Each teaching hospital shall pay to the
3.47 medical assistance account a surcharge equal to 0.01 percent of net non-Medicare patient
3.48 care revenue. The initial surcharge must be paid 60 days after both this subdivision and

4.1 section 256.969, subdivision 2g, have received federal approval, and subsequent surcharge
4.2 payments must be made annually in the form and manner specified by the commissioner.

4.3 (b) The commissioner shall use revenue from the surcharge only to pay the nonfederal
4.4 share of the medical assistance supplemental payments described in section 256.969,
4.5 subdivision 2g, and to supplement, and not supplant, medical assistance reimbursement to
4.6 teaching hospitals. The surcharge must comply with Code of Federal Regulations, title 42,
4.7 section 433.68.

4.8 (c) For purposes of this subdivision, "teaching hospital" means any Minnesota hospital,
4.9 except facilities of the federal Indian Health Service and regional treatment centers, with a
4.10 Centers for Medicare and Medicaid Services designation of "teaching hospital" as reported
4.11 on form CMS-2552-10, worksheet S-2, line 56, that is eligible for reimbursement under
4.12 section 256.969, subdivision 2g.

4.13 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval
4.14 of this section, the amendment in this act to section 256.969, subdivision 2b, and section
4.15 256.969, subdivision 2g, whichever is later. The commissioner of human services shall
4.16 notify the revisor of statutes when federal approval is obtained.

4.17 Sec. 2. Minnesota Statutes 2023 Supplement, section 256.969, subdivision 2b, is amended
4.18 to read:

4.19 Subd. 2b. **Hospital payment rates.** (a) For discharges occurring on or after November
4.20 1, 2014, hospital inpatient services for hospitals located in Minnesota shall be paid according
4.21 to the following:

4.22 (1) critical access hospitals as defined by Medicare shall be paid using a cost-based
4.23 methodology;

4.24 (2) long-term hospitals as defined by Medicare shall be paid on a per diem methodology
4.25 under subdivision 25;

4.26 (3) rehabilitation hospitals or units of hospitals that are recognized as rehabilitation
4.27 distinct parts as defined by Medicare shall be paid according to the methodology under
4.28 subdivision 12; and

4.29 (4) all other hospitals shall be paid on a diagnosis-related group (DRG) methodology.

4.30 (b) For the period beginning January 1, 2011, through October 31, 2014, rates shall not
4.31 be rebased, except that a Minnesota long-term hospital shall be rebased effective January
4.32 1, 2011, based on its most recent Medicare cost report ending on or before September 1,

5.1 2008, with the provisions under subdivisions 9 and 23, based on the rates in effect on
5.2 December 31, 2010. For rate setting periods after November 1, 2014, in which the base
5.3 years are updated, a Minnesota long-term hospital's base year shall remain within the same
5.4 period as other hospitals.

5.5 (c) Effective for discharges occurring on and after November 1, 2014, payment rates
5.6 for hospital inpatient services provided by hospitals located in Minnesota or the local trade
5.7 area, except for the hospitals paid under the methodologies described in paragraph (a),
5.8 clauses (2) and (3), shall be rebased, incorporating cost and payment methodologies in a
5.9 manner similar to Medicare. The base year or years for the rates effective November 1,
5.10 2014, shall be calendar year 2012. The rebasing under this paragraph shall be budget neutral,
5.11 ensuring that the total aggregate payments under the rebased system are equal to the total
5.12 aggregate payments that were made for the same number and types of services in the base
5.13 year. Separate budget neutrality calculations shall be determined for payments made to
5.14 critical access hospitals and payments made to hospitals paid under the DRG system. Only
5.15 the rate increases or decreases under subdivision 3a or 3c that applied to the hospitals being
5.16 rebased during the entire base period shall be incorporated into the budget neutrality
5.17 calculation.

5.18 (d) For discharges occurring on or after November 1, 2014, through the next rebasing
5.19 that occurs, the rebased rates under paragraph (c) that apply to hospitals under paragraph
5.20 (a), clause (4), shall include adjustments to the projected rates that result in no greater than
5.21 a five percent increase or decrease from the base year payments for any hospital. Any
5.22 adjustments to the rates made by the commissioner under this paragraph and paragraph (e)
5.23 shall maintain budget neutrality as described in paragraph (c).

5.24 (e) For discharges occurring on or after November 1, 2014, the commissioner may make
5.25 additional adjustments to the rebased rates, and when evaluating whether additional
5.26 adjustments should be made, the commissioner shall consider the impact of the rates on the
5.27 following:

5.28 (1) pediatric services;

5.29 (2) behavioral health services;

5.30 (3) trauma services as defined by the National Uniform Billing Committee;

5.31 (4) transplant services;

5.32 (5) obstetric services, newborn services, and behavioral health services provided by
5.33 hospitals outside the seven-county metropolitan area;

6.1 (6) outlier admissions;

6.2 (7) low-volume providers; and

6.3 (8) services provided by small rural hospitals that are not critical access hospitals.

6.4 (f) Hospital payment rates established under paragraph (c) must incorporate the following:

6.5 (1) for hospitals paid under the DRG methodology, the base year payment rate per
6.6 admission is standardized by the applicable Medicare wage index and adjusted by the
6.7 hospital's disproportionate population adjustment;

6.8 (2) for critical access hospitals, payment rates for discharges between November 1, 2014,
6.9 and June 30, 2015, shall be set to the same rate of payment that applied for discharges on
6.10 October 31, 2014;

6.11 (3) the cost and charge data used to establish hospital payment rates must only reflect
6.12 inpatient services covered by medical assistance; and

6.13 (4) in determining hospital payment rates for discharges occurring on or after the rate
6.14 year beginning January 1, 2011, through December 31, 2012, the hospital payment rate per
6.15 discharge shall be based on the cost-finding methods and allowable costs of the Medicare
6.16 program in effect during the base year or years. In determining hospital payment rates for
6.17 discharges in subsequent base years, the per discharge rates shall be based on the cost-finding
6.18 methods and allowable costs of the Medicare program in effect during the base year or
6.19 years.

6.20 (g) The commissioner shall validate the rates effective November 1, 2014, by applying
6.21 the rates established under paragraph (c), and any adjustments made to the rates under
6.22 paragraph (d) or (e), to hospital claims paid in calendar year 2013 to determine whether the
6.23 total aggregate payments for the same number and types of services under the rebased rates
6.24 are equal to the total aggregate payments made during calendar year 2013.

6.25 (h) Effective for discharges occurring on or after July 1, 2017, and every two years
6.26 thereafter, payment rates under this section shall be rebased to reflect only those changes
6.27 in hospital costs between the existing base year or years and the next base year or years. In
6.28 any year that inpatient claims volume falls below the threshold required to ensure a
6.29 statistically valid sample of claims, the commissioner may combine claims data from two
6.30 consecutive years to serve as the base year. Years in which inpatient claims volume is
6.31 reduced or altered due to a pandemic or other public health emergency shall not be used as
6.32 a base year or part of a base year if the base year includes more than one year. Changes in
6.33 costs between base years shall be measured using the lower of the hospital cost index defined

7.1 in subdivision 1, paragraph (a), or the percentage change in the case mix adjusted cost per
7.2 claim. The commissioner shall establish the base year for each rebasing period considering
7.3 the most recent year or years for which filed Medicare cost reports are available, except
7.4 that the base years for the rebasing effective July 1, 2023, are calendar years 2018 and 2019.
7.5 The estimated change in the average payment per hospital discharge resulting from a
7.6 scheduled rebasing must be calculated and made available to the legislature by January 15
7.7 of each year in which rebasing is scheduled to occur, and must include by hospital the
7.8 differential in payment rates compared to the individual hospital's costs.

7.9 (i) Effective for discharges occurring on or after July 1, 2015, inpatient payment rates
7.10 for critical access hospitals located in Minnesota or the local trade area shall be determined
7.11 using a new cost-based methodology. The commissioner shall establish within the
7.12 methodology tiers of payment designed to promote efficiency and cost-effectiveness.
7.13 Payment rates for hospitals under this paragraph shall be set at a level that does not exceed
7.14 the total cost for critical access hospitals as reflected in base year cost reports. Until the
7.15 next rebasing that occurs, the new methodology shall result in no greater than a five percent
7.16 decrease from the base year payments for any hospital, except a hospital that had payments
7.17 that were greater than 100 percent of the hospital's costs in the base year shall have their
7.18 rate set equal to 100 percent of costs in the base year. The rates paid for discharges on and
7.19 after July 1, 2016, covered under this paragraph shall be increased by the inflation factor
7.20 in subdivision 1, paragraph (a). The new cost-based rate shall be the final rate and shall not
7.21 be settled to actual incurred costs. Hospitals shall be assigned a payment tier based on the
7.22 following criteria:

7.23 (1) hospitals that had payments at or below 80 percent of their costs in the base year
7.24 shall have a rate set that equals 85 percent of their base year costs;

7.25 (2) hospitals that had payments that were above 80 percent, up to and including 90
7.26 percent of their costs in the base year shall have a rate set that equals 95 percent of their
7.27 base year costs; and

7.28 (3) hospitals that had payments that were above 90 percent of their costs in the base year
7.29 shall have a rate set that equals 100 percent of their base year costs.

7.30 (j) The commissioner may refine the payment tiers and criteria for critical access hospitals
7.31 to coincide with the next rebasing under paragraph (h). The factors used to develop the new
7.32 methodology may include, but are not limited to:

7.33 (1) the ratio between the hospital's costs for treating medical assistance patients and the
7.34 hospital's charges to the medical assistance program;

8.1 (2) the ratio between the hospital's costs for treating medical assistance patients and the
8.2 hospital's payments received from the medical assistance program for the care of medical
8.3 assistance patients;

8.4 (3) the ratio between the hospital's charges to the medical assistance program and the
8.5 hospital's payments received from the medical assistance program for the care of medical
8.6 assistance patients;

8.7 (4) the statewide average increases in the ratios identified in clauses (1), (2), and (3);

8.8 (5) the proportion of that hospital's costs that are administrative and trends in
8.9 administrative costs; and

8.10 (6) geographic location.

8.11 (k) Subject to section 256.969, subdivision 2g, paragraph (i), effective for discharges
8.12 occurring on or after January 1, 2024, the rates paid to hospitals described in paragraph (a),
8.13 clauses (2) to (4), must include a rate factor specific to each hospital that qualifies for a
8.14 medical education and research cost distribution under section 62J.692, subdivision 4,
8.15 paragraph (a).

8.16 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval
8.17 of this section, section 256.969, subdivision 2g, and the teaching hospital surcharge described
8.18 in section 256.9657, subdivision 2a, whichever is later. The commissioner of human services
8.19 shall notify the revisor of statutes when federal approval is obtained.

8.20 Sec. 3. Minnesota Statutes 2022, section 256.969, is amended by adding a subdivision to
8.21 read:

8.22 Subd. 2g. **Annual supplemental payments; direct and indirect physician graduate**
8.23 **medical education.** (a) For discharges occurring on or after January 1, 2025, the
8.24 commissioner shall determine and pay annual supplemental payments to all eligible hospitals
8.25 as provided in this subdivision for direct and indirect physician graduate medical education
8.26 cost reimbursement. A hospital must be an eligible hospital to receive an annual supplemental
8.27 payment under this subdivision.

8.28 (b) The commissioner must use the following information to calculate the total cost of
8.29 direct graduate medical education incurred by each eligible hospital:

8.30 (1) the total allowable direct graduate medical education cost, as calculated by adding
8.31 form CMS-2552-10, worksheet B, part 1, columns 21 and 22, line 202; and

9.1 (2) the Medicaid share of total allowable direct graduate medical education cost
9.2 percentage, representing the allocation of total graduate medical education costs to Medicaid
9.3 based on the share of all Medicaid inpatient days, as reported on form CMS-2552-10,
9.4 worksheets S-2 and S-3, divided by the hospital's total inpatient days, as reported on
9.5 worksheet S-3.

9.6 (c) The commissioner may obtain the information in paragraph (b) from an eligible
9.7 hospital upon request by the commissioner or from the eligible hospital's most recently filed
9.8 form CMS-2552-10.

9.9 (d) The commissioner must use the following information to calculate the total allowable
9.10 indirect cost of graduate medical education incurred by each eligible hospital:

9.11 (1) for eligible hospitals that are not children's hospitals, the indirect graduate medical
9.12 education amount attributable to Medicaid, calculated based on form CMS-2552-10,
9.13 worksheet E, part A, including:

9.14 (i) the Medicare indirect medical education formula, using Medicaid variables;

9.15 (ii) Medicaid payments for inpatient services under fee-for-service and managed care,
9.16 as determined by the commissioner in consultation with each eligible hospital;

9.17 (iii) total inpatient beds available, as reported on form CMS-2552-10, worksheet E, part
9.18 A, line 4; and

9.19 (iv) full-time employees, as determined by adding form CMS-2552-10, worksheet E,
9.20 part A, lines 10 and 11; and

9.21 (2) for eligible hospitals that are children's hospitals:

9.22 (i) the Medicare indirect medical education formula, using Medicaid variables;

9.23 (ii) Medicaid payments for inpatient services under fee-for-service and managed care,
9.24 as determined by the commissioner in consultation with each eligible hospital;

9.25 (iii) total inpatient beds available, as reported on form CMS-2552-10, worksheet S-3,
9.26 part 1; and

9.27 (iv) full-time equivalent interns and residents, as determined by adding form
9.28 CMS-2552-10, worksheet E-4, lines 6, 10.01, and 15.01.

9.29 (e) The commissioner shall determine each eligible hospital's maximum allowable
9.30 Medicaid direct graduate medical education supplemental payment amount by calculating
9.31 the sum of:

10.1 (1) the total allowable direct graduate medical education costs determined under paragraph
10.2 (b), clause (1), multiplied by the Medicaid share of total allowable direct graduate medical
10.3 education cost percentage in paragraph (b), clause (2); and

10.4 (2) the total allowable direct graduate medical education costs determined under paragraph
10.5 (b), clause (1), multiplied by the most recently updated Medicaid utilization percentage
10.6 from form CMS-2552-10, as submitted to Medicare by each eligible hospital.

10.7 (f) The commissioner shall determine each eligible hospital's indirect graduate medical
10.8 education supplemental payment amount by multiplying the total allowable indirect cost
10.9 of graduate medical education amount calculated in paragraph (d) by:

10.10 (1) 0.95 for prospective payment system, for hospitals that are not children's hospitals
10.11 and have fewer than 50 full-time equivalent trainees;

10.12 (2) 1.0 for prospective payment system, for hospitals that are not children's hospitals
10.13 and have equal to or greater than 50 full-time equivalent trainees; and

10.14 (3) 1.05 for children's hospitals.

10.15 (g) An eligible hospital's annual supplemental payment under this subdivision equals
10.16 the sum of the amount calculated for the eligible hospital under paragraph (e) and the amount
10.17 calculated for the eligible hospital under paragraph (f).

10.18 (h) The annual supplemental payments under this subdivision are contingent upon federal
10.19 approval and must conform with the requirements for permissible supplemental payments
10.20 for direct and indirect graduate medical education under all applicable federal laws.

10.21 (i) An eligible hospital is only eligible for reimbursement under section 62J.692 for
10.22 nonphysician graduate medical education training costs that are not accounted for in the
10.23 calculation of an annual supplemental payment under this section. An eligible hospital must
10.24 not accept reimbursement under section 62J.692 for physician graduate medical education
10.25 training costs that are accounted for in the calculation of an annual supplemental payment
10.26 under this section.

10.27 (j) For purposes of this subdivision, "children's hospital" means a Minnesota hospital
10.28 designated as a children's hospital under Medicare.

10.29 (k) For purposes of this subdivision, "eligible hospital" means a hospital located in
10.30 Minnesota:

10.31 (1) participating in Minnesota's medical assistance program;

11.1 (2) that has received fee-for-service medical assistance payments in the payment year;
11.2 and

11.3 (3) that is either:

11.4 (i) eligible to receive graduate medical education payments from the Medicare program
11.5 under Code of Federal Regulations, title 42, section 413.75; or

11.6 (ii) a children's hospital.

11.7 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval
11.8 of this section, the amendment in this act to section 256.969, subdivision 2b, and the teaching
11.9 hospital surcharge described in section 256.9657, subdivision 2a, whichever is later. The
11.10 commissioner of human services shall notify the revisor of statutes when federal approval
11.11 is obtained.

11.12 Sec. 4. Minnesota Statutes 2022, section 256.969, is amended by adding a subdivision to
11.13 read:

11.14 Subd. 32. **Biological products for cell and gene therapy.** (a) Effective July 1, 2024,
11.15 the commissioner shall provide separate reimbursement to hospitals for biological products
11.16 provided in the inpatient hospital setting as part of cell or gene therapy to treat rare diseases,
11.17 as defined in United States Code, title 21, section 360bb. This payment must be separate
11.18 from the diagnostic related group reimbursement for the inpatient admission or discharge
11.19 associated with a stay during which the patient received a product subject to this paragraph.

11.20 (b) The commissioner shall establish the separate reimbursement rate for biological
11.21 products provided under paragraph (a) based on the methodology used for drugs administered
11.22 in an outpatient setting under section 256B.0625, subdivision 13e, paragraph (e).

11.23 (c) Upon necessary federal approval of documentation required to enter into a value-based
11.24 arrangement under section 256B.0625, subdivision 13k, a drug manufacturer must enter
11.25 into a value-based arrangement with the commissioner in order for a biological product
11.26 provided in the inpatient hospital setting as part of cell or gene therapy to treat rare diseases
11.27 to remain paid under paragraph (a). Any such value-based arrangement that replaces the
11.28 payment in paragraph (a) will be effective 120 days after the date of the necessary federal
11.29 approval required to enter into the value-based arrangement under section 256B.0625,
11.30 subdivision 13k.

11.31 **EFFECTIVE DATE.** This section is effective July 1, 2024.

Sec. 5. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 13e, as amended by Laws 2024, chapter 85, section 66, is amended to read:

Subd. 13e. **Payment rates.** (a) The basis for determining the amount of payment shall be the lower of the ingredient costs of the drugs plus the professional dispensing fee; or the usual and customary price charged to the public. The usual and customary price means the lowest price charged by the provider to a patient who pays for the prescription by cash, check, or charge account and includes prices the pharmacy charges to a patient enrolled in a prescription savings club or prescription discount club administered by the pharmacy or pharmacy chain. The amount of payment basis must be reduced to reflect all discount amounts applied to the charge by any third-party provider/insurer agreement or contract for submitted charges to medical assistance programs. The net submitted charge may not be greater than the patient liability for the service. The professional dispensing fee shall be ~~$10.77~~ $11.55 for prescriptions filled with legend drugs meeting the definition of "covered outpatient drugs" according to United States Code, title 42, section 1396r-8(k)(2). The dispensing fee for intravenous solutions that must be compounded by the pharmacist shall be ~~$10.77~~ $11.55 per claim. The professional dispensing fee for prescriptions filled with over-the-counter drugs meeting the definition of covered outpatient drugs shall be ~~$10.77~~ $11.55 for dispensed quantities equal to or greater than the number of units contained in the manufacturer's original package. The professional dispensing fee shall be prorated based on the percentage of the package dispensed when the pharmacy dispenses a quantity less than the number of units contained in the manufacturer's original package. The pharmacy dispensing fee for prescribed over-the-counter drugs not meeting the definition of covered outpatient drugs shall be $3.65 for quantities equal to or greater than the number of units contained in the manufacturer's original package and shall be prorated based on the percentage of the package dispensed when the pharmacy dispenses a quantity less than the number of units contained in the manufacturer's original package. The National Average Drug Acquisition Cost (NADAC) shall be used to determine the ingredient cost of a drug. For drugs for which a NADAC is not reported, the commissioner shall estimate the ingredient cost at the wholesale acquisition cost minus two percent. The ingredient cost of a drug for a provider participating in the federal 340B Drug Pricing Program shall be either the 340B Drug Pricing Program ceiling price established by the Health Resources and Services Administration or NADAC, whichever is lower. Wholesale acquisition cost is defined as the manufacturer's list price for a drug or biological to wholesalers or direct purchasers in the United States, not including prompt pay or other discounts, rebates, or reductions in price, for the most recent month for which information is available, as reported in wholesale price guides or other publications of drug or biological pricing data. The maximum allowable

13.1 cost of a multisource drug may be set by the commissioner and it shall be comparable to
13.2 the actual acquisition cost of the drug product and no higher than the NADAC of the generic
13.3 product. Establishment of the amount of payment for drugs shall not be subject to the
13.4 requirements of the Administrative Procedure Act.

13.5 (b) Pharmacies dispensing prescriptions to residents of long-term care facilities using
13.6 an automated drug distribution system meeting the requirements of section 151.58, or a
13.7 packaging system meeting the packaging standards set forth in Minnesota Rules, part
13.8 6800.2700, that govern the return of unused drugs to the pharmacy for reuse, may employ
13.9 retrospective billing for prescription drugs dispensed to long-term care facility residents. A
13.10 retrospectively billing pharmacy must submit a claim only for the quantity of medication
13.11 used by the enrolled recipient during the defined billing period. A retrospectively billing
13.12 pharmacy must use a billing period not less than one calendar month or 30 days.

13.13 (c) A pharmacy provider using packaging that meets the standards set forth in Minnesota
13.14 Rules, part 6800.2700, is required to credit the department for the actual acquisition cost
13.15 of all unused drugs that are eligible for reuse, unless the pharmacy is using retrospective
13.16 billing. The commissioner may permit the drug clozapine to be dispensed in a quantity that
13.17 is less than a 30-day supply.

13.18 (d) If a pharmacy dispenses a multisource drug, the ingredient cost shall be the NADAC
13.19 of the generic product or the maximum allowable cost established by the commissioner
13.20 unless prior authorization for the brand name product has been granted according to the
13.21 criteria established by the Drug Formulary Committee as required by subdivision 13f,
13.22 paragraph (a), and the prescriber has indicated "dispense as written" on the prescription in
13.23 a manner consistent with section 151.21, subdivision 2.

13.24 (e) The basis for determining the amount of payment for drugs administered in an
13.25 outpatient setting shall be the lower of the usual and customary cost submitted by the
13.26 provider, 106 percent of the average sales price as determined by the United States
13.27 Department of Health and Human Services pursuant to title XVIII, section 1847a of the
13.28 federal Social Security Act, the specialty pharmacy rate, or the maximum allowable cost
13.29 set by the commissioner. If average sales price is unavailable, the amount of payment must
13.30 be lower of the usual and customary cost submitted by the provider, the wholesale acquisition
13.31 cost, the specialty pharmacy rate, or the maximum allowable cost set by the commissioner.
13.32 The commissioner shall discount the payment rate for drugs obtained through the federal
13.33 340B Drug Pricing Program by 28.6 percent. The payment for drugs administered in an
13.34 outpatient setting shall be made to the administering facility or practitioner. A retail or

14.1 specialty pharmacy dispensing a drug for administration in an outpatient setting is not
14.2 eligible for direct reimbursement.

14.3 (f) The commissioner may establish maximum allowable cost rates for specialty pharmacy
14.4 products that are lower than the ingredient cost formulas specified in paragraph (a). The
14.5 commissioner may require individuals enrolled in the health care programs administered
14.6 by the department to obtain specialty pharmacy products from providers with whom the
14.7 commissioner has negotiated lower reimbursement rates. Specialty pharmacy products are
14.8 defined as those used by a small number of recipients or recipients with complex and chronic
14.9 diseases that require expensive and challenging drug regimens. Examples of these conditions
14.10 include, but are not limited to: multiple sclerosis, HIV/AIDS, transplantation, hepatitis C,
14.11 growth hormone deficiency, Crohn's Disease, rheumatoid arthritis, and certain forms of
14.12 cancer. Specialty pharmaceutical products include injectable and infusion therapies,
14.13 biotechnology drugs, antihemophilic factor products, high-cost therapies, and therapies that
14.14 require complex care. The commissioner shall consult with the Formulary Committee to
14.15 develop a list of specialty pharmacy products subject to maximum allowable cost
14.16 reimbursement. In consulting with the Formulary Committee in developing this list, the
14.17 commissioner shall take into consideration the population served by specialty pharmacy
14.18 products, the current delivery system and standard of care in the state, and access to care
14.19 issues. The commissioner shall have the discretion to adjust the maximum allowable cost
14.20 to prevent access to care issues.

14.21 (g) Home infusion therapy services provided by home infusion therapy pharmacies must
14.22 be paid at rates according to subdivision 8d.

14.23 (h) The commissioner shall contract with a vendor to conduct a cost of dispensing survey
14.24 for all pharmacies that are physically located in the state of Minnesota that dispense outpatient
14.25 drugs under medical assistance. The commissioner shall ensure that the vendor has prior
14.26 experience in conducting cost of dispensing surveys. Each pharmacy enrolled with the
14.27 department to dispense outpatient prescription drugs to fee-for-service members must
14.28 respond to the cost of dispensing survey. The commissioner may sanction a pharmacy under
14.29 section 256B.064 for failure to respond. The commissioner shall require the vendor to
14.30 measure a single statewide cost of dispensing for specialty prescription drugs and a single
14.31 statewide cost of dispensing for nonspecialty prescription drugs for all responding pharmacies
14.32 to measure the mean, mean weighted by total prescription volume, mean weighted by
14.33 medical assistance prescription volume, median, median weighted by total prescription
14.34 volume, and median weighted by total medical assistance prescription volume. The
14.35 commissioner shall post a copy of the final cost of dispensing survey report on the

15.1 department's website. The initial survey must be completed no later than January 1, 2021,
15.2 and repeated every three years. The commissioner shall provide a summary of the results
15.3 of each cost of dispensing survey and provide recommendations for any changes to the
15.4 dispensing fee to the chairs and ranking minority members of the legislative committees
15.5 with jurisdiction over medical assistance pharmacy reimbursement. Notwithstanding section
15.6 256.01, subdivision 42, this paragraph does not expire.

15.7 (i) The commissioner shall increase the ingredient cost reimbursement calculated in
15.8 paragraphs (a) and (f) by 1.8 percent for prescription and nonprescription drugs subject to
15.9 the wholesale drug distributor tax under section 295.52.

15.10 **EFFECTIVE DATE.** This section is effective January 1, 2025.

15.11 Sec. 6. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 13k, is
15.12 amended to read:

15.13 Subd. 13k. **Value-based purchasing arrangements.** (a) The commissioner may enter
15.14 into a value-based purchasing arrangement under medical assistance or MinnesotaCare, by
15.15 written arrangement with a drug manufacturer based on agreed-upon metrics. The
15.16 commissioner may contract with a vendor to implement and administer the value-based
15.17 purchasing arrangement. A value-based purchasing arrangement may include but is not
15.18 limited to rebates, discounts, price reductions, risk sharing, reimbursements, guarantees,
15.19 shared savings payments, withholds, or bonuses. A value-based purchasing arrangement
15.20 must provide at least the same value or discount in the aggregate as would claiming the
15.21 mandatory federal drug rebate under the Federal Social Security Act, section 1927.

15.22 (b) Nothing in this section shall be interpreted as requiring a drug manufacturer or the
15.23 commissioner to enter into an arrangement as described in paragraph (a).

15.24 (c) Nothing in this section shall be interpreted as altering or modifying medical assistance
15.25 coverage requirements under the federal Social Security Act, section 1927.

15.26 (d) If the commissioner determines that a state plan amendment is necessary before
15.27 implementing a value-based purchasing arrangement, the commissioner shall request the
15.28 amendment and may delay implementing this provision until the amendment is approved.

15.29 (e) The commissioner may provide separate reimbursement to hospitals for drugs provided
15.30 in the inpatient hospital setting as part of a value-based purchasing arrangement. This
15.31 payment must be separate from the diagnostic related group reimbursement for the inpatient
15.32 admission or discharge associated with a stay during which the patient received a drug under
15.33 this section. For payments made under this section, the hospital must not be reimbursed for

16.1 the drug under the payment methodology in section 256.969. The commissioner shall
16.2 establish the separate reimbursement rate for drugs provided under this section based on
16.3 the methodology used for drugs administered in an outpatient setting under section
16.4 256B.0625, subdivision 13e, paragraph (e).

16.5 **EFFECTIVE DATE.** This section is effective upon federal approval. The commissioner
16.6 of human services shall notify the revisor of statutes when federal approval is obtained.

16.7 Sec. 7. **CONTINGENT PROPOSAL TO FUND MEDICAL EDUCATION.**

16.8 (a) If the federal Centers for Medicare and Medicaid Services deny the request by the
16.9 commissioner of human services to implement the teaching hospital surcharge under
16.10 Minnesota Statutes, section 256.9657, subdivision 2a, the commissioner of human services,
16.11 in cooperation with the commissioner of health, shall work with a third-party consultant
16.12 identified by the Health Care Workforce and Education Committee established by the
16.13 commissioner of health that has agreed to provide consulting services without charge to
16.14 Minnesota to develop a proposal to finance the nonfederal share of the medical assistance
16.15 supplemental payments described in Minnesota Statutes, section 256.969, subdivision 2g.

16.16 (b) The proposal must be designed to:

16.17 (1) enhance health care quality and the economic benefits that result from a well-trained
16.18 workforce;

16.19 (2) ensure that Minnesota has trained a sufficient number of adult and pediatric primary
16.20 and specialty care physicians by 2030;

16.21 (3) improve the cultural competence of and health care equity within the state's medical
16.22 workforce;

16.23 (4) maintain and improve the quality of academic medical centers and teaching hospitals
16.24 within the state;

16.25 (5) strengthen Minnesota's health care infrastructure; and

16.26 (6) satisfy any requirements for approval by the federal Centers for Medicare and
16.27 Medicaid Services.

16.28 (c) The commissioner of human services shall present the proposal to the chairs and
16.29 ranking minority members of the legislative committees with jurisdiction over medical
16.30 education within six months of federal denial of the request by the commissioner to
16.31 implement the teaching hospital surcharge.

17.1 Sec. 8. **COUNTY-ADMINISTERED RURAL MEDICAL ASSISTANCE MODEL.**

17.2 Subdivision 1. **Model development.** (a) The commissioner of human services, in
17.3 collaboration with the Association of Minnesota Counties and county-based purchasing
17.4 plans, shall develop a county-administered rural medical assistance (CARMA) model and
17.5 a detailed plan for implementing the CARMA model.

17.6 (b) The CARMA model must be designed to achieve the following objectives:

17.7 (1) provide a distinct county owned and administered alternative to the prepaid medical
17.8 assistance program;

17.9 (2) facilitate greater integration of health care and social services to address social
17.10 determinants of health in rural communities, with the degree of integration of social services
17.11 varying with each county's needs and resources;

17.12 (3) account for the smaller number of medical assistance enrollees and locally available
17.13 providers of behavioral health, oral health, specialty and tertiary care, nonemergency medical
17.14 transportation, and other health care services in rural communities; and

17.15 (4) promote greater accountability for health outcomes, health equity, customer service,
17.16 community outreach, and cost of care.

17.17 Subd. 2. **County participation.** The CARMA model must give each rural county the
17.18 option of applying to participate in the CARMA model as an alternative to participation in
17.19 the prepaid medical assistance program. The CARMA model must include a process for
17.20 the commissioner to determine whether and how a rural county can participate.

17.21 Subd. 3. **Report to the legislature.** (a) The commissioner shall report recommendations
17.22 and an implementation plan for the CARMA model to the chairs and ranking minority
17.23 members of the legislative committees with jurisdiction over health care policy and finance
17.24 by January 15, 2025. The CARMA model and implementation plan must address the issues
17.25 and consider the recommendations identified in the document titled "Recommendations
17.26 Not Contingent on Outcome(s) of Current Litigation," attached to the September 13, 2022,
17.27 e-filing to the Second Judicial District Court (Correspondence for Judicial Approval Index
17.28 #102), that relates to the final contract decisions of the commissioner of human services
17.29 regarding *South Country Health Alliance v. Minnesota Department of Human Services*, No.
17.30 62-CV-22-907 (Ramsey Cnty. Dist. Ct. 2022).

17.31 (b) The report must also identify the clarifications, approvals, and waivers that are needed
17.32 from the Centers for Medicare and Medicaid Services and include any draft legislation
17.33 necessary to implement the CARMA model.

Sec. 9. **REVISOR INSTRUCTION.**

When the proposed rule published at Federal Register, volume 88, page 25313, becomes effective, the revisor of statutes must change: (1) the reference in Minnesota Statutes, section 256B.06, subdivision 4, paragraph (d), from Code of Federal Regulations, title 8, section 103.12, to Code of Federal Regulations, title 42, section 435.4; and (2) the reference in Minnesota Statutes, section 256L.04, subdivision 10, paragraph (a), from Code of Federal Regulations, title 8, section 103.12, to Code of Federal Regulations, title 45, section 155.20. The commissioner of human services shall notify the revisor of statutes when the proposed rule published at Federal Register, volume 88, page 25313, becomes effective.

ARTICLE 2
DEPARTMENT OF HUMAN SERVICES HEALTH CARE POLICY

Section 1. Minnesota Statutes 2022, section 62M.01, subdivision 3, is amended to read:

Subd. 3. **Scope.** (a) Nothing in this chapter applies to review of claims after submission to determine eligibility for benefits under a health benefit plan. The appeal procedure described in section 62M.06 applies to any complaint as defined under section 62Q.68, subdivision 2, that requires a medical determination in its resolution.

(b) Effective January 1, 2026, this chapter ~~does not apply~~ applies to managed care plans or county-based purchasing plans when the plan is providing coverage to state public health care program enrollees under chapter 256B or 256L.

(c) Effective January 1, 2026, the following sections of this chapter apply to services delivered through fee-for-service under chapters 256B and 256L: sections 62M.02, subdivisions 1 to 5, 7 to 12, 13, 14 to 18, and 21; 62M.04; 62M.05, subdivisions 1 to 4; 62M.06, subdivisions 1 to 3; 62M.07; 62M.072; 62M.09; 62M.10; 62M.12; and 62M.17, subdivision 2.

Sec. 2. Minnesota Statutes 2023 Supplement, section 256.0471, subdivision 1, as amended by Laws 2024, chapter 80, article 1, section 76, is amended to read:

Subdivision 1. **Qualifying overpayment.** Any overpayment for state-funded medical assistance under chapter 256B and state-funded MinnesotaCare under chapter 256L granted pursuant to section 256.045, subdivision 10; ~~chapter 256B for state-funded medical assistance;~~ and chapters 256D, 256I, 256K, and 256L for state-funded MinnesotaCare except agency error claims, become a judgment by operation of law 90 days after the notice of overpayment is personally served upon the recipient in a manner that is sufficient under

19.1 rule 4.03(a) of the Rules of Civil Procedure for district courts, or by certified mail, return
19.2 receipt requested. This judgment shall be entitled to full faith and credit in this and any
19.3 other state.

19.4 **EFFECTIVE DATE.** This section is effective July 1, 2024.

19.5 Sec. 3. Minnesota Statutes 2022, section 256.9657, subdivision 8, is amended to read:

19.6 Subd. 8. **Commissioner's duties.** ~~(a) Beginning October 1, 2023, the commissioner of~~
19.7 ~~human services shall annually report to the chairs and ranking minority members of the~~
19.8 ~~legislative committees with jurisdiction over health care policy and finance regarding the~~
19.9 ~~provider surcharge program. The report shall include information on total billings, total~~
19.10 ~~collections, and administrative expenditures for the previous fiscal year. This paragraph~~
19.11 ~~expires January 1, 2032.~~

19.12 ~~(b)~~ (a) The surcharge shall be adjusted by inflationary and caseload changes in future
19.13 bienniums to maintain reimbursement of health care providers in accordance with the
19.14 requirements of the state and federal laws governing the medical assistance program,
19.15 including the requirements of the Medicaid moratorium amendments of 1991 found in
19.16 Public Law No. 102-234.

19.17 ~~(c)~~ (b) The commissioner shall request the Minnesota congressional delegation to support
19.18 a change in federal law that would prohibit federal disallowances for any state that makes
19.19 a good faith effort to comply with Public Law 102-234 by enacting conforming legislation
19.20 prior to the issuance of federal implementing regulations.

19.21 Sec. 4. Minnesota Statutes 2022, section 256.969, is amended by adding a subdivision to
19.22 read:

19.23 Subd. 2h. **Alternate inpatient payment rate for a discharge.** (a) Effective retroactively
19.24 from January 1, 2024, in any rate year in which a children's hospital discharge is included
19.25 in the federally required disproportionate share hospital payment audit, where the patient
19.26 discharged had resided in a children's hospital for over 20 years, the commissioner shall
19.27 compute an alternate inpatient rate for the children's hospital. The alternate payment rate
19.28 must be the rate computed under this section excluding the disproportionate share hospital
19.29 payment under subdivision 9, paragraph (d), clause (1), increased by an amount equal to
19.30 99 percent of what the disproportionate share hospital payment would have been under
19.31 subdivision 9, paragraph (d), clause (1), had the discharge been excluded.

(b) In any rate year in which payment to a children's hospital is made using this alternate payment rate, payments must not be made to the hospital under subdivisions 2e, 2f, and 9.

EFFECTIVE DATE. This section is effective upon federal approval. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

Sec. 5. Minnesota Statutes 2022, section 256B.056, subdivision 1a, is amended to read:

Subd. 1a. **Income and assets generally.** (a)(1) Unless specifically required by state law or rule or federal law or regulation, the methodologies used in counting income and assets to determine eligibility for medical assistance for persons whose eligibility category is based on blindness, disability, or age of 65 or more years, the methodologies for the Supplemental Security Income program shall be used, except as provided ~~under~~ in clause (2) and subdivision 3, paragraph (a), clause (6).

(2) State tax credits, rebates, and refunds must not be counted as income. State tax credits, rebates, and refunds must not be counted as assets for a period of 12 months after the month of receipt.

~~(2)~~ (3) Increases in benefits under title II of the Social Security Act shall not be counted as income for purposes of this subdivision until July 1 of each year. Effective upon federal approval, for children eligible under section 256B.055, subdivision 12, or for home and community-based waiver services whose eligibility for medical assistance is determined without regard to parental income, child support payments, including any payments made by an obligor in satisfaction of or in addition to a temporary or permanent order for child support, and Social Security payments are not counted as income.

(b)(1) The modified adjusted gross income methodology as defined in United States Code, title 42, section 1396a(e)(14), shall be used for eligibility categories based on:

(i) children under age 19 and their parents and relative caretakers as defined in section 256B.055, subdivision 3a;

(ii) children ages 19 to 20 as defined in section 256B.055, subdivision 16;

(iii) pregnant women as defined in section 256B.055, subdivision 6;

(iv) infants as defined in sections 256B.055, subdivision 10, and 256B.057, subdivision 1; and

(v) adults without children as defined in section 256B.055, subdivision 15.

For these purposes, a "methodology" does not include an asset or income standard, or accounting method, or method of determining effective dates.

21.1 (2) For individuals whose income eligibility is determined using the modified adjusted
21.2 gross income methodology in clause (1):

21.3 (i) the commissioner shall subtract from the individual's modified adjusted gross income
21.4 an amount equivalent to five percent of the federal poverty guidelines; and

21.5 (ii) the individual's current monthly income and household size is used to determine
21.6 eligibility for the 12-month eligibility period. If an individual's income is expected to vary
21.7 month to month, eligibility is determined based on the income predicted for the 12-month
21.8 eligibility period.

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

21.10 Sec. 6. Minnesota Statutes 2022, section 256B.056, subdivision 10, is amended to read:

21.11 Subd. 10. **Eligibility verification.** (a) The commissioner shall require women who are
21.12 applying for the continuation of medical assistance coverage following the end of the
21.13 12-month postpartum period to update their income and asset information and to submit
21.14 any required income or asset verification.

21.15 (b) The commissioner shall determine the eligibility of private-sector health care coverage
21.16 for infants less than one year of age eligible under section 256B.055, subdivision 10, or
21.17 256B.057, subdivision 1, paragraph (c), and shall pay for private-sector coverage if this is
21.18 determined to be cost-effective.

21.19 (c) The commissioner shall verify assets and income for all applicants, and for all
21.20 recipients upon renewal.

21.21 (d) The commissioner shall utilize information obtained through the electronic service
21.22 established by the secretary of the United States Department of Health and Human Services
21.23 and other available electronic data sources in Code of Federal Regulations, title 42, sections
21.24 435.940 to 435.956, to verify eligibility requirements. The commissioner shall establish
21.25 standards to define when information obtained electronically is reasonably compatible with
21.26 information provided by applicants and enrollees, including use of self-attestation, to
21.27 accomplish real-time eligibility determinations and maintain program integrity.

21.28 (e) Each person applying for or receiving medical assistance under section 256B.055,
21.29 subdivision 7, and any other person whose resources are required by law to be disclosed to
21.30 determine the applicant's or recipient's eligibility must authorize the commissioner to obtain
21.31 information from financial institutions to ~~identify unreported accounts~~ verify assets as
21.32 required in section 256.01, subdivision 18f. If a person refuses or revokes the authorization,
21.33 the commissioner may determine that the applicant or recipient is ineligible for medical

22.1 assistance. For purposes of this paragraph, an authorization to ~~identify unreported accounts~~
22.2 verify assets meets the requirements of the Right to Financial Privacy Act, United States
22.3 Code, title 12, chapter 35, and need not be furnished to the financial institution.

22.4 (f) County and tribal agencies shall comply with the standards established by the
22.5 commissioner for appropriate use of the asset verification system specified in section 256.01,
22.6 subdivision 18f.

22.7 Sec. 7. Minnesota Statutes 2023 Supplement, section 256B.0622, subdivision 8, is amended
22.8 to read:

22.9 Subd. 8. **Medical assistance payment for assertive community treatment and**
22.10 **intensive residential treatment services.** (a) Payment for intensive residential treatment
22.11 services and assertive community treatment in this section shall be based on one daily rate
22.12 per provider inclusive of the following services received by an eligible client in a given
22.13 calendar day: all rehabilitative services under this section, staff travel time to provide
22.14 rehabilitative services under this section, and nonresidential crisis stabilization services
22.15 under section 256B.0624.

22.16 (b) Except as indicated in paragraph (c), payment will not be made to more than one
22.17 entity for each client for services provided under this section on a given day. If services
22.18 under this section are provided by a team that includes staff from more than one entity, the
22.19 team must determine how to distribute the payment among the members.

22.20 (c) The commissioner shall determine one rate for each provider that will bill medical
22.21 assistance for residential services under this section and one rate for each assertive community
22.22 treatment provider. If a single entity provides both services, one rate is established for the
22.23 entity's residential services and another rate for the entity's nonresidential services under
22.24 this section. A provider is not eligible for payment under this section without authorization
22.25 from the commissioner. The commissioner shall develop rates using the following criteria:

22.26 (1) the provider's cost for services shall include direct services costs, other program
22.27 costs, and other costs determined as follows:

22.28 (i) the direct services costs must be determined using actual costs of salaries, benefits,
22.29 payroll taxes, and training of direct service staff and service-related transportation;

22.30 (ii) other program costs not included in item (i) must be determined as a specified
22.31 percentage of the direct services costs as determined by item (i). The percentage used shall
22.32 be determined by the commissioner based upon the average of percentages that represent

23.1 the relationship of other program costs to direct services costs among the entities that provide
23.2 similar services;

23.3 (iii) physical plant costs calculated based on the percentage of space within the program
23.4 that is entirely devoted to treatment and programming. This does not include administrative
23.5 or residential space;

23.6 (iv) assertive community treatment physical plant costs must be reimbursed as part of
23.7 the costs described in item (ii); and

23.8 (v) subject to federal approval, up to an additional five percent of the total rate may be
23.9 added to the program rate as a quality incentive based upon the entity meeting performance
23.10 criteria specified by the commissioner;

23.11 (2) actual cost is defined as costs which are allowable, allocable, and reasonable, and
23.12 consistent with federal reimbursement requirements under Code of Federal Regulations,
23.13 title 48, chapter 1, part 31, relating to for-profit entities, and Office of Management and
23.14 Budget Circular Number A-122, relating to nonprofit entities;

23.15 (3) the number of service units;

23.16 (4) the degree to which clients will receive services other than services under this section;
23.17 and

23.18 (5) the costs of other services that will be separately reimbursed.

23.19 (d) The rate for intensive residential treatment services and assertive community treatment
23.20 must exclude the medical assistance room and board rate, as defined in section 256B.056,
23.21 subdivision 5d, and services not covered under this section, such as partial hospitalization,
23.22 home care, and inpatient services.

23.23 (e) Physician services that are not separately billed may be included in the rate to the
23.24 extent that a psychiatrist, or other health care professional providing physician services
23.25 within their scope of practice, is a member of the intensive residential treatment services
23.26 treatment team. Physician services, whether billed separately or included in the rate, may
23.27 be delivered by telehealth. For purposes of this paragraph, "telehealth" has the meaning
23.28 given to "mental health telehealth" in section 256B.0625, subdivision 46, when telehealth
23.29 is used to provide intensive residential treatment services.

23.30 (f) When services under this section are provided by an assertive community treatment
23.31 provider, case management functions must be an integral part of the team.

24.1 (g) The rate for a provider must not exceed the rate charged by that provider for the
24.2 same service to other payors.

24.3 (h) The rates for existing programs must be established prospectively based upon the
24.4 expenditures and utilization over a prior 12-month period using the criteria established in
24.5 paragraph (c). The rates for new programs must be established based upon estimated
24.6 expenditures and estimated utilization using the criteria established in paragraph (c).

24.7 (i) Effective for the rate years beginning on and after January 1, 2024, rates for assertive
24.8 community treatment, adult residential crisis stabilization services, and intensive residential
24.9 treatment services must be annually adjusted for inflation using the Centers for Medicare
24.10 and Medicaid Services Medicare Economic Index, as forecasted in the ~~fourth~~ <u>third</u> quarter
24.11 of the calendar year before the rate year. The inflation adjustment must be based on the
24.12 12-month period from the midpoint of the previous rate year to the midpoint of the rate year
24.13 for which the rate is being determined.

24.14 (j) Entities who discontinue providing services must be subject to a settle-up process
24.15 whereby actual costs and reimbursement for the previous 12 months are compared. In the
24.16 event that the entity was paid more than the entity's actual costs plus any applicable
24.17 performance-related funding due the provider, the excess payment must be reimbursed to
24.18 the department. If a provider's revenue is less than actual allowed costs due to lower
24.19 utilization than projected, the commissioner may reimburse the provider to recover its actual
24.20 allowable costs. The resulting adjustments by the commissioner must be proportional to the
24.21 percent of total units of service reimbursed by the commissioner and must reflect a difference
24.22 of greater than five percent.

24.23 (k) A provider may request of the commissioner a review of any rate-setting decision
24.24 made under this subdivision.

24.25 Sec. 8. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 9, is amended
24.26 to read:

24.27 Subd. 9. **Dental services.** (a) Medical assistance covers medically necessary dental
24.28 services.

24.29 (b) The following guidelines apply to dental services:

24.30 (1) posterior fillings are paid at the amalgam rate;

24.31 (2) application of sealants are covered once every five years per permanent molar; and

24.32 (3) application of fluoride varnish is covered once every six months.

(c) In addition to the services specified in paragraph ~~(b)~~ (a), medical assistance covers the following services:

(1) house calls or extended care facility calls for on-site delivery of covered services;

(2) behavioral management when additional staff time is required to accommodate behavioral challenges and sedation is not used;

(3) oral or IV sedation, if the covered dental service cannot be performed safely without it or would otherwise require the service to be performed under general anesthesia in a hospital or surgical center; and

(4) prophylaxis, in accordance with an appropriate individualized treatment plan, but no more than four times per year.

(d) The commissioner shall not require prior authorization for the services included in paragraph (c), clauses (1) to (3), and shall prohibit managed care and county-based purchasing plans from requiring prior authorization for the services included in paragraph (c), clauses (1) to (3), when provided under sections 256B.69, 256B.692, and 256L.12.

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

Sec. 9. Minnesota Statutes 2022, section 256B.0625, subdivision 12, is amended to read:

Subd. 12. **Eyeglasses~~, dentures,~~ and prosthetic and orthotic devices.** (a) Medical assistance covers eyeglasses~~, dentures,~~ and prosthetic and orthotic devices if prescribed by a licensed practitioner.

(b) For purposes of prescribing prosthetic and orthotic devices, "licensed practitioner" includes a physician, an advanced practice registered nurse, a physician assistant, or a podiatrist.

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

Sec. 10. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 13e, as amended by Laws 2024, chapter 85, section 66, is amended to read:

Subd. 13e. **Payment rates.** (a) The basis for determining the amount of payment shall be the lower of the ingredient costs of the drugs plus the professional dispensing fee; or the usual and customary price charged to the public. The usual and customary price means the lowest price charged by the provider to a patient who pays for the prescription by cash, check, or charge account and includes prices the pharmacy charges to a patient enrolled in a prescription savings club or prescription discount club administered by the pharmacy or

26.1 pharmacy chain, unless the prescription savings club or prescription discount club is one
26.2 in which an individual pays a recurring monthly access fee for unlimited access to a defined
26.3 list of drugs for which the pharmacy does not bill the member or a payer on a
26.4 per-standard-transaction basis. The amount of payment basis must be reduced to reflect all
26.5 discount amounts applied to the charge by any third-party provider/insurer agreement or
26.6 contract for submitted charges to medical assistance programs. The net submitted charge
26.7 may not be greater than the patient liability for the service. The professional dispensing fee
26.8 shall be $10.77 for prescriptions filled with legend drugs meeting the definition of "covered
26.9 outpatient drugs" according to United States Code, title 42, section 1396r-8(k)(2). The
26.10 dispensing fee for intravenous solutions that must be compounded by the pharmacist shall
26.11 be $10.77 per claim. The professional dispensing fee for prescriptions filled with
26.12 over-the-counter drugs meeting the definition of covered outpatient drugs shall be $10.77
26.13 for dispensed quantities equal to or greater than the number of units contained in the
26.14 manufacturer's original package. The professional dispensing fee shall be prorated based
26.15 on the percentage of the package dispensed when the pharmacy dispenses a quantity less
26.16 than the number of units contained in the manufacturer's original package. The pharmacy
26.17 dispensing fee for prescribed over-the-counter drugs not meeting the definition of covered
26.18 outpatient drugs shall be $3.65 for quantities equal to or greater than the number of units
26.19 contained in the manufacturer's original package and shall be prorated based on the
26.20 percentage of the package dispensed when the pharmacy dispenses a quantity less than the
26.21 number of units contained in the manufacturer's original package. The National Average
26.22 Drug Acquisition Cost (NADAC) shall be used to determine the ingredient cost of a drug.
26.23 For drugs for which a NADAC is not reported, the commissioner shall estimate the ingredient
26.24 cost at the wholesale acquisition cost minus two percent. The ingredient cost of a drug for
26.25 a provider participating in the federal 340B Drug Pricing Program shall be either the 340B
26.26 Drug Pricing Program ceiling price established by the Health Resources and Services
26.27 Administration or NADAC, whichever is lower. Wholesale acquisition cost is defined as
26.28 the manufacturer's list price for a drug or biological to wholesalers or direct purchasers in
26.29 the United States, not including prompt pay or other discounts, rebates, or reductions in
26.30 price, for the most recent month for which information is available, as reported in wholesale
26.31 price guides or other publications of drug or biological pricing data. The maximum allowable
26.32 cost of a multisource drug may be set by the commissioner and it shall be comparable to
26.33 the actual acquisition cost of the drug product and no higher than the NADAC of the generic
26.34 product. Establishment of the amount of payment for drugs shall not be subject to the
26.35 requirements of the Administrative Procedure Act.

27.1 (b) Pharmacies dispensing prescriptions to residents of long-term care facilities using
27.2 an automated drug distribution system meeting the requirements of section 151.58, or a
27.3 packaging system meeting the packaging standards set forth in Minnesota Rules, part
27.4 6800.2700, that govern the return of unused drugs to the pharmacy for reuse, may employ
27.5 retrospective billing for prescription drugs dispensed to long-term care facility residents. A
27.6 retrospectively billing pharmacy must submit a claim only for the quantity of medication
27.7 used by the enrolled recipient during the defined billing period. A retrospectively billing
27.8 pharmacy must use a billing period not less than one calendar month or 30 days.

27.9 (c) A pharmacy provider using packaging that meets the standards set forth in Minnesota
27.10 Rules, part 6800.2700, is required to credit the department for the actual acquisition cost
27.11 of all unused drugs that are eligible for reuse, unless the pharmacy is using retrospective
27.12 billing. The commissioner may permit the drug clozapine to be dispensed in a quantity that
27.13 is less than a 30-day supply.

27.14 (d) If a pharmacy dispenses a multisource drug, the ingredient cost shall be the NADAC
27.15 of the generic product or the maximum allowable cost established by the commissioner
27.16 unless prior authorization for the brand name product has been granted according to the
27.17 criteria established by the Drug Formulary Committee as required by subdivision 13f,
27.18 paragraph (a), and the prescriber has indicated "dispense as written" on the prescription in
27.19 a manner consistent with section 151.21, subdivision 2.

27.20 (e) The basis for determining the amount of payment for drugs administered in an
27.21 outpatient setting shall be the lower of the usual and customary cost submitted by the
27.22 provider, 106 percent of the average sales price as determined by the United States
27.23 Department of Health and Human Services pursuant to title XVIII, section 1847a of the
27.24 federal Social Security Act, the specialty pharmacy rate, or the maximum allowable cost
27.25 set by the commissioner. If average sales price is unavailable, the amount of payment must
27.26 be lower of the usual and customary cost submitted by the provider, the wholesale acquisition
27.27 cost, the specialty pharmacy rate, or the maximum allowable cost set by the commissioner.
27.28 The commissioner shall discount the payment rate for drugs obtained through the federal
27.29 340B Drug Pricing Program by 28.6 percent. The payment for drugs administered in an
27.30 outpatient setting shall be made to the administering facility or practitioner. A retail or
27.31 specialty pharmacy dispensing a drug for administration in an outpatient setting is not
27.32 eligible for direct reimbursement.

27.33 (f) The commissioner may establish maximum allowable cost rates for specialty pharmacy
27.34 products that are lower than the ingredient cost formulas specified in paragraph (a). The
27.35 commissioner may require individuals enrolled in the health care programs administered

28.1 by the department to obtain specialty pharmacy products from providers with whom the
28.2 commissioner has negotiated lower reimbursement rates. Specialty pharmacy products are
28.3 defined as those used by a small number of recipients or recipients with complex and chronic
28.4 diseases that require expensive and challenging drug regimens. Examples of these conditions
28.5 include, but are not limited to: multiple sclerosis, HIV/AIDS, transplantation, hepatitis C,
28.6 growth hormone deficiency, Crohn's Disease, rheumatoid arthritis, and certain forms of
28.7 cancer. Specialty pharmaceutical products include injectable and infusion therapies,
28.8 biotechnology drugs, antihemophilic factor products, high-cost therapies, and therapies that
28.9 require complex care. The commissioner shall consult with the Formulary Committee to
28.10 develop a list of specialty pharmacy products subject to maximum allowable cost
28.11 reimbursement. In consulting with the Formulary Committee in developing this list, the
28.12 commissioner shall take into consideration the population served by specialty pharmacy
28.13 products, the current delivery system and standard of care in the state, and access to care
28.14 issues. The commissioner shall have the discretion to adjust the maximum allowable cost
28.15 to prevent access to care issues.

28.16 (g) Home infusion therapy services provided by home infusion therapy pharmacies must
28.17 be paid at rates according to subdivision 8d.

28.18 (h) The commissioner shall contract with a vendor to conduct a cost of dispensing survey
28.19 for all pharmacies that are physically located in the state of Minnesota that dispense outpatient
28.20 drugs under medical assistance. The commissioner shall ensure that the vendor has prior
28.21 experience in conducting cost of dispensing surveys. Each pharmacy enrolled with the
28.22 department to dispense outpatient prescription drugs to fee-for-service members must
28.23 respond to the cost of dispensing survey. The commissioner may sanction a pharmacy under
28.24 section 256B.064 for failure to respond. The commissioner shall require the vendor to
28.25 measure a single statewide cost of dispensing for specialty prescription drugs and a single
28.26 statewide cost of dispensing for nonspecialty prescription drugs for all responding pharmacies
28.27 to measure the mean, mean weighted by total prescription volume, mean weighted by
28.28 medical assistance prescription volume, median, median weighted by total prescription
28.29 volume, and median weighted by total medical assistance prescription volume. The
28.30 commissioner shall post a copy of the final cost of dispensing survey report on the
28.31 department's website. The initial survey must be completed no later than January 1, 2021,
28.32 and repeated every three years. The commissioner shall provide a summary of the results
28.33 of each cost of dispensing survey and provide recommendations for any changes to the
28.34 dispensing fee to the chairs and ranking minority members of the legislative committees

29.1 with jurisdiction over medical assistance pharmacy reimbursement. Notwithstanding section
29.2 256.01, subdivision 42, this paragraph does not expire.

29.3 (i) The commissioner shall increase the ingredient cost reimbursement calculated in
29.4 paragraphs (a) and (f) by 1.8 percent for prescription and nonprescription drugs subject to
29.5 the wholesale drug distributor tax under section 295.52.

29.6 Sec. 11. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision
29.7 to read:

29.8 Subd. 25c. **Applicability of utilization review provisions.** Effective January 1, 2026,
29.9 the following provisions of chapter 62M apply to the commissioner when delivering services
29.10 through fee-for-service under chapters 256B and 256L: sections 62M.02, subdivisions 1 to
29.11 5, 7 to 12, 13, 14 to 18, and 21; 62M.04; 62M.05, subdivisions 1 to 4; 62M.06, subdivisions
29.12 1 to 3; 62M.07; 62M.072; 62M.09; 62M.10; 62M.12; and 62M.17, subdivision 2.

29.13 Sec. 12. Minnesota Statutes 2023 Supplement, section 256B.0701, subdivision 6, is
29.14 amended to read:

29.15 Subd. 6. **Recuperative care facility rate.** (a) The recuperative care facility rate is for
29.16 facility costs and must be paid from state money in an amount equal to the ~~medical assistance~~
29.17 ~~room and board~~ MSA equivalent rate as defined in section 256I.03, subdivision 11a, at the
29.18 time the recuperative care services were provided. The eligibility standards in chapter 256I
29.19 do not apply to the recuperative care facility rate. The recuperative care facility rate is only
29.20 paid when the recuperative care services rate is paid to a provider. Providers may opt to
29.21 only receive the recuperative care services rate.

29.22 (b) Before a recipient is discharged from a recuperative care setting, the provider must
29.23 ensure that the recipient's medical condition is stabilized or that the recipient is being
29.24 discharged to a setting that is able to meet that recipient's needs.

29.25 Sec. 13. Minnesota Statutes 2023 Supplement, section 256B.0947, subdivision 7, is
29.26 amended to read:

29.27 Subd. 7. **Medical assistance payment and rate setting.** (a) Payment for services in this
29.28 section must be based on one daily encounter rate per provider inclusive of the following
29.29 services received by an eligible client in a given calendar day: all rehabilitative services,
29.30 supports, and ancillary activities under this section, staff travel time to provide rehabilitative
29.31 services under this section, and crisis response services under section 256B.0624.

30.1 (b) Payment must not be made to more than one entity for each client for services
30.2 provided under this section on a given day. If services under this section are provided by a
30.3 team that includes staff from more than one entity, the team shall determine how to distribute
30.4 the payment among the members.

30.5 (c) The commissioner shall establish regional cost-based rates for entities that will bill
30.6 medical assistance for nonresidential intensive rehabilitative mental health services. In
30.7 developing these rates, the commissioner shall consider:

30.8 (1) the cost for similar services in the health care trade area;

30.9 (2) actual costs incurred by entities providing the services;

30.10 (3) the intensity and frequency of services to be provided to each client;

30.11 (4) the degree to which clients will receive services other than services under this section;
30.12 and

30.13 (5) the costs of other services that will be separately reimbursed.

30.14 (d) The rate for a provider must not exceed the rate charged by that provider for the
30.15 same service to other payers.

30.16 (e) Effective for the rate years beginning on and after January 1, 2024, rates must be
30.17 annually adjusted for inflation using the Centers for Medicare and Medicaid Services
30.18 Medicare Economic Index, as forecasted in the ~~fourth~~ third quarter of the calendar year
30.19 before the rate year. The inflation adjustment must be based on the 12-month period from
30.20 the midpoint of the previous rate year to the midpoint of the rate year for which the rate is
30.21 being determined.

30.22 Sec. 14. Minnesota Statutes 2023 Supplement, section 256B.764, is amended to read:

30.23 **256B.764 REIMBURSEMENT FOR FAMILY PLANNING SERVICES.**

30.24 (a) Effective for services rendered on or after July 1, 2007, payment rates for family
30.25 planning services shall be increased by 25 percent over the rates in effect June 30, 2007,
30.26 when these services are provided by a community clinic as defined in section 145.9268,
30.27 subdivision 1.

30.28 (b) Effective for services rendered on or after July 1, 2013, payment rates for family
30.29 planning services shall be increased by 20 percent over the rates in effect June 30, 2013,
30.30 when these services are provided by a community clinic as defined in section 145.9268,
30.31 subdivision 1. The commissioner shall adjust capitation rates to managed care and
30.32 county-based purchasing plans to reflect this increase, and shall require plans to pass on the

31.1 full amount of the rate increase to eligible community clinics, in the form of higher payment
31.2 rates for family planning services.

31.3 (c) Effective for services provided on or after January 1, 2024, payment rates for family
31.4 planning, when such services are provided by an eligible community clinic as defined in
31.5 section 145.9268, subdivision 1, and abortion services shall be increased by 20 percent.
31.6 This increase does not apply to federally qualified health centers, rural health centers, or
31.7 Indian health services.

31.8 Sec. 15. Minnesota Statutes 2023 Supplement, section 256L.03, subdivision 1, is amended
31.9 to read:

31.10 Subdivision 1. **Covered health services.** (a) "Covered health services" means the health
31.11 services reimbursed under chapter 256B, with the exception of special education services,
31.12 home care nursing services, ~~adult dental care services other than services covered under~~
31.13 ~~section 256B.0625, subdivision 9, orthodontic services,~~ nonemergency medical transportation
31.14 services, personal care assistance and case management services, community first services
31.15 and supports under section 256B.85, behavioral health home services under section
31.16 256B.0757, housing stabilization services under section 256B.051, and nursing home or
31.17 intermediate care facilities services.

31.18 (b) Covered health services shall be expanded as provided in this section.

31.19 (c) For the purposes of covered health services under this section, "child" means an
31.20 individual younger than 19 years of age.

31.21 Sec. 16. Minnesota Statutes 2022, section 524.3-801, as amended by Laws 2024, chapter
31.22 79, article 9, section 20, is amended to read:

31.23 **524.3-801 NOTICE TO CREDITORS.**

31.24 (a) Unless notice has already been given under this section, upon appointment of a
31.25 general personal representative in informal proceedings or upon the filing of a petition for
31.26 formal appointment of a general personal representative, notice thereof, in the form prescribed
31.27 by court rule, shall be given under the direction of the court administrator by publication
31.28 once a week for two successive weeks in a legal newspaper in the county wherein the
31.29 proceedings are pending giving the name and address of the general personal representative
31.30 and notifying creditors of the estate to present their claims within four months after the date
31.31 of the court administrator's notice which is subsequently published or be forever barred,
31.32 unless they are entitled to further service of notice under paragraph (b) or (c).

32.1 (b) The personal representative shall, within three months after the date of the first
32.2 publication of the notice, serve a copy of the notice upon each then known and identified
32.3 creditor in the manner provided in paragraph (c). If the decedent or a predeceased spouse
32.4 of the decedent received assistance for which a claim could be filed under section 246.53,
32.5 256B.15, 256D.16, or 261.04, notice to the commissioner of human services or direct care
32.6 and treatment executive board, as applicable, must be given under paragraph (d) instead of
32.7 under this paragraph or paragraph (c). A creditor is "known" if: (i) the personal representative
32.8 knows that the creditor has asserted a claim that arose during the decedent's life against
32.9 either the decedent or the decedent's estate; (ii) the creditor has asserted a claim that arose
32.10 during the decedent's life and the fact is clearly disclosed in accessible financial records
32.11 known and available to the personal representative; or (iii) the claim of the creditor would
32.12 be revealed by a reasonably diligent search for creditors of the decedent in accessible
32.13 financial records known and available to the personal representative. Under this section, a
32.14 creditor is "identified" if the personal representative's knowledge of the name and address
32.15 of the creditor will permit service of notice to be made under paragraph (c).

32.16 (c) Unless the claim has already been presented to the personal representative or paid,
32.17 the personal representative shall serve a copy of the notice required by paragraph (b) upon
32.18 each creditor of the decedent who is then known to the personal representative and identified
32.19 either by delivery of a copy of the required notice to the creditor, or by mailing a copy of
32.20 the notice to the creditor by certified, registered, or ordinary first class mail addressed to
32.21 the creditor at the creditor's office or place of residence.

32.22 (d)(1) Effective for decedents dying on or after July 1, 1997, if the decedent or a
32.23 predeceased spouse of the decedent received assistance for which a claim could be filed
32.24 under section 246.53, 256B.15, 256D.16, or 261.04, the personal representative or the
32.25 attorney for the personal representative shall serve the commissioner or executive board,
32.26 as applicable, with notice in the manner prescribed in paragraph (c), or electronically in a
32.27 manner prescribed by the commissioner or executive board, as soon as practicable after the
32.28 appointment of the personal representative. The notice must state the decedent's full name,
32.29 date of birth, and Social Security number and, to the extent then known after making a
32.30 reasonably diligent inquiry, the full name, date of birth, and Social Security number for
32.31 each of the decedent's predeceased spouses. The notice may also contain a statement that,
32.32 after making a reasonably diligent inquiry, the personal representative has determined that
32.33 the decedent did not have any predeceased spouses or that the personal representative has
32.34 been unable to determine one or more of the previous items of information for a predeceased

33.1 spouse of the decedent. A copy of the notice to creditors must be attached to and be a part
33.2 of the notice to the commissioner or executive board.

33.3 (2) Notwithstanding a will or other instrument or law to the contrary, except as allowed
33.4 in this paragraph, no property subject to administration by the estate may be distributed by
33.5 the estate or the personal representative until 70 days after the date the notice is served on
33.6 the commissioner or executive board as provided in paragraph (c), unless the local agency
33.7 consents as provided for in clause (6). This restriction on distribution does not apply to the
33.8 personal representative's sale of real or personal property, but does apply to the net proceeds
33.9 the estate receives from these sales. The personal representative, or any person with personal
33.10 knowledge of the facts, may provide an affidavit containing the description of any real or
33.11 personal property affected by this paragraph and stating facts showing compliance with this
33.12 paragraph. If the affidavit describes real property, it may be filed or recorded in the office
33.13 of the county recorder or registrar of titles for the county where the real property is located.
33.14 This paragraph does not apply to proceedings under sections 524.3-1203 and 525.31, or
33.15 when a duly authorized agent of a county is acting as the personal representative of the
33.16 estate.

33.17 (3) At any time before an order or decree is entered under section 524.3-1001 or
33.18 524.3-1002, or a closing statement is filed under section 524.3-1003, the personal
33.19 representative or the attorney for the personal representative may serve an amended notice
33.20 on the commissioner or executive board to add variations or other names of the decedent
33.21 or a predeceased spouse named in the notice, the name of a predeceased spouse omitted
33.22 from the notice, to add or correct the date of birth or Social Security number of a decedent
33.23 or predeceased spouse named in the notice, or to correct any other deficiency in a prior
33.24 notice. The amended notice must state the decedent's name, date of birth, and Social Security
33.25 number, the case name, case number, and district court in which the estate is pending, and
33.26 the date the notice being amended was served on the commissioner or executive board. If
33.27 the amendment adds the name of a predeceased spouse omitted from the notice, it must also
33.28 state that spouse's full name, date of birth, and Social Security number. The amended notice
33.29 must be served on the commissioner or executive board in the same manner as the original
33.30 notice. Upon service, the amended notice relates back to and is effective from the date the
33.31 notice it amends was served, and the time for filing claims arising under section 246.53,
33.32 256B.15, 256D.16 or 261.04 is extended by 60 days from the date of service of the amended
33.33 notice. Claims filed during the 60-day period are undischarged and unbarred claims, may
33.34 be prosecuted by the entities entitled to file those claims in accordance with section
33.35 524.3-1004, and the limitations in section 524.3-1006 do not apply. The personal

34.1 representative or any person with personal knowledge of the facts may provide and file or
34.2 record an affidavit in the same manner as provided for in clause (1).

34.3 (4) Within one year after the date an order or decree is entered under section 524.3-1001
34.4 or 524.3-1002 or a closing statement is filed under section 524.3-1003, any person who has
34.5 an interest in property that was subject to administration by the estate may serve an amended
34.6 notice on the commissioner or executive board to add variations or other names of the
34.7 decedent or a predeceased spouse named in the notice, the name of a predeceased spouse
34.8 omitted from the notice, to add or correct the date of birth or Social Security number of a
34.9 decedent or predeceased spouse named in the notice, or to correct any other deficiency in
34.10 a prior notice. The amended notice must be served on the commissioner or executive board
34.11 in the same manner as the original notice and must contain the information required for
34.12 amendments under clause (3). If the amendment adds the name of a predeceased spouse
34.13 omitted from the notice, it must also state that spouse's full name, date of birth, and Social
34.14 Security number. Upon service, the amended notice relates back to and is effective from
34.15 the date the notice it amends was served. If the amended notice adds the name of an omitted
34.16 predeceased spouse or adds or corrects the Social Security number or date of birth of the
34.17 decedent or a predeceased spouse already named in the notice, then, notwithstanding any
34.18 other laws to the contrary, claims against the decedent's estate on account of those persons
34.19 resulting from the amendment and arising under section 246.53, 256B.15, 256D.16, or
34.20 261.04 are undischarged and unbarred claims, may be prosecuted by the entities entitled to
34.21 file those claims in accordance with section 524.3-1004, and the limitations in section
34.22 524.3-1006 do not apply. The person filing the amendment or any other person with personal
34.23 knowledge of the facts may provide and file or record an affidavit describing affected real
34.24 or personal property in the same manner as clause (1).

34.25 (5) After one year from the date an order or decree is entered under section 524.3-1001
34.26 or 524.3-1002, or a closing statement is filed under section 524.3-1003, no error, omission,
34.27 or defect of any kind in the notice to the commissioner or executive board required under
34.28 this paragraph or in the process of service of the notice on the commissioner or executive
34.29 board, or the failure to serve the commissioner or executive board with notice as required
34.30 by this paragraph, makes any distribution of property by a personal representative void or
34.31 voidable. The distributee's title to the distributed property shall be free of any claims based
34.32 upon a failure to comply with this paragraph.

34.33 (6) The local agency may consent to a personal representative's request to distribute
34.34 property subject to administration by the estate to distributees during the 70-day period after
34.35 service of notice on the commissioner or executive board. The local agency may grant or

35.1 deny the request in whole or in part and may attach conditions to its consent as it deems
35.2 appropriate. When the local agency consents to a distribution, it shall give the estate a written
35.3 certificate evidencing its consent to the early distribution of assets at no cost. The certificate
35.4 must include the name, case number, and district court in which the estate is pending, the
35.5 name of the local agency, describe the specific real or personal property to which the consent
35.6 applies, state that the local agency consents to the distribution of the specific property
35.7 described in the consent during the 70-day period following service of the notice on the
35.8 commissioner or executive board, state that the consent is unconditional or list all of the
35.9 terms and conditions of the consent, be dated, and may include other contents as may be
35.10 appropriate. The certificate must be signed by the director of the local agency or the director's
35.11 designees and is effective as of the date it is dated unless it provides otherwise. The signature
35.12 of the director or the director's designee does not require any acknowledgment. The certificate
35.13 shall be prima facie evidence of the facts it states, may be attached to or combined with a
35.14 deed or any other instrument of conveyance and, when so attached or combined, shall
35.15 constitute a single instrument. If the certificate describes real property, it shall be accepted
35.16 for recording or filing by the county recorder or registrar of titles in the county in which the
35.17 property is located. If the certificate describes real property and is not attached to or combined
35.18 with a deed or other instrument of conveyance, it shall be accepted for recording or filing
35.19 by the county recorder or registrar of titles in the county in which the property is located.
35.20 The certificate constitutes a waiver of the 70-day period provided for in clause (2) with
35.21 respect to the property it describes and is prima facie evidence of service of notice on the
35.22 commissioner or executive board. The certificate is not a waiver or relinquishment of any
35.23 claims arising under section 246.53, 256B.15, 256D.16, or 261.04, and does not otherwise
35.24 constitute a waiver of any of the personal representative's duties under this paragraph.
35.25 Distributees who receive property pursuant to a consent to an early distribution shall remain
35.26 liable to creditors of the estate as provided for by law.

35.27 (7) All affidavits provided for under this paragraph:

35.28 (i) shall be provided by persons who have personal knowledge of the facts stated in the
35.29 affidavit;

35.30 (ii) may be filed or recorded in the office of the county recorder or registrar of titles in
35.31 the county in which the real property they describe is located for the purpose of establishing
35.32 compliance with the requirements of this paragraph; and

35.33 (iii) are prima facie evidence of the facts stated in the affidavit.

36.1 (8) This paragraph applies to the estates of decedents dying on or after July 1, 1997.
36.2 Clause (5) also applies with respect to all notices served on the commissioner of human
36.3 services before July 1, 1997, under Laws 1996, chapter 451, article 2, section 55. All notices
36.4 served on the commissioner before July 1, 1997, pursuant to Laws 1996, chapter 451, article
36.5 2, section 55, shall be deemed to be legally sufficient for the purposes for which they were
36.6 intended, notwithstanding any errors, omissions or other defects.

36.7 Sec. 17. **DIRECTION TO COMMISSIONER; REIMBURSEMENT FOR**
36.8 **EXTRACORPOREAL MEMBRANE OXYGENATION CANNULATION AS AN**
36.9 **OUTPATIENT SERVICE.**

36.10 The commissioner of human services, in consultation with providers and hospitals, shall
36.11 determine the feasibility of an outpatient reimbursement mechanism for medical assistance
36.12 coverage of extracorporeal membrane oxygenation (ECMO) cannulation performed outside
36.13 an inpatient hospital setting or in a self-contained mobile ECMO unit. If an outpatient
36.14 reimbursement mechanism is feasible, then the commissioner of human services shall
36.15 develop a recommended payment mechanism. By January 15, 2025, the commissioner of
36.16 human services shall submit a recommendation and the required legislative language to the
36.17 chairs and ranking minority members of the legislative committees with jurisdiction over
36.18 health care finance. If such a payment mechanism is infeasible, the commissioner of human
36.19 services shall submit an explanation as to why it is infeasible.

36.20 **ARTICLE 3**
36.21 **HEALTH CARE**

36.22 Section 1. **[62J.805] DEFINITIONS.**

36.23 Subdivision 1. **Application.** For purposes of sections 62J.805 to 62J.808, the following
36.24 terms have the meanings given.

36.25 Subd. 2. **Health care provider.** "Health care provider" means:

36.26 (1) a health professional who is licensed or registered by Minnesota to provide health
36.27 treatments and services within the professional's scope of practice and in accordance with
36.28 state law;

36.29 (2) a group practice; or

36.30 (3) a hospital.

36.31 Subd. 3. **Health plan.** "Health plan" has the meaning given in section 62A.011,
36.32 subdivision 3.

37.1 Subd. 4. **Hospital.** "Hospital" means a health care facility licensed as a hospital under
37.2 sections 144.50 to 144.56.

37.3 Subd. 5. **Group practice.** "Group practice" has the meaning given to health care provider
37.4 group practice in section 145D.01, subdivision 1.

37.5 Subd. 6. **Medically necessary.** "Medically necessary" means:

37.6 (1) safe and effective;

37.7 (2) not experimental or investigational, except as set forth in Code of Federal Regulations,
37.8 title 42, section 411.15(o);

37.9 (3) furnished in accordance with acceptable medical standards of medical practice for
37.10 the diagnosis or treatment of the patient's condition or to improve the function of a malformed
37.11 body member;

37.12 (4) furnished in a setting appropriate to the patient's medical need and condition;

37.13 (5) ordered and furnished by qualified personnel;

37.14 (6) meets, but does not exceed, the patient's medical need; and

37.15 (7) is at least as beneficial as an existing and available medically appropriate alternative.

37.16 Subd. 7. **Miscode.** "Miscode" means a health care provider or a health care provider's
37.17 designee, using a coding system and for billing purposes, assigns a numeric or alphanumeric
37.18 code to a health treatment or service provided to a patient and the code assigned does not
37.19 accurately reflect the health treatment or service provided based on factors that include the
37.20 patient's diagnosis and the complexity of the patient's condition.

37.21 Subd. 8. **Payment.** "Payment" includes co-payments and coinsurance and deductible
37.22 payments made by a patient.

37.23 Sec. 2. **[62J.806] POLICY FOR COLLECTION OF MEDICAL DEBT.**

37.24 Subdivision 1. **Requirement.** Each health care provider must make available to the
37.25 public the health care provider's policy for the collection of medical debt from patients. This
37.26 policy must be made available by:

37.27 (1) clearly posting it on the health care provider's website, or for health professionals,
37.28 on the website of the health clinic, group practice, or hospital at which the health professional
37.29 is employed or under contract; and

37.30 (2) providing a copy of the policy to any individual who requests it.

38.1 Subd. 2. **Content.** A policy made available under this section must at least specify the
38.2 procedures followed by the health care provider for:

38.3 (1) communicating with patients about the medical debt owed and collecting medical
38.4 debt;

38.5 (2) referring medical debt to a collection agency or law firm for collection; and

38.6 (3) identifying medical debt as uncollectible or satisfied, and ending collection activities.

38.7 Sec. 3. **[62J.807] DENIAL OF HEALTH TREATMENTS OR SERVICES DUE TO**
38.8 **OUTSTANDING MEDICAL DEBT.**

38.9 (a) A health care provider must not deny medically necessary health treatments or services
38.10 to a patient or any member of the patient's family or household because of outstanding or
38.11 previously outstanding medical debt owed by the patient or any member of the patient's
38.12 family or household to the health care provider, regardless of whether the health treatment
38.13 or service may be available from another health care provider.

38.14 (b) As a condition of providing medically necessary health treatments or services in the
38.15 circumstances described in paragraph (a), a health care provider may require the patient to
38.16 enroll in a payment plan for the outstanding medical debt owed to the health care provider.

38.17 Sec. 4. **[62J.808] BILLING AND PAYMENT FOR MISCODED HEALTH**
38.18 **TREATMENTS AND SERVICES.**

38.19 Subdivision 1. **Participation and cooperation required.** Each health care provider
38.20 must participate in, and cooperate with, all processes and investigations to identify, review,
38.21 and correct the coding of health treatments and services that are miscoded by the health
38.22 care provider or a designee.

38.23 Subd. 2. **Notice; billing and payment during review.** (a) When a health care provider
38.24 receives notice, other than notice from a health plan company as provided in paragraph (b),
38.25 or otherwise determines that a health treatment or service may have been miscoded, the
38.26 health care provider must notify the health plan company administering the patient's health
38.27 plan in a timely manner of the potentially miscoded health treatment or service.

38.28 (b) When a health plan company receives notice, other than notice from a health care
38.29 provider as provided in paragraph (a), or otherwise determines that a health treatment or
38.30 service may have been miscoded, the health plan company must notify the health care
38.31 provider who provided the health treatment or service of the potentially miscoded health
38.32 treatment or service.

(c) When a review of a potentially miscoded health treatment or service is commenced, the health care provider and health plan company must notify the patient that a miscoding review is being conducted and that the patient will not be billed for any health treatment or service subject to the review and is not required to submit payments for any health treatment or service subject to the review until the review is complete and any miscoded health treatments or services are correctly coded.

(d) While a review of a potentially miscoded health treatment or service is being conducted, the health care provider and health plan company must not bill the patient for, or accept payment from the patient for, any health treatment or service subject to the review.

Subd. 3. **Billing and payment after completion of review.** The health care provider and health plan company may bill the patient for, and accept payment from the patient for, the health treatment or service that was subject to the miscoding review only after the review is complete and any miscoded health treatments or services have been correctly coded.

Sec. 5. Minnesota Statutes 2022, section 62V.05, subdivision 12, is amended to read:

Subd. 12. **Reports on interagency agreements and intra-agency transfers.** The MNsure Board shall provide ~~quarterly reports to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance on:~~ legislative reports on interagency agreements and intra-agency transfers according to section 15.0395.

~~(1) interagency agreements or service-level agreements and any renewals or extensions of existing interagency or service-level agreements with a state department under section 15.01, state agency under section 15.012, or the Department of Information Technology Services, with a value of more than $100,000, or related agreements with the same department or agency with a cumulative value of more than $100,000; and~~

~~(2) transfers of appropriations of more than $100,000 between accounts within or between agencies.~~

~~The report must include the statutory citation authorizing the agreement, transfer or dollar amount, purpose, and effective date of the agreement, the duration of the agreement, and a copy of the agreement.~~

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

Sec. 6. Minnesota Statutes 2022, section 62V.08, is amended to read:

62V.08 REPORTS.

(a) MNsure shall submit a report to the legislature by ~~January 15, 2015~~ March 31, 2025, and each ~~January 15~~ March 31 thereafter, on: (1) the performance of MNsure operations; (2) meeting MNsure responsibilities; (3) an accounting of MNsure budget activities; (4) practices and procedures that have been implemented to ensure compliance with data practices laws, and a description of any violations of data practices laws or procedures; and (5) the effectiveness of the outreach and implementation activities of MNsure in reducing the rate of uninsurance.

(b) MNsure must publish its administrative and operational costs on a website to educate consumers on those costs. The information published must include: (1) the amount of premiums and federal premium subsidies collected; (2) the amount and source of revenue received under section 62V.05, subdivision 1, paragraph (b), clause (3); (3) the amount and source of any other fees collected for purposes of supporting operations; and (4) any misuse of funds as identified in accordance with section 3.975. The website must be updated at least annually.

Sec. 7. Minnesota Statutes 2022, section 62V.11, subdivision 4, is amended to read:

Subd. 4. **Review of costs.** The board shall submit for review the annual budget of MNsure for the next fiscal year by March ~~15~~ 31 of each year, beginning March ~~15, 2014~~ 31, 2025.

Sec. 8. Minnesota Statutes 2023 Supplement, section 144.587, subdivision 4, is amended to read:

Subd. 4. **Prohibited actions.** (a) A hospital must not initiate one or more of the following actions until the hospital determines that the patient is ineligible for charity care or denies an application for charity care:

(1) offering to enroll or enrolling the patient in a payment plan;

(2) changing the terms of a patient's payment plan;

(3) offering the patient a loan or line of credit, application materials for a loan or line of credit, or assistance with applying for a loan or line of credit, for the payment of medical debt;

(4) referring a patient's debt for collections, including in-house collections, third-party collections, revenue recapture, or any other process for the collection of debt; or

41.1 ~~(5) denying health care services to the patient or any member of the patient's household~~
41.2 ~~because of outstanding medical debt, regardless of whether the services are deemed necessary~~
41.3 ~~or may be available from another provider; or~~

41.4 ~~(6)~~ (5) accepting a credit card payment of over $500 for the medical debt owed to the
41.5 hospital.

41.6 (b) A violation of section 62J.807 is a violation of this section.

41.7 Sec. 9. **[145.076] INFORMED CONSENT REQUIRED FOR SENSITIVE**
41.8 **EXAMINATIONS.**

41.9 Subdivision 1. **Definition.** For the purposes of this section, "sensitive examination"
41.10 means a pelvic, breast, urogenital, or rectal examination.

41.11 Subd. 2. **Informed consent required; exceptions.** A health professional, or a student
41.12 or resident participating in a course of instruction, clinical training, or a residency program
41.13 for a health profession, shall not perform a sensitive examination on an anesthetized or
41.14 unconscious patient unless:

41.15 (1) the patient or the patient's legally authorized representative provided prior, written,
41.16 informed consent to the sensitive examination, and the sensitive examination is necessary
41.17 for preventive, diagnostic, or treatment purposes;

41.18 (2) the patient or the patient's legally authorized representative provided prior, written,
41.19 informed consent to a surgical procedure or diagnostic examination, and the sensitive
41.20 examination is within the scope of care ordered for that surgical procedure or diagnostic
41.21 examination;

41.22 (3) the patient is unconscious and incapable of providing informed consent, and the
41.23 sensitive examination is necessary for diagnostic or treatment purposes; or

41.24 (4) a court ordered a sensitive examination to be performed for purposes of collection
41.25 of evidence.

41.26 Subd. 3. **Penalty; ground for disciplinary action.** A person who violates this section
41.27 is subject to disciplinary action by the health-related licensing board regulating the person.

41.28 **EFFECTIVE DATE.** This section is effective August 1, 2024, and applies to crimes
41.29 committed on or after that date.

42.1 Sec. 10. Minnesota Statutes 2023 Supplement, section 151.74, subdivision 3, is amended
42.2 to read:

42.3 Subd. 3. **Access to urgent-need insulin.** (a) MNsure shall develop an application form
42.4 to be used by an individual who is in urgent need of insulin. The application must ask the
42.5 individual to attest to the eligibility requirements described in subdivision 2. The form shall
42.6 be accessible through MNsure's website. MNsure shall also make the form available to
42.7 pharmacies and health care providers who prescribe or dispense insulin, hospital emergency
42.8 departments, urgent care clinics, and community health clinics. By submitting a completed,
42.9 signed, and dated application to a pharmacy, the individual attests that the information
42.10 contained in the application is correct.

42.11 (b) If the individual is in urgent need of insulin, the individual may present a completed,
42.12 signed, and dated application form to a pharmacy. The individual must also:

42.13 (1) have a valid insulin prescription; and

42.14 (2) present the pharmacist with identification indicating Minnesota residency in the form
42.15 of a valid Minnesota identification card, driver's license or permit, individual taxpayer
42.16 identification number, or Tribal identification card as defined in section 171.072, paragraph
42.17 (b). If the individual in urgent need of insulin is under the age of 18, the individual's parent
42.18 or legal guardian must provide the pharmacist with proof of residency.

42.19 (c) Upon receipt of a completed and signed application, the pharmacist shall dispense
42.20 the prescribed insulin in an amount that will provide the individual with a 30-day supply.
42.21 The pharmacy must notify the health care practitioner who issued the prescription order no
42.22 later than 72 hours after the insulin is dispensed.

42.23 (d) The pharmacy may submit to the manufacturer of the dispensed insulin product or
42.24 to the manufacturer's vendor a claim for payment that is in accordance with the National
42.25 Council for Prescription Drug Program standards for electronic claims processing, unless
42.26 the manufacturer agrees to send to the pharmacy a replacement supply of the same insulin
42.27 as dispensed in the amount dispensed. If the pharmacy submits an electronic claim to the
42.28 manufacturer or the manufacturer's vendor, the manufacturer or vendor shall reimburse the
42.29 pharmacy in an amount that covers the pharmacy's acquisition cost.

42.30 (e) The pharmacy may collect an insulin co-payment from the individual to cover the
42.31 pharmacy's costs of processing and dispensing in an amount not to exceed $35 for the 30-day
42.32 supply of insulin dispensed.

(f) The pharmacy shall also provide each eligible individual with the information sheet described in subdivision 7 and a list of trained navigators provided by the Board of Pharmacy for the individual to contact if the individual ~~is in need of accessing~~ needs to access ongoing insulin coverage options, including assistance in:

(1) applying for medical assistance or MinnesotaCare;

(2) applying for a qualified health plan offered through MNsure, subject to open and special enrollment periods;

(3) accessing information on providers who participate in prescription drug discount programs, including providers who are authorized to participate in the 340B program under section 340b of the federal Public Health Services Act, United States Code, title 42, section 256b; and

(4) accessing insulin manufacturers' patient assistance programs, co-payment assistance programs, and other foundation-based programs.

(g) The pharmacist shall retain a copy of the application form submitted by the individual to the pharmacy for reporting and auditing purposes.

(h) A manufacturer may submit to the commissioner of administration a request for reimbursement in an amount not to exceed $35 for each 30-day supply of insulin the manufacturer provides under paragraph (d). The commissioner of administration shall determine the manner and format for submitting and processing requests for reimbursement. After receiving a reimbursement request, the commissioner of administration shall reimburse the manufacturer in an amount not to exceed $35 for each 30-day supply of insulin the manufacturer provided under paragraph (d).

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 11. Minnesota Statutes 2022, section 151.74, subdivision 6, is amended to read:

Subd. 6. **Continuing safety net program; process.** (a) The individual shall submit to a pharmacy the statement of eligibility provided by the manufacturer under subdivision 5, paragraph (b). Upon receipt of an individual's eligibility status, the pharmacy shall submit an order containing the name of the insulin product and the daily dosage amount as contained in a valid prescription to the product's manufacturer.

(b) The pharmacy must include with the order to the manufacturer the following information:

(1) the pharmacy's name and shipping address;

44.1 (2) the pharmacy's office telephone number, fax number, email address, and contact
44.2 name; and

44.3 (3) any specific days or times when deliveries are not accepted by the pharmacy.

44.4 (c) Upon receipt of an order from a pharmacy and the information described in paragraph
44.5 (b), the manufacturer shall send to the pharmacy a 90-day supply of insulin as ordered,
44.6 unless a lesser amount is requested in the order, at no charge to the individual or pharmacy.

44.7 (d) Except as authorized under paragraph (e), the pharmacy shall provide the insulin to
44.8 the individual at no charge to the individual. The pharmacy shall not provide insulin received
44.9 from the manufacturer to any individual other than the individual associated with the specific
44.10 order. The pharmacy shall not seek reimbursement for the insulin received from the
44.11 manufacturer or from any third-party payer.

44.12 (e) The pharmacy may collect a co-payment from the individual to cover the pharmacy's
44.13 costs for processing and dispensing in an amount not to exceed $50 for each 90-day supply
44.14 if the insulin is sent to the pharmacy.

44.15 (f) The pharmacy may submit to a manufacturer a reorder for an individual if the
44.16 individual's eligibility statement has not expired. Upon receipt of a reorder from a pharmacy,
44.17 the manufacturer must send to the pharmacy an additional 90-day supply of the product,
44.18 unless a lesser amount is requested, at no charge to the individual or pharmacy if the
44.19 individual's eligibility statement has not expired.

44.20 (g) Notwithstanding paragraph (c), a manufacturer may send the insulin as ordered
44.21 directly to the individual if the manufacturer provides a mail order service option.

44.22 (h) A manufacturer may submit to the commissioner of administration a request for
44.23 reimbursement in an amount not to exceed $105 for each 90-day supply of insulin the
44.24 manufacturer provides under paragraphs (c) and (f). The commissioner of administration
44.25 shall determine the manner and format for submitting and processing requests for
44.26 reimbursement. After receiving a reimbursement request, the commissioner of administration
44.27 shall reimburse the manufacturer in an amount not to exceed $105 for each 90-day supply
44.28 of insulin the manufacturer provided under paragraphs (c) and (f). If the manufacturer
44.29 provides less than a 90-day supply of insulin under paragraphs (c) and (f), the manufacturer
44.30 may submit a request for reimbursement not to exceed $35 for each 30-day supply of insulin
44.31 provided.

44.32 **EFFECTIVE DATE.** This section is effective July 1, 2024.

45.1 Sec. 12. **[151.741] INSULIN MANUFACTURER REGISTRATION FEE.**

45.2 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
45.3 the meanings given.

45.4 (b) "Board" means the Minnesota Board of Pharmacy under section 151.02.

45.5 (c) "Manufacturer" means a manufacturer licensed under section 151.252 and engaged
45.6 in the manufacturing of prescription insulin.

45.7 Subd. 2. **Assessment of registration fee.** (a) The board shall assess each manufacturer
45.8 an annual registration fee of $100,000, except as provided in paragraph (b). The board shall
45.9 notify each manufacturer of this requirement beginning November 1, 2024, and each
45.10 November 1 thereafter.

45.11 (b) A manufacturer may request an exemption from the annual registration fee. The
45.12 Board of Pharmacy shall exempt a manufacturer from the annual registration fee if the
45.13 manufacturer can demonstrate to the board, in the form and manner specified by the board,
45.14 that sales of prescription insulin produced by that manufacturer and sold or delivered within
45.15 or into Minnesota totalled $2,000,000 or less in the previous calendar year.

45.16 Subd. 3. **Payment of the registration fee; deposit of fee.** (a) Each manufacturer must
45.17 pay the registration fee by March 1, 2025, and by each March 1 thereafter. In the event of
45.18 a change in ownership of the manufacturer, the new owner must pay the registration fee
45.19 that the original owner would have been assessed had the original owner retained ownership.
45.20 The board may assess a late fee of ten percent per month or any portion of a month that the
45.21 registration fee is paid after the due date.

45.22 (b) The registration fee, including any late fees, must be deposited in the insulin safety
45.23 net program account.

45.24 Subd. 4. **Insulin safety net program account.** The insulin safety net program account
45.25 is established in the special revenue fund in the state treasury. Money in the account is
45.26 appropriated each fiscal year to:

45.27 (1) the MNsure board in an amount sufficient to carry out assigned duties under section
45.28 151.74, subdivision 7; and

45.29 (2) the Board of Pharmacy in an amount sufficient to cover costs incurred by the board
45.30 in assessing and collecting the registration fee under this section and in administering the
45.31 insulin safety net program under section 151.74.

46.1 Subd. 5. **Insulin repayment account; annual transfer from health care access fund.** (a)
46.2 The insulin repayment account is established in the special revenue fund in the state treasury.
46.3 Money in the account is appropriated each fiscal year to the commissioner of administration
46.4 to reimburse manufacturers for insulin dispensed under the insulin safety net program in
46.5 section 151.74, in accordance with section 151.74, subdivisions 3, paragraph (h), and 6,
46.6 paragraph (h), and to cover costs incurred by the commissioner in providing these
46.7 reimbursement payments.

46.8 (b) By June 30, 2025, and each June 30 thereafter, the commissioner of administration
46.9 shall certify to the commissioner of management and budget the total amount expended in
46.10 the prior fiscal year for:

46.11 (1) reimbursement to manufacturers for insulin dispensed under the insulin safety net
46.12 program in section 151.74, in accordance with section 151.74, subdivisions 3, paragraph
46.13 (h), and 6, paragraph (h); and

46.14 (2) costs incurred by the commissioner of administration in providing the reimbursement
46.15 payments described in clause (1).

46.16 (c) The commissioner of management and budget shall transfer from the health care
46.17 access fund to the special revenue fund, beginning July 1, 2025, and each July 1 thereafter,
46.18 an amount equal to the amount to which the commissioner of administration certified
46.19 pursuant to paragraph (b).

46.20 Subd. 6. **Contingent transfer by commissioner.** If subdivisions 2 and 3, or the
46.21 application of subdivisions 2 and 3 to any person or circumstance, are held invalid for any
46.22 reason in a court of competent jurisdiction, the invalidity of subdivisions 2 and 3 does not
46.23 affect other provisions of this act, and the commissioner of management and budget shall
46.24 annually transfer from the health care access fund to the insulin safety net program account
46.25 an amount sufficient to implement subdivision 4.

46.26 **EFFECTIVE DATE.** This section is effective July 1, 2024.

46.27 Sec. 13. Minnesota Statutes 2022, section 176.175, subdivision 2, is amended to read:

46.28 Subd. 2. **Nonassignability.** No claim for compensation or settlement of a claim for
46.29 compensation owned by an injured employee or dependents is assignable. Except as otherwise
46.30 provided in this chapter, any claim for compensation owned by an injured employee or
46.31 dependents is exempt from seizure or sale for the payment of any debt or liability, up to a
46.32 total amount of $1,000,000 per claim and subsequent award.

47.1 Sec. 14. **[332C.01] DEFINITIONS.**

47.2 Subdivision 1. **Application.** For purposes of this chapter, the following terms have the
47.3 meanings given.

47.4 Subd. 2. **Collecting party.** "Collecting party" means a party engaged in the collection
47.5 of medical debt. Collecting party does not include banks, credit unions, public officers,
47.6 garnishees, and other parties complying with a court order or statutory obligation to garnish
47.7 or levy a debtor's property.

47.8 Subd. 3. **Debtor.** "Debtor" means a person obligated or alleged to be obligated to pay
47.9 any debt.

47.10 Subd. 4. **Medical debt.** "Medical debt" means debt incurred primarily for medically
47.11 necessary health treatment or services. Medical debt does not include debt charged to a
47.12 credit card unless the credit card is issued under a credit plan offered solely for the payment
47.13 of health care treatment or services.

47.14 Subd. 5. **Medically necessary.** "Medically necessary" means medically necessary as
47.15 defined in section 62J.805, subdivision 6.

47.16 Subd. 6. **Person.** "Person" means any individual, partnership, association, or corporation.

47.17 Sec. 15. **[332C.02] PROHIBITED PRACTICES.**

47.18 No collecting party shall:

47.19 (1) in a collection letter, publication, invoice, or any oral or written communication,
47.20 threaten wage garnishment or legal suit by a particular lawyer, unless the collecting party
47.21 has actually retained the lawyer to do so;

47.22 (2) use or employ sheriffs or any other officer authorized to serve legal papers in
47.23 connection with the collection of a claim, except when performing their legally authorized
47.24 duties;

47.25 (3) use or threaten to use methods of collection which violate Minnesota law;

47.26 (4) furnish legal advice to debtors or represent that the collecting party is competent or
47.27 able to furnish legal advice to debtors;

47.28 (5) communicate with debtors in a misleading or deceptive manner by falsely using the
47.29 stationery of a lawyer, forms or instruments which only lawyers are authorized to prepare,
47.30 or instruments which simulate the form and appearance of judicial process;

48.1 (6) publish or cause to be published any list of debtors, use shame cards or shame
48.2 automobiles, advertise or threaten to advertise for sale any claim as a means of forcing
48.3 payment thereof, or use similar devices or methods of intimidation;

48.4 (7) operate under a name or in a manner which falsely implies the collecting party is a
48.5 branch of or associated with any department of federal, state, county, or local government
48.6 or an agency thereof;

48.7 (8) transact business or hold itself out as a debt settlement company, debt management
48.8 company, debt adjuster, or any person who settles, adjusts, prorates, pools, liquidates, or
48.9 pays the indebtedness of a debtor, unless there is no charge to the debtor, or the pooling or
48.10 liquidation is done pursuant to court order or under the supervision of a creditor's committee;

48.11 (9) unless an exemption in the law exists, violate Code of Federal Regulations, title 12,
48.12 part 1006, while attempting to collect on any account, bill, or other indebtedness. For
48.13 purposes of this section, Public Law 95-109 and Code of Federal Regulations, title 12, part
48.14 1006, apply to collecting parties;

48.15 (10) communicate with a debtor by use of an automatic telephone dialing system or an
48.16 artificial or prerecorded voice after the debtor expressly informs the collecting party to cease
48.17 communication utilizing an automatic telephone dialing system or an artificial or prerecorded
48.18 voice. For purposes of this clause, an automatic telephone dialing system or an artificial or
48.19 prerecorded voice includes but is not limited to (i) artificial intelligence chat bots, and (ii)
48.20 the usage of the term under the Telephone Consumer Protection Act, United States Code,
48.21 title 47, section 227(b)(1)(A);

48.22 (11) in collection letters or publications, or in any oral or written communication, imply
48.23 or suggest that medically necessary health treatment or services will be denied as a result
48.24 of a medical debt;

48.25 (12) when a debtor has a listed telephone number, enlist the aid of a neighbor or third
48.26 party to request that the debtor contact the collecting party, except a person who resides
48.27 with the debtor or a third party with whom the debtor has authorized with the collecting
48.28 party to place the request. This clause does not apply to a call back message left at the
48.29 debtor's place of employment which is limited solely to the collecting party's telephone
48.30 number and name;

48.31 (13) when attempting to collect a medical debt, fail to provide the debtor with the full
48.32 name of the collecting party, as registered with the secretary of state;

49.1 (14) fail to return any amount of overpayment from a debtor to the debtor or to the state
49.2 of Minnesota pursuant to the requirements of chapter 345;

49.3 (15) accept currency or coin as payment for a medical debt without issuing an original
49.4 receipt to the debtor and maintaining a duplicate receipt in the debtor's payment records;

49.5 (16) attempt to collect any amount, including any interest, fee, charge, or expense
49.6 incidental to the charge-off obligation, from a debtor unless the amount is expressly
49.7 authorized by the agreement creating the medical debt or is otherwise permitted by law;

49.8 (17) falsify any documents with the intent to deceive;

49.9 (18) when initially contacting a Minnesota debtor by mail to collect a medical debt, fail
49.10 to include a disclosure on the contact notice, in a type size or font which is equal to or larger
49.11 than the largest other type of type size or font used in the text of the notice, that includes
49.12 and identifies the Office of the Minnesota Attorney General's general telephone number,
49.13 and states: "You have the right to hire your own attorney to represent you in this matter.";

49.14 (19) commence legal action to collect a medical debt outside the limitations period set
49.15 forth in section 541.053;

49.16 (20) report to a credit reporting agency any medical debt which the collecting party
49.17 knows or should know is or was originally owed to a health care provider, as defined in
49.18 section 62J.805, subdivision 2; or

49.19 (21) challenge a debtor's claim of exemption to garnishment or levy in a manner that is
49.20 baseless, frivolous, or otherwise in bad faith.

49.21 Sec. 16. **[332C.03] MEDICAL DEBT CREDIT REPORTING PROHIBITED.**

49.22 (a) A collecting party is prohibited from reporting medical debt to a consumer reporting
49.23 agency.

49.24 (b) A consumer reporting agency is prohibited from making a consumer report containing
49.25 an item of information that the consumer reporting agency knows or should know concerns:
49.26 (1) medical information; or (2) debt arising from: (i) the provision of medical care, treatment,
49.27 services, devices, medicines; or (ii) procedures to maintain, diagnose, or treat a person's
49.28 physical or mental health.

49.29 (c) For purposes of this section, "consumer report," "consumer reporting agency," and
49.30 "medical information" have the meanings given them in the Fair Credit Reporting Act,
49.31 United States Code, title 15, section 1681a.

50.1 (d) This section also applies to collection agencies and debt buyers licensed under Chapter
50.2 332.

50.3 Sec. 17. **[332C.04] DEFENDING MEDICAL DEBT CASES.**

50.4 A debtor who successfully defends against a claim for payment of medical debt that is
50.5 alleged by a collecting party must be awarded the debtor's costs, including a reasonable
50.6 attorney fee as determined by the court, incurred in defending against the collecting party's
50.7 claim for debt payment. For the purposes of this section, a resolution mutually agreed upon
50.8 by the debtor and collecting party is not a successful defense.

50.9 Sec. 18. **[332C.05] ENFORCEMENT.**

50.10 (a) The attorney general may enforce this chapter under section 8.31.

50.11 (b) A collecting party that violates this chapter is strictly liable to the debtor in question
50.12 for the sum of:

50.13 (1) actual damage sustained by the debtor as a result of the violation;

50.14 (2) additional damages as the court may allow, but not exceeding $1,000 per violation;
50.15 and

50.16 (3) in the case of any successful action to enforce the foregoing, the costs of the action,
50.17 together with a reasonable attorney fee as determined by the court.

50.18 (c) A collecting party that willfully and maliciously violates this chapter is strictly liable
50.19 to the debtor for three times the sums allowable under paragraph (b), clauses (1) and (2).

50.20 (d) The dollar amount limit under paragraph (b), clause (2), changes on July 1 of each
50.21 even-numbered year in an amount equal to changes made in the Consumer Price Index,
50.22 compiled by the United States Bureau of Labor Statistics. The Consumer Price Index for
50.23 December 2024 is the reference base index. If the Consumer Price Index is revised, the
50.24 percentage of change made under this section must be calculated on the basis of the revised
50.25 Consumer Price Index. If a Consumer Price Index revision changes the reference base index,
50.26 a revised reference base index must be determined by multiplying the reference base index
50.27 that is effective at the time by the rebasing factor furnished by the Bureau of Labor Statistics.

50.28 (e) If the Consumer Price Index is superseded, the Consumer Price Index referred to in
50.29 this section is the Consumer Price Index represented by the Bureau of Labor Statistics as
50.30 most accurately reflecting changes in the prices paid by consumers for consumer goods and
50.31 services.

51.1 (f) The attorney general must publish the base reference index under paragraph (c) in
51.2 the State Register no later than September 1, 2024. The attorney general must calculate and
51.3 then publish the revised Consumer Price Index under paragraph (c) in the State Register no
51.4 later than September 1 each even-numbered year.

51.5 (g) An action brought under this section benefits the public.

51.6 (h) A collecting party may not be held liable in any action brought under this section if
51.7 the collecting party shows by a preponderance of evidence that the violation:

51.8 (1) was not intentional and resulted from a bona fide error made notwithstanding the
51.9 maintenance of procedures reasonably adopted to avoid any such error; or

51.10 (2) was the result of inaccurate or incorrect information provided to the collecting party
51.11 by a health care provider, as defined in section 62J.805, subdivision 2; a health carrier, as
51.12 that term is defined in section 62A.011, subdivision 2; or another collecting party currently
51.13 or previously engaged in collection of the medical debt in question.

51.14 Sec. 19. Minnesota Statutes 2022, section 519.05, is amended to read:

51.15 **519.05 LIABILITY OF ~~HUSBAND AND WIFE~~ SPOUSES.**

51.16 (a) A spouse is not liable to a creditor for any debts of the other spouse. ~~Where husband~~
51.17 ~~and wife are living together, they~~ Spouses shall be jointly and severally liable for ~~necessary~~
51.18 ~~medical services that have been furnished to either spouse, including~~ any claims arising
51.19 under section ~~246.53,~~ 256B.15~~, 256D.16, or 261.04, and necessary household articles and~~
51.20 ~~supplies furnished to and used by the family~~. Notwithstanding this paragraph, in a proceeding
51.21 under chapter 518 the court may apportion such debt between the spouses.

51.22 (b) Either spouse may close a credit card account or other unsecured consumer line of
51.23 credit on which both spouses are contractually liable, by giving written notice to the creditor.

51.24 (c) Nothing in this section prevents a claim against an estate.

51.25 **ARTICLE 4**
51.26 **HEALTH INSURANCE**

51.27 Section 1. Minnesota Statutes 2022, section 62A.0411, is amended to read:

51.28 **62A.0411 MATERNITY CARE.**

51.29 Subdivision 1. **Minimum inpatient care.** Every health plan ~~as defined in section 62Q.01,~~
51.30 ~~subdivision 3, that provides maternity benefits~~ must~~, consistent with other coinsurance,~~
51.31 ~~co-payment, deductible, and related contract terms,~~ provide coverage of a minimum of 48

52.1 hours of inpatient care following a vaginal delivery and a minimum of 96 hours of inpatient
52.2 care following a caesarean section for a mother and her newborn. The health plan shall not
52.3 provide any compensation or other nonmedical remuneration to encourage a mother and
52.4 newborn to leave inpatient care before the duration minimums specified in this section.

52.5 Subd. 1a. **Medical facility transfer.** (a) If a health care provider acting within the
52.6 provider's scope of practice recommends that either the mother or newborn be transferred
52.7 to a different medical facility, every health plan must provide the coverage required under
52.8 subdivision 1 for the mother, newborn, and newborn siblings at both medical facilities. The
52.9 coverage required under this subdivision includes but is not limited to expenses related to
52.10 transferring all individuals from one medical facility to a different medical facility.

52.11 (b) The coverage required under this subdivision must be provided without cost sharing,
52.12 including but not limited to deductible, co-pay, or coinsurance. The coverage required under
52.13 this paragraph must be provided without any limitation that is not generally applicable to
52.14 other coverages under the plan.

52.15 (c) Notwithstanding paragraph (b), a health plan that is a high-deductible health plan in
52.16 conjunction with a health savings account must include cost-sharing for the coverage required
52.17 under this subdivision at the minimum level necessary to preserve the enrollee's ability to
52.18 make tax-exempt contributions and withdrawals from the health savings account as provided
52.19 in section 223 of the Internal Revenue Code of 1986.

52.20 Subd. 2. **Minimum postdelivery outpatient care.** (a) The health plan must also provide
52.21 coverage for postdelivery outpatient care to a mother and her newborn if the duration of
52.22 inpatient care is less than the minimums provided in this section.

52.23 (b) Postdelivery care consists of a minimum of one home visit by a registered nurse.
52.24 Services provided by the registered nurse include, but are not limited to, parent education,
52.25 assistance and training in breast and bottle feeding, and conducting any necessary and
52.26 appropriate clinical tests. The home visit must be conducted within four days following the
52.27 discharge of the mother and her child.

52.28 Subd. 3. **Health plan defined.** For purposes of this section, "health plan" has the meaning
52.29 given in section 62Q.01, subdivision 3, and county-based purchasing plans.

52.30 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to all policies,
52.31 plans, certificates, and contracts offered, issued, or renewed on or after that date.

53.1 Sec. 2. Minnesota Statutes 2022, section 62A.15, is amended by adding a subdivision to
53.2 read:

53.3 Subd. 3d. **Pharmacist.** All benefits provided by a policy or contract referred to in
53.4 subdivision 1 relating to expenses incurred for medical treatment or services provided by
53.5 a licensed physician must include services provided by a licensed pharmacist, according to
53.6 the requirements of section 151.01, to the extent a licensed pharmacist's services are within
53.7 the pharmacist's scope of practice.

53.8 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to policies
53.9 or contracts offered, issued, or renewed on or after that date.

53.10 Sec. 3. Minnesota Statutes 2022, section 62A.15, subdivision 4, is amended to read:

53.11 Subd. 4. **Denial of benefits.** (a) No carrier referred to in subdivision 1 may, in the
53.12 payment of claims to employees in this state, deny benefits payable for services covered by
53.13 the policy or contract if the services are lawfully performed by a licensed chiropractor, a
53.14 licensed optometrist, a registered nurse meeting the requirements of subdivision 3a, a licensed
53.15 physician assistant, ~~or~~ a licensed acupuncture practitioner, or a licensed pharmacist.

53.16 (b) When carriers referred to in subdivision 1 make claim determinations concerning
53.17 the appropriateness, quality, or utilization of chiropractic health care for Minnesotans, any
53.18 of these determinations that are made by health care professionals must be made by, or
53.19 under the direction of, or subject to the review of licensed doctors of chiropractic.

53.20 (c) When a carrier referred to in subdivision 1 makes a denial of payment claim
53.21 determination concerning the appropriateness, quality, or utilization of acupuncture services
53.22 for individuals in this state performed by a licensed acupuncture practitioner, a denial of
53.23 payment claim determination that is made by a health professional must be made by, under
53.24 the direction of, or subject to the review of a licensed acupuncture practitioner.

53.25 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to policies
53.26 or contracts offered, issued, or renewed on or after that date.

53.27 Sec. 4. Minnesota Statutes 2022, section 62A.28, subdivision 2, is amended to read:

53.28 Subd. 2. **Required coverage.** (a) Every policy, plan, certificate, or contract referred to
53.29 in subdivision 1 ~~issued or renewed after August 1, 1987,~~ must provide coverage for scalp
53.30 hair prostheses, including all equipment and accessories necessary for regular use of scalp
53.31 hair prostheses, worn for hair loss suffered as a result of a health condition, including but

54.1 not limited to alopecia areata or the treatment for cancer, unless there is a clinical basis for
54.2 limitation.

54.3 (b) The coverage required by this section is subject to the co-payment, coinsurance,
54.4 deductible, and other enrollee cost-sharing requirements that apply to similar types of items
54.5 under the policy, plan, certificate, or contract and may be limited to one prosthesis per
54.6 benefit year.

54.7 (c) The coverage required by this section for scalp hair prostheses is limited to $1,000
54.8 per benefit year.

54.9 (d) A scalp hair prosthesis must be prescribed by a doctor to be covered under this
54.10 section.

54.11 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to all policies,
54.12 plans, certificates, and contracts offered, issued, or renewed on or after that date.

54.13 Sec. 5. Minnesota Statutes 2022, section 62D.02, subdivision 4, is amended to read:

54.14 Subd. 4. **Health maintenance organization.** "Health maintenance organization" means
54.15 a ~~foreign or domestic~~ nonprofit corporation organized under chapter 317A, or a local
54.16 governmental unit as defined in subdivision 11, controlled and operated as provided in
54.17 sections 62D.01 to 62D.30, which provides, either directly or through arrangements with
54.18 providers or other persons, comprehensive health maintenance services, or arranges for the
54.19 provision of these services, to enrollees on the basis of a fixed prepaid sum without regard
54.20 to the frequency or extent of services furnished to any particular enrollee.

54.21 Sec. 6. Minnesota Statutes 2022, section 62D.02, subdivision 7, is amended to read:

54.22 Subd. 7. **Comprehensive health maintenance services.** "Comprehensive health
54.23 maintenance services" means a set of comprehensive health services which the enrollees
54.24 might reasonably require to be maintained in good health including as a minimum, but not
54.25 limited to, emergency care, emergency ground ambulance transportation services, inpatient
54.26 hospital and physician care, outpatient health services and preventive health services.
54.27 ~~Elective, induced abortion, except as medically necessary to prevent the death of the mother,~~
54.28 ~~whether performed in a hospital, other abortion facility or the office of a physician, shall~~
54.29 ~~not be mandatory for any health maintenance organization.~~

54.30 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health
54.31 plans offered, sold, issued, or renewed on or after that date.

55.1 Sec. 7. Minnesota Statutes 2022, section 62D.03, subdivision 1, is amended to read:

55.2 Subdivision 1. **Certificate of authority required.** Notwithstanding any law of this state
55.3 to the contrary, any ~~foreign or domestic~~ <u>nonprofit</u> corporation organized to do so or a local
55.4 governmental unit may apply to the commissioner of health for a certificate of authority to
55.5 establish and operate a health maintenance organization in compliance with sections 62D.01
55.6 to 62D.30. No person shall establish or operate a health maintenance organization in this
55.7 state, nor sell or offer to sell, or solicit offers to purchase or receive advance or periodic
55.8 consideration in conjunction with a health maintenance organization or health maintenance
55.9 contract unless the organization has a certificate of authority under sections 62D.01 to
55.10 62D.30.

55.11 Sec. 8. Minnesota Statutes 2022, section 62D.05, subdivision 1, is amended to read:

55.12 Subdivision 1. **Authority granted.** Any <u>nonprofit</u> corporation or local governmental
55.13 unit may, upon obtaining a certificate of authority as required in sections 62D.01 to 62D.30,
55.14 operate as a health maintenance organization.

55.15 Sec. 9. Minnesota Statutes 2022, section 62D.06, subdivision 1, is amended to read:

55.16 Subdivision 1. **Governing body composition; enrollee advisory body.** The governing
55.17 body of any health maintenance organization which is a <u>nonprofit</u> corporation may include
55.18 enrollees, providers, or other individuals; provided, however, that after a health maintenance
55.19 organization which is a <u>nonprofit</u> corporation has been authorized under sections 62D.01
55.20 to 62D.30 for one year, at least 40 percent of the governing body shall be composed of
55.21 enrollees and members elected by the enrollees and members from among the enrollees and
55.22 members. For purposes of this section, "member" means a consumer who receives health
55.23 care services through a self-insured contract that is administered by the health maintenance
55.24 organization or its related third-party administrator. The number of members elected to the
55.25 governing body shall not exceed the number of enrollees elected to the governing body. An
55.26 enrollee or member elected to the governing board may not be a person:

55.27 (1) whose occupation involves, or before retirement involved, the administration of
55.28 health activities or the provision of health services;

55.29 (2) who is or was employed by a health care facility as a licensed health professional;
55.30 or

56.1 (3) who has or had a direct substantial financial or managerial interest in the rendering
56.2 of a health service, other than the payment of a reasonable expense reimbursement or
56.3 compensation as a member of the board of a health maintenance organization.

56.4 After a health maintenance organization which is a local governmental unit has been
56.5 authorized under sections 62D.01 to 62D.30 for one year, an enrollee advisory body shall
56.6 be established. The enrollees who make up this advisory body shall be elected by the enrollees
56.7 from among the enrollees.

56.8 Sec. 10. **[62D.085] TRANSACTION OVERSIGHT.**

56.9 Subdivision 1. **Insurance provisions applicable to health maintenance**
56.10 **organizations.** (a) Health maintenance organizations are subject to sections 60A.135,
56.11 60A.136, 60A.137, 60A.16, 60A.161, 60D.17, 60D.18, and 60D.20 and must comply with
56.12 the provisions of these sections applicable to insurers. For purposes of applying these sections
56.13 to health maintenance organizations, "commissioner" means the commissioner of health.

56.14 (b) Health maintenance organizations are subject to all regulations implementing sections
56.15 60D.17, 60D.18, and 60D.20 in Minnesota Rules, chapter 2720, and must comply with the
56.16 provisions of sections 60D.17, 60D.18, and 60D.20 applicable to insurers, unless the
56.17 commissioner of health adopts rules to implement this subdivision.

56.18 Subd. 2. **Notice on transfers.** No person may acquire all or substantially all of the assets
56.19 of a domestic nonprofit health maintenance organization through any means unless, at the
56.20 time the agreement is entered into, the person has filed with the commissioner and has sent
56.21 to the health maintenance organization a statement containing the information required by
56.22 section 60D.17, including its implementing regulations, and the agreement and acquisition
56.23 have been approved by the commissioner of health in the manner prescribed for regulatory
56.24 approval in section 60D.17. The acquisition of assets subject to this subdivision must be
56.25 treated as an acquisition of control for purposes of applying section 60D.17 and its
56.26 implementing regulations to this subdivision.

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

56.28 Sec. 11. **[62D.1071] COVERAGE OF LICENSED PHARMACIST SERVICES.**

56.29 Subdivision 1. **Pharmacist.** All benefits provided by a health maintenance contract
56.30 relating to expenses incurred for medical treatment or services provided by a licensed
56.31 physician must include services provided by a licensed pharmacist to the extent a licensed
56.32 pharmacist's services are within the pharmacist's scope of practice.

57.1 Subd. 2. **Denial of benefits.** When paying claims for enrollees in Minnesota, a health
57.2 maintenance organization must not deny payment for medical services covered by an
57.3 enrollee's health maintenance contract if the services are lawfully performed by a licensed
57.4 pharmacist.

57.5 Subd. 3. **Medication therapy management.** This section does not apply to or affect
57.6 the coverage or reimbursement for medication therapy management services under section
57.7 62Q.676 or 256B.0625, subdivisions 5, 13h, and 28a.

57.8 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health
57.9 plans offered, issued, or renewed on or after that date.

57.10 Sec. 12. Minnesota Statutes 2022, section 62D.19, is amended to read:

57.11 **62D.19 UNREASONABLE EXPENSES.**

57.12 No health maintenance organization shall incur or pay for any expense of any nature
57.13 which is unreasonably high in relation to the value of the service or goods provided. The
57.14 commissioner of health shall implement and enforce this section by rules adopted under
57.15 this section.

57.16 In an effort to achieve the stated purposes of sections 62D.01 to 62D.30, in order to
57.17 safeguard the underlying nonprofit status of health maintenance organizations, and in order
57.18 to ensure that the payment of health maintenance organization money to major participating
57.19 entities results in a corresponding benefit to the health maintenance organization and its
57.20 enrollees, when determining whether an organization has incurred an unreasonable expense
57.21 in relation to a major participating entity, due consideration shall be given to, in addition
57.22 to any other appropriate factors, whether the officers and trustees of the health maintenance
57.23 organization have acted with good faith and in the best interests of the health maintenance
57.24 organization in entering into, and performing under, a contract under which the health
57.25 maintenance organization has incurred an expense. The commissioner has standing to sue,
57.26 on behalf of a health maintenance organization, officers or trustees of the health maintenance
57.27 organization who have breached their fiduciary duty in entering into and performing such
57.28 contracts.

57.29 Sec. 13. Minnesota Statutes 2022, section 62D.20, subdivision 1, is amended to read:

57.30 Subdivision 1. **Rulemaking.** The commissioner of health may, pursuant to chapter 14,
57.31 promulgate such reasonable rules as are necessary or proper to carry out the provisions of
57.32 sections 62D.01 to 62D.30. Included among such rules shall be those which provide minimum

requirements for the provision of comprehensive health maintenance services, as defined in section 62D.02, subdivision 7, and reasonable exclusions therefrom. ~~Nothing in such rules shall force or require a health maintenance organization to provide elective, induced abortions, except as medically necessary to prevent the death of the mother, whether performed in a hospital, other abortion facility, or the office of a physician; the rules shall provide every health maintenance organization the option of excluding or including elective, induced abortions, except as medically necessary to prevent the death of the mother, as part of its comprehensive health maintenance services.~~

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to health plans offered, sold, issued, or renewed on or after that date.

Sec. 14. Minnesota Statutes 2022, section 62D.22, subdivision 5, is amended to read:

Subd. 5. **Other state law.** Except as otherwise provided in sections 62A.01 to 62A.42 and 62D.01 to 62D.30, ~~and except as they eliminate elective, induced abortions, wherever performed, from health or maternity benefits,~~ provisions of the insurance laws and provisions of nonprofit health service plan corporation laws shall not be applicable to any health maintenance organization granted a certificate of authority under sections 62D.01 to 62D.30.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to health plans offered, sold, issued, or renewed on or after that date.

Sec. 15. Minnesota Statutes 2022, section 62E.02, subdivision 3, is amended to read:

Subd. 3. **Health maintenance organization.** "Health maintenance organization" means a nonprofit corporation licensed and operated as provided in chapter 62D.

Sec. 16. Minnesota Statutes 2022, section 62Q.097, is amended by adding a subdivision to read:

Subd. 3. **Prohibited application questions.** An application for provider credentialing must not:

(1) require the provider to disclose past health conditions;

(2) require the provider to disclose current health conditions, if the provider is being treated so that the condition does not affect the provider's ability to practice medicine; or

(3) require the disclosure of any health conditions that would not affect the provider's ability to practice medicine in a competent, safe, and ethical manner.

59.1 **EFFECTIVE DATE.** This section applies to applications for provider credentialing
59.2 submitted to a health plan company on or after January 1, 2025.

59.3 Sec. 17. Minnesota Statutes 2022, section 62Q.14, is amended to read:

59.4 **62Q.14 RESTRICTIONS ON ENROLLEE SERVICES.**

59.5 No health plan company may restrict the choice of an enrollee as to where the enrollee
59.6 receives services related to:

59.7 (1) the voluntary planning of the conception and bearing of children~~, provided that this~~
59.8 ~~clause does not refer to abortion services~~;

59.9 (2) the diagnosis of infertility;

59.10 (3) the testing and treatment of a sexually transmitted disease; and

59.11 (4) the testing for AIDS or other HIV-related conditions.

59.12 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health
59.13 plans offered, sold, issued, or renewed on or after that date.

59.14 Sec. 18. Minnesota Statutes 2023 Supplement, section 62Q.473, is amended by adding a
59.15 subdivision to read:

59.16 Subd. 3. **Reimbursement.** (a) The commissioner of commerce must reimburse health
59.17 plans for coverage under this section. This subdivision does not apply to coverage provided
59.18 by health plans to public health care program enrollees under chapters 256B and 256L.
59.19 Reimbursement is available only for coverage that would not have been provided by the
59.20 health plan without the requirements of this section. Treatments and services covered by
59.21 the health plan as of January 1, 2023, are ineligible for payment under this subdivision by
59.22 the commissioner of commerce.

59.23 (b) Health plan companies must report to the commissioner of commerce quantified
59.24 costs attributable to the additional benefit under this section in a format developed by the
59.25 commissioner. A health plan's coverage as of January 1, 2023, must be used by the health
59.26 plan company as the basis for determining whether coverage would not have been provided
59.27 by the health plan for purposes of this subdivision.

59.28 (c) The commissioner of commerce must evaluate submissions and make payments to
59.29 health plans as provided in Code of Federal Regulations, title 45, section 155.170.

59.30 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health
59.31 plans offered, issued, or renewed on or after that date.

Sec. 19. Minnesota Statutes 2023 Supplement, section 62Q.473, is amended by adding a subdivision to read:

Subd. 4. **Appropriation.** Each fiscal year, an amount necessary to make payments to health plans to defray the cost of providing coverage under this section is appropriated to the commissioner of commerce.

EFFECTIVE DATE. This section is effective January 1, 2025, and applies to health plans offered, issued, or renewed on or after that date.

Sec. 20. Minnesota Statutes 2023 Supplement, section 62Q.522, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

~~(b) "Closely held for-profit entity" means an entity that:~~

~~(1) is not a nonprofit entity;~~

~~(2) has more than 50 percent of the value of its ownership interest owned directly or indirectly by five or fewer owners; and~~

~~(3) has no publicly traded ownership interest.~~

~~For purposes of this paragraph:~~

~~(i) ownership interests owned by a corporation, partnership, limited liability company, estate, trust, or similar entity are considered owned by that entity's shareholders, partners, members, or beneficiaries in proportion to their interest held in the corporation, partnership, limited liability company, estate, trust, or similar entity;~~

~~(ii) ownership interests owned by a nonprofit entity are considered owned by a single owner;~~

~~(iii) ownership interests owned by all individuals in a family are considered held by a single owner. For purposes of this item, "family" means brothers and sisters, including half-brothers and half-sisters, a spouse, ancestors, and lineal descendants; and~~

~~(iv) if an individual or entity holds an option, warrant, or similar right to purchase an ownership interest, the individual or entity is considered to be the owner of those ownership interests.~~

~~(c)~~ (b) "Contraceptive method" means a drug, device, or other product approved by the Food and Drug Administration to prevent unintended pregnancy.

~~(d)~~ (c) "Contraceptive service" means consultation, examination, procedures, and medical services related to the prevention of unintended pregnancy, excluding vasectomies. This includes but is not limited to voluntary sterilization procedures, patient education, counseling on contraceptives, and follow-up services related to contraceptive methods or services, management of side effects, counseling for continued adherence, and device insertion or removal.

~~(e) "Eligible organization" means an organization that opposes providing coverage for some or all contraceptive methods or services on account of religious objections and that is:~~

~~(1) organized as a nonprofit entity and holds itself out to be religious; or~~

~~(2) organized and operates as a closely held for-profit entity, and the organization's owners or highest governing body has adopted, under the organization's applicable rules of governance and consistent with state law, a resolution or similar action establishing that the organization objects to covering some or all contraceptive methods or services on account of the owners' sincerely held religious beliefs.~~

~~(f) "Exempt organization" means an organization that is organized and operates as a nonprofit entity and meets the requirements of section 6033(a)(3)(A)(i) or (iii) of the Internal Revenue Code of 1986, as amended.~~

~~(g)~~ (d) "Medical necessity" includes but is not limited to considerations such as severity of side effects, difference in permanence and reversibility of a contraceptive method or service, and ability to adhere to the appropriate use of the contraceptive method or service, as determined by the attending provider.

~~(h)~~ (e) "Therapeutic equivalent version" means a drug, device, or product that can be expected to have the same clinical effect and safety profile when administered to a patient under the conditions specified in the labeling, and that:

(1) is approved as safe and effective;

(2) is a pharmaceutical equivalent: (i) containing identical amounts of the same active drug ingredient in the same dosage form and route of administration; and (ii) meeting compendial or other applicable standards of strength, quality, purity, and identity;

(3) is bioequivalent in that:

(i) the drug, device, or product does not present a known or potential bioequivalence problem and meets an acceptable in vitro standard; or

62.1 (ii) if the drug, device, or product does present a known or potential bioequivalence
62.2 problem, it is shown to meet an appropriate bioequivalence standard;

62.3 (4) is adequately labeled; and

62.4 (5) is manufactured in compliance with current manufacturing practice regulations.

62.5 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health
62.6 plans offered, sold, issued, or renewed on or after that date.

62.7 Sec. 21. **[62Q.524] COVERAGE OF ABORTIONS AND ABORTION-RELATED**
62.8 **SERVICES.**

62.9 Subdivision 1. **Definition.** For purposes of this section, "abortion" means any medical
62.10 treatment intended to induce the termination of a pregnancy with a purpose other than
62.11 producing a live birth.

62.12 Subd. 2. **Required coverage.** (a) A health plan must provide coverage for abortions and
62.13 abortion-related services, including preabortion services and follow-up services.

62.14 (b) A health plan must not impose on the coverage under this section any co-payment,
62.15 coinsurance, deductible, or other enrollee cost-sharing that is greater than the cost-sharing
62.16 that applies to similar services covered under the health plan.

62.17 (c) A health plan must not impose any limitation on the coverage under this section,
62.18 including but not limited to any utilization review, prior authorization, referral requirements,
62.19 restrictions, or delays, that is not generally applicable to other coverages under the plan.

62.20 Subd. 3. **Exclusion.** This section does not apply to managed care organizations or
62.21 county-based purchasing plans when the plan provides coverage to public health care
62.22 program enrollees under chapter 256B or 256L.

62.23 Subd. 4. **Reimbursement.** (a) The commissioner of commerce must reimburse health
62.24 plans for coverage under this section. Reimbursement is available only for coverage that
62.25 would not have been provided by the health plan without the requirements of this section.
62.26 Treatments and services covered by the health plan as of January 1, 2024, are ineligible for
62.27 payment under this subdivision by the commissioner of commerce.

62.28 (b) Health plan companies must report to the commissioner of commerce quantified
62.29 costs attributable to the additional benefit under this section in a format developed by the
62.30 commissioner. A health plan's coverage as of January 1, 2024, must be used by the health
62.31 plan company as the basis for determining whether coverage would not have been provided
62.32 by the health plan for purposes of this subdivision.

63.1 (c) The commissioner of commerce must evaluate submissions and make payments to
63.2 health plans as provided in Code of Federal Regulations, title 45, section 155.170.

63.3 Subd. 5. **Appropriation.** Each fiscal year, an amount necessary to make payments to
63.4 health plans to defray the cost of providing coverage under this section is appropriated to
63.5 the commissioner of commerce.

63.6 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health
63.7 plans offered, sold, issued, or renewed on or after that date.

63.8 Sec. 22. **[62Q.585] GENDER-AFFIRMING CARE COVERAGE; MEDICALLY**
63.9 **NECESSARY CARE.**

63.10 Subdivision 1. **Requirement.** No health plan that covers physical or mental health
63.11 services may be offered, sold, issued, or renewed in this state that:

63.12 (1) excludes coverage for medically necessary gender-affirming care; or

63.13 (2) requires gender-affirming treatments to satisfy a definition of "medically necessary
63.14 care," "medical necessity," or any similar term that is more restrictive than the definition
63.15 provided in subdivision 2.

63.16 Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the
63.17 meanings given.

63.18 (b) "Gender-affirming care" means all medical, surgical, counseling, or referral services,
63.19 including telehealth services, that an individual may receive to support and affirm the
63.20 individual's gender identity or gender expression and that are legal under the laws of this
63.21 state.

63.22 (c) "Health plan" has the meaning given in section 62Q.01, subdivision 3, but includes
63.23 the coverages listed in section 62A.011, subdivision 3, clauses (7) and (10).

63.24 (d) "Medically necessary care" means health care services appropriate in terms of type,
63.25 frequency, level, setting, and duration to the enrollee's diagnosis or condition and diagnostic
63.26 testing and preventive services. Medically necessary care must be consistent with generally
63.27 accepted practice parameters as determined by health care providers in the same or similar
63.28 general specialty as typically manages the condition, procedure, or treatment at issue and
63.29 must:

63.30 (1) help restore or maintain the enrollee's health; or

63.31 (2) prevent deterioration of the enrollee's condition.

64.1 **EFFECTIVE DATE.** This section is effective January 1, 2025.

64.2 Sec. 23. **[62Q.665] COVERAGE FOR ORTHOTIC AND PROSTHETIC DEVICES.**

64.3 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
64.4 the meanings given.

64.5 (b) "Accredited facility" means any entity that is accredited to provide comprehensive
64.6 orthotic or prosthetic devices or services by a Centers for Medicare and Medicaid Services
64.7 approved accrediting agency.

64.8 (c) "Orthosis" means:

64.9 (1) an external medical device that is:

64.10 (i) custom-fabricated or custom-fitted to a specific patient based on the patient's unique
64.11 physical condition;

64.12 (ii) applied to a part of the body to correct a deformity, provide support and protection,
64.13 restrict motion, improve function, or relieve symptoms of a disease, syndrome, injury, or
64.14 postoperative condition; and

64.15 (iii) deemed medically necessary by a prescribing physician or licensed health care
64.16 provider who has authority in Minnesota to prescribe orthotic and prosthetic devices, supplies,
64.17 and services; and

64.18 (2) any provision, repair, or replacement of a device that is furnished or performed by:

64.19 (i) an accredited facility in comprehensive orthotic services; or

64.20 (ii) a health care provider licensed in Minnesota and operating within the provider's
64.21 scope of practice which allows the provider to provide orthotic or prosthetic devices, supplies,
64.22 or services.

64.23 (d) "Orthotics" means:

64.24 (1) the science and practice of evaluating, measuring, designing, fabricating, assembling,
64.25 fitting, adjusting, or servicing and providing the initial training necessary to accomplish the
64.26 fitting of an orthotic device for the support, correction, or alleviation of a neuromuscular
64.27 or musculoskeletal dysfunction, disease, injury, or deformity;

64.28 (2) evaluation, treatment, and consultation related to an orthotic device;

64.29 (3) basic observation of gait and postural analysis;

65.1 (4) assessing and designing orthosis to maximize function and provide support and
65.2 alignment necessary to prevent or correct a deformity or to improve the safety and efficiency
65.3 of mobility and locomotion;

65.4 (5) continuing patient care to assess the effect of an orthotic device on the patient's
65.5 tissues; and

65.6 (6) proper fit and function of the orthotic device by periodic evaluation.

65.7 (e) "Prosthesis" means:

65.8 (1) an external medical device that is:

65.9 (i) used to replace or restore a missing limb, appendage, or other external human body
65.10 part; and

65.11 (ii) deemed medically necessary by a prescribing physician or licensed health care
65.12 provider who has authority in Minnesota to prescribe orthotic and prosthetic devices, supplies,
65.13 and services; and

65.14 (2) any provision, repair, or replacement of a device that is furnished or performed by:

65.15 (i) an accredited facility in comprehensive prosthetic services; or

65.16 (ii) a health care provider licensed in Minnesota and operating within the provider's
65.17 scope of practice which allows the provider to provide orthotic or prosthetic devices, supplies,
65.18 or services.

65.19 (f) "Prosthetics" means:

65.20 (1) the science and practice of evaluating, measuring, designing, fabricating, assembling,
65.21 fitting, aligning, adjusting, or servicing, as well as providing the initial training necessary
65.22 to accomplish the fitting of, a prosthesis through the replacement of external parts of a
65.23 human body lost due to amputation or congenital deformities or absences;

65.24 (2) the generation of an image, form, or mold that replicates the patient's body segment
65.25 and that requires rectification of dimensions, contours, and volumes for use in the design
65.26 and fabrication of a socket to accept a residual anatomic limb to, in turn, create an artificial
65.27 appendage that is designed either to support body weight or to improve or restore function
65.28 or anatomical appearance, or both;

65.29 (3) observational gait analysis and clinical assessment of the requirements necessary to
65.30 refine and mechanically fix the relative position of various parts of the prosthesis to maximize
65.31 function, stability, and safety of the patient;

66.1 (4) providing and continuing patient care in order to assess the prosthetic device's effect
66.2 on the patient's tissues; and

66.3 (5) assuring proper fit and function of the prosthetic device by periodic evaluation.

66.4 Subd. 2. **Coverage.** (a) A health plan must provide coverage for orthotic and prosthetic
66.5 devices, supplies, and services, including repair and replacement, at least equal to the
66.6 coverage provided under federal law for health insurance for the aged and disabled under
66.7 sections 1832, 1833, and 1834 of the Social Security Act, United States Code, title 42,
66.8 sections 1395k, 1395l, and 1395m, but only to the extent consistent with this section.

66.9 (b) A health plan must not subject orthotic and prosthetic benefits to separate financial
66.10 requirements that apply only with respect to those benefits. A health plan may impose
66.11 co-payment and coinsurance amounts on those benefits, except that any financial
66.12 requirements that apply to such benefits must not be more restrictive than the financial
66.13 requirements that apply to the health plan's medical and surgical benefits, including those
66.14 for internal restorative devices.

66.15 (c) A health plan may limit the benefits for, or alter the financial requirements for,
66.16 out-of-network coverage of prosthetic and orthotic devices, except that the restrictions and
66.17 requirements that apply to those benefits must not be more restrictive than the financial
66.18 requirements that apply to the out-of-network coverage for the health plan's medical and
66.19 surgical benefits.

66.20 (d) A health plan must cover orthoses and prostheses when furnished under an order by
66.21 a prescribing physician or licensed health care prescriber who has authority in Minnesota
66.22 to prescribe orthoses and prostheses, and that coverage for orthotic and prosthetic devices,
66.23 supplies, accessories, and services must include those devices or device systems, supplies,
66.24 accessories, and services that are customized to the covered individual's needs.

66.25 (e) A health plan must cover orthoses and prostheses determined by the enrollee's provider
66.26 to be the most appropriate model that meets the medical needs of the enrollee for purposes
66.27 of performing physical activities, as applicable, including but not limited to running, biking,
66.28 and swimming, and maximizing the enrollee's limb function.

66.29 (f) A health plan must cover orthoses and prostheses for showering or bathing.

66.30 Subd. 3. **Prior authorization.** A health plan may require prior authorization for orthotic
66.31 and prosthetic devices, supplies, and services in the same manner and to the same extent as
66.32 prior authorization is required for any other covered benefit.

67.1 Subd. 4. **Reimbursement.** (a) The commissioner of commerce must reimburse health
67.2 plans for coverage under this section. This subdivision does not apply to coverage provided
67.3 by health plans to public health care program enrollees under chapters 256B and 256L.
67.4 Reimbursement is available only for coverage that would not have been provided by the
67.5 health plan without the requirements of this section. Treatments and services covered by
67.6 the health plan as of January 1, 2024, are ineligible for payment under this subdivision by
67.7 the commissioner of commerce.

67.8 (b) Health plan companies must report to the commissioner of commerce quantified
67.9 costs attributable to the additional benefit under this section in a format developed by the
67.10 commissioner. A health plan's coverage as of January 1, 2024, must be used by the health
67.11 plan company as the basis for determining whether coverage would not have been provided
67.12 by the health plan for purposes of this subdivision.

67.13 (c) The commissioner of commerce must evaluate submissions and make payments to
67.14 health plans as provided in Code of Federal Regulations, title 45, section 155.170.

67.15 Subd. 5. **Appropriation.** Each fiscal year, an amount necessary to make payments to
67.16 health plans to defray the cost of providing coverage under this section is appropriated to
67.17 the commissioner of commerce.

67.18 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to all health
67.19 plans offered, issued, or renewed on or after that date.

67.20 Sec. 24. **[62Q.6651] MEDICAL NECESSITY AND NONDISCRIMINATION**
67.21 **STANDARDS FOR COVERAGE OF PROSTHETICS OR ORTHOTICS.**

67.22 (a) When performing a utilization review for a request for coverage of prosthetic or
67.23 orthotic benefits, a health plan company shall apply the most recent version of evidence-based
67.24 treatment and fit criteria as recognized by relevant clinical specialists.

67.25 (b) A health plan company shall render utilization review determinations in a
67.26 nondiscriminatory manner and shall not deny coverage for habilitative or rehabilitative
67.27 benefits, including prosthetics or orthotics, solely on the basis of an enrollee's actual or
67.28 perceived disability.

67.29 (c) A health plan company shall not deny a prosthetic or orthotic benefit for an individual
67.30 with limb loss or absence that would otherwise be covered for a nondisabled person seeking
67.31 medical or surgical intervention to restore or maintain the ability to perform the same
67.32 physical activity.

68.1 (d) A health plan offered, issued, or renewed in Minnesota that offers coverage for
68.2 prosthetics and custom orthotic devices shall include language describing an enrollee's rights
68.3 pursuant to paragraphs (b) and (c) in its evidence of coverage and any benefit denial letters.

68.4 (e) A health plan that provides coverage for prosthetic or orthotic services shall ensure
68.5 access to medically necessary clinical care and to prosthetic and custom orthotic devices
68.6 and technology from not less than two distinct prosthetic and custom orthotic providers in
68.7 the plan's provider network located in Minnesota. In the event that medically necessary
68.8 covered orthotics and prosthetics are not available from an in-network provider, the health
68.9 plan company shall provide processes to refer a member to an out-of-network provider and
68.10 shall fully reimburse the out-of-network provider at a mutually agreed upon rate less member
68.11 cost sharing determined on an in-network basis.

68.12 (f) If coverage for prosthetic or custom orthotic devices is provided, payment shall be
68.13 made for the replacement of a prosthetic or custom orthotic device or for the replacement
68.14 of any part of the devices, without regard to continuous use or useful lifetime restrictions,
68.15 if an ordering health care provider determines that the provision of a replacement device,
68.16 or a replacement part of a device, is necessary because:

68.17 (1) of a change in the physiological condition of the patient;

68.18 (2) of an irreparable change in the condition of the device or in a part of the device; or

68.19 (3) the condition of the device, or the part of the device, requires repairs and the cost of
68.20 the repairs would be more than 60 percent of the cost of a replacement device or of the part
68.21 being replaced.

68.22 (g) Confirmation from a prescribing health care provider may be required if the prosthetic
68.23 or custom orthotic device or part being replaced is less than three years old.

68.24 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to all health
68.25 plans offered, issued, or renewed on or after that date.

68.26 Sec. 25. **[62Q.666] INTERMITTENT CATHETERS.**

68.27 Subdivision 1. **Required coverage.** A health plan must provide coverage for intermittent
68.28 urinary catheters and insertion supplies if intermittent catheterization is recommended by
68.29 the enrollee's health care provider. At least 180 intermittent catheters per month with insertion
68.30 supplies must be covered unless a lesser amount is prescribed by the enrollee's health care
68.31 provider. A health plan providing coverage under the medical assistance program may be
68.32 required to provide coverage for more than 180 intermittent catheters per month with
68.33 insertion supplies.

69.1 Subd. 2. **Cost-sharing requirements.** A health plan is prohibited from imposing a
69.2 deductible, co-payment, coinsurance, or other restriction on intermittent catheters and
69.3 insertion supplies that the health plan does not apply to durable medical equipment in general.

69.4 **EFFECTIVE DATE.** This section is effective for any health plan issued or renewed
69.5 on or after January 1, 2025.

69.6 Sec. 26. **[62Q.679] RELIGIONS OBJECTIONS.**

69.7 Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

69.8 (b) "Closely held for-profit entity" means an entity that is not a nonprofit entity, has
69.9 more than 50 percent of the value of its ownership interest owned directly or indirectly by
69.10 five or fewer owners, and has no publicly traded ownership interest. For purposes of this
69.11 paragraph:

69.12 (1) ownership interests owned by a corporation, partnership, limited liability company,
69.13 estate, trust, or similar entity are considered owned by that entity's shareholders, partners,
69.14 members, or beneficiaries in proportion to their interest held in the corporation, partnership,
69.15 limited liability company, estate, trust, or similar entity;

69.16 (2) ownership interests owned by a nonprofit entity are considered owned by a single
69.17 owner;

69.18 (3) ownership interests owned by all individuals in a family are considered held by a
69.19 single owner. For purposes of this item, "family" means brothers and sisters including
69.20 half-brothers and half-sisters, a spouse, ancestors, and lineal descendants; and

69.21 (4) if an individual or entity holds an option, warrant, or similar right to purchase an
69.22 ownership interest, the individual or entity is considered to be the owner of those ownership
69.23 interests.

69.24 (c) "Eligible organization" means an organization that opposes providing coverage under
69.25 section 62Q.522, 62Q.524, or 62Q.585 on account of religious objections and that is:

69.26 (1) organized as a nonprofit entity and holds itself out to be religious; or

69.27 (2) organized and operates as a closely held for-profit entity, and the organization's
69.28 owners or highest governing body has adopted, under the organization's applicable rules of
69.29 governance and consistent with state law, a resolution or similar action establishing that the
69.30 organization objects to covering some or all health benefits under section 62Q.522, 62Q.524,
69.31 or 62Q.585 on account of the owners' sincerely held religious beliefs.

70.1 (d) "Exempt organization" means an organization that is organized and operates as a
70.2 nonprofit entity and meets the requirements of section 6033(a)(3)(A)(i) or (iii) of the Internal
70.3 Revenue Code of 1986, as amended.

70.4 Subd. 2. **Exemption.** (a) An exempt organization is not required to provide coverage
70.5 under section 62Q.522, 62Q.524, or 62Q.585 if the exempt organization has religious
70.6 objections to the coverage. An exempt organization that chooses to not provide coverage
70.7 pursuant to this paragraph must notify employees as part of the hiring process and to all
70.8 employees at least 30 days before:

70.9 (1) an employee enrolls in the health plan; or

70.10 (2) the effective date of the health plan, whichever occurs first.

70.11 (b) If the exempt organization provides partial coverage under section 62Q.522, 62Q.524,
70.12 or 62Q.585, the notice required under paragraph (a) must provide a list of the portions of
70.13 the coverage that the organization refuses to cover.

70.14 Subd. 3. **Accommodation for eligible organizations.** (a) A health plan established or
70.15 maintained by an eligible organization complies with the coverage requirements of sections
70.16 62Q.522, 62Q.524, and 62Q.585, with respect to the health benefits identified in the notice
70.17 under this paragraph, if the eligible organization provides notice to any health plan company
70.18 the eligible organization contracts with that it is an eligible organization and that the eligible
70.19 organization has a religious objection to coverage for all or a subset of the health benefits
70.20 under sections 62Q.522, 62Q.524, and 62Q.585.

70.21 (b) The notice from an eligible organization to a health plan company under paragraph
70.22 (a) must include: (1) the name of the eligible organization; (2) a statement that the eligible
70.23 organization objects to coverage for some or all of the health benefits under sections 62Q.522,
70.24 62Q.524, and 62Q.585, including a list of the health benefits the eligible organization objects
70.25 to, if applicable; and (3) the health plan name. The notice must be executed by a person
70.26 authorized to provide notice on behalf of the eligible organization.

70.27 (c) An eligible organization must provide a copy of the notice under paragraph (a) to
70.28 prospective employees as part of the hiring process and to all employees at least 30 days
70.29 before:

70.30 (1) an employee enrolls in the health plan; or

70.31 (2) the effective date of the health plan, whichever occurs first.

71.1 (d) A health plan company that receives a copy of the notice under paragraph (a) with
71.2 respect to a health plan established or maintained by an eligible organization must, for all
71.3 future enrollments in the health plan:

71.4 (1) expressly exclude coverage for those health benefits identified in the notice under
71.5 paragraph (a) from the health plan; and

71.6 (2) provide separate payments for any health benefits required to be covered under
71.7 sections 62Q.522, 62Q.524, and 62Q.585 for an enrollee as long as the enrollee remains
71.8 enrolled in the health plan.

71.9 (e) The health plan company must not impose any cost-sharing requirements, including
71.10 co-pays, deductibles, or coinsurance, or directly or indirectly impose any premium, fee, or
71.11 other charge for the health benefits under section 62Q.522 on the enrollee. The health plan
71.12 company must not directly or indirectly impose any premium, fee, or other charge for the
71.13 health benefits under section 62Q.522, 62Q.524, or 62Q.585 on the eligible organization
71.14 or health plan.

71.15 (f) On January 1, 2025, and every year thereafter a health plan company must notify the
71.16 commissioner, in a manner determined by the commissioner, of the number of eligible
71.17 organizations granted an accommodation under this subdivision.

71.18 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health
71.19 plans offered, sold, issued, or renewed on or after that date.

71.20 Sec. 27. **[214.41] PHYSICIAN WELLNESS PROGRAM.**

71.21 Subdivision 1. **Definition.** For the purposes of this section, "physician wellness program"
71.22 means a program of evaluation, counseling, or other modality to address an issue related to
71.23 career fatigue or wellness related to work stress for physicians licensed under chapter 147
71.24 that is administered by a statewide association that is exempt from taxation under United
71.25 States Code, title 26, section 501(c)(6), and that primarily represents physicians and
71.26 osteopaths of multiple specialties. Physician wellness program does not include the provision
71.27 of services intended to monitor for impairment under the authority of section 214.31.

71.28 Subd. 2. **Confidentiality.** Any record of a person's participation in a physician wellness
71.29 program is confidential and not subject to discovery, subpoena, or a reporting requirement
71.30 to the applicable board, unless the person voluntarily provides for written release of the
71.31 information or the disclosure is required to meet the licensee's obligation to report according
71.32 to section 147.111.

72.1 Subd. 3. **Civil liability.** Any person, agency, institution, facility, or organization employed
72.2 by, contracting with, or operating a physician wellness program is immune from civil liability
72.3 for any action related to their duties in connection with a physician wellness program when
72.4 acting in good faith.

72.5 Sec. 28. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 3a, is
72.6 amended to read:

72.7 Subd. 3a. **Gender-affirming services.** Medical assistance covers gender-affirming
72.8 ~~services~~ care, as defined in section 62Q.585.

72.9 **EFFECTIVE DATE.** This section is effective January 1, 2025.

72.10 Sec. 29. Minnesota Statutes 2022, section 256B.0625, subdivision 12, is amended to read:

72.11 Subd. 12. **Eyeglasses~~, dentures, and prosthetic and orthotic devices~~.** ~~(a)~~ Medical
72.12 assistance covers eyeglasses~~, dentures, and prosthetic and orthotic devices~~ if prescribed by
72.13 a licensed practitioner.

72.14 ~~(b) For purposes of prescribing prosthetic and orthotic devices, "licensed practitioner"~~
72.15 ~~includes a physician, an advanced practice registered nurse, a physician assistant, or a~~
72.16 ~~podiatrist.~~

72.17 **EFFECTIVE DATE.** This section is effective January 1, 2025.

72.18 Sec. 30. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 16, is
72.19 amended to read:

72.20 Subd. 16. **Abortion services.** Medical assistance covers ~~abortion services determined~~
72.21 ~~to be medically necessary by the treating provider and delivered in accordance with all~~
72.22 ~~applicable Minnesota laws~~ abortions and abortion-related services, including preabortion
72.23 services and follow-up services.

72.24 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,
72.25 whichever is later. The commissioner of human services shall notify the revisor of statutes
72.26 when federal approval is obtained.

72.27 Sec. 31. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision
72.28 to read:

72.29 Subd. 72. **Orthotic and prosthetic devices.** Medical assistance covers orthotic and
72.30 prosthetic devices, supplies, and services according to section 256B.066.

73.1 **EFFECTIVE DATE.** This section is effective January 1, 2025.

73.2 Sec. 32. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision
73.3 to read:

73.4 Subd. 73. **Scalp hair prostheses.** Medical assistance covers scalp hair prostheses
73.5 prescribed for hair loss suffered as a result of treatment for cancer. Medical assistance must
73.6 meet the requirements that would otherwise apply to a health plan under section 62A.28,
73.7 except for the limitation on coverage required per benefit year set forth in section 62A.28,
73.8 subdivision 2, paragraph (c).

73.9 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to all policies,
73.10 plans, certificates, and contracts offered, issued, or renewed on or after that date.

73.11 Sec. 33. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision
73.12 to read:

73.13 Subd. 74. **Intermittent catheters.** Medical assistance covers intermittent urinary catheters
73.14 and insertion supplies if intermittent catheterization is recommended by the enrollee's health
73.15 care provider. Medical assistance must meet the requirements that would otherwise apply
73.16 to a health plan under section 62Q.666.

73.17 Sec. 34. **[256B.066] ORTHOTIC AND PROSTHETIC DEVICES, SUPPLIES, AND**
73.18 **SERVICES.**

73.19 Subdivision 1. **Definitions.** All terms used in this section have the meanings given them
73.20 in section 62Q.665, subdivision 1.

73.21 Subd. 2. **Coverage requirements.** (a) Medical assistance covers orthotic and prosthetic
73.22 devices, supplies, and services:

73.23 (1) furnished under an order by a prescribing physician or licensed health care prescriber
73.24 who has authority in Minnesota to prescribe orthoses and prostheses. Coverage for orthotic
73.25 and prosthetic devices, supplies, accessories, and services under this clause includes those
73.26 devices or device systems, supplies, accessories, and services that are customized to the
73.27 enrollee's needs;

73.28 (2) determined by the enrollee's provider to be the most appropriate model that meets
73.29 the medical needs of the enrollee for purposes of performing physical activities, as applicable,
73.30 including but not limited to running, biking, and swimming, and maximizing the enrollee's
73.31 limb function; or

74.1 (3) for showering or bathing.

74.2 (b) The coverage set forth in paragraph (a) includes the repair and replacement of those
74.3 orthotic and prosthetic devices, supplies, and services described therein.

74.4 (c) Coverage of a prosthetic or orthotic benefit must not be denied for an individual with
74.5 limb loss or absence that would otherwise be covered for a nondisabled person seeking
74.6 medical or surgical intervention to restore or maintain the ability to perform the same
74.7 physical activity.

74.8 (d) If coverage for prosthetic or custom orthotic devices is provided, payment must be
74.9 made for the replacement of a prosthetic or custom orthotic device or for the replacement
74.10 of any part of the devices, without regard to useful lifetime restrictions, if an ordering health
74.11 care provider determines that the provision of a replacement device, or a replacement part
74.12 of a device, is necessary because:

74.13 (1) of a change in the physiological condition of the enrollee;

74.14 (2) of an irreparable change in the condition of the device or in a part of the device; or

74.15 (3) the condition of the device, or the part of the device, requires repairs and the cost of
74.16 the repairs would be more than 60 percent of the cost of a replacement device or of the part
74.17 being replaced.

74.18 Subd. 3. **Restrictions on coverage.** (a) Prior authorization may be required for orthotic
74.19 and prosthetic devices, supplies, and services.

74.20 (b) A utilization review for a request for coverage of prosthetic or orthotic benefits must
74.21 apply the most recent version of evidence-based treatment and fit criteria as recognized by
74.22 relevant clinical specialists.

74.23 (c) Utilization review determinations must be rendered in a nondiscriminatory manner
74.24 and shall not deny coverage for habilitative or rehabilitative benefits, including prosthetics
74.25 or orthotics, solely on the basis of an enrollee's actual or perceived disability.

74.26 (d) Evidence of coverage and any benefit denial letters must include language describing
74.27 an enrollee's rights pursuant to paragraphs (b) and (c).

74.28 (e) Confirmation from a prescribing health care provider may be required if the prosthetic
74.29 or custom orthotic device or part being replaced is less than three years old.

74.30 Subd. 4. **Managed care plan access to care.** (a) Managed care plans and county-based
74.31 purchasing plans subject to this section must ensure access to medically necessary clinical

75.1 care and to prosthetic and custom orthotic devices and technology from at least two distinct
75.2 prosthetic and custom orthotic providers in the plan's provider network located in Minnesota.

75.3 (b) In the event that medically necessary covered orthotics and prosthetics are not
75.4 available from an in-network provider, the plan must provide processes to refer an enrollee
75.5 to an out-of-network provider and must fully reimburse the out-of-network provider at a
75.6 mutually agreed upon rate less enrollee cost sharing determined on an in-network basis.

75.7 **EFFECTIVE DATE.** This section is effective January 1, 2025.

75.8 Sec. 35. Minnesota Statutes 2022, section 317A.811, subdivision 1, is amended to read:

75.9 Subdivision 1. **When required.** (a) Except as provided in subdivision 6, the following
75.10 corporations shall notify the attorney general of their intent to dissolve, merge, consolidate,
75.11 or convert, or to transfer all or substantially all of their assets:

75.12 (1) a corporation that holds assets for a charitable purpose as defined in section 501B.35,
75.13 subdivision 2; or

75.14 (2) a corporation that is exempt under section 501(c)(3) of the Internal Revenue Code
75.15 of 1986, or any successor section.

75.16 (b) Except as provided in subdivision 6, the following corporations shall notify the
75.17 attorney general of their intent to dissolve, merge, consolidate, convert, or transfer at least
75.18 ten percent of their assets:

75.19 (1) a corporation that is a nonprofit health service plan corporation operating under
75.20 chapter 62C; or

75.21 (2) a corporation that is a health maintenance organization operating under chapter 62D.

75.22 ~~(b)~~ (c) The notice must include:

75.23 (1) the purpose of the corporation that is giving the notice;

75.24 (2) a list of assets owned or held by the corporation for charitable purposes;

75.25 (3) a description of restricted assets and purposes for which the assets were received;

75.26 (4) a description of debts, obligations, and liabilities of the corporation;

75.27 (5) a description of tangible assets being converted to cash and the manner in which
75.28 they will be sold;

75.29 (6) anticipated expenses of the transaction, including attorney fees;

76.1 (7) a list of persons to whom assets will be transferred, if known, or the name of the
76.2 converted organization;

76.3 (8) the purposes of persons receiving the assets or of the converted organization; and

76.4 (9) the terms, conditions, or restrictions, if any, to be imposed on the transferred or
76.5 converted assets.

76.6 The notice must be signed on behalf of the corporation by an authorized person.

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

76.8 Sec. 36. Minnesota Statutes 2022, section 317A.811, subdivision 2, is amended to read:

76.9 Subd. 2. **Restriction on transfers.** (a) Subject to subdivision 3, a corporation described
76.10 in subdivision 1, paragraph (a), may not transfer or convey assets as part of a dissolution,
76.11 merger, consolidation, or transfer of assets under section 317A.661, and it may not convert
76.12 until 45 days after it has given written notice to the attorney general, unless the attorney
76.13 general waives all or part of the waiting period.

76.14 (b) Subject to subdivision 3, a corporation described in subdivision 1, paragraph (b),
76.15 may not transfer or convey assets as part of a dissolution, merger, consolidation, transfer
76.16 of assets under section 317A.661, or transfer of at least ten percent of its assets and it may
76.17 not convert until 45 days after it has given written notice to the attorney general, unless the
76.18 attorney general waives all or part of the waiting period.

76.19 (c) For a notice given by a corporation described in subdivision 1, paragraph (b), the
76.20 attorney general may hold a public hearing with respect to the purpose for which the
76.21 corporation gave the notice. If the attorney general elects to hold a public hearing, the
76.22 attorney general must give at least seven days' notice of the hearing to the corporation filing
76.23 the statement and to the public.

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

76.25 Sec. 37. Minnesota Statutes 2022, section 317A.811, subdivision 4, is amended to read:

76.26 Subd. 4. **Notice after transfer.** When all or substantially all of the assets of a corporation
76.27 described in subdivision 1, paragraph (a), or at least ten percent of the assets of a corporation
76.28 described in subdivision 1, paragraph (b), have been transferred or conveyed following
76.29 expiration or waiver of the waiting period, the board shall deliver to the attorney general a
76.30 list of persons to whom the assets were transferred or conveyed. The list must include the
76.31 addresses of each person who received assets and show what assets the person received.

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

77.2 Sec. 38. **COMMISSIONER OF COMMERCE.**

77.3 The commissioner of commerce shall consult with health plan companies, pharmacies,
77.4 and pharmacy benefit managers to develop guidance to implement coverage for the pharmacy
77.5 services required by sections 2, 3, and 11.

77.6 Sec. 39. **TRANSITION.**

77.7 (a) A health maintenance organization that has a certificate of authority under Minnesota
77.8 Statutes, chapter 62D, but that is not a nonprofit corporation organized under Minnesota
77.9 Statutes, chapter 317A, or a local governmental unit, as defined in Minnesota Statutes,
77.10 section 62D.02, subdivision 11:

77.11 (1) must not offer, sell, issue, or renew any health maintenance contracts on or after
77.12 August 1, 2024;

77.13 (2) may otherwise continue to operate as a health maintenance organization until
77.14 December 31, 2025; and

77.15 (3) must provide notice to the health maintenance organization's enrollees as of August
77.16 1, 2024, of the date the health maintenance organization will cease to operate in this state
77.17 and any plans to transition enrollee coverage to another insurer. This notice must be provided
77.18 by October 1, 2024.

77.19 (b) The commissioner of health must not issue or renew a certificate of authority to
77.20 operate as a health maintenance organization on or after August 1, 2024, unless the entity
77.21 seeking the certificate of authority meets the requirements for a health maintenance
77.22 organization under Minnesota Statutes, chapter 62D, in effect on or after August 1, 2024.

77.23 Sec. 40. **REPEALER.**

77.24 (a) Minnesota Statutes 2022, section 62A.041, subdivision 3, is repealed.

77.25 (b) Minnesota Statutes 2023 Supplement, section 62Q.522, subdivisions 3 and 4, are
77.26 repealed.

77.27 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to health
77.28 plans offered, sold, issued, or renewed on or after that date.

ARTICLE 5

DEPARTMENT OF HEALTH

Section 1. Minnesota Statutes 2022, section 103I.621, subdivision 1, is amended to read:

Subdivision 1. **Permit.** (a) Notwithstanding any department or agency rule to the contrary, the commissioner shall issue, on request by the owner of the property and payment of the permit fee, permits for the reinjection of water by a properly constructed well into the same aquifer from which the water was drawn for the operation of a groundwater thermal exchange device.

(b) As a condition of the permit, an applicant must agree to allow inspection by the commissioner during regular working hours for department inspectors.

(c) Not more than 200 permits may be issued for small systems having maximum capacities of 20 gallons per minute or less and that are compliant with the natural resource water-use requirements under subdivision 2. ~~The small systems are subject to inspection twice a year.~~

(d) Not more than ~~ten~~ 100 permits may be issued for larger systems having maximum capacities ~~from~~ over 20 ~~to 50~~ gallons per minute and that are compliant with the natural resource water-use requirements under subdivision 2. ~~The larger systems are subject to inspection four times a year.~~

(e) A person issued a permit must comply with this section ~~for the permit to be valid.~~ and permit conditions deemed necessary to protect public health and safety of the groundwater, which conditions may include but are not limited to:

(1) notification to the commissioner at intervals specified in the permit conditions;

(2) system operation and maintenance;

(3) system location and construction;

(4) well location and construction;

(5) signage requirements;

(6) reports of system construction, performance, operation, and maintenance;

(7) removal of the system upon termination of use or failure;

(8) disclosure of the system at the time of property transfer;

(9) requirements to obtain approval from the commissioner prior to deviation from the approval plan and conditions;

79.1 (10) groundwater level monitoring; and

79.2 (11) groundwater quality monitoring.

79.3 (f) The property owner or the property owner's agent must submit to the commissioner
79.4 a permit application on a form provided by the commissioner, or in a format approved by
79.5 the commissioner, that provides any information necessary to protect public health and
79.6 safety of the groundwater.

79.7 (g) A permit granted under this section is not valid if a water-use permit is required for
79.8 the project and is not approved by the commissioner of natural resources.

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

79.10 Sec. 2. Minnesota Statutes 2022, section 103I.621, subdivision 2, is amended to read:

79.11 Subd. 2. **Water-use requirements apply.** Water-use permit requirements and penalties
79.12 under chapter ~~103F~~ 103G and related rules adopted and enforced by the commissioner of
79.13 natural resources apply to groundwater thermal exchange permit recipients. A person who
79.14 violates a provision of this section is subject to enforcement or penalties for the noncomplying
79.15 activity that are available to the commissioner and the Pollution Control Agency.

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

79.17 Sec. 3. Minnesota Statutes 2023 Supplement, section 144.1501, subdivision 1, is amended
79.18 to read:

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

79.21 (b) "Advanced dental therapist" means an individual who is licensed as a dental therapist
79.22 under section 150A.06, and who is certified as an advanced dental therapist under section
79.23 150A.106.

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

79.26 (d) "Dental therapist" means an individual who is licensed as a dental therapist under
79.27 section 150A.06.

79.28 (e) "Dentist" means an individual who is licensed to practice dentistry.

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

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

~~(h) "Hospital nurse" means an individual who is licensed as a registered nurse and who is providing direct patient care in a nonprofit hospital setting.~~

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

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

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

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

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

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

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

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

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

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

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

81.1 ~~(t)~~ (s) "Underserved urban community" means a Minnesota urban area or population
81.2 included in the list of designated primary medical care health professional shortage areas
81.3 (HPSAs), medically underserved areas (MUAs), or medically underserved populations
81.4 (MUPs) maintained and updated by the United States Department of Health and Human
81.5 Services.

81.6 Sec. 4. Minnesota Statutes 2023 Supplement, section 144.1501, subdivision 2, is amended
81.7 to read:

81.8 Subd. 2. **~~Creation of account~~ Availability.** (a) ~~A health professional education loan~~
81.9 ~~forgiveness program account is established.~~ The commissioner of health shall use money
81.10 ~~from the account to establish a~~ appropriated for health professional education loan forgiveness
81.11 ~~program~~ in this section:

81.12 (1) for medical residents, mental health professionals, and alcohol and drug counselors
81.13 agreeing to practice in designated rural areas or underserved urban communities or
81.14 specializing in the area of pediatric psychiatry;

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

81.18 (3) for nurses who agree to practice in a Minnesota nursing home; in an intermediate
81.19 care facility for persons with developmental disability; in a hospital if the hospital owns
81.20 and operates a Minnesota nursing home and a minimum of 50 percent of the hours worked
81.21 by the nurse is in the nursing home; in an assisted living facility as defined in section
81.22 144G.08, subdivision 7; or for a home care provider as defined in section 144A.43,
81.23 subdivision 4; or agree to teach at least 12 credit hours, or 720 hours per year in the nursing
81.24 field in a postsecondary program at the undergraduate level or the equivalent at the graduate
81.25 level;

81.26 (4) for other health care technicians agreeing to teach at least 12 credit hours, or 720
81.27 hours per year in their designated field in a postsecondary program at the undergraduate
81.28 level or the equivalent at the graduate level. The commissioner, in consultation with the
81.29 Healthcare Education-Industry Partnership, shall determine the health care fields where the
81.30 need is the greatest, including, but not limited to, respiratory therapy, clinical laboratory
81.31 technology, radiologic technology, and surgical technology;

81.32 (5) for pharmacists, advanced dental therapists, dental therapists, and public health nurses
81.33 who agree to practice in designated rural areas; and

82.1 (6) for dentists agreeing to deliver at least 25 percent of the dentist's yearly patient
82.2 encounters to state public program enrollees or patients receiving sliding fee schedule
82.3 discounts through a formal sliding fee schedule meeting the standards established by the
82.4 United States Department of Health and Human Services under Code of Federal Regulations,
82.5 title 42, section 51, chapter 303~~; and~~<u>.</u>

82.6 ~~(7) for nurses employed as a hospital nurse by a nonprofit hospital and providing direct~~
82.7 ~~care to patients at the nonprofit hospital.~~

82.8 (b) Appropriations made ~~to the account~~<u> for health professional education loan forgiveness</u>
82.9 <u>in this section</u> do not cancel and are available until expended, except that at the end of each
82.10 biennium, any remaining balance in the account that is not committed by contract and not
82.11 needed to fulfill existing commitments shall cancel to the fund.

82.12 Sec. 5. Minnesota Statutes 2023 Supplement, section 144.1501, subdivision 3, is amended
82.13 to read:

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

82.16 (1) be a medical or dental resident; a licensed pharmacist; or be enrolled in a training or
82.17 education program to become a dentist, dental therapist, advanced dental therapist, mental
82.18 health professional, alcohol and drug counselor, pharmacist, public health nurse, midlevel
82.19 practitioner, registered nurse, or a licensed practical nurse. The commissioner may also
82.20 consider applications submitted by graduates in eligible professions who are licensed and
82.21 in practice; and

82.22 (2) submit an application to the commissioner of health. ~~A nurse applying under~~
82.23 ~~subdivision 2, paragraph (a), clause (7), must also include proof that the applicant is employed~~
82.24 ~~as a hospital nurse.~~

82.25 (b) An applicant selected to participate must sign a contract to agree to serve a minimum
82.26 three-year full-time service obligation according to subdivision 2, which shall begin no later
82.27 than March 31 following completion of required training, with the exception of:

82.28 (1) a nurse, who must agree to serve a minimum two-year full-time service obligation
82.29 according to subdivision 2, which shall begin no later than March 31 following completion
82.30 of required training;<u> and</u>

82.31 ~~(2) a nurse selected under subdivision 2, paragraph (a), clause (7), who must agree to~~
82.32 ~~continue as a hospital nurse for a minimum two-year service obligation; and~~

83.1 ~~(3)~~ (2) a nurse who agrees to teach according to subdivision 2, paragraph (a), clause (3),
83.2 who must sign a contract to agree to teach for a minimum of two years.

83.3 Sec. 6. Minnesota Statutes 2023 Supplement, section 144.1501, subdivision 4, is amended
83.4 to read:

83.5 Subd. 4. **Loan forgiveness.** (a) The commissioner of health may select applicants each
83.6 year for participation in the loan forgiveness program, within the limits of available funding.
83.7 In considering applications, the commissioner shall give preference to applicants who
83.8 document diverse cultural competencies. The commissioner shall distribute available funds
83.9 for loan forgiveness proportionally among the eligible professions according to the vacancy
83.10 rate for each profession in the required geographic area, facility type, teaching area, patient
83.11 group, or specialty type specified in subdivision 2~~, except for hospital nurses~~. The
83.12 commissioner shall allocate funds for physician loan forgiveness so that 75 percent of the
83.13 funds available are used for rural physician loan forgiveness and 25 percent of the funds
83.14 available are used for underserved urban communities and pediatric psychiatry loan
83.15 forgiveness. If the commissioner does not receive enough qualified applicants each year to
83.16 use the entire allocation of funds for any eligible profession, the remaining funds may be
83.17 allocated proportionally among the other eligible professions according to the vacancy rate
83.18 for each profession in the required geographic area, patient group, or facility type specified
83.19 in subdivision 2. Applicants are responsible for securing their own qualified educational
83.20 loans. The commissioner shall select participants based on their suitability for practice
83.21 serving the required geographic area or facility type specified in subdivision 2, as indicated
83.22 by experience or training. The commissioner shall give preference to applicants closest to
83.23 completing their training. Except as specified in paragraph ~~(c)~~ (b), for each year that a
83.24 participant meets the service obligation required under subdivision 3, up to a maximum of
83.25 four years, the commissioner shall make annual disbursements directly to the participant
83.26 equivalent to 15 percent of the average educational debt for indebted graduates in their
83.27 profession in the year closest to the applicant's selection for which information is available,
83.28 not to exceed the balance of the participant's qualifying educational loans. Before receiving
83.29 loan repayment disbursements and as requested, the participant must complete and return
83.30 to the commissioner a confirmation of practice form provided by the commissioner verifying
83.31 that the participant is practicing as required under subdivisions 2 and 3. The participant
83.32 must provide the commissioner with verification that the full amount of loan repayment
83.33 disbursement received by the participant has been applied toward the designated loans.
83.34 After each disbursement, verification must be received by the commissioner and approved
83.35 before the next loan repayment disbursement is made. Participants who move their practice

remain eligible for loan repayment as long as they practice as required under subdivision 2.

~~(b) For hospital nurses, the commissioner of health shall select applicants each year for participation in the hospital nursing education loan forgiveness program, within limits of available funding for hospital nurses. Before receiving the annual loan repayment disbursement, the participant must complete and return to the commissioner a confirmation of practice form provided by the commissioner, verifying that the participant continues to meet the eligibility requirements under subdivision 3. The participant must provide the commissioner with verification that the full amount of loan repayment disbursement received by the participant has been applied toward the designated loans.~~

~~(c)~~ <u>(b)</u> For each year that a participant who is a nurse and who has agreed to teach according to subdivision 2 meets the teaching obligation required in subdivision 3, the commissioner shall make annual disbursements directly to the participant equivalent to 15 percent of the average annual educational debt for indebted graduates in the nursing profession in the year closest to the participant's selection for which information is available, not to exceed the balance of the participant's qualifying educational loans.

Sec. 7. Minnesota Statutes 2022, section 144.1501, subdivision 5, is amended to read:

Subd. 5. **Penalty for nonfulfillment.** If a participant does not fulfill the required minimum commitment of service according to subdivision 3, the commissioner of health shall collect from the participant the total amount paid to the participant under the loan forgiveness program plus interest at a rate established according to section 270C.40. The commissioner shall deposit the money collected in ~~the health care access fund to be credited to~~ <u>a dedicated account in the special revenue fund. The balance of the account is appropriated annually to the commissioner for</u> the health professional education loan forgiveness program ~~account~~ established in subdivision 2. The commissioner shall allow waivers of all or part of the money owed the commissioner as a result of a nonfulfillment penalty if emergency circumstances prevented fulfillment of the minimum service commitment.

Sec. 8. <u>**[144.1512] HOSPITAL NURSING EDUCATIONAL LOAN FORGIVENESS PROGRAM.**</u>

<u>Subdivision 1.</u> <u>**Definitions.**</u> <u>(a) For purposes of this section, the following definitions apply.</u>

85.1 (b) "Emergency circumstances" means those conditions that make it impossible for the
85.2 participant to fulfill the service commitment, including death, total and permanent disability,
85.3 or temporary disability lasting more than two years.

85.4 (c) "Hospital nurse" means an individual who is licensed as a registered nurse and who
85.5 is providing direct patient care in a nonprofit hospital setting.

85.6 (d) "Qualified educational loan" means a government, commercial, or foundation loan
85.7 for actual costs paid for tuition, reasonable education expenses, and reasonable living
85.8 expenses related to the graduate or undergraduate education of a health care professional.

85.9 Subd. 2. **Creation of account.** (a) A hospital nursing education loan forgiveness program
85.10 account is established in the special revenue fund. The commissioner of health shall use
85.11 money from the account to establish a loan forgiveness program for licensed registered
85.12 nurses employed as hospital nurses by a nonprofit hospital and who provide direct care to
85.13 patients at the nonprofit hospital.

85.14 (b) Money transferred to or deposited in the account does not cancel and is available
85.15 until expended. The balance of the account is appropriated annually to the commissioner
85.16 for the hospital nursing educational loan forgiveness program.

85.17 Subd. 3. **Eligibility.** (a) To be eligible to participate in the hospital nursing educational
85.18 loan forgiveness program, an individual must: (1) be a hospital nurse who has been employed
85.19 as a hospital nurse for at least three years; (2) submit an application to the commissioner of
85.20 health; and (3) submit proof that the applicant is employed as a hospital nurse and has been
85.21 so employed for at least three years.

85.22 (b) The commissioner must accept a signed work verification form from the applicant's
85.23 supervisor as proof of the applicant's tenure providing direct patient care in a nonprofit
85.24 hospital setting.

85.25 (c) An applicant selected to participate in the loan forgiveness program must sign a
85.26 contract to agree to continue as a hospital nurse for a minimum two-year service obligation.

85.27 Subd. 4. **Loan forgiveness.** (a) Within the limits of available funding, the commissioner
85.28 of health shall select applicants each year for participation in the loan forgiveness program.
85.29 If the total requests from eligible applicants exceeds the available funding, the commissioner
85.30 shall randomly select grantees from among eligible applicants.

85.31 (b) Applicants are responsible for securing their own qualified educational loans.

85.32 (c) For each year that a participant meets the service obligation required under subdivision
85.33 3, up to a maximum of four years, the commissioner shall make annual disbursements

86.1 directly to the participant equivalent to 15 percent of the average educational debt for
86.2 indebted graduates in their profession in the year closest to the applicant's selection for
86.3 which information is available, not to exceed the balance of the participant's qualifying
86.4 educational loans. Before receiving loan repayment disbursements and as requested, the
86.5 participant must complete and return to the commissioner a confirmation of practice form
86.6 provided by the commissioner verifying that the participant is practicing as required under
86.7 subdivisions 2 and 3.

86.8 (d) The participant must provide the commissioner with verification that the full amount
86.9 of loan repayment disbursement received by the participant has been applied toward the
86.10 designated loans. After each disbursement, verification must be received by the commissioner
86.11 and approved before the next loan repayment disbursement is made.

86.12 (e) Participants who move their practice remain eligible for loan repayment as long as
86.13 they practice as required under subdivisions 2 and 3.

86.14 Subd. 5. **Penalty for nonfulfillment.** (a) If a participant does not fulfill the required
86.15 minimum commitment of service according to subdivision 3, the commissioner of health
86.16 shall collect from the participant the total amount paid to the participant under the loan
86.17 forgiveness program. The commissioner shall deposit the money collected from the
86.18 participant in the special revenue fund to be credited to the hospital nursing education loan
86.19 forgiveness program account established in subdivision 2.

86.20 (b) The commissioner shall allow waivers of all or part of the money owed to the
86.21 commissioner as a result of a nonfulfillment penalty if the participant is unable to fulfill the
86.22 minimum service commitment due to emergency circumstances, life changes outside the
86.23 applicant's control, inability to obtain required hours as a result of a scheduling decision by
86.24 the hospital, or other circumstances as determined by the commissioner.

86.25 Subd. 6. **Rules.** The commissioner may adopt rules to implement this section.

86.26 Sec. 9. Minnesota Statutes 2022, section 144.555, subdivision 1a, is amended to read:

86.27 Subd. 1a. **Notice of closing, curtailing operations, relocating services, or ceasing to**
86.28 **offer certain services; hospitals.** (a) The controlling persons of a hospital licensed under
86.29 sections 144.50 to 144.56 or a hospital campus must notify the commissioner of health ~~and~~,
86.30 the public, and others at least ~~120~~ 182 days before the hospital or hospital campus voluntarily
86.31 plans to implement one of the ~~following~~ scheduled actions listed in paragraph (b), unless
86.32 the controlling persons can demonstrate to the commissioner that meeting the advanced
86.33 notice requirement is not feasible and the commissioner approves a shorter advanced notice.

(b) The following scheduled actions require advanced notice under paragraph (a):

(1) ~~cease~~ ceasing operations;

(2) ~~curtail~~ curtailing operations to the extent that patients must be relocated;

(3) ~~relocate~~ relocating the provision of health services to another hospital or another hospital campus; or

(4) ~~cease offering~~ ceasing to offer maternity care and newborn care services, intensive care unit services, inpatient mental health services, or inpatient substance use disorder treatment services.

(c) A notice required under this subdivision must comply with the requirements in subdivision 1d.

~~(b)~~ (d) The commissioner shall cooperate with the controlling persons and advise them about relocating the patients.

Sec. 10. Minnesota Statutes 2022, section 144.555, subdivision 1b, is amended to read:

Subd. 1b. **Public hearing.** Within ~~45~~ 30 days after receiving notice under subdivision 1a, the commissioner shall conduct a public hearing on the scheduled cessation of operations, curtailment of operations, relocation of health services, or cessation in offering health services. The commissioner must provide adequate public notice of the hearing in a time and manner determined by the commissioner. The controlling persons of the hospital or hospital campus must participate in the public hearing. The public hearing must be held at a location that is within ten miles of the hospital or hospital campus or with the commissioner's approval as close as is practicable, and that is provided or arranged by the hospital or hospital campus. Video conferencing technology must be used to allow members of the public to view and participate in the hearing. The public hearing must include:

(1) an explanation by the controlling persons of the reasons for ceasing or curtailing operations, relocating health services, or ceasing to offer any of the listed health services;

(2) a description of the actions that controlling persons will take to ensure that residents in the hospital's or campus's service area have continued access to the health services being eliminated, curtailed, or relocated;

(3) an opportunity for public testimony on the scheduled cessation or curtailment of operations, relocation of health services, or cessation in offering any of the listed health services, and on the hospital's or campus's plan to ensure continued access to those health services being eliminated, curtailed, or relocated; and

88.1 (4) an opportunity for the controlling persons to respond to questions from interested
88.2 persons.

88.3 Sec. 11. Minnesota Statutes 2022, section 144.555, is amended by adding a subdivision
88.4 to read:

88.5 Subd. 1d. **Methods of providing notice; content of notice.** (a) A notice required under
88.6 subdivision 1a must be provided to patients, hospital personnel, the public, local units of
88.7 government, and the commissioner of health using at least the following methods:

88.8 (1) posting a notice of the proposed cessation of operations, curtailment, relocation of
88.9 health services, or cessation in offering health services at the main public entrance of the
88.10 hospital or hospital campus;

88.11 (2) providing written notice to the commissioner of health, to the city council in the city
88.12 where the hospital or hospital campus is located, and to the county board in the county
88.13 where the hospital or hospital campus is located;

88.14 (3) providing written notice to the local health department as defined in section 145A.02,
88.15 subdivision 8b, for the community where the hospital or hospital campus is located;

88.16 (4) providing notice to the public through a written public announcement which must
88.17 be distributed to local media outlets;

88.18 (5) providing written notice to existing patients of the hospital or hospital campus; and

88.19 (6) notifying all personnel currently employed in the unit, hospital, or hospital campus
88.20 impacted by the proposed cessation, curtailment, or relocation.

88.21 (b) A notice required under subdivision 1a must include:

88.22 (1) a description of the proposed cessation of operations, curtailment, relocation of health
88.23 services, or cessation in offering health services. The description must include:

88.24 (i) the number of beds, if any, that will be eliminated, repurposed, reassigned, or otherwise
88.25 reconfigured to serve populations or patients other than those currently served;

88.26 (ii) the current number of beds in the impacted unit, hospital, or hospital campus, and
88.27 the number of beds in the impacted unit, hospital, or hospital campus after the proposed
88.28 cessation, curtailment, or relocation takes place;

88.29 (iii) the number of existing patients who will be impacted by the proposed cessation,
88.30 curtailment, or relocation;

89.1 (iv) any decrease in personnel, or relocation of personnel to a different unit, hospital, or
89.2 hospital campus, caused by the proposed cessation, curtailment, or relocation;

89.3 (v) a description of the health services provided by the unit, hospital, or hospital campus
89.4 impacted by the proposed cessation, curtailment, or relocation; and

89.5 (vi) identification of the three nearest available health care facilities where patients may
89.6 obtain the health services provided by the unit, hospital, or hospital campus impacted by
89.7 the proposed cessation, curtailment, or relocation, and any potential barriers to seamlessly
89.8 transition patients to receive services at one of these facilities. If the unit, hospital, or hospital
89.9 campus impacted by the proposed cessation, curtailment, or relocation serves medical
89.10 assistance or Medicare enrollees, the information required under this item must specify
89.11 whether any of the three nearest available facilities serves medical assistance or Medicare
89.12 enrollees; and

89.13 (2) a telephone number, email address, and address for each of the following, to which
89.14 interested parties may offer comments on the proposed cessation, curtailment, or relocation:

89.15 (i) the hospital or hospital campus; and

89.16 (ii) the parent entity, if any, or the entity under contract, if any, that acts as the corporate
89.17 administrator of the hospital or hospital campus.

89.18 Sec. 12. Minnesota Statutes 2022, section 144.555, subdivision 2, is amended to read:

89.19 Subd. 2. **Penalty; facilities other than hospitals.** Failure to notify the commissioner
89.20 under subdivision 1~~, 1a, or 1c or failure to participate in a public hearing under subdivision~~
89.21 ~~1b~~ may result in issuance of a correction order under section 144.653, subdivision 5.

89.22 Sec. 13. Minnesota Statutes 2022, section 144.555, is amended by adding a subdivision
89.23 to read:

89.24 Subd. 3. **Penalties; hospitals.** (a) Failure to participate in a public hearing under
89.25 subdivision 1b or failure to notify the commissioner under subdivision 1c may result in
89.26 issuance of a correction order under section 144.653, subdivision 5.

89.27 (b) Notwithstanding any law to the contrary, the commissioner must impose on the
89.28 controlling persons of a hospital or hospital campus a fine of $20,000 for each failure to
89.29 provide notice to an individual or entity or at a location required under subdivision 1d,
89.30 paragraph (a). The cumulative fines imposed under this paragraph must not exceed $60,000
89.31 for any scheduled action requiring notice under subdivision 1a. The commissioner is not

90.1 required to issue a correction order before imposing a fine under this paragraph. Section
90.2 144.653, subdivision 8, applies to fines imposed under this paragraph.

90.3 Sec. 14. **[144.556] RIGHT OF FIRST REFUSAL; SALE OF HOSPITAL OR**
90.4 **HOSPITAL CAMPUS.**

90.5 (a) The controlling persons of a hospital licensed under sections 144.50 to 144.56 or a
90.6 hospital campus must not sell or convey the hospital or hospital campus, offer to sell or
90.7 convey the hospital or hospital campus to a person other than a local unit of government
90.8 listed in this paragraph, or voluntarily cease operations of the hospital or hospital campus
90.9 unless the controlling persons have first made a good faith offer to sell or convey the hospital
90.10 or hospital campus to the home rule charter or statutory city, county, town, or hospital
90.11 district in which the hospital or hospital campus is located.

90.12 (b) The offer to sell or convey the hospital or hospital campus to a local unit of
90.13 government under paragraph (a) must be at a price that does not exceed the current fair
90.14 market value of the hospital or hospital campus. A party to whom an offer is made under
90.15 paragraph (a) must accept or decline the offer within 60 days of receipt. If the party to whom
90.16 the offer is made fails to respond within 60 days of receipt, the offer is deemed declined.

90.17 Sec. 15. Minnesota Statutes 2022, section 144A.61, subdivision 3a, is amended to read:

90.18 Subd. 3a. **Competency evaluation program.** (a) The commissioner of health shall
90.19 approve the competency evaluation program.

90.20 (b) A competency evaluation must be administered to persons who desire to be listed
90.21 in the nursing assistant registry. The tests may only be administered by technical colleges,
90.22 community colleges, or other organizations approved by the ~~Department of Health~~
90.23 commissioner of health. The commissioner must ensure any written portions of the
90.24 competency evaluation are available in languages other than English that are commonly
90.25 spoken by persons who desire to be listed in the nursing assistant registry. The commissioner
90.26 may consult with the state demographer or the commissioner of employment and economic
90.27 development when identifying languages that are commonly spoken by persons who desire
90.28 to be listed in the nursing assistant registry.

90.29 (c) The commissioner of health shall approve a nursing assistant for the registry without
90.30 requiring a competency evaluation if the nursing assistant is in good standing on a nursing
90.31 assistant registry in another state.

90.32 **EFFECTIVE DATE.** This section is effective January 1, 2025.

Sec. 16. Minnesota Statutes 2022, section 144A.70, subdivision 3, is amended to read:

Subd. 3. **Controlling person.** "Controlling person" means a business entity or entities, officer, program administrator, or director, whose responsibilities include ~~the direction of the management or policies of a supplemental nursing services agency~~ the management and decision-making authority to establish or control business policy and all other policies of a supplemental nursing services agency. Controlling person also means an individual who, directly or indirectly, beneficially owns an interest in a corporation, partnership, or other business association that is a controlling person.

Sec. 17. Minnesota Statutes 2022, section 144A.70, subdivision 5, is amended to read:

Subd. 5. **Person.** "Person" includes an individual, ~~firm,~~ corporation, partnership, limited liability company, or association.

Sec. 18. Minnesota Statutes 2022, section 144A.70, subdivision 6, is amended to read:

Subd. 6. **Supplemental nursing services agency.** "Supplemental nursing services agency" means a person, ~~firm,~~ corporation, partnership, limited liability company, or association engaged for hire in the business of providing or procuring temporary employment in health care facilities for nurses, nursing assistants, nurse aides, and orderlies. Supplemental nursing services agency does not include an individual who only engages in providing the individual's services on a temporary basis to health care facilities. Supplemental nursing services agency does not include a professional home care agency licensed under section 144A.471 that only provides staff to other home care providers.

Sec. 19. Minnesota Statutes 2022, section 144A.70, subdivision 7, is amended to read:

Subd. 7. **Oversight.** The commissioner is responsible for the oversight of supplemental nursing services agencies through ~~annual~~ semiannual unannounced surveys and follow-up surveys, complaint investigations under sections 144A.51 to 144A.53, and other actions necessary to ensure compliance with sections 144A.70 to 144A.74.

Sec. 20. Minnesota Statutes 2022, section 144A.71, subdivision 2, is amended to read:

Subd. 2. **Application information and fee.** The commissioner shall establish forms and procedures for processing each supplemental nursing services agency registration application. An application for a supplemental nursing services agency registration must include at least the following:

92.1 (1) the names and addresses of the owner or owners all owners and controlling persons
92.2 of the supplemental nursing services agency;

92.3 (2) if the owner is a corporation, copies of its articles of incorporation and current bylaws,
92.4 together with the names and addresses of its officers and directors;

92.5 (3) satisfactory proof of compliance with section 144A.72, subdivision 1, clauses (5) to
92.6 (7) if the owner is a limited liability company, copies of its articles of organization and
92.7 operating agreement, together with the names and addresses of its officers and directors;

92.8 (4) documentation that the supplemental nursing services agency has medical malpractice
92.9 insurance to insure against the loss, damage, or expense of a claim arising out of the death
92.10 or injury of any person as the result of negligence or malpractice in the provision of health
92.11 care services by the supplemental nursing services agency or by any employee of the agency;

92.12 (5) documentation that the supplemental nursing services agency has an employee
92.13 dishonesty bond in the amount of $10,000;

92.14 (6) documentation that the supplemental nursing services agency has insurance coverage
92.15 for workers' compensation for all nurses, nursing assistants, nurse aids, and orderlies provided
92.16 or procured by the agency;

92.17 (7) documentation that the supplemental nursing services agency filed with the
92.18 commissioner of revenue: (i) the name and address of the bank, savings bank, or savings
92.19 association in which the supplemental nursing services agency deposits all employee income
92.20 tax withholdings; and (ii) the name and address of any nurse, nursing assistant, nurse aid,
92.21 or orderly whose income is derived from placement by the agency, if the agency purports
92.22 the income is not subject to withholding;

92.23 (4) (8) any other relevant information that the commissioner determines is necessary to
92.24 properly evaluate an application for registration;

92.25 (5) (9) a policy and procedure that describes how the supplemental nursing services
92.26 agency's records will be immediately available at all times to the commissioner and facility;
92.27 and

92.28 (6) (10) a nonrefundable registration fee of $2,035.

92.29 If a supplemental nursing services agency fails to provide the items in this subdivision
92.30 to the department, the commissioner shall immediately suspend or refuse to issue the
92.31 supplemental nursing services agency registration. The supplemental nursing services agency
92.32 may appeal the commissioner's findings according to section 144A.475, subdivisions 3a

93.1 and 7, except that the hearing must be conducted by an administrative law judge within 60
93.2 calendar days of the request for hearing assignment.

93.3 Sec. 21. Minnesota Statutes 2022, section 144A.71, is amended by adding a subdivision
93.4 to read:

93.5 Subd. 2a. **Renewal applications.** An applicant for registration renewal must complete
93.6 the registration application form supplied by the department. An application must be
93.7 submitted at least 60 days before the expiration of the current registration.

93.8 Sec. 22. **[144A.715] PENALTIES.**

93.9 Subdivision 1. **Authority.** The fines imposed under this section are in accordance with
93.10 section 144.653, subdivision 6.

93.11 Subd. 2. **Fines.** Each violation of sections 144A.70 to 144A.74, not corrected at the time
93.12 of a follow-up survey, is subject to a fine. A fine must be assessed according to the schedules
93.13 established in the sections violated.

93.14 Subd. 3. **Failure to correct.** If, upon a subsequent follow-up survey after a fine has been
93.15 imposed under subdivision 2, a violation is still not corrected, another fine shall be assessed.
93.16 The fine shall be double the amount of the previous fine.

93.17 Subd. 4. **Payment of fines.** Payment of fines is due 15 business days from the registrant's
93.18 receipt of notice of the fine from the department.

93.19 Sec. 23. Minnesota Statutes 2022, section 144A.72, subdivision 1, is amended to read:

93.20 Subdivision 1. **Minimum criteria.** (a) The commissioner shall require that, as a condition
93.21 of registration:

93.22 (1) all owners and controlling persons must complete a background study under section
93.23 144.057 and receive a clearance or set aside of any disqualification;

93.24 ~~(1)~~ (2) the supplemental nursing services agency shall document that each temporary
93.25 employee provided to health care facilities currently meets the minimum licensing, training,
93.26 and continuing education standards for the position in which the employee will be working
93.27 and verifies competency for the position. A violation of this provision may be subject to a
93.28 fine of $3,000;

93.29 ~~(2)~~ (3) the supplemental nursing services agency shall comply with all pertinent
93.30 requirements relating to the health and other qualifications of personnel employed in health
93.31 care facilities;

~~(3)~~ (4) the supplemental nursing services agency must not restrict in any manner the employment opportunities of its employees~~;~~. A violation of this provision may be subject to a fine of $3,000;

~~(4) the supplemental nursing services agency shall carry medical malpractice insurance to insure against the loss, damage, or expense incident to a claim arising out of the death or injury of any person as the result of negligence or malpractice in the provision of health care services by the supplemental nursing services agency or by any employee of the agency;~~

~~(5) the supplemental nursing services agency shall carry an employee dishonesty bond in the amount of $10,000;~~

~~(6) the supplemental nursing services agency shall maintain insurance coverage for workers' compensation for all nurses, nursing assistants, nurse aides, and orderlies provided or procured by the agency;~~

~~(7) the supplemental nursing services agency shall file with the commissioner of revenue: (i) the name and address of the bank, savings bank, or savings association in which the supplemental nursing services agency deposits all employee income tax withholdings; and (ii) the name and address of any nurse, nursing assistant, nurse aide, or orderly whose income is derived from placement by the agency, if the agency purports the income is not subject to withholding;~~

~~(8)~~ (5) the supplemental nursing services agency must not, in any contract with any employee or health care facility, require the payment of liquidated damages, employment fees, or other compensation should the employee be hired as a permanent employee of a health care facility~~;~~. A violation of this provision may be subject to a fine of $3,000;

~~(9)~~ (6) the supplemental nursing services agency shall document that each temporary employee provided to health care facilities is an employee of the agency and is not an independent contractor; and

~~(10)~~ (7) the supplemental nursing services agency shall retain all records for five calendar years. All records of the supplemental nursing services agency must be immediately available to the department.

(b) In order to retain registration, the supplemental nursing services agency must provide services to a health care facility ~~during the year~~ in Minnesota within the past 12 months preceding the supplemental nursing services agency's registration renewal date.

95.1 Sec. 24. Minnesota Statutes 2022, section 144A.73, is amended to read:

95.2 **144A.73 COMPLAINT SYSTEM.**

95.3 The commissioner shall establish a system for reporting complaints against a supplemental
95.4 nursing services agency or its employees. Complaints may be made by any member of the
95.5 public. Complaints against a supplemental nursing services agency shall be investigated by
95.6 the ~~Office of Health Facility Complaints~~ commissioner of health under sections 144A.51
95.7 to 144A.53.

95.8 Sec. 25. Minnesota Statutes 2022, section 148.235, subdivision 10, is amended to read:

95.9 Subd. 10. **Administration of medications by unlicensed personnel in nursing**
95.10 **facilities.** Notwithstanding the provisions of Minnesota Rules, part 4658.1360, subpart 2,
95.11 a graduate of a foreign nursing school who has successfully completed an approved
95.12 competency evaluation under the provisions of section 144A.61 is eligible to administer
95.13 medications in a nursing facility upon completion of ~~a~~ any medication training program for
95.14 unlicensed personnel ~~offered through a postsecondary educational institution, which~~ approved
95.15 by the commissioner of health that meets the requirements specified in Minnesota Rules,
95.16 part 4658.1360, subpart 2, item B, subitems (1) to (6).

95.17 **EFFECTIVE DATE.** This section is effective January 1, 2025.

95.18 Sec. 26. Minnesota Statutes 2022, section 149A.02, subdivision 3, is amended to read:

95.19 Subd. 3. **Arrangements for disposition.** "Arrangements for disposition" means any
95.20 action normally taken by a funeral provider in anticipation of or preparation for the
95.21 entombment, burial in a cemetery, alkaline hydrolysis, ~~or~~ cremation, or, effective July 1,
95.22 2025, natural organic reduction of a dead human body.

95.23 Sec. 27. Minnesota Statutes 2022, section 149A.02, subdivision 16, is amended to read:

95.24 Subd. 16. **Final disposition.** "Final disposition" means the acts leading to and the
95.25 entombment, burial in a cemetery, alkaline hydrolysis, ~~or~~ cremation, or, effective July 1,
95.26 2025, natural organic reduction of a dead human body.

95.27 Sec. 28. Minnesota Statutes 2022, section 149A.02, subdivision 26a, is amended to read:

95.28 Subd. 26a. **Inurnment.** "Inurnment" means placing hydrolyzed or cremated remains in
95.29 a hydrolyzed or cremated remains container suitable for placement, burial, or shipment.

96.1 Effective July 1, 2025, inurnment also includes placing naturally reduced remains in a
96.2 naturally reduced remains container suitable for placement, burial, or shipment.

96.3 Sec. 29. Minnesota Statutes 2022, section 149A.02, subdivision 27, is amended to read:

96.4 Subd. 27. **Licensee.** "Licensee" means any person or entity that has been issued a license
96.5 to practice mortuary science, to operate a funeral establishment, to operate an alkaline
96.6 hydrolysis facility, ~~or~~ to operate a crematory, or, effective July 1, 2025, to operate a natural
96.7 organic reduction facility by the Minnesota commissioner of health.

96.8 Sec. 30. Minnesota Statutes 2022, section 149A.02, is amended by adding a subdivision
96.9 to read:

96.10 Subd. 30b. **Natural organic reduction or naturally reduce.** "Natural organic reduction"
96.11 or "naturally reduce" means the contained, accelerated conversion of a dead human body
96.12 to soil. This subdivision is effective July 1, 2025.

96.13 Sec. 31. Minnesota Statutes 2022, section 149A.02, is amended by adding a subdivision
96.14 to read:

96.15 Subd. 30c. **Natural organic reduction facility.** "Natural organic reduction facility"
96.16 means a structure, room, or other space in a building or real property where natural organic
96.17 reduction of a dead human body occurs. This subdivision is effective July 1, 2025.

96.18 Sec. 32. Minnesota Statutes 2022, section 149A.02, is amended by adding a subdivision
96.19 to read:

96.20 Subd. 30d. **Natural organic reduction vessel.** "Natural organic reduction vessel" means
96.21 the enclosed container in which natural organic reduction takes place. This subdivision is
96.22 effective July 1, 2025.

96.23 Sec. 33. Minnesota Statutes 2022, section 149A.02, is amended by adding a subdivision
96.24 to read:

96.25 Subd. 30e. **Naturally reduced remains.** "Naturally reduced remains" means the soil
96.26 remains following the natural organic reduction of a dead human body and the accompanying
96.27 plant material. This subdivision is effective July 1, 2025.

97.1 Sec. 34. Minnesota Statutes 2022, section 149A.02, is amended by adding a subdivision
97.2 to read:

97.3 Subd. 30f. **Naturally reduced remains container.** "Naturally reduced remains container"
97.4 means a receptacle in which naturally reduced remains are placed. This subdivision is
97.5 effective July 1, 2025.

97.6 Sec. 35. Minnesota Statutes 2022, section 149A.02, subdivision 35, is amended to read:

97.7 Subd. 35. **Processing.** "Processing" means the removal of foreign objects, drying or
97.8 cooling, and the reduction of the hydrolyzed ~~or~~ remains, cremated remains, or, effective
97.9 July 1, 2025, naturally reduced remains by mechanical means including, but not limited to,
97.10 grinding, crushing, or pulverizing, to a granulated appearance appropriate for final disposition
97.11 or the final reduction to naturally reduced remains.

97.12 Sec. 36. Minnesota Statutes 2022, section 149A.02, subdivision 37c, is amended to read:

97.13 Subd. 37c. **Scattering.** "Scattering" means the authorized dispersal of hydrolyzed ~~or~~
97.14 remains, cremated remains, or, effective July 1, 2025, naturally reduced remains in a defined
97.15 area of a dedicated cemetery or in areas where no local prohibition exists provided that the
97.16 hydrolyzed ~~or~~, cremated, or naturally reduced remains are not distinguishable to the public,
97.17 are not in a container, and that the person who has control over disposition of the hydrolyzed
97.18 ~~or~~, cremated, or naturally reduced remains has obtained written permission of the property
97.19 owner or governing agency to scatter on the property.

97.20 Sec. 37. Minnesota Statutes 2022, section 149A.03, is amended to read:

97.21 **149A.03 DUTIES OF COMMISSIONER.**

97.22 The commissioner shall:

97.23 (1) enforce all laws and adopt and enforce rules relating to the:

97.24 (i) removal, preparation, transportation, arrangements for disposition, and final disposition
97.25 of dead human bodies;

97.26 (ii) licensure and professional conduct of funeral directors, morticians, interns, practicum
97.27 students, and clinical students;

97.28 (iii) licensing and operation of a funeral establishment;

97.29 (iv) licensing and operation of an alkaline hydrolysis facility; ~~and~~

97.30 (v) licensing and operation of a crematory; and

98.1 (vi) effective July 1, 2025, licensing and operation of a natural organic reduction facility,
98.2 except that the commissioner may not adopt rules relating to the activities under this item;

98.3 (2) provide copies of the requirements for licensure and permits to all applicants;

98.4 (3) administer examinations and issue licenses and permits to qualified persons and other
98.5 legal entities;

98.6 (4) maintain a record of the name and location of all current licensees and interns;

98.7 (5) perform periodic compliance reviews and premise inspections of licensees;

98.8 (6) accept and investigate complaints relating to conduct governed by this chapter;

98.9 (7) maintain a record of all current preneed arrangement trust accounts;

98.10 (8) maintain a schedule of application, examination, permit, and licensure fees, initial
98.11 and renewal, sufficient to cover all necessary operating expenses;

98.12 (9) educate the public about the existence and content of the laws and rules for mortuary
98.13 science licensing and the removal, preparation, transportation, arrangements for disposition,
98.14 and final disposition of dead human bodies to enable consumers to file complaints against
98.15 licensees and others who may have violated those laws or rules;

98.16 (10) evaluate the laws, rules, and procedures regulating the practice of mortuary science
98.17 in order to refine the standards for licensing and to improve the regulatory and enforcement
98.18 methods used; and

98.19 (11) initiate proceedings to address and remedy deficiencies and inconsistencies in the
98.20 laws, rules, or procedures governing the practice of mortuary science and the removal,
98.21 preparation, transportation, arrangements for disposition, and final disposition of dead
98.22 human bodies.

98.23 Sec. 38. **[149A.56] LICENSE TO OPERATE A NATURAL ORGANIC REDUCTION**
98.24 **FACILITY.**

98.25 Subdivision 1. **License requirement.** This section is effective July 1, 2025. Except as
98.26 provided in section 149A.01, subdivision 3, no person shall maintain, manage, or operate
98.27 a place or premises devoted to or used in the holding and natural organic reduction of a
98.28 dead human body without possessing a valid license to operate a natural organic reduction
98.29 facility issued by the commissioner of health.

98.30 Subd. 2. **Requirements for natural organic reduction facility.** (a) A natural organic
98.31 reduction facility licensed under this section must consist of:

99.1 (1) a building or structure that complies with applicable local and state building codes,
99.2 zoning laws and ordinances, and environmental standards, and that contains one or more
99.3 natural organic reduction vessels for the natural organic reduction of dead human bodies;

99.4 (2) a motorized mechanical device for processing the remains in natural reduction; and

99.5 (3) an appropriate refrigerated holding facility for dead human bodies awaiting natural
99.6 organic reduction.

99.7 (b) A natural organic reduction facility licensed under this section may also contain a
99.8 display room for funeral goods.

99.9 Subd. 3. **Application procedure; documentation; initial inspection.** (a) An applicant
99.10 for a license to operate a natural organic reduction facility shall submit a completed
99.11 application to the commissioner. A completed application includes:

99.12 (1) a completed application form, as provided by the commissioner;

99.13 (2) proof of business form and ownership; and

99.14 (3) proof of liability insurance coverage or other financial documentation, as determined
99.15 by the commissioner, that demonstrates the applicant's ability to respond in damages for
99.16 liability arising from the ownership, maintenance, management, or operation of a natural
99.17 organic reduction facility.

99.18 (b) Upon receipt of the application and appropriate fee, the commissioner shall review
99.19 and verify all information. Upon completion of the verification process and resolution of
99.20 any deficiencies in the application information, the commissioner shall conduct an initial
99.21 inspection of the premises to be licensed. After the inspection and resolution of any
99.22 deficiencies found and any reinspections as may be necessary, the commissioner shall make
99.23 a determination, based on all the information available, to grant or deny licensure. If the
99.24 commissioner's determination is to grant the license, the applicant shall be notified and the
99.25 license shall issue and remain valid for a period prescribed on the license, but not to exceed
99.26 one calendar year from the date of issuance of the license. If the commissioner's determination
99.27 is to deny the license, the commissioner must notify the applicant, in writing, of the denial
99.28 and provide the specific reason for denial.

99.29 Subd. 4. **Nontransferability of license.** A license to operate a natural organic reduction
99.30 facility is not assignable or transferable and shall not be valid for any entity other than the
99.31 one named. Each license issued to operate a natural organic reduction facility is valid only
99.32 for the location identified on the license. A 50 percent or more change in ownership or
99.33 location of the natural organic reduction facility automatically terminates the license. Separate

100.1 licenses shall be required of two or more persons or other legal entities operating from the
100.2 same location.

100.3 Subd. 5. **Display of license.** Each license to operate a natural organic reduction facility
100.4 must be conspicuously displayed in the natural organic reduction facility at all times.
100.5 "Conspicuous display" means in a location where a member of the general public within
100.6 the natural organic reduction facility is able to observe and read the license.

100.7 Subd. 6. **Period of licensure.** All licenses to operate a natural organic reduction facility
100.8 issued by the commissioner are valid for a period of one calendar year beginning on July 1
100.9 and ending on June 30, regardless of the date of issuance.

100.10 Subd. 7. **Reporting changes in license information.** Any change of license information
100.11 must be reported to the commissioner, on forms provided by the commissioner, no later
100.12 than 30 calendar days after the change occurs. Failure to report changes is grounds for
100.13 disciplinary action.

100.14 Subd. 8. **Licensing information.** Section 13.41 applies to data collected and maintained
100.15 by the commissioner pursuant to this section.

100.16 Sec. 39. **[149A.57] RENEWAL OF LICENSE TO OPERATE A NATURAL**
100.17 **ORGANIC REDUCTION FACILITY.**

100.18 Subdivision 1. **Renewal required.** This section is effective July 1, 2025. All licenses
100.19 to operate a natural organic reduction facility issued by the commissioner expire on June
100.20 30 following the date of issuance of the license and must be renewed to remain valid.

100.21 Subd. 2. **Renewal procedure and documentation.** (a) Licensees who wish to renew
100.22 their licenses must submit to the commissioner a completed renewal application no later
100.23 than June 30 following the date the license was issued. A completed renewal application
100.24 includes:

100.25 (1) a completed renewal application form, as provided by the commissioner; and

100.26 (2) proof of liability insurance coverage or other financial documentation, as determined
100.27 by the commissioner, that demonstrates the applicant's ability to respond in damages for
100.28 liability arising from the ownership, maintenance, management, or operation of a natural
100.29 organic reduction facility.

100.30 (b) Upon receipt of the completed renewal application, the commissioner shall review
100.31 and verify the information. Upon completion of the verification process and resolution of
100.32 any deficiencies in the renewal application information, the commissioner shall make a

101.1 determination, based on all the information available, to reissue or refuse to reissue the
101.2 license. If the commissioner's determination is to reissue the license, the applicant shall be
101.3 notified and the license shall issue and remain valid for a period prescribed on the license,
101.4 but not to exceed one calendar year from the date of issuance of the license. If the
101.5 commissioner's determination is to refuse to reissue the license, section 149A.09, subdivision
101.6 2, applies.

101.7 Subd. 3. **Penalty for late filing.** Renewal applications received after the expiration date
101.8 of a license will result in the assessment of a late filing penalty. The late filing penalty must
101.9 be paid before the reissuance of the license and received by the commissioner no later than
101.10 31 calendar days after the expiration date of the license.

101.11 Subd. 4. **Lapse of license.** A license to operate a natural organic reduction facility shall
101.12 automatically lapse when a completed renewal application is not received by the
101.13 commissioner within 31 calendar days after the expiration date of a license, or a late filing
101.14 penalty assessed under subdivision 3 is not received by the commissioner within 31 calendar
101.15 days after the expiration of a license.

101.16 Subd. 5. **Effect of lapse of license.** Upon the lapse of a license, the person to whom the
101.17 license was issued is no longer licensed to operate a natural organic reduction facility in
101.18 Minnesota. The commissioner shall issue a cease and desist order to prevent the lapsed
101.19 license holder from operating a natural organic reduction facility in Minnesota and may
101.20 pursue any additional lawful remedies as justified by the case.

101.21 Subd. 6. **Restoration of lapsed license.** The commissioner may restore a lapsed license
101.22 upon receipt and review of a completed renewal application, receipt of the late filing penalty,
101.23 and reinspection of the premises, provided that the receipt is made within one calendar year
101.24 from the expiration date of the lapsed license and the cease and desist order issued by the
101.25 commissioner has not been violated. If a lapsed license is not restored within one calendar
101.26 year from the expiration date of the lapsed license, the holder of the lapsed license cannot
101.27 be relicensed until the requirements in section 149A.56 are met.

101.28 Subd. 7. **Reporting changes in license information.** Any change of license information
101.29 must be reported to the commissioner, on forms provided by the commissioner, no later
101.30 than 30 calendar days after the change occurs. Failure to report changes is grounds for
101.31 disciplinary action.

101.32 Subd. 8. **Licensing information.** Section 13.41 applies to data collected and maintained
101.33 by the commissioner pursuant to this section.

102.1 Sec. 40. Minnesota Statutes 2022, section 149A.65, is amended by adding a subdivision
102.2 to read:

102.3 Subd. 6a. **Natural organic reduction facilities.** This subdivision is effective July 1,
102.4 2025. The initial and renewal fee for a natural organic reduction facility is $425. The late
102.5 fee charge for a license renewal is $100.

102.6 Sec. 41. Minnesota Statutes 2022, section 149A.70, subdivision 1, is amended to read:

102.7 Subdivision 1. **Use of titles.** Only a person holding a valid license to practice mortuary
102.8 science issued by the commissioner may use the title of mortician, funeral director, or any
102.9 other title implying that the licensee is engaged in the business or practice of mortuary
102.10 science. Only the holder of a valid license to operate an alkaline hydrolysis facility issued
102.11 by the commissioner may use the title of alkaline hydrolysis facility, water cremation,
102.12 water-reduction, biocremation, green-cremation, resomation, dissolution, or any other title,
102.13 word, or term implying that the licensee operates an alkaline hydrolysis facility. Only the
102.14 holder of a valid license to operate a funeral establishment issued by the commissioner may
102.15 use the title of funeral home, funeral chapel, funeral service, or any other title, word, or
102.16 term implying that the licensee is engaged in the business or practice of mortuary science.
102.17 Only the holder of a valid license to operate a crematory issued by the commissioner may
102.18 use the title of crematory, crematorium, green-cremation, or any other title, word, or term
102.19 implying that the licensee operates a crematory or crematorium. Effective July 1, 2025,
102.20 only the holder of a valid license to operate a natural organic reduction facility issued by
102.21 the commissioner may use the title of natural organic reduction facility, human composting,
102.22 or any other title, word, or term implying that the licensee operates a natural organic reduction
102.23 facility.

102.24 Sec. 42. Minnesota Statutes 2022, section 149A.70, subdivision 2, is amended to read:

102.25 Subd. 2. **Business location.** A funeral establishment, alkaline hydrolysis facility, ~~or~~
102.26 crematory, or, effective July 1, 2025, natural organic reduction facility shall not do business
102.27 in a location that is not licensed as a funeral establishment, alkaline hydrolysis facility, ~~or~~
102.28 crematory, or natural organic reduction facility and shall not advertise a service that is
102.29 available from an unlicensed location.

Sec. 43. Minnesota Statutes 2022, section 149A.70, subdivision 3, is amended to read:

Subd. 3. **Advertising.** No licensee, clinical student, practicum student, or intern shall publish or disseminate false, misleading, or deceptive advertising. False, misleading, or deceptive advertising includes, but is not limited to:

(1) identifying, by using the names or pictures of, persons who are not licensed to practice mortuary science in a way that leads the public to believe that those persons will provide mortuary science services;

(2) using any name other than the names under which the funeral establishment, alkaline hydrolysis facility, ~~or~~ crematory, or, effective July 1, 2025, natural organic reduction facility is known to or licensed by the commissioner;

(3) using a surname not directly, actively, or presently associated with a licensed funeral establishment, alkaline hydrolysis facility, ~~or~~ crematory, or, effective July 1, 2025, natural organic reduction facility, unless the surname had been previously and continuously used by the licensed funeral establishment, alkaline hydrolysis facility, ~~or~~ crematory, or natural organic reduction facility; and

(4) using a founding or establishing date or total years of service not directly or continuously related to a name under which the funeral establishment, alkaline hydrolysis facility, ~~or~~ crematory, or, effective July 1, 2025, natural organic reduction facility is currently or was previously licensed.

Any advertising or other printed material that contains the names or pictures of persons affiliated with a funeral establishment, alkaline hydrolysis facility, ~~or~~ crematory, or, effective July 1, 2025, natural organic reduction facility shall state the position held by the persons and shall identify each person who is licensed or unlicensed under this chapter.

Sec. 44. Minnesota Statutes 2022, section 149A.70, subdivision 5, is amended to read:

Subd. 5. **Reimbursement prohibited.** No licensee, clinical student, practicum student, or intern shall offer, solicit, or accept a commission, fee, bonus, rebate, or other reimbursement in consideration for recommending or causing a dead human body to be disposed of by a specific body donation program, funeral establishment, alkaline hydrolysis facility, crematory, mausoleum, ~~or~~ cemetery, or, effective July 1, 2025, natural organic reduction facility.

104.1 Sec. 45. Minnesota Statutes 2022, section 149A.71, subdivision 2, is amended to read:

104.2 Subd. 2. **Preventive requirements.** (a) To prevent unfair or deceptive acts or practices,
104.3 the requirements of this subdivision must be met. This subdivision applies to natural organic
104.4 reduction and naturally reduced remains, goods, and services effective July 1, 2025.

104.5 (b) Funeral providers must tell persons who ask by telephone about the funeral provider's
104.6 offerings or prices any accurate information from the price lists described in paragraphs (c)
104.7 to (e) and any other readily available information that reasonably answers the questions
104.8 asked.

104.9 (c) Funeral providers must make available for viewing to people who inquire in person
104.10 about the offerings or prices of funeral goods or burial site goods, separate printed or
104.11 typewritten price lists using a ten-point font or larger. Each funeral provider must have a
104.12 separate price list for each of the following types of goods that are sold or offered for sale:

104.13 (1) caskets;

104.14 (2) alternative containers;

104.15 (3) outer burial containers;

104.16 (4) alkaline hydrolysis containers;

104.17 (5) cremation containers;

104.18 (6) hydrolyzed remains containers;

104.19 (7) cremated remains containers;

104.20 (8) markers; ~~and~~

104.21 (9) headstones~~.~~; and

104.22 (10) naturally reduced remains containers.

104.23 (d) Each separate price list must contain the name of the funeral provider's place of
104.24 business, address, and telephone number and a caption describing the list as a price list for
104.25 one of the types of funeral goods or burial site goods described in paragraph (c), clauses
104.26 (1) to ~~(9)~~ (10). The funeral provider must offer the list upon beginning discussion of, but
104.27 in any event before showing, the specific funeral goods or burial site goods and must provide
104.28 a photocopy of the price list, for retention, if so asked by the consumer. The list must contain,
104.29 at least, the retail prices of all the specific funeral goods and burial site goods offered which
104.30 do not require special ordering, enough information to identify each, and the effective date
104.31 for the price list. However, funeral providers are not required to make a specific price list

105.1 available if the funeral providers place the information required by this paragraph on the
105.2 general price list described in paragraph (e).

105.3 (e) Funeral providers must give a printed price list, for retention, to persons who inquire
105.4 in person about the funeral goods, funeral services, burial site goods, or burial site services
105.5 or prices offered by the funeral provider. The funeral provider must give the list upon
105.6 beginning discussion of either the prices of or the overall type of funeral service or disposition
105.7 or specific funeral goods, funeral services, burial site goods, or burial site services offered
105.8 by the provider. This requirement applies whether the discussion takes place in the funeral
105.9 establishment or elsewhere. However, when the deceased is removed for transportation to
105.10 the funeral establishment, an in-person request for authorization to embalm does not, by
105.11 itself, trigger the requirement to offer the general price list. If the provider, in making an
105.12 in-person request for authorization to embalm, discloses that embalming is not required by
105.13 law except in certain special cases, the provider is not required to offer the general price
105.14 list. Any other discussion during that time about prices or the selection of funeral goods,
105.15 funeral services, burial site goods, or burial site services triggers the requirement to give
105.16 the consumer a general price list. The general price list must contain the following
105.17 information:

105.18 (1) the name, address, and telephone number of the funeral provider's place of business;

105.19 (2) a caption describing the list as a "general price list";

105.20 (3) the effective date for the price list;

105.21 (4) the retail prices, in any order, expressed either as a flat fee or as the prices per hour,
105.22 mile, or other unit of computation, and other information described as follows:

105.23 (i) forwarding of remains to another funeral establishment, together with a list of the
105.24 services provided for any quoted price;

105.25 (ii) receiving remains from another funeral establishment, together with a list of the
105.26 services provided for any quoted price;

105.27 (iii) separate prices for each alkaline hydrolysis, natural organic reduction, or cremation
105.28 offered by the funeral provider, with the price including an alternative container or alkaline
105.29 hydrolysis facility or cremation container~~,~~; any alkaline hydrolysis, natural organic reduction
105.30 facility, or crematory charges~~,~~; and a description of the services and container included in
105.31 the price, where applicable, and the price of alkaline hydrolysis or cremation where the
105.32 purchaser provides the container;

106.1 (iv) separate prices for each immediate burial offered by the funeral provider, including
106.2 a casket or alternative container, and a description of the services and container included
106.3 in that price, and the price of immediate burial where the purchaser provides the casket or
106.4 alternative container;

106.5 (v) transfer of remains to the funeral establishment or other location;

106.6 (vi) embalming;

106.7 (vii) other preparation of the body;

106.8 (viii) use of facilities, equipment, or staff for viewing;

106.9 (ix) use of facilities, equipment, or staff for funeral ceremony;

106.10 (x) use of facilities, equipment, or staff for memorial service;

106.11 (xi) use of equipment or staff for graveside service;

106.12 (xii) hearse or funeral coach;

106.13 (xiii) limousine; and

106.14 (xiv) separate prices for all cemetery-specific goods and services, including all goods
106.15 and services associated with interment and burial site goods and services and excluding
106.16 markers and headstones;

106.17 (5) the price range for the caskets offered by the funeral provider, together with the
106.18 statement "A complete price list will be provided at the funeral establishment or casket sale
106.19 location." or the prices of individual caskets, as disclosed in the manner described in
106.20 paragraphs (c) and (d);

106.21 (6) the price range for the alternative containers or shrouds offered by the funeral provider,
106.22 together with the statement "A complete price list will be provided at the funeral
106.23 establishment or alternative container sale location." or the prices of individual alternative
106.24 containers, as disclosed in the manner described in paragraphs (c) and (d);

106.25 (7) the price range for the outer burial containers offered by the funeral provider, together
106.26 with the statement "A complete price list will be provided at the funeral establishment or
106.27 outer burial container sale location." or the prices of individual outer burial containers, as
106.28 disclosed in the manner described in paragraphs (c) and (d);

106.29 (8) the price range for the alkaline hydrolysis container offered by the funeral provider,
106.30 together with the statement "A complete price list will be provided at the funeral
106.31 establishment or alkaline hydrolysis container sale location." or the prices of individual

107.1 alkaline hydrolysis containers, as disclosed in the manner described in paragraphs (c) and
107.2 (d);

107.3 (9) the price range for the hydrolyzed remains container offered by the funeral provider,
107.4 together with the statement "A complete price list will be provided at the funeral
107.5 establishment or hydrolyzed remains container sale location." or the prices of individual
107.6 hydrolyzed remains container, as disclosed in the manner described in paragraphs (c) and
107.7 (d);

107.8 (10) the price range for the cremation containers offered by the funeral provider, together
107.9 with the statement "A complete price list will be provided at the funeral establishment or
107.10 cremation container sale location." or the prices of individual cremation containers, as
107.11 disclosed in the manner described in paragraphs (c) and (d);

107.12 (11) the price range for the cremated remains containers offered by the funeral provider,
107.13 together with the statement, "A complete price list will be provided at the funeral
107.14 establishment or cremated remains container sale location," or the prices of individual
107.15 cremation containers as disclosed in the manner described in paragraphs (c) and (d);

107.16 (12) the price range for the naturally reduced remains containers offered by the funeral
107.17 provider, together with the statement, "A complete price list will be provided at the funeral
107.18 establishment or naturally reduced remains container sale location," or the prices of individual
107.19 naturally reduced remains containers as disclosed in the manner described in paragraphs
107.20 (c) and (d);

107.21 ~~(12)~~ (13) the price for the basic services of funeral provider and staff, together with a
107.22 list of the principal basic services provided for any quoted price and, if the charge cannot
107.23 be declined by the purchaser, the statement "This fee for our basic services will be added
107.24 to the total cost of the funeral arrangements you select. (This fee is already included in our
107.25 charges for alkaline hydrolysis, natural organic reduction, direct cremations, immediate
107.26 burials, and forwarding or receiving remains.)" If the charge cannot be declined by the
107.27 purchaser, the quoted price shall include all charges for the recovery of unallocated funeral
107.28 provider overhead, and funeral providers may include in the required disclosure the phrase
107.29 "and overhead" after the word "services." This services fee is the only funeral provider fee
107.30 for services, facilities, or unallocated overhead permitted by this subdivision to be
107.31 nondeclinable, unless otherwise required by law;

107.32 ~~(13)~~ (14) the price range for the markers and headstones offered by the funeral provider,
107.33 together with the statement "A complete price list will be provided at the funeral

108.1 establishment or marker or headstone sale location." or the prices of individual markers and
108.2 headstones, as disclosed in the manner described in paragraphs (c) and (d); and

108.3 ~~(14)~~ (15) any package priced funerals offered must be listed in addition to and following
108.4 the information required in paragraph (e) and must clearly state the funeral goods and
108.5 services being offered, the price being charged for those goods and services, and the
108.6 discounted savings.

108.7 (f) Funeral providers must give an itemized written statement, for retention, to each
108.8 consumer who arranges an at-need funeral or other disposition of human remains at the
108.9 conclusion of the discussion of the arrangements. The itemized written statement must be
108.10 signed by the consumer selecting the goods and services as required in section 149A.80. If
108.11 the statement is provided by a funeral establishment, the statement must be signed by the
108.12 licensed funeral director or mortician planning the arrangements. If the statement is provided
108.13 by any other funeral provider, the statement must be signed by an authorized agent of the
108.14 funeral provider. The statement must list the funeral goods, funeral services, burial site
108.15 goods, or burial site services selected by that consumer and the prices to be paid for each
108.16 item, specifically itemized cash advance items (these prices must be given to the extent then
108.17 known or reasonably ascertainable if the prices are not known or reasonably ascertainable,
108.18 a good faith estimate shall be given and a written statement of the actual charges shall be
108.19 provided before the final bill is paid), and the total cost of goods and services selected. At
108.20 the conclusion of an at-need arrangement, the funeral provider is required to give the
108.21 consumer a copy of the signed itemized written contract that must contain the information
108.22 required in this paragraph.

108.23 (g) Upon receiving actual notice of the death of an individual with whom a funeral
108.24 provider has entered a preneed funeral agreement, the funeral provider must provide a copy
108.25 of all preneed funeral agreement documents to the person who controls final disposition of
108.26 the human remains or to the designee of the person controlling disposition. The person
108.27 controlling final disposition shall be provided with these documents at the time of the
108.28 person's first in-person contact with the funeral provider, if the first contact occurs in person
108.29 at a funeral establishment, alkaline hydrolysis facility, crematory, natural organic reduction
108.30 facility, or other place of business of the funeral provider. If the contact occurs by other
108.31 means or at another location, the documents must be provided within 24 hours of the first
108.32 contact.

109.1 Sec. 46. Minnesota Statutes 2022, section 149A.71, subdivision 4, is amended to read:

109.2 Subd. 4. **Casket, alternate container, alkaline hydrolysis container, naturally reduced**
109.3 **remains container, and cremation container sales; records; required disclosures.** Any
109.4 funeral provider who sells or offers to sell a casket, alternate container, alkaline hydrolysis
109.5 container, hydrolyzed remains container, cremation container, ~~or~~ cremated remains container,
109.6 or, effective July 1, 2025, naturally reduced remains container to the public must maintain
109.7 a record of each sale that includes the name of the purchaser, the purchaser's mailing address,
109.8 the name of the decedent, the date of the decedent's death, and the place of death. These
109.9 records shall be open to inspection by the regulatory agency. Any funeral provider selling
109.10 a casket, alternate container, or cremation container to the public, and not having charge of
109.11 the final disposition of the dead human body, shall provide a copy of the statutes and rules
109.12 controlling the removal, preparation, transportation, arrangements for disposition, and final
109.13 disposition of a dead human body. This subdivision does not apply to morticians, funeral
109.14 directors, funeral establishments, crematories, or wholesale distributors of caskets, alternate
109.15 containers, alkaline hydrolysis containers, or cremation containers.

109.16 Sec. 47. Minnesota Statutes 2022, section 149A.72, subdivision 3, is amended to read:

109.17 Subd. 3. **Casket for alkaline hydrolysis, natural organic reduction, or cremation**
109.18 **provisions; deceptive acts or practices.** In selling or offering to sell funeral goods or
109.19 funeral services to the public, it is a deceptive act or practice for a funeral provider to
109.20 represent that a casket is required for alkaline hydrolysis ~~or~~, cremations, or, effective July
109.21 1, 2025, natural organic reduction by state or local law or otherwise.

109.22 Sec. 48. Minnesota Statutes 2022, section 149A.72, subdivision 9, is amended to read:

109.23 Subd. 9. **Deceptive acts or practices.** In selling or offering to sell funeral goods, funeral
109.24 services, burial site goods, or burial site services to the public, it is a deceptive act or practice
109.25 for a funeral provider to represent that federal, state, or local laws, or particular cemeteries,
109.26 alkaline hydrolysis facilities, ~~or~~ crematories, or, effective July 1, 2025, natural organic
109.27 reduction facilities require the purchase of any funeral goods, funeral services, burial site
109.28 goods, or burial site services when that is not the case.

109.29 Sec. 49. Minnesota Statutes 2022, section 149A.73, subdivision 1, is amended to read:

109.30 Subdivision 1. **Casket for alkaline hydrolysis, natural organic reduction, or cremation**
109.31 **provisions; deceptive acts or practices.** In selling or offering to sell funeral goods, funeral
109.32 services, burial site goods, or burial site services to the public, it is a deceptive act or practice

110.1 for a funeral provider to require that a casket be purchased for alkaline hydrolysis ~~or~~,
110.2 cremation, or, effective July 1, 2025, natural organic reduction.

110.3 Sec. 50. Minnesota Statutes 2022, section 149A.74, subdivision 1, is amended to read:

110.4 Subdivision 1. **Services provided without prior approval; deceptive acts or**
110.5 **practices.** In selling or offering to sell funeral goods or funeral services to the public, it is
110.6 a deceptive act or practice for any funeral provider to embalm a dead human body unless
110.7 state or local law or regulation requires embalming in the particular circumstances regardless
110.8 of any funeral choice which might be made, or prior approval for embalming has been
110.9 obtained from an individual legally authorized to make such a decision. In seeking approval
110.10 to embalm, the funeral provider must disclose that embalming is not required by law except
110.11 in certain circumstances; that a fee will be charged if a funeral is selected which requires
110.12 embalming, such as a funeral with viewing; and that no embalming fee will be charged if
110.13 the family selects a service which does not require embalming, such as direct alkaline
110.14 hydrolysis, direct cremation, ~~or~~ immediate burial, or, effective July 1, 2025, natural organic
110.15 reduction.

110.16 Sec. 51. Minnesota Statutes 2022, section 149A.93, subdivision 3, is amended to read:

110.17 Subd. 3. **Disposition permit.** A disposition permit is required before a body can be
110.18 buried, entombed, alkaline hydrolyzed, ~~or~~ cremated, or, effective July 1, 2025, naturally
110.19 reduced. No disposition permit shall be issued until a fact of death record has been completed
110.20 and filed with the state registrar of vital records.

110.21 Sec. 52. Minnesota Statutes 2022, section 149A.94, subdivision 1, is amended to read:

110.22 Subdivision 1. **Generally.** Every dead human body lying within the state, except
110.23 unclaimed bodies delivered for dissection by the medical examiner, those delivered for
110.24 anatomical study pursuant to section 149A.81, subdivision 2, or lawfully carried through
110.25 the state for the purpose of disposition elsewhere; and the remains of any dead human body
110.26 after dissection or anatomical study, shall be decently buried or entombed in a public or
110.27 private cemetery, alkaline hydrolyzed, ~~or~~ cremated, or, effective July 1, 2025, naturally
110.28 reduced within a reasonable time after death. Where final disposition of a body will not be
110.29 accomplished, or, effective July 1, 2025, when natural organic reduction will not be initiated,
110.30 within 72 hours following death or release of the body by a competent authority with
110.31 jurisdiction over the body, the body must be properly embalmed, refrigerated, or packed
110.32 with dry ice. A body may not be kept in refrigeration for a period exceeding six calendar

days, or packed in dry ice for a period that exceeds four calendar days, from the time of death or release of the body from the coroner or medical examiner.

Sec. 53. Minnesota Statutes 2022, section 149A.94, subdivision 3, is amended to read:

Subd. 3. **Permit required.** No dead human body shall be buried, entombed, or cremated, alkaline hydrolyzed, or, effective July 1, 2025, naturally reduced without a disposition permit. The disposition permit must be filed with the person in charge of the place of final disposition. Where a dead human body will be transported out of this state for final disposition, the body must be accompanied by a certificate of removal.

Sec. 54. Minnesota Statutes 2022, section 149A.94, subdivision 4, is amended to read:

Subd. 4. **Alkaline hydrolysis or, cremation, or natural organic reduction.** Inurnment of alkaline hydrolyzed or remains, cremated remains, or, effective July 1, 2025, naturally reduced remains and release to an appropriate party is considered final disposition and no further permits or authorizations are required for transportation, interment, entombment, or placement of the cremated remains, except as provided in section 149A.95, subdivision 16.

Sec. 55. **[149A.955] NATURAL ORGANIC REDUCTION FACILITIES AND NATURAL ORGANIC REDUCTION.**

Subdivision 1. **License required.** This section is effective July 1, 2025. A dead human body may only undergo natural organic reduction in this state at a natural organic reduction facility licensed by the commissioner of health.

Subd. 2. **General requirements.** Any building to be used as a natural organic reduction facility must comply with all applicable local and state building codes, zoning laws and ordinances, and environmental standards. A natural organic reduction facility must have on site a natural organic reduction system approved by the commissioner and a motorized mechanical device for processing the remains in natural reduction and must have in the building a refrigerated holding facility for the retention of dead human bodies awaiting natural organic reduction. The holding facility must be secure from access by anyone except the authorized personnel of the natural organic reduction facility, preserve the dignity of the remains, and protect the health and safety of the natural organic reduction facility personnel.

Subd. 3. **Aerobic reduction vessel.** A natural organic reduction facility must use as a natural organic reduction vessel a contained reduction vessel that is designed to promote aerobic reduction and that minimizes odors.

112.1 Subd. 4. **Any room where body is prepared.** Any room where the deceased will be
112.2 prepared for natural organic reduction must be properly lit and ventilated with an exhaust
112.3 fan. It must be equipped with a functional sink with hot and cold running water. It must
112.4 have nonporous flooring, such that a sanitary condition is provided. The walls and ceiling
112.5 of the room must run from floor to ceiling and be covered with tile, or by plaster or sheetrock
112.6 painted with washable paint or other appropriate material, such that a sanitary condition is
112.7 provided. The doors, walls, ceiling, and windows must be constructed to prevent odors from
112.8 entering any other part of the building.

112.9 Subd. 5. **Access and privacy.** (a) The room where a licensed mortician prepares a body
112.10 must be private and must not have a general passageway through it. All windows or other
112.11 openings to the outside must be treated in a manner that prevents viewing into the room
112.12 where the deceased will be prepared for natural organic reduction. A viewing window for
112.13 authorized family members or their designees is not a violation of this subdivision.

112.14 (b) The room must, at all times, be secure from the entrance of unauthorized persons.

112.15 (c) For purposes of this section, "authorized persons" are:

112.16 (1) licensed morticians;

112.17 (2) registered interns or students as described in section 149A.91, subdivision 6;

112.18 (3) public officials or representatives in the discharge of their official duties;

112.19 (4) trained natural organic reduction facility operators; and

112.20 (5) the person or persons with the right to control the dead human body as defined in
112.21 section 149A.80, subdivision 2, and their designees.

112.22 (d) Each door allowing ingress or egress must carry a sign that indicates that the room
112.23 is private and access is limited. All authorized persons who are present in or enter the room
112.24 while a body is being prepared for final disposition must be attired according to all applicable
112.25 state and federal regulations regarding the control of infectious disease and occupational
112.26 and workplace health and safety.

112.27 Subd. 6. **Areas for vessels or naturally organic reduction operations.** Any rooms or
112.28 areas where the vessels reside or where any operation takes place involving the handling
112.29 of the vessels or the remains must be ventilated with exhaust fans. The doors, walls, ceiling,
112.30 and windows shall be constructed to prevent odors from entering any other part of the
112.31 building. All windows must be treated in a manner that maintains privacy when the remains
112.32 are handled. A sanitary condition must be provided. Any area where human remains are
112.33 transferred, prepared, or processed must have nonpourous flooring, and the walls and ceiling

113.1 of the rooms must run from floor to ceiling and be covered with tile, or by plaster, sheetrock,
113.2 or concrete painted with washable paint or other appropriate material, such that a sanitary
113.3 condition is provided. Access to the vessel holding area must only be granted to individuals
113.4 outlined in subdivision 5 and to authorized visitors at the discretion of the licensed facility
113.5 under the direct supervision of trained facility staff, provided that such access does not
113.6 violate subdivision 18.

113.7 Subd. 7. **Equipment and supplies.** The natural organic reduction facility must have a
113.8 functional emergency eye wash and quick drench shower.

113.9 Subd. 8. **Sanitary conditions and permitted use.** The room where the deceased will
113.10 be prepared for natural organic reduction, the area where the natural organic reduction
113.11 vessels are located or where the natural organic reduction operations are undertaken, and
113.12 all fixtures, equipment, instruments, receptacles, clothing, and other appliances or supplies
113.13 stored or used in these operations must be maintained in a clean and sanitary condition at
113.14 all times.

113.15 Subd. 9. **Occupational and workplace safety.** All applicable provisions of state and
113.16 federal regulations regarding exposure to workplace hazards and accidents must be followed
113.17 to protect the health and safety of all authorized persons at the natural organic reduction
113.18 facility.

113.19 Subd. 10. **Unlicensed personnel.** A licensed natural organic reduction facility may
113.20 employ unlicensed personnel, provided that all applicable provisions of this chapter are
113.21 followed. It is the duty of the licensed natural organic reduction facility to provide proper
113.22 training for all unlicensed personnel, and the licensed natural organic reduction facility shall
113.23 be strictly accountable for compliance with this chapter and other applicable state and federal
113.24 regulations regarding occupational and workplace health and safety.

113.25 Subd. 11. **Authorization to naturally reduce.** No natural organic reduction facility
113.26 shall naturally reduce or cause to be naturally reduced any dead human body or identifiable
113.27 body part without receiving written authorization to do so from the person or persons who
113.28 have the legal right to control disposition as described in section 149A.80 or the person's
113.29 legal designee. The written authorization must include:

113.30 (1) the name of the deceased and the date of death of the deceased;

113.31 (2) a statement authorizing the natural organic reduction facility to naturally reduce the
113.32 body;

114.1 (3) the name, address, phone number, relationship to the deceased, and signature of the
114.2 person or persons with the legal right to control final disposition or a legal designee;

114.3 (4) directions for the disposition of any non-naturally reduced materials or items recovered
114.4 from the natural organic reduction vessel;

114.5 (5) acknowledgment that some of the remains will be mechanically reduced to a
114.6 granulated appearance and returned to the natural reduction vessel with the remains for final
114.7 reduction; and

114.8 (6) directions for the ultimate disposition of the naturally reduced remains.

114.9 Subd. 12. **Limitation of liability.** The limitations in section 149A.95, subdivision 5,
114.10 apply to natural organic reduction facilities.

114.11 Subd. 13. **Acceptance of delivery of body.** (a) No dead human body shall be accepted
114.12 for final disposition by natural organic reduction unless the body is:

114.13 (1) wrapped in a container, such as a pouch, that is impermeable or leak-resistant;

114.14 (2) accompanied by a disposition permit issued pursuant to section 149A.93, subdivision
114.15 3, including a photocopy of the complete death record or a signed release authorizing natural
114.16 organic reduction received from a coroner or medical examiner; and

114.17 (3) accompanied by a natural organic reduction authorization that complies with
114.18 subdivision 5.

114.19 (b) A natural organic reduction facility shall refuse to accept delivery of the dead human
114.20 body:

114.21 (1) where there is a known dispute concerning natural organic reduction of the body
114.22 delivered;

114.23 (2) where there is a reasonable basis for questioning any of the representations made on
114.24 the written authorization to naturally reduce; or

114.25 (3) for any other lawful reason.

114.26 (c) When a container or pouch containing a dead human body shows evidence of leaking
114.27 bodily fluid, the container or pouch and the body must be returned to the contracting funeral
114.28 establishment, or the body must be transferred to a new container or pouch by a licensed
114.29 mortician.

115.1 (d) If a dead human body is delivered to a natural organic reduction facility in a container
115.2 or pouch that is not suitable for placement in a natural organic reduction vessel, the transfer
115.3 of the body to the vessel must be performed by a licensed mortician.

115.4 Subd. 14. **Bodies awaiting natural organic reduction.** A dead human body must be
115.5 placed in the natural organic reduction vessel to initiate the natural reduction process within
115.6 24 hours after the natural organic reduction facility accepts legal and physical custody of
115.7 the body.

115.8 Subd. 15. **Handling of dead human bodies.** All natural organic reduction facility
115.9 employees handling the containers or pouches for dead human bodies shall use universal
115.10 precautions and otherwise exercise all reasonable precautions to minimize the risk of
115.11 transmitting any communicable disease from the body. No dead human body shall be
115.12 removed from the container or pouch in which it is delivered to the natural organic reduction
115.13 facility without express written authorization of the person or persons with legal right to
115.14 control the disposition and only by a licensed mortician. The remains shall be considered
115.15 a dead human body until after the final reduction. The person or persons with the legal right
115.16 to control the body may be involved with preparation of the body pursuant to section
115.17 149A.01, subdivision 3, paragraph (c).

115.18 Subd. 16. **Identification of the body.** All licensed natural organic reduction facilities
115.19 shall develop, implement, and maintain an identification procedure whereby dead human
115.20 bodies can be identified from the time the natural organic reduction facility accepts delivery
115.21 of the body until the naturally reduced remains are released to an authorized party. After
115.22 natural organic reduction, an identifying disk, tab, or other permanent label shall be placed
115.23 within the naturally reduced remains container or containers before the remains are released
115.24 from the natural organic reduction facility. Each identification disk, tab, or label shall have
115.25 a number that shall be recorded on all paperwork regarding the decedent. This procedure
115.26 shall be designed to reasonably ensure that the proper body is naturally reduced and that
115.27 the remains are returned to the appropriate party. Loss of all or part of the remains or the
115.28 inability to individually identify the remains is a violation of this subdivision.

115.29 Subd. 17. **Natural organic reduction vessel for human remains.** A licensed natural
115.30 organic reduction facility shall knowingly naturally reduce only dead human bodies or
115.31 human remains in a natural organic reduction vessel.

115.32 Subd. 18. **Natural organic reduction procedures; privacy.** The final disposition of
115.33 dead human bodies by natural organic reduction shall be done in privacy. Unless there is
115.34 written authorization from the person with the legal right to control the final disposition,

116.1 only authorized natural organic reduction facility personnel shall be permitted in the natural
116.2 organic reduction area while any human body is awaiting placement or being placed in a
116.3 natural organic reduction vessel, being removed from the vessel, or being processed for
116.4 placement for final reduction. This does not prohibit an in-person laying-in ceremony to
116.5 honor the deceased and the transition prior to the placement.

116.6 Subd. 19. **Natural organic reduction procedures; commingling of bodies**
116.7 **prohibited.** Except with the express written permission of the person with the legal right
116.8 to control the final disposition, no natural organic reduction facility shall naturally reduce
116.9 more than one dead human body at the same time and in the same natural organic reduction
116.10 vessel or introduce a second dead human body into same natural organic reduction vessel
116.11 until reasonable efforts have been employed to remove all fragments of remains from the
116.12 preceding natural organic reduction. This subdivision does not apply where commingling
116.13 of human remains during natural organic reduction is otherwise provided by law. The fact
116.14 that there is incidental and unavoidable residue in the natural organic reduction vessel used
116.15 in a prior natural organic reduction is not a violation of this subdivision.

116.16 Subd. 20. **Natural organic reduction procedures; removal from natural organic**
116.17 **reduction vessel.** Upon completion of the natural organic reduction process, reasonable
116.18 efforts shall be made to remove from the natural organic reduction vessel all the recoverable
116.19 remains. The remains shall be transported to the processing area, and any non-naturally
116.20 reducible materials or items shall be separated from the remains and disposed of, in any
116.21 lawful manner, by the natural organic reduction facility.

116.22 Subd. 21. **Natural organic reduction procedures; processing remains.** The remains
116.23 that remain intact shall be reduced by a motorized mechanical processor to a granulated
116.24 appearance. The granulated remains and the rest of the naturally reduced remains shall be
116.25 returned to a natural organic reduction vessel for final reduction. The remains shall be
116.26 considered a dead human body until after the final reduction.

116.27 Subd. 22. **Natural organic reduction procedures; commingling of remains**
116.28 **prohibited.** Except with the express written permission of the person with the legal right
116.29 to control the final deposition or otherwise provided by law, no natural organic reduction
116.30 facility shall mechanically process the remains of more than one body at a time in the same
116.31 mechanical processor or introduce the remains of a second body into a mechanical processor
116.32 until reasonable efforts have been employed to remove all fragments of remains already in
116.33 the processor. The fact that there is incidental and unavoidable residue in the mechanical
116.34 processor is not a violation of this subdivision.

117.1 Subd. 23. **Natural organic reduction procedures; testing naturally reduced**
117.2 **remains.** The natural organic reduction facility is responsible for:

117.3 (1) ensuring that the materials in the natural organic reduction vessel naturally reach
117.4 and maintain a minimum temperature of 131 degrees Fahrenheit for a minimum of 72
117.5 consecutive hours during the process of natural organic reduction;

117.6 (2) analyzing each instance of the naturally reduced remains for physical contaminants
117.7 that include but are not limited to intact bone, dental filings, and medical implants. Naturally
117.8 reduced remains must have less than 0.01 mg/kg dry weight of any physical contaminants;

117.9 (3) collecting material samples for analysis that are representative of each instance of
117.10 natural organic reduction using a sampling method, such as those described in the U.S.
117.11 Composting Council 2002 Test Methods for the Examination of Composting and Compost,
117.12 Method 02.01-A through E;

117.13 (4) developing and using a natural organic reduction process in which the naturally
117.14 reduced remains from the process does not exceed the following limits:

117.15 (i) for fecal coliform, less than 1,000 most probable number per gram of total solids (dry
117.16 weight);

117.17 (ii) for salmonella, less than three most probable number per four grams of total solids
117.18 (dry weight);

117.19 (iii) for arsenic, less than or equal to 11 ppm;

117.20 (iv) for cadmium, less than or equal to 7.1 ppm;

117.21 (v) for lead, less than or equal to 150 ppm;

117.22 (vi) for mercury, less than or equal to 5 ppm; and

117.23 (vii) for selenium, less than or equal to 18 ppm;

117.24 (5) analyzing, using a third-party laboratory, the natural organic reduction facility's
117.25 material samples of naturally reduced remains according to the following schedule:

117.26 (i) the natural organic reduction facility must analyze each of the first 20 instances of
117.27 naturally reduced remains for the parameters identified in clause (4);

117.28 (ii) if any of the first 20 instances of naturally reduced remains yield results exceeding
117.29 the limits identified in clause (4), the natural organic reduction facility must conduct
117.30 appropriate processes to correct the levels of the chemicals identified in clause (4) and have
117.31 the resultant remains tested to ensure they fall within the identified limits;

118.1 (iii) if any of the first 20 instances of naturally reduced remains yield results exceeding
118.2 the limits identified in clause (4), the natural organic reduction facility must analyze each
118.3 additional instance of naturally reduced remains for the parameters identified in clause (4)
118.4 until a total of 20 samples, not including those from remains that were reprocessed under
118.5 item (ii), have yielded results within the limits of clause (4) on initial testing;

118.6 (iv) after 20 material samples of naturally reduced remains have met the limits outlined
118.7 in clause (4), the natural organic reduction facility must analyze, at a minimum, 25 percent
118.8 of the natural organic reduction facility's monthly instances of naturally reduced remains
118.9 for the parameters identified in clause (4) until 80 total material samples of naturally reduced
118.10 remains have met the requirements of clause (4), not including any samples that required
118.11 reprocessing to meet those requirements; and

118.12 (v) after 80 material samples of naturally reduced remains have met the limits of clause
118.13 (4), the natural organic reduction facility must analyze, at a minimum, one instance of
118.14 naturally reduced remains each month;

118.15 (6) complying with any testing requirements established by the commissioner for content
118.16 parameters in addition to those specified in clause (4);

118.17 (7) not releasing any naturally reduced remains that exceed the limits identified in clause
118.18 (4); and

118.19 (8) preparing, maintaining, and providing upon request by the commissioner an annual
118.20 report each calendar year. The annual report must detail the natural organic reduction
118.21 facility's activities during the previous calendar year and must include the following
118.22 information:

118.23 (i) name and address of the natural organic reduction facility;

118.24 (ii) calendar year covered by the report;

118.25 (iii) annual quantity of naturally reduced remains;

118.26 (iv) results of any laboratory analyses of naturally reduced remains; and

118.27 (v) any additional information requested by the commissioner.

118.28 Subd. 24. **Natural organic reduction procedures; use of more than one naturally**
118.29 **reduced remains container.** If the naturally reduced remains are to be separated into two
118.30 or more naturally reduced remains containers according to the directives provided in the
118.31 written authorization for natural organic reduction, all of the containers shall contain duplicate
118.32 identification disks, tabs, or permanent labels and all paperwork regarding the given body

119.1 shall include a notation of the number of and disposition of each container, as provided in
119.2 the written authorization.

119.3 Subd. 25. **Natural organic reduction procedures; disposition of accumulated**
119.4 **residue.** Every natural organic reduction facility shall provide for the removal and disposition
119.5 of any accumulated residue from any natural organic reduction vessel, mechanical processor,
119.6 or other equipment used in natural organic reduction. Disposition of accumulated residue
119.7 shall be by any lawful manner deemed appropriate.

119.8 Subd. 26. **Natural organic reduction procedures; release of naturally reduced**
119.9 **remains.** Following completion of the natural organic reduction process, the inurned naturally
119.10 reduced remains shall be released according to the instructions given on the written
119.11 authorization for natural organic reduction. If the remains are to be shipped, they must be
119.12 securely packaged and transported by a method that has an internal tracing system available
119.13 and which provides a receipt signed by the person accepting delivery. Where there is a
119.14 dispute over release or disposition of the naturally reduced remains, a natural organic
119.15 reduction facility may deposit the naturally reduced remains in accordance with the directives
119.16 of a court of competent jurisdiction pending resolution of the dispute or retain the naturally
119.17 reduced remains until the person with the legal right to control disposition presents
119.18 satisfactory indication that the dispute is resolved. A natural organic reduction facility must
119.19 make every effort to ensure naturally reduced remains are not sold or used for commercial
119.20 purposes.

119.21 Subd. 27. **Unclaimed naturally reduced remains.** If, after 30 calendar days following
119.22 the inurnment, the naturally reduced remains are not claimed or disposed of according to
119.23 the written authorization for natural organic reduction, the natural organic reduction facility
119.24 shall give written notice, by certified mail, to the person with the legal right to control the
119.25 final disposition or a legal designee, that the naturally reduced remains are unclaimed and
119.26 requesting further release directions. Should the naturally reduced remains be unclaimed
119.27 120 calendar days following the mailing of the written notification, the natural organic
119.28 reduction facility may return the remains to the earth respectfully in any lawful manner
119.29 deemed appropriate.

119.30 Subd. 28. **Required records.** Every natural organic reduction facility shall create and
119.31 maintain on its premises or other business location in Minnesota an accurate record of every
119.32 natural organic reduction provided. The record shall include all of the following information
119.33 for each natural organic reduction:

120.1 (1) the name of the person or funeral establishment delivering the body for natural
120.2 organic reduction;

120.3 (2) the name of the deceased and the identification number assigned to the body;

120.4 (3) the date of acceptance of delivery;

120.5 (4) the names of the operator of the natural organic reduction process and mechanical
120.6 processor operator;

120.7 (5) the times and dates that the body was placed in and removed from the natural organic
120.8 reduction vessel;

120.9 (6) the time and date that processing and inurnment of the naturally reduced remains
120.10 was completed;

120.11 (7) the time, date, and manner of release of the naturally reduced remains;

120.12 (8) the name and address of the person who signed the authorization for natural organic
120.13 reduction;

120.14 (9) all supporting documentation, including any transit or disposition permits, a photocopy
120.15 of the death record, and the authorization for natural organic reduction; and

120.16 (10) the type of natural organic reduction vessel.

120.17 Subd. 29. **Retention of records.** Records required under subdivision 21 shall be
120.18 maintained for a period of three calendar years after the release of the naturally reduced
120.19 remains. Following this period and subject to any other laws requiring retention of records,
120.20 the natural organic reduction facility may then place the records in storage or reduce them
120.21 to microfilm, a digital format, or any other method that can produce an accurate reproduction
120.22 of the original record, for retention for a period of ten calendar years from the date of release
120.23 of the naturally reduced remains. At the end of this period and subject to any other laws
120.24 requiring retention of records, the natural organic reduction facility may destroy the records
120.25 by shredding, incineration, or any other manner that protects the privacy of the individuals
120.26 identified.

120.27 Sec. 56. **STILLBIRTH PREVENTION THROUGH TRACKING FETAL**
120.28 **MOVEMENT PILOT PROGRAM.**

120.29 Subdivision 1. **Grant.** The commissioner of health shall issue a grant to a grant recipient
120.30 to support a stillbirth prevention through tracking fetal movement pilot program and to
120.31 provide evidence of the efficacy of tracking fetal movements in preventing stillbirths in
120.32 Minnesota. The pilot program shall operate in fiscal years 2025, 2026, and 2027.

121.1 Subd. 2. **Use of grant funds.** The grant recipient must use grant funds:

121.2 (1) for activities to ensure that expectant parents in Minnesota receive information about
121.3 the importance of tracking fetal movement in the third trimester of pregnancy, by providing
121.4 evidence-based information to organizations that include but are not limited to community
121.5 organizations, hospitals, birth centers, maternal health providers, and higher education
121.6 institutions that educate maternal health providers;

121.7 (2) to provide maternal health providers and expectant parents in Minnesota with access
121.8 to free, evidence-based educational materials on fetal movement tracking, including
121.9 brochures, posters, reminder cards, continuing education materials, and digital resources;

121.10 (3) to assist in raising awareness with health care providers about:

121.11 (i) the availability of free fetal movement tracking education for providers through an
121.12 initial education campaign;

121.13 (ii) the importance of tracking fetal movement in the third trimester of pregnancy by
121.14 offering at least three to five webinars and conferences per year; and

121.15 (iii) the importance of tracking fetal movement in the third trimester of pregnancy through
121.16 provider participation in a public relations campaign; and

121.17 (4) to assist in raising public awareness about the availability of free fetal movement
121.18 tracking resources through social media marketing and traditional marketing throughout
121.19 Minnesota.

121.20 Subd. 3. **Data-sharing and monitoring.** (a) During the operation of the pilot program,
121.21 the grant recipient shall provide the following information to the commissioner on at least
121.22 a quarterly basis:

121.23 (1) the number of educational materials distributed under the pilot program, broken
121.24 down by zip code and the type of facility or organization that ordered the materials, including
121.25 hospitals, birth centers, maternal health clinics, WIC clinics, and community organizations;

121.26 (2) the number of fetal movement tracking application downloads that may be attributed
121.27 to the pilot program, broken down by zip code;

121.28 (3) the reach of and engagement with marketing materials provided under the pilot
121.29 program; and

121.30 (4) provider attendance and participation in awareness-raising events under the pilot
121.31 program, such as webinars and conferences.

122.1 (b) Each year during the pilot program and at the conclusion of the pilot program, the
122.2 grant recipient shall provide the commissioner with an annual report that includes information
122.3 on how the pilot program has affected:

122.4 (1) fetal death rates in Minnesota;

122.5 (2) fetal death rates in Minnesota among American Indian, Black, Hispanic, and Asian
122.6 Pacific Islander populations; and

122.7 (3) fetal death rates by region in Minnesota.

122.8 Subd. 4. **Reports.** The commissioner must submit to the legislative committees with
122.9 jurisdiction over public health an interim report and a final report on the operation of the
122.10 pilot program. The interim report must be submitted by December 1, 2025, and the final
122.11 report must be submitted by December 1, 2027. Each report must at least describe the pilot
122.12 program's operations and provide information, to the extent available, on the effectiveness
122.13 of the pilot program in preventing stillbirths in Minnesota, including lessons learned in
122.14 implementing the pilot program and recommendations for future action.

122.15 **ARTICLE 6**
122.16 **DEPARTMENT OF HEALTH POLICY**

122.17 Section 1. Minnesota Statutes 2022, section 62D.14, subdivision 1, is amended to read:

122.18 Subdivision 1. **Examination authority.** The commissioner of health may make an
122.19 examination of the affairs of any health maintenance organization and its contracts,
122.20 agreements, or other arrangements with any participating entity as often as the commissioner
122.21 of health deems necessary for the protection of the interests of the people of this state, but
122.22 not less frequently than once every ~~three~~ five years. Examinations of participating entities
122.23 pursuant to this subdivision shall be limited to their dealings with the health maintenance
122.24 organization and its enrollees, except that examinations of major participating entities may
122.25 include inspection of the entity's financial statements kept in the ordinary course of business.
122.26 The commissioner may require major participating entities to submit the financial statements
122.27 directly to the commissioner. Financial statements of major participating entities are subject
122.28 to the provisions of section 13.37, subdivision 1, clause (b), upon request of the major
122.29 participating entity or the health maintenance organization with which it contracts.

122.30 Sec. 2. **[62J.461] 340B COVERED ENTITY REPORT.**

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

123.1 (b) "340B covered entity" or "covered entity" means a covered entity as defined in United
123.2 States Code, title 42, section 256b(a)(4), with a service address in Minnesota as of January
123.3 1 of the reporting year. 340B covered entity includes all entity types and grantees. All
123.4 facilities that are identified as child sites or grantee associated sites under the federal 340B
123.5 Drug Pricing Program are considered part of the 340B covered entity.

123.6 (c) "340B Drug Pricing Program" or "340B program" means the drug discount program
123.7 established under United States Code, title 42, section 256b.

123.8 (d) "340B entity type" is the designation of the 340B covered entity according to the
123.9 entity types specified in United States Code, title 42, section 256b(a)(4).

123.10 (e) "340B ID" is the unique identification number provided by the Health Resources
123.11 and Services Administration to identify a 340B-eligible entity in the 340B Office of Pharmacy
123.12 Affairs Information System.

123.13 (f) "Contract pharmacy" means a pharmacy with which a 340B covered entity has an
123.14 arrangement to dispense drugs purchased under the 340B Drug Pricing Program.

123.15 (g) "Pricing unit" means the smallest dispensable amount of a prescription drug product
123.16 that can be dispensed or administered.

123.17 Subd. 2. **Current registration.** Beginning April 1, 2024, each 340B covered entity must
123.18 maintain a current registration with the commissioner in a form and manner prescribed by
123.19 the commissioner. The registration must include the following information:

123.20 (1) the name of the 340B covered entity;

123.21 (2) the 340B ID of the 340B covered entity;

123.22 (3) the servicing address of the 340B covered entity; and

123.23 (4) the 340B entity type of the 340B covered entity.

123.24 Subd. 3. **Reporting by covered entities to the commissioner.** (a) Each 340B covered
123.25 entity shall report to the commissioner by April 1, 2024, and by April 1 of each year
123.26 thereafter, the following information for transactions conducted by the 340B covered entity
123.27 or on its behalf, and related to its participation in the federal 340B program for the previous
123.28 calendar year:

123.29 (1) the aggregated acquisition cost for prescription drugs obtained under the 340B
123.30 program;

123.31 (2) the aggregated payment amount received for drugs obtained under the 340B program
123.32 and dispensed or administered to patients;

124.1 (3) the number of pricing units dispensed or administered for prescription drugs described
124.2 in clause (2); and

124.3 (4) the aggregated payments made:

124.4 (i) to contract pharmacies to dispense drugs obtained under the 340B program;

124.5 (ii) to any other entity that is not the covered entity and is not a contract pharmacy for
124.6 managing any aspect of the covered entity's 340B program; and

124.7 (iii) for all other expenses related to administering the 340B program.

124.8 The information under clauses (2) and (3) must be reported by payer type, including but
124.9 not limited to commercial insurance, medical assistance, MinnesotaCare, and Medicare, in
124.10 the form and manner prescribed by the commissioner.

124.11 (b) For covered entities that are hospitals, the information required under paragraph (a),
124.12 clauses (1) to (3), must also be reported at the national drug code level for the 50 most
124.13 frequently dispensed or administered drugs by the facility under the 340B program.

124.14 (c) Data submitted to the commissioner under paragraphs (a) and (b) are classified as
124.15 nonpublic data, as defined in section 13.02, subdivision 9.

124.16 Subd. 4. **Enforcement and exceptions.** (a) Any health care entity subject to reporting
124.17 under this section that fails to provide data in the form and manner prescribed by the
124.18 commissioner is subject to a fine paid to the commissioner of up to $500 for each day the
124.19 data are past due. Any fine levied against the entity under this subdivision is subject to the
124.20 contested case and judicial review provisions of sections 14.57 and 14.69.

124.21 (b) The commissioner may grant an entity an extension of or exemption from the reporting
124.22 obligations under this subdivision, upon a showing of good cause by the entity.

124.23 Subd. 5. **Reports to the legislature.** By November 15, 2024, and by November 15 of
124.24 each year thereafter, the commissioner shall submit to the chairs and ranking minority
124.25 members of the legislative committees with jurisdiction over health care finance and policy,
124.26 a report that aggregates the data submitted under subdivision 3, paragraphs (a) and (b). The
124.27 data shall be aggregated in a manner that prevents the identification of an individual entity
124.28 and any entity's specific data value reported for an individual data element, except that the
124.29 following shall be included in the report:

124.30 (1) the information submitted under subdivision 2; and

124.31 (2) for each 340B entity identified in subdivision 2, that entity's 340B net revenue as
124.32 calculated using the data submitted under subdivision 3, paragraph (a), with net revenue

125.1 being subdivision 3, paragraph (a), clause (2), less the sum of subdivision 3, paragraph (a),
125.2 clauses (1) and (4).

125.3 Sec. 3. Minnesota Statutes 2022, section 62J.61, subdivision 5, is amended to read:

125.4 Subd. 5. **~~Biennial review of rulemaking procedures and rules~~ Opportunity for**
125.5 **comment.** The commissioner shall ~~biennially seek comments from affected parties~~ maintain
125.6 an email address for submission of comments from interested parties to provide input about
125.7 the effectiveness of and continued need for the rulemaking procedures set out in subdivision
125.8 2 and about the quality and effectiveness of rules adopted using these procedures. The
125.9 commissioner ~~shall seek comments by holding a meeting and by publishing a notice in the~~
125.10 ~~State Register that contains the date, time, and location of the meeting and a statement that~~
125.11 ~~invites oral or written comments. The notice must be published at least 30 days before the~~
125.12 ~~meeting date. The commissioner shall write a report summarizing the comments and shall~~
125.13 ~~submit the report to the Minnesota Health Data Institute and to the Minnesota Administrative~~
125.14 ~~Uniformity Committee by January 15 of every even-numbered year~~ may seek additional
125.15 input and provide additional opportunities for input as needed.

125.16 Sec. 4. Minnesota Statutes 2023 Supplement, section 62J.84, subdivision 10, is amended
125.17 to read:

125.18 Subd. 10. **Notice of prescription drugs of substantial public interest.** (a) No later than
125.19 January 31, 2024, and quarterly thereafter, the commissioner shall produce and post on the
125.20 department's website a list of prescription drugs that the commissioner determines to represent
125.21 a substantial public interest and for which the commissioner intends to request data under
125.22 subdivisions 11 to 14, subject to paragraph (c). The commissioner shall base its inclusion
125.23 of prescription drugs on any information the commissioner determines is relevant to providing
125.24 greater consumer awareness of the factors contributing to the cost of prescription drugs in
125.25 the state, and the commissioner shall consider drug product families that include prescription
125.26 drugs:

125.27 (1) that triggered reporting under subdivision 3 or 4 during the previous calendar quarter;

125.28 (2) for which average claims paid amounts exceeded 125 percent of the price as of the
125.29 claim incurred date during the most recent calendar quarter for which claims paid amounts
125.30 are available; or

125.31 (3) that are identified by members of the public during a public comment process.

126.1 (b) Not sooner than 30 days after publicly posting the list of prescription drugs under
126.2 paragraph (a), the department shall notify, via email, reporting entities registered with the
126.3 department of the requirement to report under subdivisions 11 to 14.

126.4 (c) The commissioner must not designate more than 500 prescription drugs as having a
126.5 substantial public interest in any one notice.

126.6 (d) Notwithstanding subdivision 16, the commissioner is exempt from chapter 14,
126.7 including section 14.386, in implementing this subdivision.

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

126.9 Sec. 5. Minnesota Statutes 2022, section 144.05, subdivision 6, is amended to read:

126.10 Subd. 6. **Reports on interagency agreements and intra-agency transfers.** The
126.11 commissioner of health shall provide quarterly reports to the chairs and ranking minority
126.12 members of the legislative committees with jurisdiction over health and human services
126.13 policy and finance on:

126.14 (1) interagency agreements or service-level agreements and any renewals or extensions
126.15 of existing interagency or service-level agreements with a state department under section
126.16 15.01, state agency under section 15.012, or the Department of Information Technology
126.17 Services, with a value of more than $100,000, or related agreements with the same department
126.18 or agency with a cumulative value of more than $100,000; and

126.19 (2) transfers of appropriations of more than $100,000 between accounts within or between
126.20 agencies.

126.21 The report must include the statutory citation authorizing the agreement, transfer or dollar
126.22 amount, purpose, and effective date of the agreement, and duration of the agreement~~, and~~
126.23 ~~a copy of the agreement~~.

126.24 Sec. 6. Minnesota Statutes 2023 Supplement, section 144.0526, subdivision 1, is amended
126.25 to read:

126.26 Subdivision 1. **Establishment.** The commissioner of health shall establish the Minnesota
126.27 One Health Antimicrobial Stewardship Collaborative. The commissioner shall ~~appoint~~ hire
126.28 a director to execute operations, conduct health education, and provide technical assistance.

127.1 Sec. 7. Minnesota Statutes 2022, section 144.058, is amended to read:

127.2 **144.058 INTERPRETER SERVICES QUALITY INITIATIVE.**

127.3 (a) The commissioner of health shall establish a voluntary statewide roster, and develop
127.4 a plan for a registry and certification process for interpreters who provide high quality,
127.5 spoken language health care interpreter services. The roster, registry, and certification
127.6 process shall be based on the findings and recommendations set forth by the Interpreter
127.7 Services Work Group required under Laws 2007, chapter 147, article 12, section 13.

127.8 (b) By January 1, 2009, the commissioner shall establish a roster of all available
127.9 interpreters to address access concerns, particularly in rural areas.

127.10 (c) By January 15, 2010, the commissioner shall:

127.11 (1) develop a plan for a registry of spoken language health care interpreters, including:

127.12 (i) development of standards for registration that set forth educational requirements,
127.13 training requirements, demonstration of language proficiency and interpreting skills,
127.14 agreement to abide by a code of ethics, and a criminal background check;

127.15 (ii) recommendations for appropriate alternate requirements in languages for which
127.16 testing and training programs do not exist;

127.17 (iii) recommendations for appropriate fees; and

127.18 (iv) recommendations for establishing and maintaining the standards for inclusion in
127.19 the registry; and

127.20 (2) develop a plan for implementing a certification process based on national testing and
127.21 certification processes for spoken language interpreters 12 months after the establishment
127.22 of a national certification process.

127.23 (d) The commissioner shall consult with the Interpreter Stakeholder Group of the Upper
127.24 Midwest Translators and Interpreters Association for advice on the standards required to
127.25 plan for the development of a registry and certification process.

127.26 (e) The commissioner shall charge an annual fee of $50 to include an interpreter in the
127.27 roster. Fee revenue shall be deposited in the state government special revenue fund. All fees
127.28 are nonrefundable.

127.29 Sec. 8. Minnesota Statutes 2022, section 144.0724, subdivision 2, is amended to read:

127.30 Subd. 2. **Definitions.** For purposes of this section, the following terms have the meanings
127.31 given.

(a) "Assessment reference date" or "ARD" means the specific end point for look-back periods in the MDS assessment process. This look-back period is also called the observation or assessment period.

(b) "Case mix index" means the weighting factors assigned to the ~~RUG-IV~~ case mix reimbursement classifications determined by an assessment.

(c) "Index maximization" means classifying a resident who could be assigned to more than one category, to the category with the highest case mix index.

(d) "Minimum Data Set" or "MDS" means a core set of screening, clinical assessment, and functional status elements, that include common definitions and coding categories specified by the Centers for Medicare and Medicaid Services and designated by the Department of Health.

(e) "Representative" means a person who is the resident's guardian or conservator, the person authorized to pay the nursing home expenses of the resident, a representative of the Office of Ombudsman for Long-Term Care whose assistance has been requested, or any other individual designated by the resident.

~~(f) "Resource utilization groups" or "RUG" means the system for grouping a nursing facility's residents according to their clinical and functional status identified in data supplied by the facility's Minimum Data Set.~~

~~(g)~~ (f) "Activities of daily living" includes personal hygiene, dressing, bathing, transferring, bed mobility, locomotion, eating, and toileting.

~~(h)~~ (g) "Nursing facility level of care determination" means the assessment process that results in a determination of a resident's or prospective resident's need for nursing facility level of care as established in subdivision 11 for purposes of medical assistance payment of long-term care services for:

(1) nursing facility services under ~~section 256B.434 or~~ chapter 256R;

(2) elderly waiver services under chapter 256S;

(3) CADI and BI waiver services under section 256B.49; and

(4) state payment of alternative care services under section 256B.0913.

Sec. 9. Minnesota Statutes 2022, section 144.0724, subdivision 3a, is amended to read:

Subd. 3a. **Resident ~~reimbursement~~ case mix reimbursement classifications ~~beginning January 1, 2012.~~** (a) ~~Beginning January 1, 2012,~~ Resident ~~reimbursement~~ case mix

129.1 reimbursement classifications shall be based on the Minimum Data Set, version 3.0
129.2 assessment instrument, or its successor version mandated by the Centers for Medicare and
129.3 Medicaid Services that nursing facilities are required to complete for all residents. The
129.4 commissioner of health shall establish resident classifications according to the RUG-IV,
129.5 48 group, resource utilization groups. Resident classification must be established based on
129.6 the individual items on the Minimum Data Set, which must be completed according to the
129.7 Long Term Care Facility Resident Assessment Instrument User's Manual Version 3.0 or its
129.8 successor issued by the Centers for Medicare and Medicaid Services. Case mix
129.9 reimbursement classifications shall also be based on assessments required under subdivision
129.10 4. Assessments must be completed according to the Long Term Care Facility Resident
129.11 Assessment Instrument User's Manual Version 3.0 or a successor manual issued by the
129.12 Centers for Medicare and Medicaid Services. The optional state assessment must be
129.13 completed according to the OSA Manual Version 1.0 v.2.

129.14 (b) Each resident must be classified based on the information from the Minimum Data
129.15 Set according to the general categories issued by the Minnesota Department of Health,
129.16 utilized for reimbursement purposes.

129.17 Sec. 10. Minnesota Statutes 2022, section 144.0724, subdivision 4, is amended to read:

129.18 Subd. 4. **Resident assessment schedule.** (a) A facility must conduct and electronically
129.19 submit to the federal database MDS assessments that conform with the assessment schedule
129.20 defined by the Long Term Care Facility Resident Assessment Instrument User's Manual,
129.21 version 3.0, or its successor issued by the Centers for Medicare and Medicaid Services. The
129.22 commissioner of health may substitute successor manuals or question and answer documents
129.23 published by the United States Department of Health and Human Services, Centers for
129.24 Medicare and Medicaid Services, to replace or supplement the current version of the manual
129.25 or document.

129.26 (b) The assessments required under the Omnibus Budget Reconciliation Act of 1987
129.27 (OBRA) used to determine a case mix reimbursement classification for reimbursement
129.28 include:

129.29 (1) a new admission comprehensive assessment, which must have an assessment reference
129.30 date (ARD) within 14 calendar days after admission, excluding readmissions;

129.31 (2) an annual comprehensive assessment, which must have an ARD within 92 days of
129.32 a previous quarterly review assessment or a previous comprehensive assessment, which
129.33 must occur at least once every 366 days;

(3) a significant change in status comprehensive assessment, which must have an ARD within 14 days after the facility determines, or should have determined, that there has been a significant change in the resident's physical or mental condition, whether an improvement or a decline, and regardless of the amount of time since the last comprehensive assessment or quarterly review assessment;

(4) a quarterly review assessment must have an ARD within 92 days of the ARD of the previous quarterly review assessment or a previous comprehensive assessment;

(5) any significant correction to a prior comprehensive assessment, if the assessment being corrected is the current one being used for ~~RUG~~ reimbursement classification;

(6) any significant correction to a prior quarterly review assessment, if the assessment being corrected is the current one being used for ~~RUG~~ reimbursement classification; and

~~(7) a required significant change in status assessment when:~~

~~(i) all speech, occupational, and physical therapies have ended. If the most recent OBRA comprehensive or quarterly assessment completed does not result in a rehabilitation case mix classification, then the significant change in status assessment is not required. The ARD of this assessment must be set on day eight after all therapy services have ended; and~~

~~(ii) isolation for an infectious disease has ended. If isolation was not coded on the most recent OBRA comprehensive or quarterly assessment completed, then the significant change in status assessment is not required. The ARD of this assessment must be set on day 15 after isolation has ended; and~~

(8) (7) any modifications to the most recent assessments under clauses (1) to ~~(7)~~ (6).

(c) The optional state assessment must accompany all OBRA assessments. The optional state assessment is also required to determine reimbursement when:

(i) all speech, occupational, and physical therapies have ended. If the most recent optional state assessment completed does not result in a rehabilitation case mix reimbursement classification, then the optional state assessment is not required. The ARD of this assessment must be set on day eight after all therapy services have ended; and

(ii) isolation for an infectious disease has ended. If isolation was not coded on the most recent optional state assessment completed, then the optional state assessment is not required. The ARD of this assessment must be set on day 15 after isolation has ended.

~~(c)~~ (d) In addition to the assessments listed in ~~paragraph~~ paragraphs (b) and (c), the assessments used to determine nursing facility level of care include the following:

131.1 (1) preadmission screening completed under section 256.975, subdivisions 7a to 7c, by
131.2 the Senior LinkAge Line or other organization under contract with the Minnesota Board on
131.3 Aging; and

131.4 (2) a nursing facility level of care determination as provided for under section 256B.0911,
131.5 subdivision 26, as part of a face-to-face long-term care consultation assessment completed
131.6 under section 256B.0911, by a county, tribe, or managed care organization under contract
131.7 with the Department of Human Services.

131.8 Sec. 11. Minnesota Statutes 2022, section 144.0724, subdivision 6, is amended to read:

131.9 Subd. 6. **Penalties for late or nonsubmission.** (a) A facility that fails to complete or
131.10 submit an assessment according to subdivisions 4 and 5 for a ~~RUG-IV~~ case mix
131.11 reimbursement classification ~~within seven days of the time requirements listed in the~~
131.12 ~~Long-Term Care Facility Resident Assessment Instrument User's Manual~~ when the
131.13 assessment is due is subject to a reduced rate for that resident. The reduced rate shall be the
131.14 lowest rate for that facility. The reduced rate is effective on the day of admission for new
131.15 admission assessments, on the ARD for significant change in status assessments, or on the
131.16 day that the assessment was due for all other assessments and continues in effect until the
131.17 first day of the month following the date of submission and acceptance of the resident's
131.18 assessment.

131.19 (b) If loss of revenue due to penalties incurred by a facility for any period of 92 days
131.20 are equal to or greater than 0.1 percent of the total operating costs on the facility's most
131.21 recent annual statistical and cost report, a facility may apply to the commissioner of human
131.22 services for a reduction in the total penalty amount. The commissioner of human services,
131.23 in consultation with the commissioner of health, may, at the sole discretion of the
131.24 commissioner of human services, limit the penalty for residents covered by medical assistance
131.25 to ten days.

131.26 Sec. 12. Minnesota Statutes 2022, section 144.0724, subdivision 7, is amended to read:

131.27 Subd. 7. **Notice of resident ~~reimbursement~~ case mix reimbursement classification.** (a)
131.28 The commissioner of health shall provide to a nursing facility a notice for each resident of
131.29 the classification established under subdivision 1. The notice must inform the resident of
131.30 the case mix reimbursement classification assigned, the opportunity to review the
131.31 documentation supporting the classification, the opportunity to obtain clarification from the
131.32 commissioner, ~~and~~ the opportunity to request a reconsideration of the classification, and
131.33 the address and telephone number of the Office of Ombudsman for Long-Term Care. The

commissioner must transmit the notice of resident classification by electronic means to the nursing facility. The nursing facility is responsible for the distribution of the notice to each resident or the resident's representative. This notice must be distributed within three business days after the facility's receipt.

(b) If a facility submits a ~~modifying~~ modified assessment resulting in a change in the case mix reimbursement classification, the facility must provide a written notice to the resident or the resident's representative regarding the item or items that were modified and the reason for the modifications. The written notice must be provided within three business days after distribution of the resident case mix reimbursement classification notice.

Sec. 13. Minnesota Statutes 2022, section 144.0724, subdivision 8, is amended to read:

Subd. 8. **Request for reconsideration of resident classifications.** (a) The resident, ~~or~~ resident's representative, ~~or~~ the nursing facility, or the boarding care home may request that the commissioner of health reconsider the assigned ~~reimbursement~~ case mix reimbursement classification and any item or items changed during the audit process. The request for reconsideration must be submitted in writing to the commissioner of health.

(b) For reconsideration requests initiated by the resident or the resident's representative:

(1) The resident or the resident's representative must submit in writing a reconsideration request to the facility administrator within 30 days of receipt of the resident classification notice. The written request must include the reasons for the reconsideration request.

(2) Within three business days of receiving the reconsideration request, the nursing facility must submit to the commissioner of health a completed reconsideration request form, a copy of the resident's or resident's representative's written request, and all supporting documentation used to complete the assessment being ~~considered~~ reconsidered. If the facility fails to provide the required information, the reconsideration will be completed with the information submitted and the facility cannot make further reconsideration requests on this classification.

(3) Upon written request and within three business days, the nursing facility must give the resident or the resident's representative a copy of the assessment being reconsidered and all supporting documentation used to complete the assessment. Notwithstanding any law to the contrary, the facility may not charge a fee for providing copies of the requested documentation. If a facility fails to provide the required documents within this time, it is subject to the issuance of a correction order and penalty assessment under sections 144.653 and 144A.10. Notwithstanding those sections, any correction order issued under this

133.1 subdivision must require that the nursing facility immediately comply with the request for
133.2 information, and as of the date of the issuance of the correction order, the facility shall
133.3 forfeit to the state a $100 fine for the first day of noncompliance, and an increase in the
133.4 $100 fine by $50 increments for each day the noncompliance continues.

133.5 (c) For reconsideration requests initiated by the facility:

133.6 (1) The facility is required to inform the resident or the resident's representative in writing
133.7 that a reconsideration of the resident's case mix reimbursement classification is being
133.8 requested. The notice must inform the resident or the resident's representative:

133.9 (i) of the date and reason for the reconsideration request;

133.10 (ii) of the potential for a case mix reimbursement classification change and subsequent
133.11 rate change;

133.12 (iii) of the extent of the potential rate change;

133.13 (iv) that copies of the request and supporting documentation are available for review;
133.14 and

133.15 (v) that the resident or the resident's representative has the right to request a
133.16 reconsideration also.

133.17 (2) Within 30 days of receipt of the audit exit report or resident classification notice, the
133.18 facility must submit to the commissioner of health a completed reconsideration request
133.19 form, all supporting documentation used to complete the assessment being reconsidered,
133.20 and a copy of the notice informing the resident or the resident's representative that a
133.21 reconsideration of the resident's classification is being requested.

133.22 (3) If the facility fails to provide the required information, the reconsideration request
133.23 may be denied and the facility may not make further reconsideration requests on this
133.24 classification.

133.25 (d) Reconsideration by the commissioner must be made by individuals not involved in
133.26 reviewing the assessment, audit, or reconsideration that established the disputed classification.
133.27 The reconsideration must be based upon the assessment that determined the classification
133.28 and upon the information provided to the commissioner of health under paragraphs (a) to
133.29 (c). If necessary for evaluating the reconsideration request, the commissioner may conduct
133.30 on-site reviews. Within 15 business days of receiving the request for reconsideration, the
133.31 commissioner shall affirm or modify the original resident classification. The original
133.32 classification must be modified if the commissioner determines that the assessment resulting
133.33 in the classification did not accurately reflect characteristics of the resident at the time of

134.1 the assessment. The commissioner must transmit the reconsideration classification notice
134.2 by electronic means to the nursing facility. The nursing facility is responsible for the
134.3 distribution of the notice to the resident or the resident's representative. The notice must be
134.4 distributed by the nursing facility within three business days after receipt. A decision by
134.5 the commissioner under this subdivision is the final administrative decision of the agency
134.6 for the party requesting reconsideration.

134.7 (e) The case mix reimbursement classification established by the commissioner shall be
134.8 the classification which applies to the resident while the request for reconsideration is
134.9 pending. If a request for reconsideration applies to an assessment used to determine nursing
134.10 facility level of care under subdivision 4, paragraph ~~(c)~~ (d), the resident shall continue to
134.11 be eligible for nursing facility level of care while the request for reconsideration is pending.

134.12 (f) The commissioner may request additional documentation regarding a reconsideration
134.13 necessary to make an accurate reconsideration determination.

134.14 (g) Data collected as part of the reconsideration process under this section is classified
134.15 as private data on individuals and nonpublic data pursuant to section 13.02. Notwithstanding
134.16 the classification of these data as private or nonpublic, the commissioner is authorized to
134.17 share these data with the U.S. Centers for Medicare and Medicaid Services and the
134.18 commissioner of human services as necessary for reimbursement purposes.

134.19 Sec. 14. Minnesota Statutes 2022, section 144.0724, subdivision 9, is amended to read:

134.20 Subd. 9. **Audit authority.** (a) The commissioner shall audit the accuracy of resident
134.21 assessments performed under section 256R.17 through any of the following: desk audits;
134.22 on-site review of residents and their records; and interviews with staff, residents, or residents'
134.23 families. The commissioner shall reclassify a resident if the commissioner determines that
134.24 the resident was incorrectly classified.

134.25 (b) The commissioner is authorized to conduct on-site audits on an unannounced basis.

134.26 (c) A facility must grant the commissioner access to examine the medical records relating
134.27 to the resident assessments selected for audit under this subdivision. The commissioner may
134.28 also observe and speak to facility staff and residents.

134.29 (d) The commissioner shall consider documentation under the time frames for coding
134.30 items on the minimum data set as set out in the Long-Term Care Facility Resident Assessment
134.31 Instrument User's Manual or OSA Manual version 1.0 v.2 published by the Centers for
134.32 Medicare and Medicaid Services.

135.1 (e) The commissioner shall develop an audit selection procedure that includes the
135.2 following factors:

135.3 (1) Each facility shall be audited annually. If a facility has two successive audits in which
135.4 the percentage of change is five percent or less and the facility has not been the subject of
135.5 a special audit in the past 36 months, the facility may be audited biannually. A stratified
135.6 sample of 15 percent, with a minimum of ten assessments, of the most current assessments
135.7 shall be selected for audit. If more than 20 percent of the ~~RUG-IV~~ case mix reimbursement
135.8 classifications are changed as a result of the audit, the audit shall be expanded to a second
135.9 15 percent sample, with a minimum of ten assessments. If the total change between the first
135.10 and second samples is 35 percent or greater, the commissioner may expand the audit to all
135.11 of the remaining assessments.

135.12 (2) If a facility qualifies for an expanded audit, the commissioner may audit the facility
135.13 again within six months. If a facility has two expanded audits within a 24-month period,
135.14 that facility will be audited at least every six months for the next 18 months.

135.15 (3) The commissioner may conduct special audits if the commissioner determines that
135.16 circumstances exist that could alter or affect the validity of case mix reimbursement
135.17 classifications of residents. These circumstances include, but are not limited to, the following:

135.18 (i) frequent changes in the administration or management of the facility;

135.19 (ii) an unusually high percentage of residents in a specific case mix reimbursement
135.20 classification;

135.21 (iii) a high frequency in the number of reconsideration requests received from a facility;

135.22 (iv) frequent adjustments of case mix reimbursement classifications as the result of
135.23 reconsiderations or audits;

135.24 (v) a criminal indictment alleging provider fraud;

135.25 (vi) other similar factors that relate to a facility's ability to conduct accurate assessments;

135.26 (vii) an atypical pattern of scoring minimum data set items;

135.27 (viii) nonsubmission of assessments;

135.28 (ix) late submission of assessments; or

135.29 (x) a previous history of audit changes of 35 percent or greater.

135.30 (f) If the audit results in a case mix reimbursement classification change, the
135.31 commissioner must transmit the audit classification notice by electronic means to the nursing

136.1 facility within 15 business days of completing an audit. The nursing facility is responsible
136.2 for distribution of the notice to each resident or the resident's representative. This notice
136.3 must be distributed by the nursing facility within three business days after receipt. The
136.4 notice must inform the resident of the case mix reimbursement classification assigned, the
136.5 opportunity to review the documentation supporting the classification, the opportunity to
136.6 obtain clarification from the commissioner, the opportunity to request a reconsideration of
136.7 the classification, and the address and telephone number of the Office of Ombudsman for
136.8 Long-Term Care.

136.9 Sec. 15. Minnesota Statutes 2022, section 144.0724, subdivision 11, is amended to read:

136.10 Subd. 11. **Nursing facility level of care.** (a) For purposes of medical assistance payment
136.11 of long-term care services, a recipient must be determined, using assessments defined in
136.12 subdivision 4, to meet one of the following nursing facility level of care criteria:

136.13 (1) the person requires formal clinical monitoring at least once per day;

136.14 (2) the person needs the assistance of another person or constant supervision to begin
136.15 and complete at least four of the following activities of living: bathing, bed mobility, dressing,
136.16 eating, grooming, toileting, transferring, and walking;

136.17 (3) the person needs the assistance of another person or constant supervision to begin
136.18 and complete toileting, transferring, or positioning and the assistance cannot be scheduled;

136.19 (4) the person has significant difficulty with memory, using information, daily decision
136.20 making, or behavioral needs that require intervention;

136.21 (5) the person has had a qualifying nursing facility stay of at least 90 days;

136.22 (6) the person meets the nursing facility level of care criteria determined 90 days after
136.23 admission or on the first quarterly assessment after admission, whichever is later; or

136.24 (7) the person is determined to be at risk for nursing facility admission or readmission
136.25 through a face-to-face long-term care consultation assessment as specified in section
136.26 256B.0911, subdivision 17 to 21, 23, 24, 27, or 28, by a county, tribe, or managed care
136.27 organization under contract with the Department of Human Services. The person is
136.28 considered at risk under this clause if the person currently lives alone or will live alone or
136.29 be homeless without the person's current housing and also meets one of the following criteria:

136.30 (i) the person has experienced a fall resulting in a fracture;

136.31 (ii) the person has been determined to be at risk of maltreatment or neglect, including
136.32 self-neglect; or

137.1 (iii) the person has a sensory impairment that substantially impacts functional ability
137.2 and maintenance of a community residence.

137.3 (b) The assessment used to establish medical assistance payment for nursing facility
137.4 services must be the most recent assessment performed under subdivision 4, ~~paragraph~~
137.5 paragraphs (b) and (c), that occurred no more than 90 calendar days before the effective
137.6 date of medical assistance eligibility for payment of long-term care services. In no case
137.7 shall medical assistance payment for long-term care services occur prior to the date of the
137.8 determination of nursing facility level of care.

137.9 (c) The assessment used to establish medical assistance payment for long-term care
137.10 services provided under chapter 256S and section 256B.49 and alternative care payment
137.11 for services provided under section 256B.0913 must be the most recent face-to-face
137.12 assessment performed under section 256B.0911, subdivisions 17 to 21, 23, 24, 27, or 28,
137.13 that occurred no more than 60 calendar days before the effective date of medical assistance
137.14 eligibility for payment of long-term care services.

137.15 Sec. 16. Minnesota Statutes 2022, section 144.1464, subdivision 1, is amended to read:

137.16 Subdivision 1. **Summer internships.** The commissioner of health, through a contract
137.17 with a nonprofit organization as required by subdivision 4, shall award grants, within
137.18 available appropriations, to hospitals, clinics, nursing facilities, assisted living facilities,
137.19 and home care providers to establish a secondary and postsecondary summer health care
137.20 intern program. The purpose of the program is to expose interested secondary and
137.21 postsecondary pupils to various careers within the health care profession.

137.22 Sec. 17. Minnesota Statutes 2022, section 144.1464, subdivision 2, is amended to read:

137.23 Subd. 2. **Criteria.** (a) The commissioner, through the organization under contract, shall
137.24 award grants to hospitals, clinics, nursing facilities, assisted living facilities, and home care
137.25 providers that agree to:

137.26 (1) provide secondary and postsecondary summer health care interns with formal exposure
137.27 to the health care profession;

137.28 (2) provide an orientation for the secondary and postsecondary summer health care
137.29 interns;

137.30 (3) pay one-half the costs of employing the secondary and postsecondary summer health
137.31 care intern;

138.1 (4) interview and hire secondary and postsecondary pupils for a minimum of six weeks
138.2 and a maximum of 12 weeks; and

138.3 (5) employ at least one secondary student for each postsecondary student employed, to
138.4 the extent that there are sufficient qualifying secondary student applicants.

138.5 (b) In order to be eligible to be hired as a secondary summer health intern by a hospital,
138.6 clinic, nursing facility, assisted living facility, or home care provider, a pupil must:

138.7 (1) intend to complete high school graduation requirements and be between the junior
138.8 and senior year of high school; and

138.9 (2) be from a school district in proximity to the facility.

138.10 (c) In order to be eligible to be hired as a postsecondary summer health care intern by
138.11 a hospital or clinic, a pupil must:

138.12 (1) intend to complete a health care training program or a two-year or four-year degree
138.13 program and be planning on enrolling in or be enrolled in that training program or degree
138.14 program; and

138.15 (2) be enrolled in a Minnesota educational institution or be a resident of the state of
138.16 Minnesota; priority must be given to applicants from a school district or an educational
138.17 institution in proximity to the facility.

138.18 (d) Hospitals, clinics, nursing facilities, assisted living facilities, and home care providers
138.19 awarded grants may employ pupils as secondary and postsecondary summer health care
138.20 interns beginning on or after June 15, 1993, if they agree to pay the intern, during the period
138.21 before disbursement of state grant money, with money designated as the facility's 50 percent
138.22 contribution towards internship costs.

138.23 Sec. 18. Minnesota Statutes 2022, section 144.1464, subdivision 3, is amended to read:

138.24 Subd. 3. **Grants.** The commissioner, through the organization under contract, shall
138.25 award separate grants to hospitals, clinics, nursing facilities, and home care providers meeting
138.26 the requirements of subdivision 2. The grants must be used to pay one-half of the costs of
138.27 employing secondary and postsecondary pupils in a hospital, clinic, nursing facility, assisted
138.28 living facilities, or home care setting during the course of the program. No more than 50
138.29 percent of the participants may be postsecondary students, unless the program does not
138.30 receive enough qualified secondary applicants per fiscal year. No more than five pupils may
138.31 be selected from any secondary or postsecondary institution to participate in the program

and no more than one-half of the number of pupils selected may be from the seven-county metropolitan area.

Sec. 19. Minnesota Statutes 2023 Supplement, section 144.1505, subdivision 2, is amended to read:

Subd. 2. **Programs.** (a) For advanced practice provider clinical training expansion grants, the commissioner of health shall award health professional training site grants to eligible physician assistant, advanced practice registered nurse, pharmacy, dental therapy, and mental health professional programs to plan and implement expanded clinical training. A planning grant shall not exceed $75,000, and a three-year training grant shall not exceed ~~$150,000 for the first year, $100,000 for the second year, and $50,000 for the third year~~ $300,000 per ~~program~~ project. The commissioner may provide a one-year, no-cost extension for grants.

(b) For health professional rural and underserved clinical rotations grants, the commissioner of health shall award health professional training site grants to eligible physician, physician assistant, advanced practice registered nurse, pharmacy, dentistry, dental therapy, and mental health professional programs to augment existing clinical training programs to add rural and underserved rotations or clinical training experiences, such as credential or certificate rural tracks or other specialized training. For physician and dentist training, the expanded training must include rotations in primary care settings such as community clinics, hospitals, health maintenance organizations, or practices in rural communities.

(c) Funds may be used for:

(1) establishing or expanding rotations and clinical training;

(2) recruitment, training, and retention of students and faculty;

(3) connecting students with appropriate clinical training sites, internships, practicums, or externship activities;

(4) travel and lodging for students;

(5) faculty, student, and preceptor salaries, incentives, or other financial support;

(6) development and implementation of cultural competency training;

(7) evaluations;

(8) training site improvements, fees, equipment, and supplies required to establish, maintain, or expand a training program; and

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

140.2 Sec. 20. Minnesota Statutes 2022, section 144.1911, subdivision 2, is amended to read:

140.3 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the
140.4 meanings given.

140.5 (b) "Commissioner" means the commissioner of health.

140.6 (c) "Immigrant international medical graduate" means an international medical graduate
140.7 who was born outside the United States, now resides permanently in the United States or
140.8 who has entered the United States on a temporary status based on urgent humanitarian or
140.9 significant public benefit reasons, and who did not enter the United States on a J1 or similar
140.10 nonimmigrant visa following acceptance into a United States medical residency or fellowship
140.11 program.

140.12 (d) "International medical graduate" means a physician who received a basic medical
140.13 degree or qualification from a medical school located outside the United States and Canada.

140.14 (e) "Minnesota immigrant international medical graduate" means an immigrant
140.15 international medical graduate who has lived in Minnesota for at least two years.

140.16 (f) "Rural community" means a statutory and home rule charter city or township that is
140.17 outside the seven-county metropolitan area as defined in section 473.121, subdivision 2,
140.18 excluding the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud.

140.19 (g) "Underserved community" means a Minnesota area or population included in the
140.20 list of designated primary medical care health professional shortage areas, medically
140.21 underserved areas, or medically underserved populations (MUPs) maintained and updated
140.22 by the United States Department of Health and Human Services.

140.23 Sec. 21. Minnesota Statutes 2022, section 144.212, is amended by adding a subdivision
140.24 to read:

140.25 Subd. 5a. **Replacement.** "Replacement" means a completion, addition, removal, or
140.26 change made to certification items on a vital record after a vital event is registered and a
140.27 record is established that has no notation of a change on a certificate and seals the prior vital
140.28 record.

140.29 Sec. 22. Minnesota Statutes 2022, section 144.216, subdivision 2, is amended to read:

140.30 Subd. 2. **Status of foundling reports.** A report registered under subdivision 1 shall
140.31 constitute the record of birth for the child. Information about the newborn shall be registered

141.1 by the state registrar in accordance with Minnesota Rules, part 4601.0600, subpart 4, item
141.2 C. If the child is identified and a record of birth is found or obtained, the report registered
141.3 under subdivision 1 shall be confidential pursuant to section 13.02, subdivision 3, and shall
141.4 not be disclosed except pursuant to court order.

141.5 Sec. 23. Minnesota Statutes 2022, section 144.216, is amended by adding a subdivision
141.6 to read:

141.7 Subd. 3. **Reporting safe place newborns.** Hospitals that receive a newborn under section
141.8 145.902 shall report the birth of the newborn to the Office of Vital Records within five days
141.9 after receiving the newborn. Information about the newborn shall be registered by the state
141.10 registrar in accordance with Minnesota Rules, part 4601.0600, subpart 4, item C.

141.11 Sec. 24. Minnesota Statutes 2022, section 144.216, is amended by adding a subdivision
141.12 to read:

141.13 Subd. 4. **Status of safe place birth reports and registrations.** (a) Information about a
141.14 safe place newborn registered under subdivision 3 shall constitute the record of birth for
141.15 the child. The record shall be confidential pursuant to section 13.02, subdivision 3.
141.16 Information on the birth record or a birth certificate issued from the birth record shall be
141.17 disclosed only to the responsible social services agency or pursuant to a court order.

141.18 (b) Information about a safe place newborn registered under subdivision 3 shall constitute
141.19 the record of birth for the child. If the safe place newborn was born in a hospital and it is
141.20 known that a record of birth was registered, filed, or amended, the original birth record
141.21 registered under section 144.215 shall be replaced pursuant to section 144.218, subdivision
141.22 6.

141.23 Sec. 25. Minnesota Statutes 2022, section 144.218, is amended by adding a subdivision
141.24 to read:

141.25 Subd. 6. **Safe place newborn; birth record.** If a safe place infant birth is registered
141.26 pursuant to section 144.216, subdivision 4, paragraph (b), the state registrar shall issue a
141.27 replacement birth record free of information that identifies a parent. The prior vital record
141.28 shall be confidential pursuant to section 13.02, subdivision 3, and shall not be disclosed
141.29 except pursuant to a court order.

142.1 Sec. 26. Minnesota Statutes 2022, section 144.493, is amended by adding a subdivision
142.2 to read:

142.3 Subd. 2a. **Thrombectomy-capable stroke center.** A hospital meets the criteria for a
142.4 thrombectomy-capable stroke center if the hospital has been certified as a
142.5 thrombectomy-capable stroke center by the joint commission or another nationally recognized
142.6 accreditation entity or is a primary stroke center that is not certified as a thrombectomy-based
142.7 capable stroke center but the hospital has attained a level of stroke care distinction by offering
142.8 mechanical endovascular therapies and has been certified by a department approved certifying
142.9 body that is a nationally recognized guidelines-based organization.

142.10 Sec. 27. Minnesota Statutes 2022, section 144.494, subdivision 2, is amended to read:

142.11 Subd. 2. **Designation.** A hospital that voluntarily meets the criteria for a comprehensive
142.12 stroke center, thrombectomy-capable stroke center, primary stroke center, or acute stroke
142.13 ready hospital may apply to the commissioner for designation, and upon the commissioner's
142.14 review and approval of the application, shall be designated as a comprehensive stroke center,
142.15 a thrombectomy-capable stroke center, a primary stroke center, or an acute stroke ready
142.16 hospital for a three-year period. If a hospital loses its certification as a comprehensive stroke
142.17 center or primary stroke center from the joint commission or other nationally recognized
142.18 accreditation entity, or no longer participates in the Minnesota stroke registry program, its
142.19 Minnesota designation shall be immediately withdrawn. Prior to the expiration of the
142.20 ~~three-year~~ designation period, a hospital seeking to remain part of the voluntary acute stroke
142.21 system may reapply to the commissioner for designation.

142.22 Sec. 28. Minnesota Statutes 2022, section 144.551, subdivision 1, is amended to read:

142.23 Subdivision 1. **Restricted construction or modification.** (a) The following construction
142.24 or modification may not be commenced:

142.25 (1) any erection, building, alteration, reconstruction, modernization, improvement,
142.26 extension, lease, or other acquisition by or on behalf of a hospital that increases the bed
142.27 capacity of a hospital, relocates hospital beds from one physical facility, complex, or site
142.28 to another, or otherwise results in an increase or redistribution of hospital beds within the
142.29 state; and

142.30 (2) the establishment of a new hospital.

142.31 (b) This section does not apply to:

143.1 (1) construction or relocation within a county by a hospital, clinic, or other health care
143.2 facility that is a national referral center engaged in substantial programs of patient care,
143.3 medical research, and medical education meeting state and national needs that receives more
143.4 than 40 percent of its patients from outside the state of Minnesota;

143.5 (2) a project for construction or modification for which a health care facility held an
143.6 approved certificate of need on May 1, 1984, regardless of the date of expiration of the
143.7 certificate;

143.8 (3) a project for which a certificate of need was denied before July 1, 1990, if a timely
143.9 appeal results in an order reversing the denial;

143.10 (4) a project exempted from certificate of need requirements by Laws 1981, chapter 200,
143.11 section 2;

143.12 (5) a project involving consolidation of pediatric specialty hospital services within the
143.13 Minneapolis-St. Paul metropolitan area that would not result in a net increase in the number
143.14 of pediatric specialty hospital beds among the hospitals being consolidated;

143.15 (6) a project involving the temporary relocation of pediatric-orthopedic hospital beds to
143.16 an existing licensed hospital that will allow for the reconstruction of a new philanthropic,
143.17 pediatric-orthopedic hospital on an existing site and that will not result in a net increase in
143.18 the number of hospital beds. Upon completion of the reconstruction, the licenses of both
143.19 hospitals must be reinstated at the capacity that existed on each site before the relocation;

143.20 (7) the relocation or redistribution of hospital beds within a hospital building or
143.21 identifiable complex of buildings provided the relocation or redistribution does not result
143.22 in: (i) an increase in the overall bed capacity at that site; (ii) relocation of hospital beds from
143.23 one physical site or complex to another; or (iii) redistribution of hospital beds within the
143.24 state or a region of the state;

143.25 (8) relocation or redistribution of hospital beds within a hospital corporate system that
143.26 involves the transfer of beds from a closed facility site or complex to an existing site or
143.27 complex provided that: (i) no more than 50 percent of the capacity of the closed facility is
143.28 transferred; (ii) the capacity of the site or complex to which the beds are transferred does
143.29 not increase by more than 50 percent; (iii) the beds are not transferred outside of a federal
143.30 health systems agency boundary in place on July 1, 1983; (iv) the relocation or redistribution
143.31 does not involve the construction of a new hospital building; and (v) the transferred beds
143.32 are used first to replace within the hospital corporate system the total number of beds
143.33 previously used in the closed facility site or complex for mental health services and substance
143.34 use disorder services. Only after the hospital corporate system has fulfilled the requirements

144.1 of this item may the remainder of the available capacity of the closed facility site or complex
144.2 be transferred for any other purpose;

144.3 (9) a construction project involving up to 35 new beds in a psychiatric hospital in Rice
144.4 County that primarily serves adolescents and that receives more than 70 percent of its
144.5 patients from outside the state of Minnesota;

144.6 (10) a project to replace a hospital or hospitals with a combined licensed capacity of
144.7 130 beds or less if: (i) the new hospital site is located within five miles of the current site;
144.8 and (ii) the total licensed capacity of the replacement hospital, either at the time of
144.9 construction of the initial building or as the result of future expansion, will not exceed ~~70~~
144.10 100 licensed hospital beds, or the combined licensed capacity of the hospitals, whichever
144.11 is less;

144.12 (11) the relocation of licensed hospital beds from an existing state facility operated by
144.13 the commissioner of human services to a new or existing facility, building, or complex
144.14 operated by the commissioner of human services; from one regional treatment center site
144.15 to another; or from one building or site to a new or existing building or site on the same
144.16 campus;

144.17 (12) the construction or relocation of hospital beds operated by a hospital having a
144.18 statutory obligation to provide hospital and medical services for the indigent that does not
144.19 result in a net increase in the number of hospital beds, notwithstanding section 144.552, 27
144.20 beds, of which 12 serve mental health needs, may be transferred from Hennepin County
144.21 Medical Center to Regions Hospital under this clause;

144.22 (13) a construction project involving the addition of up to 31 new beds in an existing
144.23 nonfederal hospital in Beltrami County;

144.24 (14) a construction project involving the addition of up to eight new beds in an existing
144.25 nonfederal hospital in Otter Tail County with 100 licensed acute care beds;

144.26 (15) a construction project involving the addition of 20 new hospital beds in an existing
144.27 hospital in Carver County serving the southwest suburban metropolitan area;

144.28 (16) a project for the construction or relocation of up to 20 hospital beds for the operation
144.29 of up to two psychiatric facilities or units for children provided that the operation of the
144.30 facilities or units have received the approval of the commissioner of human services;

144.31 (17) a project involving the addition of 14 new hospital beds to be used for rehabilitation
144.32 services in an existing hospital in Itasca County;

145.1 (18) a project to add 20 licensed beds in existing space at a hospital in Hennepin County
145.2 that closed 20 rehabilitation beds in 2002, provided that the beds are used only for
145.3 rehabilitation in the hospital's current rehabilitation building. If the beds are used for another
145.4 purpose or moved to another location, the hospital's licensed capacity is reduced by 20 beds;

145.5 (19) a critical access hospital established under section 144.1483, clause (9), and section
145.6 1820 of the federal Social Security Act, United States Code, title 42, section 1395i-4, that
145.7 delicensed beds since enactment of the Balanced Budget Act of 1997, Public Law 105-33,
145.8 to the extent that the critical access hospital does not seek to exceed the maximum number
145.9 of beds permitted such hospital under federal law;

145.10 (20) notwithstanding section 144.552, a project for the construction of a new hospital
145.11 in the city of Maple Grove with a licensed capacity of up to 300 beds provided that:

145.12 (i) the project, including each hospital or health system that will own or control the entity
145.13 that will hold the new hospital license, is approved by a resolution of the Maple Grove City
145.14 Council as of March 1, 2006;

145.15 (ii) the entity that will hold the new hospital license will be owned or controlled by one
145.16 or more not-for-profit hospitals or health systems that have previously submitted a plan or
145.17 plans for a project in Maple Grove as required under section 144.552, and the plan or plans
145.18 have been found to be in the public interest by the commissioner of health as of April 1,
145.19 2005;

145.20 (iii) the new hospital's initial inpatient services must include, but are not limited to,
145.21 medical and surgical services, obstetrical and gynecological services, intensive care services,
145.22 orthopedic services, pediatric services, noninvasive cardiac diagnostics, behavioral health
145.23 services, and emergency room services;

145.24 (iv) the new hospital:

145.25 (A) will have the ability to provide and staff sufficient new beds to meet the growing
145.26 needs of the Maple Grove service area and the surrounding communities currently being
145.27 served by the hospital or health system that will own or control the entity that will hold the
145.28 new hospital license;

145.29 (B) will provide uncompensated care;

145.30 (C) will provide mental health services, including inpatient beds;

145.31 (D) will be a site for workforce development for a broad spectrum of health-care-related
145.32 occupations and have a commitment to providing clinical training programs for physicians
145.33 and other health care providers;

146.1 (E) will demonstrate a commitment to quality care and patient safety;

146.2 (F) will have an electronic medical records system, including physician order entry;

146.3 (G) will provide a broad range of senior services;

146.4 (H) will provide emergency medical services that will coordinate care with regional
146.5 providers of trauma services and licensed emergency ambulance services in order to enhance
146.6 the continuity of care for emergency medical patients; and

146.7 (I) will be completed by December 31, 2009, unless delayed by circumstances beyond
146.8 the control of the entity holding the new hospital license; and

146.9 (v) as of 30 days following submission of a written plan, the commissioner of health
146.10 has not determined that the hospitals or health systems that will own or control the entity
146.11 that will hold the new hospital license are unable to meet the criteria of this clause;

146.12 (21) a project approved under section 144.553;

146.13 (22) a project for the construction of a hospital with up to 25 beds in Cass County within
146.14 a 20-mile radius of the state Ah-Gwah-Ching facility, provided the hospital's license holder
146.15 is approved by the Cass County Board;

146.16 (23) a project for an acute care hospital in Fergus Falls that will increase the bed capacity
146.17 from 108 to 110 beds by increasing the rehabilitation bed capacity from 14 to 16 and closing
146.18 a separately licensed 13-bed skilled nursing facility;

146.19 (24) notwithstanding section 144.552, a project for the construction and expansion of a
146.20 specialty psychiatric hospital in Hennepin County for up to 50 beds, exclusively for patients
146.21 who are under 21 years of age on the date of admission. The commissioner conducted a
146.22 public interest review of the mental health needs of Minnesota and the Twin Cities
146.23 metropolitan area in 2008. No further public interest review shall be conducted for the
146.24 construction or expansion project under this clause;

146.25 (25) a project for a 16-bed psychiatric hospital in the city of Thief River Falls, if the
146.26 commissioner finds the project is in the public interest after the public interest review
146.27 conducted under section 144.552 is complete;

146.28 (26)(i) a project for a 20-bed psychiatric hospital, within an existing facility in the city
146.29 of Maple Grove, exclusively for patients who are under 21 years of age on the date of
146.30 admission, if the commissioner finds the project is in the public interest after the public
146.31 interest review conducted under section 144.552 is complete;

147.1 (ii) this project shall serve patients in the continuing care benefit program under section
147.2 256.9693. The project may also serve patients not in the continuing care benefit program;
147.3 and

147.4 (iii) if the project ceases to participate in the continuing care benefit program, the
147.5 commissioner must complete a subsequent public interest review under section 144.552. If
147.6 the project is found not to be in the public interest, the license must be terminated six months
147.7 from the date of that finding. If the commissioner of human services terminates the contract
147.8 without cause or reduces per diem payment rates for patients under the continuing care
147.9 benefit program below the rates in effect for services provided on December 31, 2015, the
147.10 project may cease to participate in the continuing care benefit program and continue to
147.11 operate without a subsequent public interest review;

147.12 (27) a project involving the addition of 21 new beds in an existing psychiatric hospital
147.13 in Hennepin County that is exclusively for patients who are under 21 years of age on the
147.14 date of admission;

147.15 (28) a project to add 55 licensed beds in an existing safety net, level I trauma center
147.16 hospital in Ramsey County as designated under section 383A.91, subdivision 5, of which
147.17 15 beds are to be used for inpatient mental health and 40 are to be used for other services.
147.18 In addition, five unlicensed observation mental health beds shall be added;

147.19 (29) upon submission of a plan to the commissioner for public interest review under
147.20 section 144.552 and the addition of the 15 inpatient mental health beds specified in clause
147.21 (28), to its bed capacity, a project to add 45 licensed beds in an existing safety net, level I
147.22 trauma center hospital in Ramsey County as designated under section 383A.91, subdivision
147.23 5. Five of the 45 additional beds authorized under this clause must be designated for use
147.24 for inpatient mental health and must be added to the hospital's bed capacity before the
147.25 remaining 40 beds are added. Notwithstanding section 144.552, the hospital may add licensed
147.26 beds under this clause prior to completion of the public interest review, provided the hospital
147.27 submits its plan by the 2021 deadline and adheres to the timelines for the public interest
147.28 review described in section 144.552;

147.29 (30) upon submission of a plan to the commissioner for public interest review under
147.30 section 144.552, a project to add up to 30 licensed beds in an existing psychiatric hospital
147.31 in Hennepin County that exclusively provides care to patients who are under 21 years of
147.32 age on the date of admission. Notwithstanding section 144.552, the psychiatric hospital
147.33 may add licensed beds under this clause prior to completion of the public interest review,

148.1 provided the hospital submits its plan by the 2021 deadline and adheres to the timelines for
148.2 the public interest review described in section 144.552;

148.3 (31) any project to add licensed beds in a hospital located in Cook County or Mahnomen
148.4 County that: (i) is designated as a critical access hospital under section 144.1483, clause
148.5 (9), and United States Code, title 42, section 1395i-4; (ii) has a licensed bed capacity of
148.6 fewer than 25 beds; and (iii) has an attached nursing home, so long as the total number of
148.7 licensed beds in the hospital after the bed addition does not exceed 25 beds. Notwithstanding
148.8 section 144.552, a public interest review is not required for a project authorized under this
148.9 clause;

148.10 (32) upon submission of a plan to the commissioner for public interest review under
148.11 section 144.552, a project to add 22 licensed beds at a Minnesota freestanding children's
148.12 hospital in St. Paul that is part of an independent pediatric health system with freestanding
148.13 inpatient hospitals located in Minneapolis and St. Paul. The beds shall be utilized for pediatric
148.14 inpatient behavioral health services. Notwithstanding section 144.552, the hospital may add
148.15 licensed beds under this clause prior to completion of the public interest review, provided
148.16 the hospital submits its plan by the 2022 deadline and adheres to the timelines for the public
148.17 interest review described in section 144.552; ~~or~~

148.18 (33) a project for a 144-bed psychiatric hospital on the site of the former Bethesda
148.19 hospital in the city of Saint Paul, Ramsey County, if the commissioner finds the project is
148.20 in the public interest after the public interest review conducted under section 144.552 is
148.21 complete. Following the completion of the construction project, the commissioner of health
148.22 shall monitor the hospital, including by assessing the hospital's case mix and payer mix,
148.23 patient transfers, and patient diversions. The hospital must have an intake and assessment
148.24 area. The hospital must accommodate patients with acute mental health needs, whether they
148.25 walk up to the facility, are delivered by ambulances or law enforcement, or are transferred
148.26 from other facilities. The hospital must comply with subdivision 1a, paragraph (b). The
148.27 hospital must annually submit de-identified data to the department in the format and manner
148.28 defined by the commissioner~~.~~; or

148.29 (34) a project involving the relocation of up to 26 licensed long-term acute care hospital
148.30 beds from an existing long-term care hospital located in Hennepin County with a licensed
148.31 capacity prior to the relocation of 92 beds to dedicated space on the campus of an existing
148.32 safety net, level I trauma center hospital in Ramsey County as designated under section
148.33 383A.91, subdivision 5, provided both the commissioner finds the project is in the public
148.34 interest after the public interest review conducted under section 144.552 is complete and

149.1 the relocated beds continue to be used as long-term acute care hospital beds after the
149.2 relocation.

149.3 Sec. 29. Minnesota Statutes 2022, section 144.605, is amended by adding a subdivision
149.4 to read:

149.5 Subd. 10. **Chapter 16C waiver.** Pursuant to subdivisions 4, paragraph (b), and 5,
149.6 paragraph (b), the commissioner of administration may waive provisions of chapter 16C
149.7 for the purposes of approving contracts for independent clinical teams.

149.8 Sec. 30. Minnesota Statutes 2022, section 144.99, subdivision 3, is amended to read:

149.9 Subd. 3. **Correction orders.** (a) The commissioner may issue correction orders that
149.10 require a person to correct a violation of the statutes, rules, and other actions listed in
149.11 subdivision 1. The correction order must state the deficiencies that constitute the violation;
149.12 the specific statute, rule, or other action; and the time by which the violation must be
149.13 corrected.

149.14 (b) If the person believes that the information contained in the commissioner's correction
149.15 order is in error, the person may ask the commissioner to reconsider the parts of the order
149.16 that are alleged to be in error. The request must be in writing, delivered to the commissioner
149.17 by certified mail within ~~seven~~ 15 calendar days after receipt of the order, and:

149.18 (1) specify which parts of the order for corrective action are alleged to be in error;

149.19 (2) explain why they are in error; and

149.20 (3) provide documentation to support the allegation of error.

149.21 The commissioner must respond to requests made under this paragraph within 15 calendar
149.22 days after receiving a request. A request for reconsideration does not stay the correction
149.23 order; however, after reviewing the request for reconsideration, the commissioner may
149.24 provide additional time to comply with the order if necessary. The commissioner's disposition
149.25 of a request for reconsideration is final.

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

149.27 Sec. 31. Minnesota Statutes 2022, section 144A.10, subdivision 15, is amended to read:

149.28 Subd. 15. **Informal dispute resolution.** The commissioner shall respond in writing to
149.29 a request from a nursing facility certified under the federal Medicare and Medicaid programs
149.30 for an informal dispute resolution within ~~30 days of the exit date of the facility's survey~~ ten
149.31 calendar days of the facility's receipt of the notice of deficiencies. The commissioner's

150.1 response shall identify the commissioner's decision regarding ~~the continuation of~~ each
150.2 deficiency citation challenged by the nursing facility, as well as a statement of any changes
150.3 in findings, level of severity or scope, and proposed remedies or sanctions for each deficiency
150.4 citation.

150.5 **EFFECTIVE DATE.** This section is effective August 1, 2024.

150.6 Sec. 32. Minnesota Statutes 2022, section 144A.10, subdivision 16, is amended to read:

150.7 Subd. 16. **Independent informal dispute resolution.** (a) Notwithstanding subdivision
150.8 15, a facility certified under the federal Medicare or Medicaid programs that has been
150.9 assessed a civil money penalty as provided by Code of Federal Regulations, title 42, section
150.10 488.430, may request from the commissioner, in writing, an independent informal dispute
150.11 resolution process regarding any deficiency ~~citation issued to the facility~~. The facility must
150.12 ~~specify in its written request each deficiency citation that it disputes. The commissioner~~
150.13 ~~shall provide a hearing under sections 14.57 to 14.62. Upon the written request of the facility,~~
150.14 ~~the parties must submit the issues raised to arbitration by an administrative law judge~~ submit
150.15 its request in writing within ten calendar days of receiving notice that a civil money penalty
150.16 will be imposed.

150.17 (b) The facility and commissioner have the right to be represented by an attorney at the
150.18 hearing.

150.19 (c) An independent informal dispute resolution may not be requested for any deficiency
150.20 that is the subject of an active informal dispute resolution requested under subdivision 15.
150.21 The facility must withdraw its informal dispute resolution prior to requesting independent
150.22 informal dispute resolution.

150.23 ~~(b) Upon~~ (d) Within five calendar days of receipt of a written request for an ~~arbitration~~
150.24 ~~proceeding~~ independent informal dispute resolution, the commissioner shall file with the
150.25 Office of Administrative Hearings a request for the appointment of an ~~arbitrator~~
150.26 administrative law judge from the Office of Administrative Hearings and simultaneously
150.27 serve the facility with notice of the request. ~~The arbitrator for the dispute shall be an~~
150.28 ~~administrative law judge appointed by the Office of Administrative Hearings. The disclosure~~
150.29 ~~provisions of section 572B.12 and the notice provisions of section 572B.15, subsection (c),~~
150.30 ~~apply. The facility and the commissioner have the right to be represented by an attorney.~~

150.31 (e) An independent informal dispute resolution proceeding shall be scheduled to occur
150.32 within 30 calendar days of the commissioner's request to the Office of Administrative
150.33 Hearings, unless the parties agree otherwise or the chief administrative law judge deems

151.1 the timing to be unreasonable. The independent informal dispute resolution process must
151.2 be completed within 60 calendar days of the facility's request.

151.3 ~~(c)~~ (f) Five working days in advance of the scheduled proceeding, the commissioner
151.4 and the facility ~~may present~~ must submit written statements and arguments, documentary
151.5 evidence, depositions, and ~~oral statements and arguments at the arbitration proceeding. Oral~~
151.6 ~~statements and arguments may be made by telephone~~ any other materials supporting their
151.7 position to the administrative law judge.

151.8 (g) The independent informal dispute resolution proceeding shall be informal and
151.9 conducted in a manner so as to allow the parties to fully present their positions and respond
151.10 to the opposing party's positions. This may include presentation of oral statements and
151.11 arguments at the proceeding.

151.12 ~~(d)~~ (h) Within ten working days of the close of the ~~arbitration~~ proceeding, the
151.13 administrative law judge shall issue findings and recommendations regarding each of the
151.14 deficiencies in dispute. The findings shall be one or more of the following:

151.15 (1) Supported in full. The citation is supported in full, with no deletion of findings and
151.16 no change in the scope or severity assigned to the deficiency citation.

151.17 (2) Supported in substance. The citation is supported, but one or more findings are
151.18 deleted without any change in the scope or severity assigned to the deficiency.

151.19 (3) Deficient practice cited under wrong requirement of participation. The citation is
151.20 amended by moving it to the correct requirement of participation.

151.21 (4) Scope not supported. The citation is amended through a change in the scope assigned
151.22 to the citation.

151.23 (5) Severity not supported. The citation is amended through a change in the severity
151.24 assigned to the citation.

151.25 (6) No deficient practice. The citation is deleted because the findings did not support
151.26 the citation or the negative resident outcome was unavoidable. ~~The findings of the arbitrator~~
151.27 ~~are not binding on the commissioner.~~

151.28 (i) The findings and recommendations of the administrative law judge are not binding
151.29 on the commissioner.

151.30 (j) Within ten calendar days of receiving the administrative law judge's findings and
151.31 recommendations, the commissioner shall issue a recommendation to the Center for Medicare
151.32 and Medicaid Services.

152.1 ~~(e)~~ (k) The commissioner shall reimburse the Office of Administrative Hearings for the
152.2 costs incurred by that office for the ~~arbitration~~ proceeding. ~~The facility shall reimburse the~~
152.3 ~~commissioner for the proportion of the costs that represent the sum of deficiency citations~~
152.4 ~~supported in full under paragraph (d), clause (1), or in substance under paragraph (d), clause~~
152.5 ~~(2), divided by the total number of deficiencies disputed. A deficiency citation for which~~
152.6 ~~the administrative law judge's sole finding is that the deficient practice was cited under the~~
152.7 ~~wrong requirements of participation shall not be counted in the numerator or denominator~~
152.8 ~~in the calculation of the proportion of costs.~~

152.9 **EFFECTIVE DATE.** This section is effective October 1, 2024, or upon federal approval,
152.10 whichever is later, and applies to appeals of deficiencies which are issued after October 1,
152.11 2024, or on or after the date upon which federal approval is obtained, whichever is later.
152.12 The commissioner of health shall notify the revisor of statutes when federal approval is
152.13 obtained.

152.14 Sec. 33. Minnesota Statutes 2022, section 144A.471, is amended by adding a subdivision
152.15 to read:

152.16 Subd. 1a. **Licensure under other law.** A home care licensee must not provide sleeping
152.17 accommodations as a provision of home care services. For purposes of this subdivision, the
152.18 provision of sleeping accommodations and assisted living services under section 144G.08,
152.19 subdivision 9, requires assisted living licensure under chapter 144G.

152.20 Sec. 34. Minnesota Statutes 2022, section 144A.474, subdivision 13, is amended to read:

152.21 Subd. 13. **Home care surveyor training.** (a) Before conducting a home care survey,
152.22 each home care surveyor must receive training on the following topics:

152.23 (1) Minnesota home care licensure requirements;

152.24 (2) Minnesota home care bill of rights;

152.25 (3) Minnesota Vulnerable Adults Act and reporting of maltreatment of minors;

152.26 (4) principles of documentation;

152.27 (5) survey protocol and processes;

152.28 (6) Offices of the Ombudsman roles;

152.29 (7) Office of Health Facility Complaints;

152.30 (8) Minnesota landlord-tenant ~~and housing with services~~ laws;

153.1 (9) types of payors for home care services; and

153.2 (10) Minnesota Nurse Practice Act for nurse surveyors.

153.3 (b) Materials used for the training in paragraph (a) shall be posted on the department
153.4 website. Requisite understanding of these topics will be reviewed as part of the quality
153.5 improvement plan in section 144A.483.

153.6 Sec. 35. Minnesota Statutes 2023 Supplement, section 144A.4791, subdivision 10, is
153.7 amended to read:

153.8 Subd. 10. **Termination of service plan.** (a) If a home care provider terminates a service
153.9 plan with a client, and the client continues to need home care services, the home care provider
153.10 shall provide the client and the client's representative, if any, with a written notice of
153.11 termination which includes the following information:

153.12 (1) the effective date of termination;

153.13 (2) the reason for termination;

153.14 (3) for clients age 18 or older, a statement that the client may contact the Office of
153.15 Ombudsman for Long-Term Care to request an advocate to assist regarding the termination
153.16 and contact information for the office, including the office's central telephone number;

153.17 (4) a list of known licensed home care providers in the client's immediate geographic
153.18 area;

153.19 (5) a statement that the home care provider will participate in a coordinated transfer of
153.20 care of the client to another home care provider, health care provider, or caregiver, as
153.21 required by the home care bill of rights, section 144A.44, subdivision 1, clause (17); and

153.22 (6) the name and contact information of a person employed by the home care provider
153.23 with whom the client may discuss the notice of termination~~; and~~.

153.24 ~~(7) if applicable, a statement that the notice of termination of home care services does~~
153.25 ~~not constitute notice of termination of any housing contract.~~

153.26 (b) When the home care provider voluntarily discontinues services to all clients, the
153.27 home care provider must notify the commissioner, lead agencies, and ombudsman for
153.28 long-term care about its clients and comply with the requirements in this subdivision.

154.1 Sec. 36. Minnesota Statutes 2022, section 144E.16, subdivision 7, is amended to read:

154.2 Subd. 7. **Stroke transport protocols.** Regional emergency medical services programs
154.3 and any ambulance service licensed under this chapter must develop stroke transport
154.4 protocols. The protocols must include standards of care for triage and transport of acute
154.5 stroke patients within a specific time frame from symptom onset until transport to the most
154.6 appropriate designated acute stroke ready hospital, primary stroke center,
154.7 thrombectomy-capable stroke center, or comprehensive stroke center.

154.8 Sec. 37. Minnesota Statutes 2022, section 144G.08, subdivision 29, is amended to read:

154.9 Subd. 29. **Licensed health professional.** "Licensed health professional" means a person
154.10 licensed in Minnesota to practice a profession described in section 214.01, subdivision 2,
154.11 other than a registered nurse or licensed practical nurse, who provides assisted living services
154.12 within the scope of practice of that person's health occupation license, registration, or
154.13 certification as a regulated person who is licensed by an appropriate Minnesota state board
154.14 or agency.

154.15 Sec. 38. Minnesota Statutes 2022, section 144G.10, is amended by adding a subdivision
154.16 to read:

154.17 Subd. 5. **Protected title; restriction on use.** (a) Effective January 1, 2026, no person
154.18 or entity may use the phrase "assisted living," whether alone or in combination with other
154.19 words and whether orally or in writing, to: advertise; market; or otherwise describe, offer,
154.20 or promote itself, or any housing, service, service package, or program that it provides
154.21 within this state, unless the person or entity is a licensed assisted living facility that meets
154.22 the requirements of this chapter. A person or entity entitled to use the phrase "assisted living"
154.23 shall use the phrase only in the context of its participation that meets the requirements of
154.24 this chapter.

154.25 (b) Effective January 1, 2026, the licensee's name for a new assisted living facility may
154.26 not include the terms "home care" or "nursing home."

154.27 Sec. 39. Minnesota Statutes 2022, section 144G.16, subdivision 6, is amended to read:

154.28 Subd. 6. **Requirements for notice and transfer.** A provisional licensee whose license
154.29 is denied must comply with the requirements for notification and the coordinated move of
154.30 residents in sections 144G.52 and 144G.55. If the license denial is upheld by the
154.31 reconsideration process, the licensee must submit a draft closure plan as required by section

155.1 144G.57 within ten calendar days of receipt of the reconsideration decision and submit a
155.2 final plan within 30 days.

155.3 Sec. 40. Minnesota Statutes 2023 Supplement, section 145.561, subdivision 4, is amended
155.4 to read:

155.5 Subd. 4. **988 telecommunications fee.** (a) In compliance with the National Suicide
155.6 Hotline Designation Act of 2020, ~~the commissioner shall impose a monthly statewide fee~~
155.7 ~~on~~ each subscriber of a wireline, wireless, or IP-enabled voice service ~~at a rate that provides~~
155.8 must pay a monthly fee to provide for the robust creation, operation, and maintenance of a
155.9 statewide 988 suicide prevention and crisis system.

155.10 ~~(b) The commissioner shall annually recommend to the Public Utilities Commission an~~
155.11 ~~adequate and appropriate fee to implement this section. The amount of the fee must comply~~
155.12 ~~with the limits in paragraph (c). The commissioner shall provide telecommunication service~~
155.13 ~~providers and carriers a minimum of 45 days' notice of each fee change.~~

155.14 ~~(c)~~ (b) The amount of the 988 telecommunications fee ~~must not be more than 25~~ is 12
155.15 cents per month ~~on or after January 1, 2024,~~ for each consumer access line, including trunk
155.16 equivalents as designated by the ~~commission~~ Public Utilities Commission pursuant to section
155.17 403.11, subdivision 1. The 988 telecommunications fee must be the same for all subscribers.

155.18 ~~(d)~~ (c) Each wireline, wireless, and IP-enabled voice telecommunication service provider
155.19 shall collect the 988 telecommunications fee and transfer the amounts collected to the
155.20 commissioner of public safety in the same manner as provided in section 403.11, subdivision
155.21 1, paragraph (d).

155.22 ~~(e)~~ (d) The commissioner of public safety shall deposit the money collected from the
155.23 988 telecommunications fee to the 988 special revenue account established in subdivision
155.24 3.

155.25 ~~(f)~~ (e) All 988 telecommunications fee revenue must be used to supplement, and not
155.26 supplant, federal, state, and local funding for suicide prevention.

155.27 ~~(g)~~ (f) The 988 telecommunications fee amount shall be adjusted as needed to provide
155.28 for continuous operation of the lifeline centers and 988 hotline, volume increases, and
155.29 maintenance.

155.30 ~~(h)~~ (g) The commissioner shall annually report to the Federal Communications
155.31 Commission on revenue generated by the 988 telecommunications fee.

155.32 **EFFECTIVE DATE.** This section is effective September 1, 2024.

156.1 Sec. 41. Minnesota Statutes 2022, section 146B.03, subdivision 7a, is amended to read:

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

156.4 (1) two years as a tattoo technician licensed under section 146B.03, subdivision 4, 6, or
156.5 8, in order to supervise a temporary tattoo technician; or

156.6 (2) one year as a body piercing technician licensed under section 146B.03, subdivision
156.7 4, 6, or 8, or must have performed at least 500 body piercings, in order to supervise a
156.8 temporary body piercing technician.

156.9 (b) Any technician who agrees to supervise more than two temporary tattoo technicians
156.10 during the same time period, or more than four body piercing technicians during the same
156.11 time period, must provide to the commissioner a supervisory plan that describes how the
156.12 technician will provide supervision to each temporary technician in accordance with section
156.13 146B.01, subdivision 28.

156.14 (c) The supervisory plan must include, at a minimum:

156.15 (1) the areas of practice under supervision;

156.16 (2) the anticipated supervision hours per week;

156.17 (3) the anticipated duration of the training period; and

156.18 (4) the method of providing supervision if there are multiple technicians being supervised
156.19 during the same time period.

156.20 (d) If the supervisory plan is terminated before completion of the technician's supervised
156.21 practice, the supervisor must notify the commissioner in writing within 14 days of the change
156.22 in supervision and include an explanation of why the plan was not completed.

156.23 (e) The commissioner may refuse to approve as a supervisor a technician who has been
156.24 disciplined in Minnesota or in another jurisdiction after considering the criteria in section
156.25 146B.02, subdivision 10, paragraph (b).

156.26 Sec. 42. Minnesota Statutes 2022, section 146B.10, subdivision 1, is amended to read:

156.27 Subdivision 1. **Licensing fees.** (a) The fee for the initial technician licensure application
156.28 and biennial licensure renewal application is $420.

156.29 (b) The fee for temporary technician licensure application is $240.

156.30 (c) The fee for the temporary guest artist license application is $140.

157.1 (d) The fee for a dual body art technician license application is $420.

157.2 (e) The fee for a provisional establishment license application required in section 146B.02,
157.3 subdivision 5, paragraph (c), is $1,500.

157.4 (f) The fee for an initial establishment license application and the two-year license
157.5 renewal period application required in section 146B.02, subdivision 2, paragraph (b), is
157.6 $1,500.

157.7 (g) The fee for a temporary body art establishment event permit application is $200.

157.8 (h) The commissioner shall prorate the initial two-year technician license fee based on
157.9 the number of months in the initial licensure period. The commissioner shall prorate the
157.10 first renewal fee for the establishment license based on the number of months from issuance
157.11 of the provisional license to the first renewal.

157.12 (i) The fee for verification of licensure to other states is $25.

157.13 ~~(j) The fee to reissue a provisional establishment license that relocates prior to inspection~~
157.14 ~~and removal of provisional status is $350. The expiration date of the provisional license~~
157.15 ~~does not change.~~

157.16 ~~(k)~~ (j) The fee to change an establishment name or establishment type, such as tattoo,
157.17 piercing, or dual, is $50.

157.18 Sec. 43. Minnesota Statutes 2022, section 146B.10, subdivision 3, is amended to read:

157.19 Subd. 3. **Deposit.** Fees collected by the commissioner under this section must be deposited
157.20 in the state government special revenue fund. All fees are nonrefundable.

157.21 Sec. 44. Minnesota Statutes 2022, section 149A.02, subdivision 3b, is amended to read:

157.22 Subd. 3b. **Burial site services.** "Burial site services" means any services sold or offered
157.23 for sale directly to the public for use in connection with the final disposition of a dead human
157.24 body but does not include services provided under a transportation protection agreement.

157.25 Sec. 45. Minnesota Statutes 2022, section 149A.02, subdivision 23, is amended to read:

157.26 Subd. 23. **Funeral services.** (a) "Funeral services" means any services which may be
157.27 used to: (1) care for and prepare dead human bodies for burial, alkaline hydrolysis, cremation,
157.28 or other final disposition; and (2) arrange, supervise, or conduct the funeral ceremony or
157.29 the final disposition of dead human bodies.

157.30 (b) Funeral service does not include a transportation protection agreement.

158.1 Sec. 46. Minnesota Statutes 2022, section 149A.02, is amended by adding a subdivision
158.2 to read:

158.3 Subd. 38a. **Transportation protection agreement.** "Transportation protection agreement"
158.4 means an agreement that is primarily for the purpose of transportation and subsequent
158.5 transportation of the remains of a dead human body.

158.6 Sec. 47. Minnesota Statutes 2022, section 149A.65, is amended to read:

158.7 **149A.65 FEES.**

158.8 Subdivision 1. **Generally.** This section establishes the application fees for registrations,
158.9 examinations, initial and renewal licenses, and late fees authorized under the provisions of
158.10 this chapter.

158.11 Subd. 2. **Mortuary science fees.** Fees for mortuary science are:

158.12 (1) $75 for the initial and renewal registration of a mortuary science intern;

158.13 (2) $125 for the mortuary science examination;

158.14 (3) $200 for ~~issuance of~~ initial and renewal mortuary science ~~licenses~~ license applications;

158.15 (4) $100 late fee charge for a license renewal application; and

158.16 (5) $250 for ~~issuing a~~ an application for mortuary science license by endorsement.

158.17 Subd. 3. **Funeral directors.** The license renewal application fee for funeral directors is
158.18 $200. The late fee charge for a license renewal is $100.

158.19 Subd. 4. **Funeral establishments.** The initial and renewal application fee for funeral
158.20 establishments is $425. The late fee charge for a license renewal is $100.

158.21 Subd. 5. **Crematories.** The initial and renewal application fee for a crematory is $425.
158.22 The late fee charge for a license renewal is $100.

158.23 Subd. 6. **Alkaline hydrolysis facilities.** The initial and renewal application fee for an
158.24 alkaline hydrolysis facility is $425. The late fee charge for a license renewal is $100.

158.25 Subd. 7. **State government special revenue fund.** Fees collected by the commissioner
158.26 under this section must be deposited in the state treasury and credited to the state government
158.27 special revenue fund. All fees are nonrefundable.

159.1 Sec. 48. Minnesota Statutes 2022, section 149A.97, subdivision 2, is amended to read:

159.2 Subd. 2. **Scope and requirements.** This section shall not apply to a transportation
159.3 protection agreement or to any funeral goods or burial site goods purchased and delivered,
159.4 either at purchase or within a commercially reasonable amount of time thereafter. When
159.5 prior to the death of any person, that person or another, on behalf of that person, enters into
159.6 any transaction, makes a contract, or any series or combination of transactions or contracts
159.7 with a funeral provider lawfully doing business in Minnesota, other than an insurance
159.8 company licensed to do business in Minnesota selling approved insurance or annuity
159.9 products, by the terms of which, goods or services related to the final disposition of that
159.10 person will be furnished at-need, then the total of all money paid by the terms of the
159.11 transaction, contract, or series or combination of transactions or contracts shall be held in
159.12 trust for the purpose for which it has been paid. The person for whose benefit the money
159.13 was paid shall be known as the beneficiary, the person or persons who paid the money shall
159.14 be known as the purchaser, and the funeral provider shall be known as the depositor.

159.15 Sec. 49. Minnesota Statutes 2022, section 152.22, is amended by adding a subdivision to
159.16 read:

159.17 Subd. 19. **Veteran.** "Veteran" means an individual who satisfies the requirements in
159.18 section 197.447 and is receiving care from the United States Department of Veterans Affairs.

159.19 Sec. 50. Minnesota Statutes 2022, section 152.25, subdivision 2, is amended to read:

159.20 Subd. 2. **Range of compounds and dosages; report.** The commissioner shall review
159.21 and publicly report the existing medical and scientific literature regarding the range of
159.22 recommended dosages for each qualifying condition and the range of chemical compositions
159.23 of any plant of the genus cannabis that will likely be medically beneficial for each of the
159.24 qualifying medical conditions. The commissioner shall make this information available to
159.25 patients with qualifying medical conditions beginning December 1, 2014, and update the
159.26 information ~~annually~~ every three years. The commissioner may consult with the independent
159.27 laboratory under contract with the manufacturer or other experts in reporting the range of
159.28 recommended dosages for each qualifying medical condition, the range of chemical
159.29 compositions that will likely be medically beneficial, and any risks of noncannabis drug
159.30 interactions. The commissioner shall consult with each manufacturer on an annual basis on
159.31 medical cannabis offered by the manufacturer. The list of medical cannabis offered by a
159.32 manufacturer shall be published on the Department of Health website.

160.1 Sec. 51. Minnesota Statutes 2023 Supplement, section 152.28, subdivision 1, is amended
160.2 to read:

160.3 Subdivision 1. **Health care practitioner duties.** (a) Prior to a patient's enrollment in
160.4 the registry program, a health care practitioner shall:

160.5 (1) determine, in the health care practitioner's medical judgment, whether a patient suffers
160.6 from a qualifying medical condition, and, if so determined, provide the patient with a
160.7 certification of that diagnosis;

160.8 (2) advise patients, registered designated caregivers, and parents, legal guardians, or
160.9 spouses who are acting as caregivers of the existence of any nonprofit patient support groups
160.10 or organizations;

160.11 (3) provide explanatory information from the commissioner to patients with qualifying
160.12 medical conditions, including disclosure to all patients about the experimental nature of
160.13 therapeutic use of medical cannabis; the possible risks, benefits, and side effects of the
160.14 proposed treatment; the application and other materials from the commissioner; and provide
160.15 patients with the Tennessen warning as required by section 13.04, subdivision 2; and

160.16 (4) agree to continue treatment of the patient's qualifying medical condition and report
160.17 medical findings to the commissioner.

160.18 (b) Upon notification from the commissioner of the patient's enrollment in the registry
160.19 program, the health care practitioner shall:

160.20 (1) participate in the patient registry reporting system under the guidance and supervision
160.21 of the commissioner;

160.22 (2) report health records of the patient throughout the ongoing treatment of the patient
160.23 to the commissioner in a manner determined by the commissioner and in accordance with
160.24 subdivision 2;

160.25 (3) determine, ~~on a yearly basis~~ every three years, if the patient continues to suffer from
160.26 a qualifying medical condition and, if so, issue the patient a new certification of that
160.27 diagnosis; and

160.28 (4) otherwise comply with all requirements developed by the commissioner.

160.29 (c) A health care practitioner may utilize telehealth, as defined in section 62A.673,
160.30 subdivision 2, for certifications and recertifications.

160.31 (d) Nothing in this section requires a health care practitioner to participate in the registry
160.32 program.

Sec. 52. Minnesota Statutes 2022, section 256R.02, subdivision 20, is amended to read:

Subd. 20. **Facility average case mix index.** "Facility average case mix index" or "CMI" means a numerical score that describes the relative resource use for all residents within the case mix ~~classifications under the resource utilization group (RUG)~~ classification system prescribed by the commissioner based on an assessment of each resident. The facility average CMI shall be computed as the standardized days divided by the sum of the facility's resident days. The case mix indices used shall be based on the system prescribed in section 256R.17.

Sec. 53. Minnesota Statutes 2022, section 259.52, subdivision 2, is amended to read:

Subd. 2. **Requirement to search registry before adoption petition can be granted; proof of search.** No petition for adoption may be granted unless the agency supervising the adoptive placement, the birth mother of the child, the putative father who registered or the legal father, or, in the case of a stepparent or relative adoption, the county agency responsible for the report required under section 259.53, subdivision 1, requests that the commissioner of health search the registry to determine whether a putative father is registered in relation to a child who is or may be the subject of an adoption petition. The search required by this subdivision must be conducted no sooner than 31 days following the birth of the child. A search of the registry may be proven by the production of a certified copy of the registration form or by a certified statement of the commissioner of health that after a search no registration of a putative father in relation to a child who is or may be the subject of an adoption petition could be located. The filing of a certified copy of an order from a juvenile protection matter under chapter 260C containing a finding that certification of the requisite search of the Minnesota Fathers' Adoption Registry was filed with the court in that matter shall also constitute proof of search. Certification that the Minnesota Fathers' Adoption Registry has been searched must be filed with the court prior to entry of any final order of adoption. In addition to the search required by this subdivision, the agency supervising the adoptive placement, the birth mother of the child, or, in the case of a stepparent or relative adoption, the social services agency responsible for the report under section 259.53, subdivision 1, or the responsible social services agency that is a petitioner in a juvenile protection matter under chapter 260C may request that the commissioner of health search the registry at any time. Search requirements of this section do not apply when the responsible social services agency is proceeding under Safe Place for Newborns, section 260C.139.

162.1 Sec. 54. Minnesota Statutes 2022, section 259.52, subdivision 4, is amended to read:

162.2 Subd. 4. **Classification of registry data.** (a) Data in the fathers' adoption registry,
162.3 including all data provided in requesting the search of the registry, are private data on
162.4 individuals, as defined in section 13.02, subdivision 2, and are nonpublic data with respect
162.5 to data not on individuals, as defined in section 13.02, subdivision 9. Data in the registry
162.6 may be released to:

162.7 (1) a person who is required to search the registry under subdivision 2, if the data relate
162.8 to the child who is or may be the subject of the adoption petition;

162.9 (2) the mother of the child listed on the putative father's registration form who the
162.10 commissioner of health is required to notify under subdivision 1, paragraph (c);

162.11 (3) the putative father who registered himself or the legal father;

162.12 (4) a public authority as provided in subdivision 3; or

162.13 ~~(4)~~ (5) an attorney who has signed an affidavit from the commissioner of health attesting
162.14 that the attorney represents the birth mother, the putative or legal father, or the prospective
162.15 adoptive parents.

162.16 (b) A person who receives data under this subdivision may use the data only for purposes
162.17 authorized under this section or other law.

162.18 Sec. 55. Minnesota Statutes 2023 Supplement, section 342.54, subdivision 2, is amended
162.19 to read:

162.20 Subd. 2. **Duties related to the registry program.** The Division of Medical Cannabis
162.21 must:

162.22 (1) administer the registry program according to section 342.52;

162.23 (2) provide information to patients enrolled in the registry program on the existence of
162.24 federally approved clinical trials for the treatment of the patient's qualifying medical condition
162.25 with medical cannabis flower or medical cannabinoid products as an alternative to enrollment
162.26 in the registry program;

162.27 (3) maintain safety criteria with which patients must comply as a condition of participation
162.28 in the registry program to prevent patients from undertaking any task under the influence
162.29 of medical cannabis flower or medical cannabinoid products that would constitute negligence
162.30 or professional malpractice;

163.1 (4) review and publicly report on existing medical and scientific literature regarding the
163.2 range of recommended dosages for each qualifying medical condition, the range of chemical
163.3 compositions of medical cannabis flower and medical cannabinoid products that will likely
163.4 be medically beneficial for each qualifying medical condition, and any risks of noncannabis
163.5 drug interactions. This information must be updated by December 1 ~~of each year~~ every three
163.6 years. The office may consult with an independent laboratory under contract with the office
163.7 or other experts in reporting and updating this information; and

163.8 (5) annually consult with cannabis businesses about medical cannabis that the businesses
163.9 cultivate, manufacture, and offer for sale and post on the Division of Medical Cannabis
163.10 website a list of the medical cannabis flower and medical cannabinoid products offered for
163.11 sale by each medical cannabis retailer.

163.12 **EFFECTIVE DATE.** This section is effective March 1, 2025.

163.13 Sec. 56. Minnesota Statutes 2023 Supplement, section 342.55, subdivision 2, is amended
163.14 to read:

163.15 Subd. 2. **Duties upon patient's enrollment in registry program.** Upon receiving
163.16 notification from the Division of Medical Cannabis of the patient's enrollment in the registry
163.17 program, a health care practitioner must:

163.18 (1) participate in the patient registry reporting system under the guidance and supervision
163.19 of the Division of Medical Cannabis;

163.20 (2) report to the Division of Medical Cannabis patient health records throughout the
163.21 patient's ongoing treatment in a manner determined by the office and in accordance with
163.22 subdivision 4;

163.23 (3) determine ~~on a yearly basis~~, every three years, if the patient continues to have a
163.24 qualifying medical condition and, if so, issue the patient a new certification of that diagnosis.
163.25 The patient assessment conducted under this clause may be conducted via telehealth, as
163.26 defined in section 62A.673, subdivision 2; and

163.27 (4) otherwise comply with requirements established by the Office of Cannabis
163.28 Management and the Division of Medical Cannabis.

163.29 **EFFECTIVE DATE.** This section is effective March 1, 2025.

164.1 Sec. 57. **REVISOR INSTRUCTION.**

164.2 The revisor of statutes shall substitute the term "employee" with the term "staff" in the
164.3 following sections of Minnesota Statutes and make any grammatical changes needed without
164.4 changing the meaning of the sentence: Minnesota Statutes, sections 144G.08, subdivisions
164.5 18 and 36; 144G.13, subdivision 1, paragraph (c); 144G.20, subdivisions 1, 2, and 21;
164.6 144G.30, subdivision 5; 144G.42, subdivision 8; 144G.45, subdivision 2; 144G.60,
164.7 subdivisions 1, paragraph (c), and 3, paragraph (a); 144G.63, subdivision 2, paragraph (a),
164.8 clause (9); 144G.64, paragraphs (a), clauses (2), (3), and (5), and (c); 144G.70, subdivision
164.9 7; and 144G.92, subdivisions 1 and 3.

164.10 Sec. 58. **REPEALER; 340B COVERED ENTITY REPORT.**

164.11 (a) Minnesota Statutes 2022, sections 144.218, subdivision 3; 144.497; and 256R.02,
164.12 subdivision 46, are repealed.

164.13 (b) Minnesota Statutes 2023 Supplement, sections 62J.312, subdivision 6; and 144.0528,
164.14 subdivision 5, are repealed.

164.15 **ARTICLE 7**

164.16 **EMERGENCY MEDICAL SERVICES**

164.17 Section 1. Minnesota Statutes 2023 Supplement, section 15A.0815, subdivision 2, is
164.18 amended to read:

164.19 Subd. 2. **Agency head salaries.** The salary for a position listed in this subdivision shall
164.20 be determined by the Compensation Council under section 15A.082. The commissioner of
164.21 management and budget must publish the salaries on the department's website. This
164.22 subdivision applies to the following positions:

164.23 Commissioner of administration;

164.24 Commissioner of agriculture;

164.25 Commissioner of education;

164.26 Commissioner of children, youth, and families;

164.27 Commissioner of commerce;

164.28 Commissioner of corrections;

164.29 Commissioner of health;

164.30 Commissioner, Minnesota Office of Higher Education;

165.1 Commissioner, Minnesota IT Services;

165.2 Commissioner, Housing Finance Agency;

165.3 Commissioner of human rights;

165.4 Commissioner of human services;

165.5 Commissioner of labor and industry;

165.6 Commissioner of management and budget;

165.7 Commissioner of natural resources;

165.8 Commissioner, Pollution Control Agency;

165.9 Commissioner of public safety;

165.10 Commissioner of revenue;

165.11 Commissioner of employment and economic development;

165.12 Commissioner of transportation;

165.13 Commissioner of veterans affairs;

165.14 Executive director of the Gambling Control Board;

165.15 Executive director of the Minnesota State Lottery;

165.16 Commissioner of Iron Range resources and rehabilitation;

165.17 Commissioner, Bureau of Mediation Services;

165.18 Ombudsman for mental health and developmental disabilities;

165.19 Ombudsperson for corrections;

165.20 Chair, Metropolitan Council;

165.21 Chair, Metropolitan Airports Commission;

165.22 School trust lands director;

165.23 Executive director of pari-mutuel racing; ~~and~~

165.24 Commissioner, Public Utilities Commission~~.~~; and

165.25 Director of the Office of Emergency Medical Services.

165.26 **EFFECTIVE DATE.** This section is effective January 1, 2025.

166.1 Sec. 2. Minnesota Statutes 2023 Supplement, section 43A.08, subdivision 1a, is amended
166.2 to read:

166.3 Subd. 1a. **Additional unclassified positions.** Appointing authorities for the following
166.4 agencies may designate additional unclassified positions according to this subdivision: the
166.5 Departments of Administration; Agriculture; Children, Youth, and Families; Commerce;
166.6 Corrections; Direct Care and Treatment; Education; Employment and Economic
166.7 Development; Explore Minnesota Tourism; Management and Budget; Health; Human
166.8 Rights; Human Services; Labor and Industry; Natural Resources; Public Safety; Revenue;
166.9 Transportation; and Veterans Affairs; the Housing Finance and Pollution Control Agencies;
166.10 the State Lottery; the State Board of Investment; the Office of Administrative Hearings; the
166.11 Department of Information Technology Services; the Offices of the Attorney General,
166.12 Secretary of State, and State Auditor; the Minnesota State Colleges and Universities; the
166.13 Minnesota Office of Higher Education; the Perpich Center for Arts Education; ~~and~~ the
166.14 Minnesota Zoological Board; and the Office of Emergency Medical Services.

166.15 A position designated by an appointing authority according to this subdivision must
166.16 meet the following standards and criteria:

166.17 (1) the designation of the position would not be contrary to other law relating specifically
166.18 to that agency;

166.19 (2) the person occupying the position would report directly to the agency head or deputy
166.20 agency head and would be designated as part of the agency head's management team;

166.21 (3) the duties of the position would involve significant discretion and substantial
166.22 involvement in the development, interpretation, and implementation of agency policy;

166.23 (4) the duties of the position would not require primarily personnel, accounting, or other
166.24 technical expertise where continuity in the position would be important;

166.25 (5) there would be a need for the person occupying the position to be accountable to,
166.26 loyal to, and compatible with, the governor and the agency head, the employing statutory
166.27 board or commission, or the employing constitutional officer;

166.28 (6) the position would be at the level of division or bureau director or assistant to the
166.29 agency head; and

166.30 (7) the commissioner has approved the designation as being consistent with the standards
166.31 and criteria in this subdivision.

166.32 **EFFECTIVE DATE.** This section is effective January 1, 2025.

167.1 Sec. 3. Minnesota Statutes 2022, section 62J.49, subdivision 1, is amended to read:

167.2 Subdivision 1. **Establishment.** The director of the Office of Emergency Medical Services
167.3 ~~Regulatory Board~~ established under chapter ~~144~~ 144E shall establish a financial data
167.4 collection system for all ambulance services licensed in this state. To establish the financial
167.5 database, the ~~Emergency Medical Services Regulatory Board~~ director may contract with
167.6 an entity that has experience in ambulance service financial data collection.

167.7 **EFFECTIVE DATE.** This section is effective January 1, 2025.

167.8 Sec. 4. Minnesota Statutes 2022, section 144E.001, subdivision 3a, is amended to read:

167.9 Subd. 3a. **Ambulance service personnel.** "Ambulance service personnel" means
167.10 individuals who are authorized by a licensed ambulance service to provide emergency care
167.11 for the ambulance service and are:

167.12 (1) EMTs, AEMTs, or paramedics;

167.13 (2) Minnesota registered nurses who are: (i) EMTs, are currently practicing nursing, and
167.14 have ~~passed a paramedic practical skills test, as approved by the board and administered by~~
167.15 ~~an educational program approved by the board~~ been approved by the ambulance service
167.16 medical director; (ii) on the roster of an ambulance service on or before January 1, 2000;
167.17 ~~or~~ (iii) after petitioning the board, deemed by the board to have training and skills equivalent
167.18 to an EMT, as determined on a case-by-case basis; or (iv) certified as a certified flight
167.19 registered nurse or certified emergency nurse; or

167.20 (3) Minnesota licensed physician assistants who are: (i) EMTs, are currently practicing
167.21 as physician assistants, and have ~~passed a paramedic practical skills test, as approved by~~
167.22 ~~the board and administered by an educational program approved by the board~~ been approved
167.23 by the ambulance service medical director; (ii) on the roster of an ambulance service on or
167.24 before January 1, 2000; or (iii) after petitioning the board, deemed by the board to have
167.25 training and skills equivalent to an EMT, as determined on a case-by-case basis.

167.26 Sec. 5. Minnesota Statutes 2022, section 144E.001, is amended by adding a subdivision
167.27 to read:

167.28 Subd. 16. **Director.** "Director" means the director of the Office of Emergency Medical
167.29 Services.

167.30 **EFFECTIVE DATE.** This section is effective January 1, 2025.

168.1 Sec. 6. Minnesota Statutes 2022, section 144E.001, is amended by adding a subdivision
168.2 to read:

168.3 Subd. 17. **Office.** "Office" means the Office of Emergency Medical Services.

168.4 **EFFECTIVE DATE.** This section is effective January 1, 2025.

168.5 Sec. 7. **[144E.011] OFFICE OF EMERGENCY MEDICAL SERVICES.**

168.6 Subdivision 1. **Establishment.** The Office of Emergency Medical Services is established
168.7 with the powers and duties established in law. In administering this chapter, the office must
168.8 promote the public health and welfare, protect the safety of the public, and effectively
168.9 regulate and support the operation of the emergency medical services system in this state.

168.10 Subd. 2. **Director.** The governor must appoint a director for the office with the advice
168.11 and consent of the senate. The director must be in the unclassified service and must serve
168.12 at the pleasure of the governor. The salary of the director shall be determined according to
168.13 section 15A.0815. The director shall direct the activities of the office.

168.14 Subd. 3. **Powers and duties.** The director has the following powers and duties:

168.15 (1) administer and enforce this chapter and adopt rules as needed to implement this
168.16 chapter. Rules for which notice is published in the State Register before July 1, 2026, may
168.17 be adopted using the expedited rulemaking process in section 14.389;

168.18 (2) license ambulance services in Minnesota and regulate their operation;

168.19 (3) establish and modify primary service areas;

168.20 (4) designate an ambulance service as authorized to provide service in a primary service
168.21 area and to remove an ambulance service's authorization to provide service in a primary
168.22 service area;

168.23 (5) register medical response units in Minnesota and regulate their operation;

168.24 (6) certify emergency medical technicians, advanced emergency medical technicians,
168.25 community emergency medical technicians, paramedics, and community paramedics and
168.26 register emergency medical responders;

168.27 (7) approve education programs for ambulance service personnel and emergency medical
168.28 responders and administer qualifications for instructors of education programs;

168.29 (8) administer grant programs related to emergency medical services;

168.30 (9) report to the legislature by February 15 each year on the work of the office and the
168.31 advisory councils in the previous calendar year and with recommendations for any needed

169.1 policy changes related to emergency medical services, including but not limited to improving
169.2 access to emergency medical services, improving service delivery by ambulance services
169.3 and medical response units, and improving the effectiveness of the state's emergency medical
169.4 services system. The director must develop the reports and recommendations in consultation
169.5 with the office's deputy directors and advisory councils;

169.6 (10) investigate complaints against and hold hearings regarding ambulance services,
169.7 ambulance service personnel, and emergency medical responders and impose disciplinary
169.8 action or otherwise resolve complaints; and

169.9 (11) perform other duties related to the provision of emergency medical services in
169.10 Minnesota.

169.11 Subd. 4. **Employees.** The director may employ personnel in the classified service and
169.12 unclassified personnel as necessary to carry out the duties of this chapter.

169.13 Subd. 5. **Work plan.** The director must prepare a work plan to guide the work of the
169.14 office. The work plan must be updated biennially.

169.15 **EFFECTIVE DATE.** This section is effective January 1, 2025.

169.16 Sec. 8. **[144E.015] MEDICAL SERVICES DIVISION.**

169.17 A Medical Services Division is created in the Office of Emergency Medical Services.
169.18 The Medical Services Division shall be under the supervision of a deputy director of medical
169.19 services appointed by the director. The deputy director of medical services must be a
169.20 physician licensed under chapter 147. The deputy director, under the direction of the director,
169.21 shall enforce and coordinate the laws, rules, and policies assigned by the director, which
169.22 may include overseeing the clinical aspects of prehospital medical care and education
169.23 programs for emergency medical service personnel.

169.24 **EFFECTIVE DATE.** This section is effective January 1, 2025.

169.25 Sec. 9. **[144E.016] AMBULANCE SERVICES DIVISION.**

169.26 An Ambulance Services Division is created in the Office of Emergency Medical Services.
169.27 The Ambulance Services Division shall be under the supervision of a deputy director of
169.28 ambulance services appointed by the director. The deputy director, under the direction of
169.29 the director, shall enforce and coordinate the laws, rules, and policies assigned by the director,
169.30 which may include operating standards and licensing of ambulance services, registration
169.31 and operation of medical response units, establishment and modification of primary service
169.32 areas, authorization of ambulance services to provide service in a primary service area and

170.1 revocation of such authorization, coordination of ambulance services within regions and
170.2 across the state, and administration of grants.

170.3 **EFFECTIVE DATE.** This section is effective January 1, 2025.

170.4 Sec. 10. **[144E.017] EMERGENCY MEDICAL SERVICE PROVIDERS DIVISION.**

170.5 An Emergency Medical Service Providers Division is created in the Office of Emergency
170.6 Medical Services. The Emergency Medical Service Providers Division shall be under the
170.7 supervision of a deputy director of emergency medical service providers appointed by the
170.8 director. The deputy director, under the direction of the director, shall enforce and coordinate
170.9 the laws, rules, and policies assigned by the director, which may include certification and
170.10 registration of individual emergency medical service providers; overseeing worker safety,
170.11 worker well-being, and working conditions; implementation of education programs; and
170.12 administration of grants.

170.13 **EFFECTIVE DATE.** This section is effective January 1, 2025.

170.14 Sec. 11. **[144E.03] EMERGENCY MEDICAL SERVICES ADVISORY COUNCIL.**

170.15 Subdivision 1. **Establishment; membership.** The Emergency Medical Services Advisory
170.16 Council is established and consists of the following members:

170.17 (1) one emergency medical technician currently practicing with a licensed ambulance
170.18 service, appointed by the Minnesota Ambulance Association;

170.19 (2) one paramedic currently practicing with a licensed ambulance service or a medical
170.20 response unit, appointed jointly by the Minnesota Professional Fire Fighters Association
170.21 and the Minnesota Ambulance Association;

170.22 (3) one medical director of a licensed ambulance service, appointed by the National
170.23 Association of EMS Physicians, Minnesota Chapter;

170.24 (4) one firefighter currently serving as an emergency medical responder, appointed by
170.25 the Minnesota State Fire Chiefs Association;

170.26 (5) one registered nurse who is certified or currently practicing as a flight nurse, appointed
170.27 jointly by the regional emergency services boards of the designated regional emergency
170.28 medical services systems;

170.29 (6) one hospital administrator, appointed by the Minnesota Hospital Association;

170.30 (7) one social worker, appointed by the Board of Social Work;

171.1 (8) one member of a federally recognized Tribal Nation in Minnesota, appointed by the
171.2 Minnesota Indian Affairs Council;

171.3 (9) three public members, appointed by the governor;

171.4 (10) one member with experience working as an employee organization representative
171.5 representing emergency medical service providers, appointed by an employee organization
171.6 representing emergency medical service providers;

171.7 (11) one member representing a local government, appointed by the Coalition of Greater
171.8 Minnesota Cities;

171.9 (12) one member representing a local government in the seven-county metropolitan area,
171.10 appointed by the League of Minnesota Cities;

171.11 (13) one member of the house of representatives and one member of the senate, appointed
171.12 according to subdivision 2; and

171.13 (14) the commissioner of health and commissioner of public safety or their designees
171.14 as ex officio members.

171.15 Subd. 2. **Legislative members.** The speaker of the house must appoint one member of
171.16 the house of representatives to serve on the advisory council and the senate majority leader
171.17 must appoint one member of the senate to serve on the advisory council. Legislative members
171.18 appointed under this subdivision serve until successors are appointed. Legislative members
171.19 may receive per diem compensation and reimbursement for expenses according to the rules
171.20 of their respective bodies.

171.21 Subd. 3. **Terms, compensation, removal, vacancies, and expiration.** Compensation
171.22 and reimbursement for expenses for members appointed under subdivision 1, clauses (1)
171.23 to (12); removal of members; filling of vacancies of members; and, except for initial
171.24 appointments, membership terms are governed by section 15.059. Notwithstanding section
171.25 15.059, subdivision 6, the advisory council does not expire.

171.26 Subd. 4. **Officers; meetings.** (a) The advisory council must elect a chair and vice-chair
171.27 from among its membership and may elect other officers as the advisory council deems
171.28 necessary.

171.29 (b) The advisory council must meet quarterly or at the call of the chair.

171.30 (c) Meetings of the advisory council are subject to chapter 13D.

171.31 Subd. 5. **Duties.** The advisory council must review and make recommendations to the
171.32 director and the deputy director of ambulance services on the administration of this chapter,

172.1 the regulation of ambulance services and medical response units, the operation of the
172.2 emergency medical services system in the state, and other topics as directed by the director.

172.3 **EFFECTIVE DATE.** This section is effective January 1, 2025.

172.4 Sec. 12. **[144E.035] EMERGENCY MEDICAL SERVICES PHYSICIAN ADVISORY**
172.5 **COUNCIL.**

172.6 Subdivision 1. **Establishment; membership.** The Emergency Medical Services Physician
172.7 Advisory Council is established and consists of the following members:

172.8 (1) eight physicians who meet the qualifications for medical directors in section 144E.265,
172.9 subdivision 1, with one physician appointed by each of the regional emergency services
172.10 boards of the designated regional emergency medical services systems;

172.11 (2) one physician who meets the qualifications for medical directors in section 144E.265,
172.12 subdivision 1, appointed by the Minnesota State Fire Chiefs Association;

172.13 (3) one physician who is board-certified in pediatrics, appointed by the Minnesota
172.14 Emergency Medical Services for Children program; and

172.15 (4) the medical director member of the Emergency Medical Services Advisory Council
172.16 appointed under section 144E.03, subdivision 1, clause (3).

172.17 Subd. 2. **Terms, compensation, removal, vacancies, and expiration.** Compensation
172.18 and reimbursement for expenses, removal of members, filling of vacancies of members,
172.19 and, except for initial appointments, membership terms are governed by section 15.059.
172.20 Notwithstanding section 15.059, subdivision 6, the advisory council does not expire.

172.21 Subd. 3. **Officers; meetings.** (a) The advisory council must elect a chair and vice-chair
172.22 from among its membership and may elect other officers as it deems necessary.

172.23 (b) The advisory council must meet twice per year or upon the call of the chair.

172.24 (c) Meetings of the advisory council are subject to chapter 13D.

172.25 Subd. 4. **Duties.** The advisory council must:

172.26 (1) review and make recommendations to the director and deputy director of medical
172.27 services on clinical aspects of prehospital medical care. In doing so, the advisory council
172.28 must incorporate information from medical literature, advances in bedside clinical practice,
172.29 and advisory council member experience; and

173.1 (2) serve as subject matter experts for the director and deputy director of medical services
173.2 on evolving topics in clinical medicine, including but not limited to infectious disease,
173.3 pharmaceutical and equipment shortages, and implementation of new therapeutics.

173.4 **EFFECTIVE DATE.** This section is effective January 1, 2025.

173.5 Sec. 13. **[144E.04] LABOR AND EMERGENCY MEDICAL SERVICE PROVIDERS**
173.6 **ADVISORY COUNCIL.**

173.7 Subdivision 1. **Establishment; membership.** The Labor and Emergency Medical Service
173.8 Providers Advisory Council is established and consists of the following members:

173.9 (1) one emergency medical service provider of any type from each of the designated
173.10 regional emergency medical services systems, appointed by their respective regional
173.11 emergency services boards;

173.12 (2) one emergency medical technician instructor, appointed by an employee organization
173.13 representing emergency medical service providers;

173.14 (3) two members with experience working as an employee organization representative
173.15 representing emergency medical service providers, appointed by an employee organization
173.16 representing emergency medical service providers;

173.17 (4) one emergency medical service provider based in a fire department, appointed jointly
173.18 by the Minnesota State Fire Chiefs Association and the Minnesota Professional Fire Fighters
173.19 Association; and

173.20 (5) one emergency medical service provider not based in a fire department, appointed
173.21 by the League of Minnesota Cities.

173.22 Subd. 2. **Terms, compensation, removal, vacancies, and expiration.** Compensation
173.23 and reimbursement for expenses for members appointed under subdivision 1; removal of
173.24 members; filling of vacancies of members; and, except for initial appointments, membership
173.25 terms are governed by section 15.059. Notwithstanding section 15.059, subdivision 6, the
173.26 advisory council does not expire.

173.27 Subd. 3. **Officers; meetings.** (a) The advisory council must elect a chair and vice-chair
173.28 from among its membership and may elect other officers as the advisory council deems
173.29 necessary.

173.30 (b) The advisory council must meet quarterly or at the call of the chair.

173.31 (c) Meetings of the advisory council are subject to chapter 13D.

174.1 Subd. 4. **Duties.** The advisory council must review and make recommendations to the
174.2 director and deputy director of emergency medical service providers on the laws, rules, and
174.3 policies assigned to the Emergency Medical Service Providers Division and other topics as
174.4 directed by the director.

174.5 **EFFECTIVE DATE.** This section is effective January 1, 2025.

174.6 Sec. 14. Minnesota Statutes 2023 Supplement, section 144E.101, subdivision 6, is amended
174.7 to read:

174.8 Subd. 6. **Basic life support.** (a) Except as provided in paragraph (f) or subdivision 6a,
174.9 a basic life-support ambulance shall be staffed by at least two ~~EMTs, one of whom~~ individuals
174.10 who meet one of the following requirements: (1) are certified as an EMT; (2) are a Minnesota
174.11 registered nurse who meets the qualification requirements in section 144E.001, subdivision
174.12 3a, clause (2); or (3) are a Minnesota licensed physician assistant who meets the qualification
174.13 requirements in section 144E.001, subdivision 3a, clause (3). One of the individuals staffing
174.14 a basic life-support ambulance must accompany the patient and provide a level of care ~~so~~
174.15 ~~as~~ to ensure that:

174.16 ~~(1)~~ (i) life-threatening situations and potentially serious injuries are recognized;

174.17 ~~(2)~~ (ii) patients are protected from additional hazards;

174.18 ~~(3)~~ (iii) basic treatment to reduce the seriousness of emergency situations is administered;
174.19 and

174.20 ~~(4)~~ (iv) patients are transported to an appropriate medical facility for treatment.

174.21 (b) A basic life-support service shall provide basic airway management.

174.22 (c) A basic life-support service shall provide automatic defibrillation.

174.23 (d) A basic life-support service shall administer opiate antagonists consistent with
174.24 protocols established by the service's medical director.

174.25 (e) A basic life-support service licensee's medical director may authorize ambulance
174.26 service personnel to perform intravenous infusion and use equipment that is within the
174.27 licensure level of the ambulance service. Ambulance service personnel must be properly
174.28 trained. Documentation of authorization for use, guidelines for use, continuing education,
174.29 and skill verification must be maintained in the licensee's files.

174.30 (f) For emergency ambulance calls and interfacility transfers, an ambulance service may
174.31 staff its basic life-support ambulances with one ~~EMT~~ individual who meets the qualification
174.32 requirements in paragraph (a), who must accompany the patient, and one registered

emergency medical responder driver. ~~For purposes of this paragraph, "ambulance service" means either an ambulance service whose primary service area is mainly located outside the metropolitan counties listed in section 473.121, subdivision 4, and outside the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud; or an ambulance service based in a community with a population of less than 2,500.~~

(g) In order for a registered nurse to staff a basic life-support ambulance as a driver, the registered nurse must have successfully completed a certified emergency vehicle operators program.

Sec. 15. Minnesota Statutes 2022, section 144E.101, is amended by adding a subdivision to read:

Subd. 6a. **Variance; staffing of basic life-support ambulance.** (a) Upon application from an ambulance service that includes evidence demonstrating hardship, the board may grant a variance from the staff requirements in subdivision 6, paragraph (a), and may authorize a basic life-support ambulance to be staffed, for all emergency calls and interfacility transfers, with one individual who meets the qualification requirements in paragraph (b) to drive the ambulance and one individual who meets the qualification requirements in subdivision 6, paragraph (a), and who must accompany the patient. The variance applies to basic life-support ambulances until the ambulance service renews its license. When the variance expires, the ambulance service may apply for a new variance under this subdivision.

(b) In order to drive an ambulance under a variance granted under this subdivision, an individual must:

(1) hold a valid driver's license from any state;

(2) have attended an emergency vehicle driving course approved by the ambulance service;

(3) have completed a course on cardiopulmonary resuscitation approved by the ambulance service; and

(4) register with the board according to a process established by the board.

(c) If an individual serving as a driver under this subdivision commits or has a record of committing an act listed in section 144E.27, subdivision 5, paragraph (a), the board may temporarily suspend or prohibit the individual from driving an ambulance or place conditions on the individual's ability to drive an ambulance using the procedures and authority in section 144E.27, subdivisions 5 and 6.

Sec. 16. Minnesota Statutes 2023 Supplement, section 144E.101, subdivision 7, as amended by Laws 2024, chapter 85, section 32, is amended to read:

Subd. 7. **Advanced life support.** (a) Except as provided in paragraphs (f) and (g), an advanced life-support ambulance shall be staffed by at least:

(1) one EMT or one AEMT and one paramedic;

(2) one EMT or one AEMT and one registered nurse who: (i) is an EMT or an AEMT, is currently practicing nursing, and ~~has passed a paramedic practical skills test approved by the board and administered by an education program~~ has been approved by the ambulance service medical director; or (ii) is certified as a certified flight registered nurse or certified emergency nurse; or

(3) one EMT or one AEMT and one physician assistant who is an EMT or an AEMT, is currently practicing as a physician assistant, and ~~has passed a paramedic practical skills test approved by the board and administered by an education program~~ has been approved by the ambulance service medical director.

(b) An advanced life-support service shall provide basic life support, as specified under subdivision 6, paragraph (a), advanced airway management, manual defibrillation, administration of intravenous fluids and pharmaceuticals, and administration of opiate antagonists.

(c) In addition to providing advanced life support, an advanced life-support service may staff additional ambulances to provide basic life support according to subdivision 6 and section 144E.103, subdivision 1.

(d) An ambulance service providing advanced life support shall have a written agreement with its medical director to ensure medical control for patient care 24 hours a day, seven days a week. The terms of the agreement shall include a written policy on the administration of medical control for the service. The policy shall address the following issues:

(1) two-way communication for physician direction of ambulance service personnel;

(2) patient triage, treatment, and transport;

(3) use of standing orders; and

(4) the means by which medical control will be provided 24 hours a day.

The agreement shall be signed by the licensee's medical director and the licensee or the licensee's designee and maintained in the files of the licensee.

(e) When an ambulance service provides advanced life support, the authority of a paramedic, Minnesota registered nurse-EMT, or Minnesota registered physician assistant-EMT to determine the delivery of patient care prevails over the authority of an EMT.

(f) Upon application from an ambulance service that includes evidence demonstrating hardship, the board may grant a variance from the staff requirements in paragraph (a), clause (1), and may authorize an advanced life-support ambulance to be staffed by a registered emergency medical responder driver with a paramedic for all emergency calls and interfacility transfers. The variance shall apply to advanced life-support ambulance services until the ambulance service renews its license. When the variance expires, an ambulance service may apply for a new variance under this paragraph. ~~This paragraph applies only to an ambulance service whose primary service area is mainly located outside the metropolitan counties listed in section 473.121, subdivision 4, and outside the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud, or an ambulance service based in a community with a population of less than 1,000 persons.~~

(g) After an initial emergency ambulance call, each subsequent emergency ambulance response, until the initial ambulance is again available, and interfacility transfers, may be staffed by one registered emergency medical responder driver and an EMT or paramedic. ~~This paragraph applies only to an ambulance service whose primary service area is mainly located outside the metropolitan counties listed in section 473.121, subdivision 4, and outside the cities of Duluth, Mankato, Moorhead, Rochester, and St. Cloud, or an ambulance service based in a community with a population of less than 1,000 persons.~~

(h) In order for a registered nurse to staff an advanced life-support ambulance as a driver, the registered nurse must have successfully completed a certified emergency vehicle operators program.

Sec. 17. **[144E.105] ALTERNATIVE EMS RESPONSE MODEL PILOT PROGRAM.**

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Partnering ambulance services" means the basic life support ambulance service and the advanced life support ambulance service that partner to jointly respond to emergency ambulance calls under the pilot program.

(c) "Pilot program" means the alternative EMS response model pilot program established under this section.

178.1 Subd. 2. **Pilot program established.** The board must establish and administer an
178.2 alternative EMS response model pilot program. Under the pilot program, the board may
178.3 authorize basic life support ambulance services to partner with advanced life support
178.4 ambulance services to provide expanded advanced life support service intercept capability
178.5 and staffing support for emergency ambulance calls.

178.6 Subd. 3. **Application.** A basic life support ambulance service that wishes to participate
178.7 in the pilot program must apply to the board. An application from a basic life support
178.8 ambulance service must be submitted jointly with the advanced life support ambulance
178.9 service with which the basic life support ambulance service proposes to partner. The
178.10 application must identify the ambulance services applying to be partnering ambulance
178.11 services and must include:

178.12 (1) approval to participate in the pilot program from the medical directors of the proposed
178.13 partnering ambulance services;

178.14 (2) procedures the basic life support ambulance service will implement to respond to
178.15 emergency ambulance calls when the basic life support ambulance service is unable to meet
178.16 the minimum staffing requirements under section 144E.101, subdivision 6, and the partnering
178.17 advanced life support ambulance service is unavailable to jointly respond to emergency
178.18 ambulance calls;

178.19 (3) an agreement between the proposed partnering ambulance services specifying which
178.20 ambulance service is responsible for:

178.21 (i) workers' compensation insurance;

178.22 (ii) motor vehicle insurance; and

178.23 (iii) billing, identifying which if any ambulance service will bill the patient or the patient's
178.24 insurer and specifying how payments received will be distributed among the proposed
178.25 partnering ambulance services;

178.26 (4) communication procedures to coordinate and make known the real-time availability
178.27 of the advanced life support ambulance service to its proposed partnering basic life support
178.28 ambulance services and public safety answering points;

178.29 (5) an acknowledgment that the proposed partnering ambulance services must coordinate
178.30 compliance with the prehospital care data requirements in section 144E.123; and

178.31 (6) an acknowledgment that the proposed partnering ambulance services remain
178.32 responsible for providing continual service as required under section 144E.101, subdivision
178.33 3.

179.1 Subd. 4. **Operation.** Under the pilot program, an advanced life support ambulance
179.2 service may partner with one or more basic life support ambulance services. Under this
179.3 partnership, the advanced life support ambulance service and basic life support ambulance
179.4 service must jointly respond to emergency ambulance calls originating in the primary service
179.5 area of the basic life support ambulance service. The advanced life support ambulance
179.6 service must respond to emergency ambulance calls with either an ambulance or a
179.7 nontransporting vehicle fully equipped with the advanced life support complement of
179.8 equipment and medications required for that nontransporting vehicle by that ambulance
179.9 service's medical director.

179.10 Subd. 5. **Staffing.** (a) When responding to an emergency ambulance call and when an
179.11 ambulance or nontransporting vehicle from the partnering advanced life support ambulance
179.12 service is confirmed to be available and is responding to the call:

179.13 (1) the basic life support ambulance must be staffed with a minimum of one emergency
179.14 medical technician; and

179.15 (2) the advanced life support ambulance or nontransporting vehicle must be staffed with
179.16 a minimum of one paramedic.

179.17 (b) The staffing specified in paragraph (a) is deemed to satisfy the staffing requirements
179.18 in section 144E.101, subdivisions 6 and 7.

179.19 Subd. 6. **Medical director oversight.** The medical director for an ambulance service
179.20 participating in the pilot program retains responsibility for the ambulance service personnel
179.21 of their ambulance service. When a paramedic from the partnering advanced life support
179.22 ambulance service makes contact with the patient, the standing orders; clinical policies;
179.23 protocols; and triage, treatment, and transportation guidelines for the advanced life support
179.24 ambulance service must direct patient care related to the encounter.

179.25 Subd. 7. **Waivers and variances.** The board may issue any waivers of or variances to
179.26 this chapter or Minnesota Rules, chapter 4690, to partnering ambulance services that are
179.27 needed to implement the pilot program, provided the waiver or variance does not adversely
179.28 affect the public health or welfare.

179.29 Subd. 8. **Data and evaluation.** In administering the pilot program, the board shall collect
179.30 from partnering ambulance services data needed to evaluate the impacts of the pilot program
179.31 on response times, patient outcomes, and patient experience for emergency ambulance calls.

179.32 Subd. 9. **Transfer of authority.** Effective January 1, 2025, the duties and authority
179.33 assigned to the board in this section are transferred to the director.

Subd. 10. **Expiration.** This section expires June 30, 2026.

Sec. 18. Minnesota Statutes 2022, section 144E.16, subdivision 5, is amended to read:

Subd. 5. **Local government's powers.** (a) Local units of government may, with the approval of the ~~board~~ director, establish standards for ambulance services which impose additional requirements upon such services. Local units of government intending to impose additional requirements shall consider whether any benefit accruing to the public health would outweigh the costs associated with the additional requirements.

(b) Local units of government that desire to impose additional requirements shall, prior to adoption of relevant ordinances, rules, or regulations, furnish the ~~board~~ director with a copy of the proposed ordinances, rules, or regulations, along with information that affirmatively substantiates that the proposed ordinances, rules, or regulations:

(1) will in no way conflict with the relevant rules of the ~~board~~ office;

(2) will establish additional requirements tending to protect the public health;

(3) will not diminish public access to ambulance services of acceptable quality; and

(4) will not interfere with the orderly development of regional systems of emergency medical care.

(c) The ~~board~~ director shall base any decision to approve or disapprove local standards upon whether or not the local unit of government in question has affirmatively substantiated that the proposed ordinances, rules, or regulations meet the criteria specified in paragraph (b).

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 19. Minnesota Statutes 2022, section 144E.19, subdivision 3, is amended to read:

Subd. 3. **Temporary suspension.** (a) In addition to any other remedy provided by law, the ~~board~~ director may temporarily suspend the license of a licensee after conducting a preliminary inquiry to determine whether the ~~board~~ director believes that the licensee has violated a statute or rule that the ~~board~~ director is empowered to enforce and determining that the continued provision of service by the licensee would create an imminent risk to public health or harm to others.

(b) A temporary suspension order prohibiting a licensee from providing ambulance service shall give notice of the right to a preliminary hearing according to paragraph (d) and shall state the reasons for the entry of the temporary suspension order.

(c) Service of a temporary suspension order is effective when the order is served on the licensee personally or by certified mail, which is complete upon receipt, refusal, or return for nondelivery to the most recent address provided to the ~~board~~ director for the licensee.

(d) At the time the ~~board~~ director issues a temporary suspension order, the ~~board~~ director shall schedule a hearing~~, to be held before a group of its members designated by the board,~~ that shall begin within 60 days after issuance of the temporary suspension order or within 15 working days of the date of the ~~board's~~ director's receipt of a request for a hearing from a licensee, whichever is sooner. The hearing shall be on the sole issue of whether there is a reasonable basis to continue, modify, or lift the temporary suspension. A hearing under this paragraph is not subject to chapter 14.

(e) Evidence presented by the ~~board~~ director or licensee may be in the form of an affidavit. The licensee or the licensee's designee may appear for oral argument.

(f) Within five working days of the hearing, the ~~board~~ director shall issue its order and, if the suspension is continued, notify the licensee of the right to a contested case hearing under chapter 14.

(g) If a licensee requests a contested case hearing within 30 days after receiving notice under paragraph (f), the ~~board~~ director shall initiate a contested case hearing according to chapter 14. The administrative law judge shall issue a report and recommendation within 30 days after the closing of the contested case hearing record. The ~~board~~ director shall issue a final order within 30 days after receipt of the administrative law judge's report.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 20. Minnesota Statutes 2022, section 144E.27, subdivision 3, is amended to read:

Subd. 3. **Renewal.** (a) The board may renew the registration of an emergency medical responder who:

(1) successfully completes a board-approved refresher course; ~~and~~

(2) successfully completes a course in cardiopulmonary resuscitation approved by the board or by the licensee's medical director. This course may be a component of a board-approved refresher course; and

~~(2)~~ (3) submits a completed renewal application to the board before the registration expiration date.

(b) The board may renew the lapsed registration of an emergency medical responder who:

182.1 (1) successfully completes a board-approved refresher course; ~~and~~

182.2 (2) successfully completes a course in cardiopulmonary resuscitation approved by the
182.3 board or by the licensee's medical director. This course may be a component of a
182.4 board-approved refresher course; and

182.5 ~~(2)~~ (3) submits a completed renewal application to the board within ~~12~~ 48 months after
182.6 the registration expiration date.

182.7 Sec. 21. Minnesota Statutes 2022, section 144E.27, subdivision 5, is amended to read:

182.8 Subd. 5. **Denial, suspension, revocation; emergency medical responders and**
182.9 **drivers.** (a) This subdivision applies to individuals seeking registration or registered as an
182.10 emergency medical responder and to individuals seeking registration or registered as a driver
182.11 of a basic life-support ambulance under section 144E.101, subdivision 6a. The board may
182.12 deny, suspend, revoke, place conditions on, or refuse to renew the registration of an individual
182.13 who the board determines:

182.14 (1) violates sections 144E.001 to 144E.33 or the rules adopted under those sections, an
182.15 agreement for corrective action, or an order that the board issued or is otherwise empowered
182.16 to enforce;

182.17 (2) misrepresents or falsifies information on an application form for registration;

182.18 (3) is convicted or pleads guilty or nolo contendere to any felony; any gross misdemeanor
182.19 relating to assault, sexual misconduct, theft, or the illegal use of drugs or alcohol; or any
182.20 misdemeanor relating to assault, sexual misconduct, theft, or the illegal use of drugs or
182.21 alcohol;

182.22 (4) is actually or potentially unable to provide emergency medical services or drive an
182.23 ambulance with reasonable skill and safety to patients by reason of illness, use of alcohol,
182.24 drugs, chemicals, or any other material, or as a result of any mental or physical condition;

182.25 (5) engages in unethical conduct, including, but not limited to, conduct likely to deceive,
182.26 defraud, or harm the public, or demonstrating a willful or careless disregard for the health,
182.27 welfare, or safety of the public;

182.28 (6) maltreats or abandons a patient;

182.29 (7) violates any state or federal controlled substance law;

182.30 (8) engages in unprofessional conduct or any other conduct which has the potential for
182.31 causing harm to the public, including any departure from or failure to conform to the

183.1 minimum standards of acceptable and prevailing practice without actual injury having to
183.2 be established;

183.3 (9) for emergency medical responders, provides emergency medical services under
183.4 lapsed or nonrenewed credentials;

183.5 (10) is subject to a denial, corrective, disciplinary, or other similar action in another
183.6 jurisdiction or by another regulatory authority;

183.7 (11) engages in conduct with a patient that is sexual or may reasonably be interpreted
183.8 by the patient as sexual, or in any verbal behavior that is seductive or sexually demeaning
183.9 to a patient; ~~or~~

183.10 (12) makes a false statement or knowingly provides false information to the board, or
183.11 fails to cooperate with an investigation of the board as required by section 144E.30~~.~~; or

183.12 (13) fails to engage with the health professionals services program or diversion program
183.13 required under section 144E.287 after being referred to the program, violates the terms of
183.14 the program participation agreement, or leaves the program except upon fulfilling the terms
183.15 for successful completion of the program as set forth in the participation agreement.

183.16 (b) Before taking action under paragraph (a), the board shall give notice to an individual
183.17 of the right to a contested case hearing under chapter 14. If an individual requests a contested
183.18 case hearing within 30 days after receiving notice, the board shall initiate a contested case
183.19 hearing according to chapter 14.

183.20 (c) The administrative law judge shall issue a report and recommendation within 30
183.21 days after closing the contested case hearing record. The board shall issue a final order
183.22 within 30 days after receipt of the administrative law judge's report.

183.23 (d) After six months from the board's decision to deny, revoke, place conditions on, or
183.24 refuse renewal of an individual's registration for disciplinary action, the individual shall
183.25 have the opportunity to apply to the board for reinstatement.

183.26 **EFFECTIVE DATE.** This section is effective July 1, 2024, except that clause (13) is
183.27 effective January 1, 2025.

183.28 Sec. 22. Minnesota Statutes 2022, section 144E.27, subdivision 6, is amended to read:

183.29 Subd. 6. **Temporary suspension; emergency medical responders and drivers.** (a)
183.30 This subdivision applies to emergency medical responders registered under this section and
183.31 to individuals registered as drivers of basic life-support ambulances under section 144E.101,
183.32 subdivision 6a. In addition to any other remedy provided by law, the board may temporarily

184.1 suspend the registration of an individual after conducting a preliminary inquiry to determine
184.2 whether the board believes that the individual has violated a statute or rule that the board
184.3 is empowered to enforce and determining that the continued provision of service by the
184.4 individual would create an imminent risk to public health or harm to others.

184.5 (b) A temporary suspension order prohibiting an individual from providing emergency
184.6 medical care or from driving a basic life-support ambulance shall give notice of the right
184.7 to a preliminary hearing according to paragraph (d) and shall state the reasons for the entry
184.8 of the temporary suspension order.

184.9 (c) Service of a temporary suspension order is effective when the order is served on the
184.10 individual personally or by certified mail, which is complete upon receipt, refusal, or return
184.11 for nondelivery to the most recent address provided to the board for the individual.

184.12 (d) At the time the board issues a temporary suspension order, the board shall schedule
184.13 a hearing, to be held before a group of its members designated by the board, that shall begin
184.14 within 60 days after issuance of the temporary suspension order or within 15 working days
184.15 of the date of the board's receipt of a request for a hearing from the individual, whichever
184.16 is sooner. The hearing shall be on the sole issue of whether there is a reasonable basis to
184.17 continue, modify, or lift the temporary suspension. A hearing under this paragraph is not
184.18 subject to chapter 14.

184.19 (e) Evidence presented by the board or the individual may be in the form of an affidavit.
184.20 The individual or the individual's designee may appear for oral argument.

184.21 (f) Within five working days of the hearing, the board shall issue its order and, if the
184.22 suspension is continued, notify the individual of the right to a contested case hearing under
184.23 chapter 14.

184.24 (g) If an individual requests a contested case hearing within 30 days after receiving
184.25 notice under paragraph (f), the board shall initiate a contested case hearing according to
184.26 chapter 14. The administrative law judge shall issue a report and recommendation within
184.27 30 days after the closing of the contested case hearing record. The board shall issue a final
184.28 order within 30 days after receipt of the administrative law judge's report.

184.29 Sec. 23. Minnesota Statutes 2022, section 144E.28, subdivision 3, is amended to read:

184.30 Subd. 3. **Reciprocity.** The board may certify an individual who possesses a current
184.31 National Registry of Emergency Medical Technicians ~~registration~~ certification from another
184.32 jurisdiction if the individual submits a board-approved application form. The board
184.33 certification classification shall be the same as the National Registry's classification.

185.1 Certification shall be for the duration of the applicant's ~~registration~~ certification period in
185.2 another jurisdiction, not to exceed two years.

185.3 Sec. 24. Minnesota Statutes 2022, section 144E.28, subdivision 5, is amended to read:

185.4 Subd. 5. **Denial, suspension, revocation.** (a) The ~~board~~ director may deny certification
185.5 or take any action authorized in subdivision 4 against an individual who the ~~board~~ director
185.6 determines:

185.7 (1) violates sections 144E.001 to 144E.33 or the rules adopted under those sections, or
185.8 an order that the ~~board~~ director issued or is otherwise authorized or empowered to enforce,
185.9 or agreement for corrective action;

185.10 (2) misrepresents or falsifies information on an application form for certification;

185.11 (3) is convicted or pleads guilty or nolo contendere to any felony; any gross misdemeanor
185.12 relating to assault, sexual misconduct, theft, or the illegal use of drugs or alcohol; or any
185.13 misdemeanor relating to assault, sexual misconduct, theft, or the illegal use of drugs or
185.14 alcohol;

185.15 (4) is actually or potentially unable to provide emergency medical services with
185.16 reasonable skill and safety to patients by reason of illness, use of alcohol, drugs, chemicals,
185.17 or any other material, or as a result of any mental or physical condition;

185.18 (5) engages in unethical conduct, including, but not limited to, conduct likely to deceive,
185.19 defraud, or harm the public or demonstrating a willful or careless disregard for the health,
185.20 welfare, or safety of the public;

185.21 (6) maltreats or abandons a patient;

185.22 (7) violates any state or federal controlled substance law;

185.23 (8) engages in unprofessional conduct or any other conduct which has the potential for
185.24 causing harm to the public, including any departure from or failure to conform to the
185.25 minimum standards of acceptable and prevailing practice without actual injury having to
185.26 be established;

185.27 (9) provides emergency medical services under lapsed or nonrenewed credentials;

185.28 (10) is subject to a denial, corrective, disciplinary, or other similar action in another
185.29 jurisdiction or by another regulatory authority;

(11) engages in conduct with a patient that is sexual or may reasonably be interpreted by the patient as sexual, or in any verbal behavior that is seductive or sexually demeaning to a patient; ~~or~~

(12) makes a false statement or knowingly provides false information to the ~~board~~ director or fails to cooperate with an investigation of the ~~board~~ director as required by section 144E.30~~.~~; or

(13) fails to engage with the health professionals services program or diversion program required under section 144E.287 after being referred to the program, violates the terms of the program participation agreement, or leaves the program except upon fulfilling the terms for successful completion of the program as set forth in the participation agreement.

(b) Before taking action under paragraph (a), the ~~board~~ director shall give notice to an individual of the right to a contested case hearing under chapter 14. If an individual requests a contested case hearing within 30 days after receiving notice, the ~~board~~ director shall initiate a contested case hearing according to chapter 14 and no disciplinary action shall be taken at that time.

(c) The administrative law judge shall issue a report and recommendation within 30 days after closing the contested case hearing record. The ~~board~~ director shall issue a final order within 30 days after receipt of the administrative law judge's report.

(d) After six months from the ~~board's~~ director's decision to deny, revoke, place conditions on, or refuse renewal of an individual's certification for disciplinary action, the individual shall have the opportunity to apply to the ~~board~~ director for reinstatement.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 25. Minnesota Statutes 2022, section 144E.28, subdivision 6, is amended to read:

Subd. 6. **Temporary suspension.** (a) In addition to any other remedy provided by law, the ~~board~~ director may temporarily suspend the certification of an individual after conducting a preliminary inquiry to determine whether the ~~board~~ director believes that the individual has violated a statute or rule that the ~~board~~ director is empowered to enforce and determining that the continued provision of service by the individual would create an imminent risk to public health or harm to others.

(b) A temporary suspension order prohibiting an individual from providing emergency medical care shall give notice of the right to a preliminary hearing according to paragraph (d) and shall state the reasons for the entry of the temporary suspension order.

187.1 (c) Service of a temporary suspension order is effective when the order is served on the
187.2 individual personally or by certified mail, which is complete upon receipt, refusal, or return
187.3 for nondelivery to the most recent address provided to the ~~board~~ director for the individual.

187.4 (d) At the time the ~~board~~ director issues a temporary suspension order, the ~~board~~ director
187.5 shall schedule a hearing~~, to be held before a group of its members designated by the board,~~
187.6 that shall begin within 60 days after issuance of the temporary suspension order or within
187.7 15 working days of the date of the ~~board's~~ director's receipt of a request for a hearing from
187.8 the individual, whichever is sooner. The hearing shall be on the sole issue of whether there
187.9 is a reasonable basis to continue, modify, or lift the temporary suspension. A hearing under
187.10 this paragraph is not subject to chapter 14.

187.11 (e) Evidence presented by the ~~board~~ director or the individual may be in the form of an
187.12 affidavit. The individual or individual's designee may appear for oral argument.

187.13 (f) Within five working days of the hearing, the ~~board~~ director shall issue its order and,
187.14 if the suspension is continued, notify the individual of the right to a contested case hearing
187.15 under chapter 14.

187.16 (g) If an individual requests a contested case hearing within 30 days of receiving notice
187.17 under paragraph (f), the ~~board~~ director shall initiate a contested case hearing according to
187.18 chapter 14. The administrative law judge shall issue a report and recommendation within
187.19 30 days after the closing of the contested case hearing record. The ~~board~~ director shall issue
187.20 a final order within 30 days after receipt of the administrative law judge's report.

187.21 **EFFECTIVE DATE.** This section is effective January 1, 2025.

187.22 Sec. 26. Minnesota Statutes 2022, section 144E.28, subdivision 8, is amended to read:

187.23 Subd. 8. **Reinstatement.** (a) Within four years of a certification expiration date, a person
187.24 whose certification has expired under subdivision 7, paragraph (d), may have the certification
187.25 reinstated upon submission of:

187.26 (1) evidence to the board of training equivalent to the continuing education requirements
187.27 of subdivision 7 or, for community paramedics, evidence to the board of training equivalent
187.28 to the continuing education requirements of subdivision 9, paragraph (c); and

187.29 (2) a board-approved application form.

187.30 (b) If more than four years have passed since a certificate expiration date, an applicant
187.31 must complete the initial certification process required under subdivision 1.

188.1 (c) Beginning July 1, 2024, through December 31, 2025, and notwithstanding paragraph
188.2 (b), a person whose certification as an EMT, AEMT, paramedic, or community paramedic
188.3 expired more than four years ago but less than ten years ago may have the certification
188.4 reinstated upon submission of:

188.5 (1) evidence to the board of the training required under paragraph (a), clause (1). This
188.6 training must have been completed within the 24 months prior to the date of the application
188.7 for reinstatement;

188.8 (2) a board-approved application form; and

188.9 (3) a recommendation from an ambulance service medical director.

188.10 This paragraph expires December 31, 2025.

188.11 Sec. 27. Minnesota Statutes 2022, section 144E.285, subdivision 1, is amended to read:

188.12 Subdivision 1. **Approval required.** (a) All education programs for an EMR, EMT,
188.13 AEMT, or paramedic must be approved by the board.

188.14 (b) To be approved by the board, an education program must:

188.15 (1) submit an application prescribed by the board that includes:

188.16 (i) type ~~and length~~ of course to be offered;

188.17 (ii) names, addresses, and qualifications of the program medical director, program
188.18 education coordinator, and instructors;

188.19 ~~(iii) names and addresses of clinical sites, including a contact person and telephone~~
188.20 ~~number;~~

188.21 ~~(iv)~~ (iii) admission criteria for students; and

188.22 ~~(v)~~ (iv) materials and equipment to be used;

188.23 (2) for each course, implement the most current version of the United States Department
188.24 of Transportation EMS Education Standards, or its equivalent as determined by the board
188.25 applicable to EMR, EMT, AEMT, or paramedic education;

188.26 (3) have a program medical director and a program coordinator;

188.27 (4) utilize instructors who meet the requirements of section 144E.283 for teaching at
188.28 least 50 percent of the course content. The remaining 50 percent of the course may be taught
188.29 by guest lecturers approved by the education program coordinator or medical director;

188.30 ~~(5) have at least one instructor for every ten students at the practical skill stations;~~

189.1 ~~(6) maintain a written agreement with a licensed hospital or licensed ambulance service~~
189.2 ~~designating a clinical training site;~~

189.3 ~~(7)~~ (5) retain documentation of program approval by the board, course outline, and
189.4 student information;

189.5 ~~(8)~~ (6) notify the board of the starting date of a course prior to the beginning of a course;
189.6 and

189.7 ~~(9)~~ (7) submit the appropriate fee as required under section 144E.29~~; and~~.

189.8 ~~(10) maintain a minimum average yearly pass rate as set by the board on an annual basis.~~
189.9 ~~The pass rate will be determined by the percent of candidates who pass the exam on the~~
189.10 ~~first attempt. An education program not meeting this yearly standard shall be placed on~~
189.11 ~~probation and shall be on a performance improvement plan approved by the board until~~
189.12 ~~meeting the pass rate standard. While on probation, the education program may continue~~
189.13 ~~providing classes if meeting the terms of the performance improvement plan as determined~~
189.14 ~~by the board. If an education program having probation status fails to meet the pass rate~~
189.15 ~~standard after two years in which an EMT initial course has been taught, the board may~~
189.16 ~~take disciplinary action under subdivision 5.~~

189.17 Sec. 28. Minnesota Statutes 2022, section 144E.285, is amended by adding a subdivision
189.18 to read:

189.19 Subd. 1a. **EMR education program requirements.** The National EMS Education
189.20 Standards established by the National Highway Traffic Safety Administration of the United
189.21 States Department of Transportation specify the minimum requirements for knowledge and
189.22 skills for emergency medical responders. An education program applying for approval to
189.23 teach EMRs must comply with the requirements under subdivision 1, paragraph (b). A
189.24 medical director of an emergency medical responder group may establish additional
189.25 knowledge and skill requirements for EMRs.

189.26 Sec. 29. Minnesota Statutes 2022, section 144E.285, is amended by adding a subdivision
189.27 to read:

189.28 Subd. 1b. **EMT education program requirements.** In addition to the requirements
189.29 under subdivision 1, paragraph (b), an education program applying for approval to teach
189.30 EMTs must:

189.31 (1) include in the application prescribed by the board the names and addresses of clinical
189.32 sites, including a contact person and telephone number;

190.1 (2) maintain a written agreement with at least one clinical training site that is of a type
190.2 recognized by the National EMS Education Standards established by the National Highway
190.3 Traffic Safety Administration; and

190.4 (3) maintain a minimum average yearly pass rate as set by the board. An education
190.5 program not meeting this standard must be placed on probation and must comply with a
190.6 performance improvement plan approved by the board until the program meets the pass
190.7 rate standard. While on probation, the education program may continue to provide classes
190.8 if the program meets the terms of the performance improvement plan, as determined by the
190.9 board. If an education program that is on probation status fails to meet the pass rate standard
190.10 after two years in which an EMT initial course has been taught, the board may take
190.11 disciplinary action under subdivision 5.

190.12 Sec. 30. Minnesota Statutes 2022, section 144E.285, subdivision 2, is amended to read:

190.13 Subd. 2. **AEMT and paramedic education program requirements.** (a) In addition to
190.14 the requirements under subdivision 1, paragraph (b), an education program applying for
190.15 approval to teach AEMTs and paramedics must:

190.16 (1) be administered by an educational institution accredited by the Commission of
190.17 Accreditation of Allied Health Education Programs (CAAHEP).;

190.18 (2) include in the application prescribed by the board the names and addresses of clinical
190.19 sites, including a contact person and telephone number; and

190.20 (3) maintain a written agreement with a licensed hospital or licensed ambulance service
190.21 designating a clinical training site.

190.22 (b) An AEMT and paramedic education program that is administered by an educational
190.23 institution not accredited by CAAHEP, but that is in the process of completing the
190.24 accreditation process, may be granted provisional approval by the board upon verification
190.25 of submission of its self-study report and the appropriate review fee to CAAHEP.

190.26 (c) An educational institution that discontinues its participation in the accreditation
190.27 process must notify the board immediately and provisional approval shall be withdrawn.

190.28 ~~(d) This subdivision does not apply to a paramedic education program when the program~~
190.29 ~~is operated by an advanced life-support ambulance service licensed by the Emergency~~
190.30 ~~Medical Services Regulatory Board under this chapter, and the ambulance service meets~~
190.31 ~~the following criteria:~~

~~(1) covers a rural primary service area that does not contain a hospital within the primary service area or contains a hospital within the primary service area that has been designated as a critical access hospital under section 144.1483, clause (9);~~

~~(2) has tax-exempt status in accordance with the Internal Revenue Code, section 501(c)(3);~~

~~(3) received approval before 1991 from the commissioner of health to operate a paramedic education program;~~

~~(4) operates an AEMT and paramedic education program exclusively to train paramedics for the local ambulance service; and~~

~~(5) limits enrollment in the AEMT and paramedic program to five candidates per biennium.~~

Sec. 31. Minnesota Statutes 2022, section 144E.285, subdivision 4, is amended to read:

Subd. 4. **Reapproval.** An education program shall apply to the board for reapproval at least ~~three months~~ 30 days prior to the expiration date of its approval and must:

(1) submit an application prescribed by the board specifying any changes from the information provided for prior approval and any other information requested by the board to clarify incomplete or ambiguous information presented in the application; ~~and~~

(2) comply with the requirements under subdivision 1, paragraph (b), clauses (2) to ~~(10).~~ (7);

(3) be subject to a site visit by the board;

(4) for education programs that teach EMRs, comply with the requirements in subdivision 1a;

(5) for education programs that teach EMTs, comply with the requirements in subdivision 1b; and

(6) for education programs that teach AEMTs and paramedics, comply with the requirements in subdivision 2 and maintain accreditation with CAAHEP.

Sec. 32. Minnesota Statutes 2022, section 144E.285, subdivision 6, is amended to read:

Subd. 6. **Temporary suspension.** (a) In addition to any other remedy provided by law, the ~~board~~ director may temporarily suspend approval of the education program after conducting a preliminary inquiry to determine whether the ~~board~~ director believes that the

192.1 education program has violated a statute or rule that the ~~board~~ director is empowered to
192.2 enforce and determining that the continued provision of service by the education program
192.3 would create an imminent risk to public health or harm to others.

192.4 (b) A temporary suspension order prohibiting the education program from providing
192.5 emergency medical care training shall give notice of the right to a preliminary hearing
192.6 according to paragraph (d) and shall state the reasons for the entry of the temporary
192.7 suspension order.

192.8 (c) Service of a temporary suspension order is effective when the order is served on the
192.9 education program personally or by certified mail, which is complete upon receipt, refusal,
192.10 or return for nondelivery to the most recent address provided to the ~~board~~ director for the
192.11 education program.

192.12 (d) At the time the ~~board~~ director issues a temporary suspension order, the ~~board~~ director
192.13 shall schedule a hearing~~, to be held before a group of its members designated by the board,~~
192.14 that shall begin within 60 days after issuance of the temporary suspension order or within
192.15 15 working days of the date of the ~~board's~~ director's receipt of a request for a hearing from
192.16 the education program, whichever is sooner. The hearing shall be on the sole issue of whether
192.17 there is a reasonable basis to continue, modify, or lift the temporary suspension. A hearing
192.18 under this paragraph is not subject to chapter 14.

192.19 (e) Evidence presented by the ~~board~~ director or the individual may be in the form of an
192.20 affidavit. The education program or counsel of record may appear for oral argument.

192.21 (f) Within five working days of the hearing, the ~~board~~ director shall issue its order and,
192.22 if the suspension is continued, notify the education program of the right to a contested case
192.23 hearing under chapter 14.

192.24 (g) If an education program requests a contested case hearing within 30 days of receiving
192.25 notice under paragraph (f), the ~~board~~ director shall initiate a contested case hearing according
192.26 to chapter 14. The administrative law judge shall issue a report and recommendation within
192.27 30 days after the closing of the contested case hearing record. The ~~board~~ director shall issue
192.28 a final order within 30 days after receipt of the administrative law judge's report.

192.29 **EFFECTIVE DATE.** This section is effective January 1, 2025.

193.1 Sec. 33. Minnesota Statutes 2022, section 144E.287, is amended to read:

193.2 **144E.287 DIVERSION PROGRAM.**

193.3 The ~~board~~ director shall either conduct a health professionals ~~service~~ services program
193.4 ~~under sections 214.31 to 214.37~~ or contract for a diversion program ~~under section 214.28~~
193.5 for professionals regulated ~~by the board~~ under this chapter who are unable to perform their
193.6 duties with reasonable skill and safety by reason of illness, use of alcohol, drugs, chemicals,
193.7 or any other materials, or as a result of any mental, physical, or psychological condition.

193.8 **EFFECTIVE DATE.** This section is effective January 1, 2025.

193.9 Sec. 34. Minnesota Statutes 2022, section 144E.305, subdivision 3, is amended to read:

193.10 Subd. 3. **Immunity.** (a) An individual, licensee, health care facility, business, or
193.11 organization is immune from civil liability or criminal prosecution for submitting in good
193.12 faith a report to the ~~board~~ director under subdivision 1 or 2 or for otherwise reporting in
193.13 good faith to the ~~board~~ director violations or alleged violations of sections 144E.001 to
193.14 144E.33. Reports are classified as confidential data on individuals or protected nonpublic
193.15 data under section 13.02 while an investigation is active. Except for the ~~board's~~ director's
193.16 final determination, all communications or information received by or disclosed to the ~~board~~
193.17 director relating to disciplinary matters of any person or entity subject to the ~~board's~~ director's
193.18 regulatory jurisdiction are confidential and privileged and any disciplinary hearing shall be
193.19 closed to the public.

193.20 (b) ~~Members of the board~~ The director, persons employed by the ~~board~~ director, persons
193.21 engaged in the investigation of violations and in the preparation and management of charges
193.22 of violations of sections 144E.001 to 144E.33 on behalf of the ~~board~~ director, and persons
193.23 participating in the investigation regarding charges of violations are immune from civil
193.24 liability and criminal prosecution for any actions, transactions, or publications, made in
193.25 good faith, in the execution of, or relating to, their duties under sections 144E.001 to 144E.33.

193.26 ~~(c) For purposes of this section, a member of the board is considered a state employee~~
193.27 ~~under section 3.736, subdivision 9.~~

193.28 **EFFECTIVE DATE.** This section is effective January 1, 2025.

194.1 Sec. 35. Minnesota Statutes 2023 Supplement, section 152.126, subdivision 6, is amended
194.2 to read:

194.3 Subd. 6. **Access to reporting system data.** (a) Except as indicated in this subdivision,
194.4 the data submitted to the board under subdivision 4 is private data on individuals as defined
194.5 in section 13.02, subdivision 12, and not subject to public disclosure.

194.6 (b) Except as specified in subdivision 5, the following persons shall be considered
194.7 permissible users and may access the data submitted under subdivision 4 in the same or
194.8 similar manner, and for the same or similar purposes, as those persons who are authorized
194.9 to access similar private data on individuals under federal and state law:

194.10 (1) a prescriber or an agent or employee of the prescriber to whom the prescriber has
194.11 delegated the task of accessing the data, to the extent the information relates specifically to
194.12 a current patient, to whom the prescriber is:

194.13 (i) prescribing or considering prescribing any controlled substance;

194.14 (ii) providing emergency medical treatment for which access to the data may be necessary;

194.15 (iii) providing care, and the prescriber has reason to believe, based on clinically valid
194.16 indications, that the patient is potentially abusing a controlled substance; or

194.17 (iv) providing other medical treatment for which access to the data may be necessary
194.18 for a clinically valid purpose and the patient has consented to access to the submitted data,
194.19 and with the provision that the prescriber remains responsible for the use or misuse of data
194.20 accessed by a delegated agent or employee;

194.21 (2) a dispenser or an agent or employee of the dispenser to whom the dispenser has
194.22 delegated the task of accessing the data, to the extent the information relates specifically to
194.23 a current patient to whom that dispenser is dispensing or considering dispensing any
194.24 controlled substance and with the provision that the dispenser remains responsible for the
194.25 use or misuse of data accessed by a delegated agent or employee;

194.26 (3) a licensed dispensing practitioner or licensed pharmacist to the extent necessary to
194.27 determine whether corrections made to the data reported under subdivision 4 are accurate;

194.28 (4) a licensed pharmacist who is providing pharmaceutical care for which access to the
194.29 data may be necessary to the extent that the information relates specifically to a current
194.30 patient for whom the pharmacist is providing pharmaceutical care: (i) if the patient has
194.31 consented to access to the submitted data; or (ii) if the pharmacist is consulted by a prescriber
194.32 who is requesting data in accordance with clause (1);

195.1 (5) an individual who is the recipient of a controlled substance prescription for which
195.2 data was submitted under subdivision 4, or a guardian of the individual, parent or guardian
195.3 of a minor, or health care agent of the individual acting under a health care directive under
195.4 chapter 145C. For purposes of this clause, access by individuals includes persons in the
195.5 definition of an individual under section 13.02;

195.6 (6) personnel or designees of a health-related licensing board listed in section 214.01,
195.7 subdivision 2, or of the <u>Office of</u> Emergency Medical Services ~~Regulatory Board~~, assigned
195.8 to conduct a bona fide investigation of a complaint received by that board <u>or office</u> that
195.9 alleges that a specific licensee is impaired by use of a drug for which data is collected under
195.10 subdivision 4, has engaged in activity that would constitute a crime as defined in section
195.11 152.025, or has engaged in the behavior specified in subdivision 5, paragraph (a);

195.12 (7) personnel of the board engaged in the collection, review, and analysis of controlled
195.13 substance prescription information as part of the assigned duties and responsibilities under
195.14 this section;

195.15 (8) authorized personnel under contract with the board, or under contract with the state
195.16 of Minnesota and approved by the board, who are engaged in the design, evaluation,
195.17 implementation, operation, or maintenance of the prescription monitoring program as part
195.18 of the assigned duties and responsibilities of their employment, provided that access to data
195.19 is limited to the minimum amount necessary to carry out such duties and responsibilities,
195.20 and subject to the requirement of de-identification and time limit on retention of data specified
195.21 in subdivision 5, paragraphs (d) and (e);

195.22 (9) federal, state, and local law enforcement authorities acting pursuant to a valid search
195.23 warrant;

195.24 (10) personnel of the Minnesota health care programs assigned to use the data collected
195.25 under this section to identify and manage recipients whose usage of controlled substances
195.26 may warrant restriction to a single primary care provider, a single outpatient pharmacy, and
195.27 a single hospital;

195.28 (11) personnel of the Department of Human Services assigned to access the data pursuant
195.29 to paragraph (k);

195.30 (12) personnel of the health professionals services program established under section
195.31 214.31, to the extent that the information relates specifically to an individual who is currently
195.32 enrolled in and being monitored by the program, and the individual consents to access to
195.33 that information. The health professionals services program personnel shall not provide this

196.1 data to a health-related licensing board ~~or the Emergency Medical Services Regulatory~~
196.2 ~~Board~~, except as permitted under section 214.33, subdivision 3;

196.3 (13) personnel or designees of a health-related licensing board other than the Board of
196.4 Pharmacy listed in section 214.01, subdivision 2, assigned to conduct a bona fide
196.5 investigation of a complaint received by that board that alleges that a specific licensee is
196.6 inappropriately prescribing controlled substances as defined in this section. For the purposes
196.7 of this clause, the health-related licensing board may also obtain utilization data; and

196.8 (14) personnel of the board specifically assigned to conduct a bona fide investigation
196.9 of a specific licensee or registrant. For the purposes of this clause, the board may also obtain
196.10 utilization data.

196.11 (c) By July 1, 2017, every prescriber licensed by a health-related licensing board listed
196.12 in section 214.01, subdivision 2, practicing within this state who is authorized to prescribe
196.13 controlled substances for humans and who holds a current registration issued by the federal
196.14 Drug Enforcement Administration, and every pharmacist licensed by the board and practicing
196.15 within the state, shall register and maintain a user account with the prescription monitoring
196.16 program. Data submitted by a prescriber, pharmacist, or their delegate during the registration
196.17 application process, other than their name, license number, and license type, is classified
196.18 as private pursuant to section 13.02, subdivision 12.

196.19 (d) Notwithstanding paragraph (b), beginning January 1, 2021, a prescriber or an agent
196.20 or employee of the prescriber to whom the prescriber has delegated the task of accessing
196.21 the data, must access the data submitted under subdivision 4 to the extent the information
196.22 relates specifically to the patient:

196.23 (1) before the prescriber issues an initial prescription order for a Schedules II through
196.24 IV opiate controlled substance to the patient; and

196.25 (2) at least once every three months for patients receiving an opiate for treatment of
196.26 chronic pain or participating in medically assisted treatment for an opioid addiction.

196.27 (e) Paragraph (d) does not apply if:

196.28 (1) the patient is receiving palliative care, or hospice or other end-of-life care;

196.29 (2) the patient is being treated for pain due to cancer or the treatment of cancer;

196.30 (3) the prescription order is for a number of doses that is intended to last the patient five
196.31 days or less and is not subject to a refill;

197.1 (4) the prescriber and patient have a current or ongoing provider/patient relationship of
197.2 a duration longer than one year;

197.3 (5) the prescription order is issued within 14 days following surgery or three days
197.4 following oral surgery or follows the prescribing protocols established under the opioid
197.5 prescribing improvement program under section 256B.0638;

197.6 (6) the controlled substance is prescribed or administered to a patient who is admitted
197.7 to an inpatient hospital;

197.8 (7) the controlled substance is lawfully administered by injection, ingestion, or any other
197.9 means to the patient by the prescriber, a pharmacist, or by the patient at the direction of a
197.10 prescriber and in the presence of the prescriber or pharmacist;

197.11 (8) due to a medical emergency, it is not possible for the prescriber to review the data
197.12 before the prescriber issues the prescription order for the patient; or

197.13 (9) the prescriber is unable to access the data due to operational or other technological
197.14 failure of the program so long as the prescriber reports the failure to the board.

197.15 (f) Only permissible users identified in paragraph (b), clauses (1), (2), (3), (4), (7), (8),
197.16 (10), and (11), may directly access the data electronically. No other permissible users may
197.17 directly access the data electronically. If the data is directly accessed electronically, the
197.18 permissible user shall implement and maintain a comprehensive information security program
197.19 that contains administrative, technical, and physical safeguards that are appropriate to the
197.20 user's size and complexity, and the sensitivity of the personal information obtained. The
197.21 permissible user shall identify reasonably foreseeable internal and external risks to the
197.22 security, confidentiality, and integrity of personal information that could result in the
197.23 unauthorized disclosure, misuse, or other compromise of the information and assess the
197.24 sufficiency of any safeguards in place to control the risks.

197.25 (g) The board shall not release data submitted under subdivision 4 unless it is provided
197.26 with evidence, satisfactory to the board, that the person requesting the information is entitled
197.27 to receive the data.

197.28 (h) The board shall maintain a log of all persons who access the data for a period of at
197.29 least three years and shall ensure that any permissible user complies with paragraph (c)
197.30 prior to attaining direct access to the data.

197.31 (i) Section 13.05, subdivision 6, shall apply to any contract the board enters into pursuant
197.32 to subdivision 2. A vendor shall not use data collected under this section for any purpose
197.33 not specified in this section.

198.1 (j) The board may participate in an interstate prescription monitoring program data
198.2 exchange system provided that permissible users in other states have access to the data only
198.3 as allowed under this section, and that section 13.05, subdivision 6, applies to any contract
198.4 or memorandum of understanding that the board enters into under this paragraph.

198.5 (k) With available appropriations, the commissioner of human services shall establish
198.6 and implement a system through which the Department of Human Services shall routinely
198.7 access the data for the purpose of determining whether any client enrolled in an opioid
198.8 treatment program licensed according to chapter 245A has been prescribed or dispensed a
198.9 controlled substance in addition to that administered or dispensed by the opioid treatment
198.10 program. When the commissioner determines there have been multiple prescribers or multiple
198.11 prescriptions of controlled substances, the commissioner shall:

198.12 (1) inform the medical director of the opioid treatment program only that the
198.13 commissioner determined the existence of multiple prescribers or multiple prescriptions of
198.14 controlled substances; and

198.15 (2) direct the medical director of the opioid treatment program to access the data directly,
198.16 review the effect of the multiple prescribers or multiple prescriptions, and document the
198.17 review.

198.18 If determined necessary, the commissioner of human services shall seek a federal waiver
198.19 of, or exception to, any applicable provision of Code of Federal Regulations, title 42, section
198.20 2.34, paragraph (c), prior to implementing this paragraph.

198.21 (l) The board shall review the data submitted under subdivision 4 on at least a quarterly
198.22 basis and shall establish criteria, in consultation with the advisory task force, for referring
198.23 information about a patient to prescribers and dispensers who prescribed or dispensed the
198.24 prescriptions in question if the criteria are met.

198.25 (m) The board shall conduct random audits, on at least a quarterly basis, of electronic
198.26 access by permissible users, as identified in paragraph (b), clauses (1), (2), (3), (4), (7), (8),
198.27 (10), and (11), to the data in subdivision 4, to ensure compliance with permissible use as
198.28 defined in this section. A permissible user whose account has been selected for a random
198.29 audit shall respond to an inquiry by the board, no later than 30 days after receipt of notice
198.30 that an audit is being conducted. Failure to respond may result in deactivation of access to
198.31 the electronic system and referral to the appropriate health licensing board, or the
198.32 commissioner of human services, for further action. The board shall report the results of
198.33 random audits to the chairs and ranking minority members of the legislative committees

with jurisdiction over health and human services policy and finance and government data practices.

(n) A permissible user who has delegated the task of accessing the data in subdivision 4 to an agent or employee shall audit the use of the electronic system by delegated agents or employees on at least a quarterly basis to ensure compliance with permissible use as defined in this section. When a delegated agent or employee has been identified as inappropriately accessing data, the permissible user must immediately remove access for that individual and notify the board within seven days. The board shall notify all permissible users associated with the delegated agent or employee of the alleged violation.

(o) A permissible user who delegates access to the data submitted under subdivision 4 to an agent or employee shall terminate that individual's access to the data within three business days of the agent or employee leaving employment with the permissible user. The board may conduct random audits to determine compliance with this requirement.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 36. Minnesota Statutes 2022, section 214.025, is amended to read:

214.025 COUNCIL OF HEALTH BOARDS.

The health-related licensing boards may establish a Council of Health Boards consisting of representatives of the health-related licensing boards ~~and the Emergency Medical Services Regulatory Board~~. When reviewing legislation or legislative proposals relating to the regulation of health occupations, the council shall include the commissioner of health or a designee and the director of the Office of Emergency Medical Services or a designee.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 37. Minnesota Statutes 2022, section 214.04, subdivision 2a, is amended to read:

Subd. 2a. **Performance of executive directors.** The governor may request that a health-related licensing board ~~or the Emergency Medical Services Regulatory Board~~ review the performance of the board's executive director. Upon receipt of the request, the board must respond by establishing a performance improvement plan or taking disciplinary or other corrective action, including dismissal. The board shall include the governor's representative as a voting member of the board in the board's discussions and decisions regarding the governor's request. The board shall report to the governor on action taken by the board, including an explanation if no action is deemed necessary.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 38. Minnesota Statutes 2022, section 214.29, is amended to read:

214.29 PROGRAM REQUIRED.

Each health-related licensing board~~, including the Emergency Medical Services Regulatory Board under chapter 144E,~~ shall either conduct a health professionals service program under sections 214.31 to 214.37 or contract for a diversion program under section 214.28.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 39. Minnesota Statutes 2022, section 214.31, is amended to read:

214.31 AUTHORITY.

Two or more of the health-related licensing boards listed in section 214.01, subdivision 2, may jointly conduct a health professionals services program to protect the public from persons regulated by the boards who are unable to practice with reasonable skill and safety by reason of illness, use of alcohol, drugs, chemicals, or any other materials, or as a result of any mental, physical, or psychological condition. The program does not affect a board's authority to discipline violations of a board's practice act. ~~For purposes of sections 214.31 to 214.37, the emergency medical services regulatory board shall be included in the definition of a health-related licensing board under chapter 144E.~~

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 40. Minnesota Statutes 2022, section 214.355, is amended to read:

214.355 GROUNDS FOR DISCIPLINARY ACTION.

Each health-related licensing board~~, including the Emergency Medical Services Regulatory Board under chapter 144E,~~ shall consider it grounds for disciplinary action if a regulated person violates the terms of the health professionals services program participation agreement or leaves the program except upon fulfilling the terms for successful completion of the program as set forth in the participation agreement.

EFFECTIVE DATE. This section is effective January 1, 2025.

201.1 Sec. 41. **INITIAL MEMBERS AND FIRST MEETING; EMERGENCY MEDICAL**
201.2 **SERVICES ADVISORY COUNCIL.**

201.3 (a) Initial appointments of members to the Emergency Medical Services Advisory
201.4 Council must be made by January 1, 2025. The terms of initial appointees shall be determined
201.5 by lot by the secretary of state and shall be as follows:

201.6 (1) eight members shall serve two-year terms; and

201.7 (2) eight members shall serve three-year terms.

201.8 (b) The medical director appointee must convene the first meeting of the Emergency
201.9 Medical Services Advisory Council by February 1, 2025.

201.10 Sec. 42. **INITIAL MEMBERS AND FIRST MEETING; EMERGENCY MEDICAL**
201.11 **SERVICES PHYSICIAN ADVISORY COUNCIL.**

201.12 (a) Initial appointments of members to the Emergency Medical Services Physician
201.13 Advisory Council must be made by January 1, 2025. The terms of initial appointees shall
201.14 be determined by lot by the secretary of state and shall be as follows:

201.15 (1) five members shall serve two-year terms;

201.16 (2) five members shall serve three-year terms; and

201.17 (3) the term for the medical director appointee to the Emergency Medical Services
201.18 Physician Advisory Council shall coincide with that member's term on the Emergency
201.19 Medical Services Advisory Council.

201.20 (b) The medical director appointee must convene the first meeting of the Emergency
201.21 Medical Services Physician Advisory Council by February 1, 2025.

201.22 Sec. 43. **INITIAL MEMBERS AND FIRST MEETING; LABOR AND EMERGENCY**
201.23 **MEDICAL SERVICE PROVIDERS ADVISORY COUNCIL.**

201.24 (a) Initial appointments of members to the Labor and Emergency Medical Service
201.25 Providers Advisory Council must be made by January 1, 2025. The terms of initial appointees
201.26 shall be determined by lot by the secretary of state and shall be as follows:

201.27 (1) six members shall serve two-year terms; and

201.28 (2) seven members shall serve three-year terms.

202.1 (b) The emergency medical technician instructor appointee must convene the first meeting
202.2 of the Labor and Emergency Medical Service Providers Advisory Council by February 1,
202.3 2025.

202.4 Sec. 44. **TRANSITION.**

202.5 Subdivision 1. **Appointment of director; operation of office.** No later than October
202.6 1, 2024, the governor shall appoint a director-designee of the Office of Emergency Medical
202.7 Services. The individual appointed as the director-designee of the Office of Emergency
202.8 Medical Services shall become the governor's appointee as director of the Office of
202.9 Emergency Medical Services on January 1, 2025. Effective January 1, 2025, the
202.10 responsibilities to regulate emergency medical services in Minnesota under Minnesota
202.11 Statutes, chapter 144E, and Minnesota Rules, chapter 4690, are transferred from the
202.12 Emergency Medical Services Regulatory Board to the Office of Emergency Medical Services
202.13 and the director of the Office of Emergency Medical Services.

202.14 Subd. 2. **Transfer of responsibilities.** Minnesota Statutes, section 15.039, applies to
202.15 the transfer of responsibilities from the Emergency Medical Services Regulatory Board to
202.16 the Office of Emergency Medical Services required by this act. The commissioner of
202.17 administration, with the approval of the governor, may issue reorganization orders under
202.18 Minnesota Statutes, section 16B.37, as necessary to carry out the transfer of responsibilities
202.19 required by this act. The provision of Minnesota Statutes, section 16B.37, subdivision 1,
202.20 which states that transfers under that section may be made only to an agency that has been
202.21 in existence for at least one year, does not apply to transfers in this act to the Office of
202.22 Emergency Medical Services.

202.23 **EFFECTIVE DATE.** This section is effective July 1, 2024.

202.24 Sec. 45. **REVISOR INSTRUCTION.**

202.25 (a) In Minnesota Statutes, chapter 144E, the revisor of statutes shall replace "board"
202.26 with "director"; "board's" with "director's"; "Emergency Medical Services Regulatory Board"
202.27 or "Minnesota Emergency Medical Services Regulatory Board" with "director"; and
202.28 "board-approved" with "director-approved," except that:

202.29 (1) in Minnesota Statutes, section 144E.11, the revisor of statutes shall not modify the
202.30 term "county board," "community health board," or "community health boards";

203.1 (2) in Minnesota Statutes, sections 144E.40, subdivision 2; 144E.42, subdivision 2;
203.2 144E.44; and 144E.45, subdivision 2, the revisor of statutes shall not modify the term "State
203.3 Board of Investment"; and

203.4 (3) in Minnesota Statutes, sections 144E.50 and 144E.52, the revisor of statutes shall
203.5 not modify the term "regional emergency medical services board," "regional board," "regional
203.6 emergency medical services board's," or "regional boards."

203.7 (b) In the following sections of Minnesota Statutes, the revisor of statutes shall replace
203.8 "Emergency Medical Services Regulatory Board" with "director of the Office of Emergency
203.9 Medical Services": sections 13.717, subdivision 10; 62J.49, subdivision 2; 144.604; 144.608;
203.10 147.09; 156.12, subdivision 2; 169.686, subdivision 3; and 299A.41, subdivision 4.

203.11 (c) In the following sections of Minnesota Statutes, the revisor of statutes shall replace
203.12 "Emergency Medical Services Regulatory Board" with "Office of Emergency Medical
203.13 Services": sections 144.603 and 161.045, subdivision 3.

203.14 (d) In making the changes specified in this section, the revisor of statutes may make
203.15 technical and other necessary changes to sentence structure to preserve the meaning of the
203.16 text.

203.17 Sec. 46. **REPEALER.**

203.18 (a) Minnesota Statutes 2022, sections 144E.001, subdivision 5; 144E.01; 144E.123,
203.19 subdivision 5; and 144E.50, subdivision 3, are repealed.

203.20 (b) Minnesota Statutes 2022, section 144E.27, subdivisions 1 and 1a, are repealed.

203.21 **EFFECTIVE DATE.** Paragraph (a) is effective January 1, 2025.

203.22 **ARTICLE 8**

203.23 **PHARMACY BOARD AND PRACTICE**

203.24 Section 1. Minnesota Statutes 2023 Supplement, section 62Q.46, subdivision 1, is amended
203.25 to read:

203.26 Subdivision 1. **Coverage for preventive items and services.** (a) "Preventive items and
203.27 services" has the meaning specified in the Affordable Care Act. Preventive items and services
203.28 includes:

203.29 (1) evidence-based items or services that have in effect a rating of A or B in the current
203.30 recommendations of the United States Preventive Services Task Force with respect to the
203.31 individual involved;

204.1 (2) immunizations for routine use in children, adolescents, and adults that have in effect
204.2 a recommendation from the Advisory Committee on Immunization Practices of the Centers
204.3 for Disease Control and Prevention with respect to the individual involved. For purposes
204.4 of this clause, a recommendation from the Advisory Committee on Immunization Practices
204.5 of the Centers for Disease Control and Prevention is considered in effect after the
204.6 recommendation has been adopted by the Director of the Centers for Disease Control and
204.7 Prevention, and a recommendation is considered to be for routine use if the recommendation
204.8 is listed on the Immunization Schedules of the Centers for Disease Control and Prevention;

204.9 (3) with respect to infants, children, and adolescents, evidence-informed preventive care
204.10 and screenings provided for in comprehensive guidelines supported by the Health Resources
204.11 and Services Administration;

204.12 (4) with respect to women, additional preventive care and screenings that are not listed
204.13 with a rating of A or B by the United States Preventive Services Task Force but that are
204.14 provided for in comprehensive guidelines supported by the Health Resources and Services
204.15 Administration;

204.16 (5) all contraceptive methods established in guidelines published by the United States
204.17 Food and Drug Administration;

204.18 (6) screenings for human immunodeficiency virus for:

204.19 (i) all individuals at least 15 years of age but less than 65 years of age; and

204.20 (ii) all other individuals with increased risk of human immunodeficiency virus infection
204.21 according to guidance from the Centers for Disease Control;

204.22 (7) all preexposure prophylaxis when used for the prevention or treatment of human
204.23 immunodeficiency virus, including but not limited to all preexposure prophylaxis, as defined
204.24 in any guidance by the United States Preventive Services Task Force or the Centers for
204.25 Disease Control, including the June 11, 2019, Preexposure Prophylaxis for the Prevention
204.26 of HIV Infection United States Preventive Services Task Force Recommendation Statement;
204.27 and

204.28 (8) all postexposure prophylaxis when used for the prevention or treatment of human
204.29 immunodeficiency virus, including but not limited to all postexposure prophylaxis as defined
204.30 in any guidance by the United States Preventive Services Task Force or the Centers for
204.31 Disease Control.

204.32 (b) A health plan company must provide coverage for preventive items and services at
204.33 a participating provider without imposing cost-sharing requirements, including a deductible,

205.1 coinsurance, or co-payment. Nothing in this section prohibits a health plan company that
205.2 has a network of providers from excluding coverage or imposing cost-sharing requirements
205.3 for preventive items or services that are delivered by an out-of-network provider.

205.4 (c) A health plan company is not required to provide coverage for any items or services
205.5 specified in any recommendation or guideline described in paragraph (a) if the
205.6 recommendation or guideline is no longer included as a preventive item or service as defined
205.7 in paragraph (a). Annually, a health plan company must determine whether any additional
205.8 items or services must be covered without cost-sharing requirements or whether any items
205.9 or services are no longer required to be covered.

205.10 (d) Nothing in this section prevents a health plan company from using reasonable medical
205.11 management techniques to determine the frequency, method, treatment, or setting for a
205.12 preventive item or service to the extent not specified in the recommendation or guideline.

205.13 (e) A health plan shall not require prior authorization or step therapy for preexposure
205.14 prophylaxis or postexposure prophylaxis, except that: if the United States Food and Drug
205.15 Administration has approved one or more therapeutic equivalents of a drug, device, or
205.16 product for the prevention of HIV, this paragraph does not require a health plan to cover
205.17 all of the therapeutically equivalent versions without prior authorization or step therapy, if
205.18 at least one therapeutically equivalent version is covered without prior authorization or step
205.19 therapy.

205.20 ~~(e)~~ (f) This section does not apply to grandfathered plans.

205.21 ~~(f)~~ (g) This section does not apply to plans offered by the Minnesota Comprehensive
205.22 Health Association.

205.23 **EFFECTIVE DATE.** This section is effective January 1, 2026, and applies to health
205.24 plans offered, issued, or renewed on or after that date.

205.25 Sec. 2. Minnesota Statutes 2022, section 151.01, subdivision 23, is amended to read:

205.26 Subd. 23. **Practitioner.** "Practitioner" means a licensed doctor of medicine, licensed
205.27 doctor of osteopathic medicine duly licensed to practice medicine, licensed doctor of
205.28 dentistry, licensed doctor of optometry, licensed podiatrist, licensed veterinarian, licensed
205.29 advanced practice registered nurse, or licensed physician assistant. For purposes of sections
205.30 151.15, subdivision 4; 151.211, subdivision 3; 151.252, subdivision 3; 151.37, subdivision
205.31 2, paragraph (b); and 151.461, "practitioner" also means a dental therapist authorized to
205.32 dispense and administer under chapter 150A. For purposes of sections 151.252, subdivision
205.33 3, and 151.461, "practitioner" also means a pharmacist authorized to prescribe

206.1 self-administered hormonal contraceptives, nicotine replacement medications, or opiate
206.2 antagonists under section 151.37, subdivision 14, 15, or 16, or authorized to prescribe drugs
206.3 to prevent the acquisition of human immunodeficiency virus (HIV) under section 151.37,
206.4 subdivision 17.

206.5 **EFFECTIVE DATE.** This section is effective January 1, 2025.

206.6 Sec. 3. Minnesota Statutes 2022, section 151.01, subdivision 27, is amended to read:

206.7 Subd. 27. **Practice of pharmacy.** "Practice of pharmacy" means:

206.8 (1) interpretation and evaluation of prescription drug orders;

206.9 (2) compounding, labeling, and dispensing drugs and devices (except labeling by a
206.10 manufacturer or packager of nonprescription drugs or commercially packaged legend drugs
206.11 and devices);

206.12 (3) participation in clinical interpretations and monitoring of drug therapy for assurance
206.13 of safe and effective use of drugs, including ~~the performance of~~ ordering and performing
206.14 laboratory tests that are waived under the federal Clinical Laboratory Improvement Act of
206.15 1988, United States Code, title 42, section 263a et seq.~~, provided that a pharmacist may~~
206.16 ~~interpret the results of laboratory tests but may modify~~ A pharmacist may collect specimens,
206.17 interpret results, notify the patient of results, and refer the patient to other health care
206.18 providers for follow-up care and may initiate, modify, or discontinue drug therapy ~~only~~
206.19 pursuant to a protocol or collaborative practice agreement. A pharmacist may delegate the
206.20 authority to administer tests under this clause to a pharmacy technician or pharmacy intern.
206.21 A pharmacy technician or pharmacy intern may perform tests authorized under this clause
206.22 if the technician or intern is working under the direct supervision of a pharmacist;

206.23 (4) participation in drug and therapeutic device selection; drug administration for first
206.24 dosage and medical emergencies; intramuscular and subcutaneous drug administration under
206.25 a prescription drug order; drug regimen reviews; and drug or drug-related research;

206.26 (5) drug administration, through intramuscular and subcutaneous administration used
206.27 to treat mental illnesses as permitted under the following conditions:

206.28 (i) upon the order of a prescriber and the prescriber is notified after administration is
206.29 complete; or

206.30 (ii) pursuant to a protocol or collaborative practice agreement as defined by section
206.31 151.01, subdivisions 27b and 27c, and participation in the initiation, management,
206.32 modification, administration, and discontinuation of drug therapy is according to the protocol

207.1 or collaborative practice agreement between the pharmacist and a dentist, optometrist,
207.2 physician, physician assistant, podiatrist, or veterinarian, or an advanced practice registered
207.3 nurse authorized to prescribe, dispense, and administer under section 148.235. Any changes
207.4 in drug therapy or medication administration made pursuant to a protocol or collaborative
207.5 practice agreement must be documented by the pharmacist in the patient's medical record
207.6 or reported by the pharmacist to a practitioner responsible for the patient's care;

207.7 (6) participation in administration of influenza vaccines and initiating, ordering, and
207.8 administering influenza and COVID-19 or SARS-CoV-2 vaccines authorized or approved
207.9 by the United States Food and Drug Administration related to COVID-19 or SARS-CoV-2
207.10 to all eligible individuals six three years of age and older and all other United States Food
207.11 and Drug Administration approved vaccines to patients 13 six years of age and older by
207.12 written protocol with a physician licensed under chapter 147, a physician assistant authorized
207.13 to prescribe drugs under chapter 147A, or an advanced practice registered nurse authorized
207.14 to prescribe drugs under section 148.235, provided that according to the federal Advisory
207.15 Committee on Immunization Practices recommendation. A pharmacist may delegate the
207.16 authority to administer vaccines under this clause to a pharmacy technician or pharmacy
207.17 intern who has completed training in vaccine administration if:

207.18 (i) the protocol includes, at a minimum:

207.19 (A) the name, dose, and route of each vaccine that may be given;

207.20 (B) the patient population for whom the vaccine may be given;

207.21 (C) contraindications and precautions to the vaccine;

207.22 (D) the procedure for handling an adverse reaction;

207.23 (E) the name, signature, and address of the physician, physician assistant, or advanced
207.24 practice registered nurse;

207.25 (F) a telephone number at which the physician, physician assistant, or advanced practice
207.26 registered nurse can be contacted; and

207.27 (G) the date and time period for which the protocol is valid;

207.28 (ii) (i) the pharmacist has and the pharmacy technician or pharmacy intern have
207.29 successfully completed a program approved by the Accreditation Council for Pharmacy
207.30 Education (ACPE) specifically for the administration of immunizations or a program
207.31 approved by the board;

208.1 ~~(iii)~~ (ii) the pharmacist ~~utilizes~~ and the pharmacy technician or pharmacy intern utilize
208.2 the Minnesota Immunization Information Connection to assess the immunization status of
208.3 individuals prior to the administration of vaccines, except when administering influenza
208.4 vaccines to individuals age ~~nine~~ three and older;

208.5 ~~(iv)~~ (iii) the pharmacist reports the administration of the immunization to the Minnesota
208.6 Immunization Information Connection; ~~and~~

208.7 ~~(v) the pharmacist complies with guidelines for vaccines and immunizations established~~
208.8 ~~by the federal Advisory Committee on Immunization Practices, except that a pharmacist~~
208.9 ~~does not need to comply with those portions of the guidelines that establish immunization~~
208.10 ~~schedules when administering a vaccine pursuant to a valid, patient-specific order issued~~
208.11 ~~by a physician licensed under chapter 147, a physician assistant authorized to prescribe~~
208.12 ~~drugs under chapter 147A, or an advanced practice registered nurse authorized to prescribe~~
208.13 ~~drugs under section 148.235, provided that the order is consistent with the United States~~
208.14 ~~Food and Drug Administration approved labeling of the vaccine;~~

208.15 (iv) if the patient is 18 years of age or younger, the pharmacist, pharmacy technician,
208.16 or pharmacy intern informs the patient and any adult caregiver accompanying the patient
208.17 of the importance of a well-child visit with a pediatrician or other licensed primary care
208.18 provider; and

208.19 (v) in the case of a pharmacy technician administering vaccinations while being
208.20 supervised by a licensed pharmacist, which supervision must be in-person and must not be
208.21 done through telehealth as defined under section 62A.673, subdivision 2:

208.22 (A) the pharmacist is readily and immediately available to the immunizing pharmacy
208.23 technician;

208.24 (B) the pharmacy technician has a current certificate in basic cardiopulmonary
208.25 resuscitation; and

208.26 (C) the pharmacy technician has completed a minimum of two hours of ACPE-approved,
208.27 immunization-related continuing pharmacy education as part of the pharmacy technician's
208.28 two-year continuing education schedule;

208.29 (7) participation in the initiation, management, modification, and discontinuation of
208.30 drug therapy according to a written protocol or collaborative practice agreement between:
208.31 (i) one or more pharmacists and one or more dentists, optometrists, physicians, physician
208.32 assistants, podiatrists, or veterinarians; or (ii) one or more pharmacists and one or more
208.33 physician assistants authorized to prescribe, dispense, and administer under chapter 147A,

209.1 or advanced practice registered nurses authorized to prescribe, dispense, and administer
209.2 under section 148.235. Any changes in drug therapy made pursuant to a protocol or
209.3 collaborative practice agreement must be documented by the pharmacist in the patient's
209.4 medical record or reported by the pharmacist to a practitioner responsible for the patient's
209.5 care;

209.6 (8) participation in the storage of drugs and the maintenance of records;

209.7 (9) patient counseling on therapeutic values, content, hazards, and uses of drugs and
209.8 devices;

209.9 (10) offering or performing those acts, services, operations, or transactions necessary
209.10 in the conduct, operation, management, and control of a pharmacy;

209.11 (11) participation in the initiation, management, modification, and discontinuation of
209.12 therapy with opiate antagonists, as defined in section 604A.04, subdivision 1, pursuant to:

209.13 (i) a written protocol as allowed under clause (7); or

209.14 (ii) a written protocol with a community health board medical consultant or a practitioner
209.15 designated by the commissioner of health, as allowed under section 151.37, subdivision 13;

209.16 (12) prescribing self-administered hormonal contraceptives; nicotine replacement
209.17 medications; and opiate antagonists for the treatment of an acute opiate overdose pursuant
209.18 to section 151.37, subdivision 14, 15, or 16; and

209.19 (13) participation in the placement of drug monitoring devices according to a prescription,
209.20 protocol, or collaborative practice agreement.

209.21 Sec. 4. Minnesota Statutes 2022, section 151.01, subdivision 27, is amended to read:

209.22 Subd. 27. **Practice of pharmacy.** "Practice of pharmacy" means:

209.23 (1) interpretation and evaluation of prescription drug orders;

209.24 (2) compounding, labeling, and dispensing drugs and devices (except labeling by a
209.25 manufacturer or packager of nonprescription drugs or commercially packaged legend drugs
209.26 and devices);

209.27 (3) participation in clinical interpretations and monitoring of drug therapy for assurance
209.28 of safe and effective use of drugs, including the performance of laboratory tests that are
209.29 waived under the federal Clinical Laboratory Improvement Act of 1988, United States Code,
209.30 title 42, section 263a et seq., provided that a pharmacist may interpret the results of laboratory

210.1 tests but may modify drug therapy only pursuant to a protocol or collaborative practice
210.2 agreement;

210.3 (4) participation in drug and therapeutic device selection; drug administration for first
210.4 dosage and medical emergencies; intramuscular and subcutaneous drug administration under
210.5 a prescription drug order; drug regimen reviews; and drug or drug-related research;

210.6 (5) drug administration, through intramuscular and subcutaneous administration used
210.7 to treat mental illnesses as permitted under the following conditions:

210.8 (i) upon the order of a prescriber and the prescriber is notified after administration is
210.9 complete; or

210.10 (ii) pursuant to a protocol or collaborative practice agreement as defined by section
210.11 151.01, subdivisions 27b and 27c, and participation in the initiation, management,
210.12 modification, administration, and discontinuation of drug therapy is according to the protocol
210.13 or collaborative practice agreement between the pharmacist and a dentist, optometrist,
210.14 physician, physician assistant, podiatrist, or veterinarian, or an advanced practice registered
210.15 nurse authorized to prescribe, dispense, and administer under section 148.235. Any changes
210.16 in drug therapy or medication administration made pursuant to a protocol or collaborative
210.17 practice agreement must be documented by the pharmacist in the patient's medical record
210.18 or reported by the pharmacist to a practitioner responsible for the patient's care;

210.19 (6) participation in administration of influenza vaccines and vaccines approved by the
210.20 United States Food and Drug Administration related to COVID-19 or SARS-CoV-2 to all
210.21 eligible individuals six years of age and older and all other vaccines to patients 13 years of
210.22 age and older by written protocol with a physician licensed under chapter 147, a physician
210.23 assistant authorized to prescribe drugs under chapter 147A, or an advanced practice registered
210.24 nurse authorized to prescribe drugs under section 148.235, provided that:

210.25 (i) the protocol includes, at a minimum:

210.26 (A) the name, dose, and route of each vaccine that may be given;

210.27 (B) the patient population for whom the vaccine may be given;

210.28 (C) contraindications and precautions to the vaccine;

210.29 (D) the procedure for handling an adverse reaction;

210.30 (E) the name, signature, and address of the physician, physician assistant, or advanced
210.31 practice registered nurse;

211.1 (F) a telephone number at which the physician, physician assistant, or advanced practice
211.2 registered nurse can be contacted; and

211.3 (G) the date and time period for which the protocol is valid;

211.4 (ii) the pharmacist has successfully completed a program approved by the Accreditation
211.5 Council for Pharmacy Education specifically for the administration of immunizations or a
211.6 program approved by the board;

211.7 (iii) the pharmacist utilizes the Minnesota Immunization Information Connection to
211.8 assess the immunization status of individuals prior to the administration of vaccines, except
211.9 when administering influenza vaccines to individuals age nine and older;

211.10 (iv) the pharmacist reports the administration of the immunization to the Minnesota
211.11 Immunization Information Connection; and

211.12 (v) the pharmacist complies with guidelines for vaccines and immunizations established
211.13 by the federal Advisory Committee on Immunization Practices, except that a pharmacist
211.14 does not need to comply with those portions of the guidelines that establish immunization
211.15 schedules when administering a vaccine pursuant to a valid, patient-specific order issued
211.16 by a physician licensed under chapter 147, a physician assistant authorized to prescribe
211.17 drugs under chapter 147A, or an advanced practice registered nurse authorized to prescribe
211.18 drugs under section 148.235, provided that the order is consistent with the United States
211.19 Food and Drug Administration approved labeling of the vaccine;

211.20 (7) participation in the initiation, management, modification, and discontinuation of
211.21 drug therapy according to a written protocol or collaborative practice agreement between:
211.22 (i) one or more pharmacists and one or more dentists, optometrists, physicians, physician
211.23 assistants, podiatrists, or veterinarians; or (ii) one or more pharmacists and one or more
211.24 physician assistants authorized to prescribe, dispense, and administer under chapter 147A,
211.25 or advanced practice registered nurses authorized to prescribe, dispense, and administer
211.26 under section 148.235. Any changes in drug therapy made pursuant to a protocol or
211.27 collaborative practice agreement must be documented by the pharmacist in the patient's
211.28 medical record or reported by the pharmacist to a practitioner responsible for the patient's
211.29 care;

211.30 (8) participation in the storage of drugs and the maintenance of records;

211.31 (9) patient counseling on therapeutic values, content, hazards, and uses of drugs and
211.32 devices;

212.1 (10) offering or performing those acts, services, operations, or transactions necessary
212.2 in the conduct, operation, management, and control of a pharmacy;

212.3 (11) participation in the initiation, management, modification, and discontinuation of
212.4 therapy with opiate antagonists, as defined in section 604A.04, subdivision 1, pursuant to:

212.5 (i) a written protocol as allowed under clause (7); or

212.6 (ii) a written protocol with a community health board medical consultant or a practitioner
212.7 designated by the commissioner of health, as allowed under section 151.37, subdivision 13;

212.8 (12) prescribing self-administered hormonal contraceptives; nicotine replacement
212.9 medications; and opiate antagonists for the treatment of an acute opiate overdose pursuant
212.10 to section 151.37, subdivision 14, 15, or 16; ~~and~~

212.11 (13) participation in the placement of drug monitoring devices according to a prescription,
212.12 protocol, or collaborative practice agreement~~.~~;

212.13 (14) prescribing, dispensing, and administering drugs for preventing the acquisition of
212.14 human immunodeficiency virus (HIV) if the pharmacist meets the requirements in section
212.15 151.37, subdivision 17; and

212.16 (15) ordering, conducting, and interpreting laboratory tests necessary for therapies that
212.17 use drugs for preventing the acquisition of HIV, if the pharmacist meets the requirements
212.18 in section 151.37, subdivision 17.

212.19 **EFFECTIVE DATE.** This section is effective January 1, 2025.

212.20 Sec. 5. Minnesota Statutes 2022, section 151.065, is amended by adding a subdivision to
212.21 read:

212.22 Subd. 4a. **Application and fee; relocation.** A person who is registered with or licensed
212.23 by the board must submit a new application to the board before relocating the physical
212.24 location of the person's business. An application must be submitted for each affected license.
212.25 The application must set forth the proposed change of location on a form established by the
212.26 board. If the licensee or registrant remitted payment for the full amount during the state's
212.27 fiscal year, the relocation application fee is the same as the application fee in subdivision
212.28 1, except that the fees in clauses (6) to (9) and (11) to (16) are reduced by $5,000 and the
212.29 fee in clause (16) is reduced by $55,000. If the application is made within 60 days before
212.30 the date of the original license or registration expiration, the applicant must pay the full
212.31 application fee provided in subdivision 1. Upon approval of an application for a relocation,
212.32 the board shall issue a new license or registration.

213.1 Sec. 6. Minnesota Statutes 2022, section 151.065, is amended by adding a subdivision to
213.2 read:

213.3 Subd. 4b. **Application and fee; change of ownership.** A person who is registered with
213.4 or licensed by the board must submit a new application to the board before changing the
213.5 ownership of the licensee or registrant. An application must be submitted for each affected
213.6 license. The application must set forth the proposed change of ownership on a form
213.7 established by the board. If the licensee or registrant remitted payment for the full amount
213.8 during the state's fiscal year, the application fee is the same as the application fee in
213.9 subdivision 1, except that the fees in clauses (6) to (9) and (11) to (16) are reduced by $5,000
213.10 and the fee in clause (16) is reduced by $55,000. If the application is made within 60 days
213.11 before the date of the original license or registration expiration, the applicant must pay the
213.12 full application fee provided in subdivision 1. Upon approval of an application for a change
213.13 of ownership, the board shall issue a new license or registration.

213.14 Sec. 7. Minnesota Statutes 2022, section 151.065, is amended by adding a subdivision to
213.15 read:

213.16 Subd. 8. **Transfer of licenses.** Licenses and registrations granted by the board are not
213.17 transferable.

213.18 Sec. 8. Minnesota Statutes 2022, section 151.066, subdivision 1, is amended to read:

213.19 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
213.20 the meanings given to them in this subdivision.

213.21 (b) "Manufacturer" means a manufacturer licensed under section 151.252 ~~that is engaged~~
213.22 ~~in the manufacturing of an opiate~~, excluding those exclusively licensed to manufacture
213.23 medical gas.

213.24 (c) "Opiate" means any opiate-containing controlled substance listed in section 152.02,
213.25 subdivisions 3 to 5, that is distributed, delivered, sold, or dispensed into or within this state.

213.26 (d) "Third-party logistics provider" means a third-party logistics provider licensed under
213.27 section 151.471.

213.28 (e) "Wholesaler" means a wholesale drug distributor licensed under section 151.47 ~~that~~
213.29 ~~is engaged in the wholesale drug distribution of an opiate~~, excluding those exclusively
213.30 licensed to distribute medical gas.

214.1 Sec. 9. Minnesota Statutes 2022, section 151.066, subdivision 2, is amended to read:

214.2 Subd. 2. **Reporting requirements.** (a) By March 1 of each year, beginning March 1,
214.3 2020, each manufacturer and each wholesaler must report to the board every sale, delivery,
214.4 or other distribution within or into this state of any opiate that is made to any practitioner,
214.5 pharmacy, hospital, veterinary hospital, or other person who is permitted by section 151.37
214.6 to possess controlled substances for administration or dispensing to patients that occurred
214.7 during the previous calendar year. Reporting must be in the automation of reports and
214.8 consolidated orders system format unless otherwise specified by the board. If no reportable
214.9 distributions occurred for a given year, notification must be provided to the board in a
214.10 manner specified by the board. If a manufacturer or wholesaler fails to provide information
214.11 required under this paragraph on a timely basis, the board may assess an administrative
214.12 penalty of $500 per day. This penalty shall not be considered a form of disciplinary action.

214.13 (b) By March 1 of each year, beginning March 1, 2020, each owner of a pharmacy with
214.14 at least one location within this state must report to the board any intracompany delivery
214.15 or distribution into this state, of any opiate, to the extent that those deliveries and distributions
214.16 are not reported to the board by a licensed wholesaler owned by, under contract to, or
214.17 otherwise operating on behalf of the owner of the pharmacy. Reporting must be in the
214.18 manner and format specified by the board for deliveries and distributions that occurred
214.19 during the previous calendar year. The report must include the name of the manufacturer
214.20 or wholesaler from which the owner of the pharmacy ultimately purchased the opiate, and
214.21 the amount and date that the purchase occurred.

214.22 (c) By March 1 of each year, beginning March 1, 2025, each third-party logistics provider
214.23 must report to the board any delivery or distribution into this state of any opiate, to the
214.24 extent that those deliveries and distributions are not reported to the board by a licensed
214.25 wholesaler or manufacturer. Reporting must be in the manner and format specified by the
214.26 board for deliveries and distributions that occurred during the previous calendar year.

214.27 Sec. 10. Minnesota Statutes 2022, section 151.066, subdivision 3, is amended to read:

214.28 Subd. 3. **Determination of an opiate product registration fee.** (a) The board shall
214.29 annually assess an opiate product registration fee on any manufacturer of an opiate that
214.30 annually sells, delivers, or distributes an opiate within or into the state in a quantity of
214.31 2,000,000 or more units as reported to the board under subdivision 2.

214.32 (b) For purposes of assessing the annual registration fee under this section and
214.33 determining the number of opiate units a manufacturer sold, delivered, or distributed within

215.1 or into the state, the board shall not consider any opiate that is used for substance use disorder
215.2 treatment with medications for opioid use disorder.

215.3 (c) The annual registration fee for each manufacturer meeting the requirement under
215.4 paragraph (a) is $250,000.

215.5 (d) In conjunction with the data reported under this section, and notwithstanding section
215.6 152.126, subdivision 6, the board may use the data reported under section 152.126,
215.7 subdivision 4, to determine which manufacturers meet the requirement under paragraph (a)
215.8 and are required to pay the registration fees under this subdivision.

215.9 (e) By April 1 of each year, beginning April 1, 2020, the board shall notify a manufacturer
215.10 that the manufacturer meets the requirement in paragraph (a) and is required to pay the
215.11 annual registration fee in accordance with section 151.252, subdivision 1, paragraph (b).

215.12 (f) A manufacturer may dispute the board's determination that the manufacturer must
215.13 pay the registration fee no later than 30 days after the date of notification. However, the
215.14 manufacturer must still remit the fee as required by section 151.252, subdivision 1, paragraph
215.15 (b). The dispute must be filed with the board in the manner and using the forms specified
215.16 by the board. A manufacturer must submit, with the required forms, data satisfactory to the
215.17 board that demonstrates that the assessment of the registration fee was incorrect. The board
215.18 must make a decision concerning a dispute no later than 60 days after receiving the required
215.19 dispute forms. If the board determines that the manufacturer has satisfactorily demonstrated
215.20 that the fee was incorrectly assessed, the board must refund the amount paid in error.

215.21 (g) For purposes of this subdivision, a unit means the individual dosage form of the
215.22 particular drug product that is prescribed to the patient. One unit equals one tablet, capsule,
215.23 patch, syringe, milliliter, or gram.

215.24 (h) For the purposes of this subdivision, an opiate's units will be assigned to the
215.25 manufacturer holding the New Drug Application (NDA) or Abbreviated New Drug
215.26 Application (ANDA), as listed by the United States Food and Drug Administration.

215.27 Sec. 11. Minnesota Statutes 2022, section 151.212, is amended by adding a subdivision
215.28 to read:

215.29 Subd. 4. **Accessible prescription drug container labels.** (a) A pharmacy must inform
215.30 each patient for whom a prescription drug is dispensed that an accessible prescription drug
215.31 container label is available to any patient who identifies as a person who is blind, visually
215.32 impaired, or otherwise disabled, upon request of the patient or the patient's representative,
215.33 at no additional cost.

216.1 (b) If a patient requests an accessible container label, the pharmacy shall provide the
216.2 patient with an audible, large print, or braille prescription drug container label depending
216.3 on the need and preference of the patient.

216.4 (c) The accessible container label must:

216.5 (1) be affixed on the container;

216.6 (2) be available in a timely manner comparable to other patient wait time;

216.7 (3) last for at least the duration of the prescription;

216.8 (4) conform with the format-specific best practices established by the United States
216.9 Access Board;

216.10 (5) contain the information required under subdivisions 1 and 2; and

216.11 (6) be compatible with a prescription reader if a reader is provided.

216.12 (d) This subdivision does not apply to prescription drugs dispensed and administered
216.13 by a correctional institution.

216.14 (e) For purposes of this subdivision, "prescription reader" means a device that is designed
216.15 to audibly convey the information contained on the label of a prescription drug container.

216.16 Sec. 12. Minnesota Statutes 2022, section 151.37, is amended by adding a subdivision to
216.17 read:

216.18 Subd. 17. **Drugs for preventing the acquisition of HIV.** (a) A pharmacist is authorized
216.19 to prescribe and administer drugs to prevent the acquisition of human immunodeficiency
216.20 virus (HIV) in accordance with this subdivision.

216.21 (b) By January 1, 2025, the Board of Pharmacy shall develop a standardized protocol
216.22 for a pharmacist to follow in prescribing the drugs described in paragraph (a). In developing
216.23 the protocol, the board may consult with community health advocacy groups, the Board of
216.24 Medical Practice, the Board of Nursing, the commissioner of health, professional pharmacy
216.25 associations, and professional associations for physicians, physician assistants, and advanced
216.26 practice registered nurses.

216.27 (c) Before a pharmacist is authorized to prescribe a drug described in paragraph (a), the
216.28 pharmacist must successfully complete a training program specifically developed for
216.29 prescribing drugs for preventing the acquisition of HIV that is offered by a college of
216.30 pharmacy, a continuing education provider that is accredited by the Accreditation Council
216.31 for Pharmacy Education, or a program approved by the board. To maintain authorization

217.1 to prescribe, the pharmacist shall complete continuing education requirements as specified
217.2 by the board.

217.3 (d) Before prescribing a drug described in paragraph (a), the pharmacist shall follow the
217.4 appropriate standardized protocol developed under paragraph (b) and, if appropriate, may
217.5 dispense to a patient a drug described in paragraph (a).

217.6 (e) Before dispensing a drug described in paragraph (a) that is prescribed by the
217.7 pharmacist, the pharmacist must provide counseling to the patient on the use of the drugs
217.8 and must provide the patient with a fact sheet that includes the indications and
217.9 contraindications for the use of these drugs, the appropriate method for using these drugs,
217.10 the need for medical follow up, and any additional information listed in Minnesota Rules,
217.11 part 6800.0910, subpart 2, that is required to be provided to a patient during the counseling
217.12 process.

217.13 (f) A pharmacist is prohibited from delegating the prescribing authority provided under
217.14 this subdivision to any other person. A pharmacist intern registered under section 151.101
217.15 may prepare the prescription, but before the prescription is processed or dispensed, a
217.16 pharmacist authorized to prescribe under this subdivision must review, approve, and sign
217.17 the prescription.

217.18 (g) Nothing in this subdivision prohibits a pharmacist from participating in the initiation,
217.19 management, modification, and discontinuation of drug therapy according to a protocol as
217.20 authorized in this section and in section 151.01, subdivision 27.

217.21 **EFFECTIVE DATE.** This section is effective January 1, 2025, except that paragraph
217.22 (b) is effective the day following final enactment.

217.23 Sec. 13. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 1, is amended
217.24 to read:

217.25 Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms defined in this
217.26 subdivision have the meanings given.

217.27 (b) "Central repository" means a wholesale distributor that meets the requirements under
217.28 subdivision 3 and enters into a contract with the Board of Pharmacy in accordance with this
217.29 section.

217.30 (c) "Distribute" means to deliver, other than by administering or dispensing.

217.31 (d) "Donor" means:

(1) ~~a health care facility as defined in this subdivision~~ an individual at least 18 years of age, provided that the drug or medical supply that is donated was obtained legally and meets the requirements of this section for donation; or

(2) ~~a skilled nursing facility licensed under chapter 144A;~~ any entity legally authorized to possess medicine with a license or permit in good standing in the state in which it is located, without further restrictions, including but not limited to a health care facility, skilled nursing facility, assisted living facility, pharmacy, wholesaler, and drug manufacturer.

~~(3) an assisted living facility licensed under chapter 144G;~~

~~(4) a pharmacy licensed under section 151.19, and located either in the state or outside the state;~~

~~(5) a drug wholesaler licensed under section 151.47;~~

~~(6) a drug manufacturer licensed under section 151.252; or~~

~~(7) an individual at least 18 years of age, provided that the drug or medical supply that is donated was obtained legally and meets the requirements of this section for donation.~~

(e) "Drug" means any prescription drug that has been approved for medical use in the United States, is listed in the United States Pharmacopoeia or National Formulary, and meets the criteria established under this section for donation; or any over-the-counter medication that meets the criteria established under this section for donation. This definition includes cancer drugs and antirejection drugs, but does not include controlled substances, as defined in section 152.01, subdivision 4, or a prescription drug that can only be dispensed to a patient registered with the drug's manufacturer in accordance with federal Food and Drug Administration requirements.

(f) "Health care facility" means:

(1) a physician's office or health care clinic where licensed practitioners provide health care to patients;

(2) a hospital licensed under section 144.50;

(3) a pharmacy licensed under section 151.19 and located in Minnesota; or

(4) a nonprofit community clinic, including a federally qualified health center; a rural health clinic; public health clinic; or other community clinic that provides health care utilizing a sliding fee scale to patients who are low-income, uninsured, or underinsured.

(g) "Local repository" means a health care facility that elects to accept donated drugs and medical supplies and meets the requirements of subdivision 4.

219.1 (h) "Medical supplies" or "supplies" means any prescription or nonprescription medical
219.2 supplies needed to administer a drug.

219.3 (i) "Original, sealed, unopened, tamper-evident packaging" means packaging that is
219.4 sealed, unopened, and tamper-evident, including a manufacturer's original unit dose or
219.5 unit-of-use container, a repackager's original unit dose or unit-of-use container, or unit-dose
219.6 packaging prepared by a licensed pharmacy according to the standards of Minnesota Rules,
219.7 part 6800.3750.

219.8 (j) "Practitioner" has the meaning given in section 151.01, subdivision 23, except that
219.9 it does not include a veterinarian.

219.10 Sec. 14. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 4, is amended
219.11 to read:

219.12 Subd. 4. **Local repository requirements.** (a) To be eligible for participation in the
219.13 medication repository program, a health care facility must agree to comply with all applicable
219.14 federal and state laws, rules, and regulations pertaining to the medication repository program,
219.15 drug storage, and dispensing. The facility must also agree to maintain in good standing any
219.16 required state license or registration that may apply to the facility.

219.17 (b) A local repository may elect to participate in the program by submitting the following
219.18 information to the central repository on a form developed by the board and made available
219.19 on the board's website:

219.20 (1) the name, street address, and telephone number of the health care facility and any
219.21 state-issued license or registration number issued to the facility, including the issuing state
219.22 agency;

219.23 (2) the name and telephone number of a responsible pharmacist or practitioner who is
219.24 employed by or under contract with the health care facility; and

219.25 (3) a statement signed and dated by the responsible pharmacist or practitioner indicating
219.26 that the health care facility meets the eligibility requirements under this section and agrees
219.27 to comply with this section.

219.28 (c) Participation in the medication repository program is voluntary. A local repository
219.29 may withdraw from participation in the medication repository program at any time by
219.30 providing written notice to the central repository on a form developed by the board and
219.31 made available on the board's website. ~~The central repository shall provide the board with~~
219.32 ~~a copy of the withdrawal notice within ten business days from the date of receipt of the~~
219.33 ~~withdrawal notice.~~

220.1 Sec. 15. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 5, is amended
220.2 to read:

220.3 Subd. 5. **Individual eligibility and application requirements.** (a) ~~To be eligible for~~
220.4 ~~the medication repository program~~ At the time of or before receiving donated drugs or
220.5 supplies as a new eligible patient, an individual must submit to a local repository an electronic
220.6 or physical intake application form that is signed by the individual and attests that the
220.7 individual:

220.8 (1) is a resident of Minnesota;

220.9 (2) is uninsured ~~and is not enrolled in the medical assistance program under chapter~~
220.10 ~~256B or the MinnesotaCare program under chapter 256L~~, has no prescription drug coverage,
220.11 or is underinsured;

220.12 (3) acknowledges that the drugs or medical supplies to be received through the program
220.13 may have been donated; and

220.14 (4) consents to a waiver of the child-resistant packaging requirements of the federal
220.15 Poison Prevention Packaging Act.

220.16 ~~(b) Upon determining that an individual is eligible for the program, the local repository~~
220.17 ~~shall furnish the individual with an identification card. The card shall be valid for one year~~
220.18 ~~from the date of issuance and may be used at any local repository. A new identification card~~
220.19 ~~may be issued upon expiration once the individual submits a new application form.~~

220.20 ~~(c)~~ (b) The local repository shall send a copy of the intake application form to the central
220.21 repository by regular mail, facsimile, or secured email within ten days from the date the
220.22 application is approved by the local repository.

220.23 ~~(d)~~ (c) The board shall develop and make available on the board's website an application
220.24 form ~~and the format for the identification card~~.

220.25 Sec. 16. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 6, is amended
220.26 to read:

220.27 Subd. 6. **Standards and procedures for accepting donations of drugs and supplies.** (a)
220.28 Notwithstanding any other law or rule, a donor may donate drugs or medical supplies to
220.29 the central repository or a local repository if the drug or supply meets the requirements of
220.30 this section as determined by a pharmacist or practitioner who is employed by or under
220.31 contract with the central repository or a local repository.

221.1 (b) A drug is eligible for donation under the medication repository program if the
221.2 following requirements are met:

221.3 ~~(1) the donation is accompanied by a medication repository donor form described under~~
221.4 ~~paragraph (d) that is signed by an individual who is authorized by the donor to attest to the~~
221.5 ~~donor's knowledge in accordance with paragraph (d);~~

221.6 ~~(2)~~ (1) the drug's expiration date is at least six months after the date the drug was donated.
221.7 If a donated drug bears an expiration date that is less than six months from the donation
221.8 date, the drug may be accepted and distributed if the drug is in high demand and can be
221.9 dispensed for use by a patient before the drug's expiration date;

221.10 ~~(3)~~ (2) the drug is in its original, sealed, unopened, tamper-evident packaging that includes
221.11 the expiration date. Single-unit-dose drugs may be accepted if the single-unit-dose packaging
221.12 is unopened;

221.13 ~~(4)~~ (3) the drug or the packaging does not have any physical signs of tampering,
221.14 misbranding, deterioration, compromised integrity, or adulteration;

221.15 ~~(5)~~ (4) the drug does not require storage temperatures other than normal room temperature
221.16 as specified by the manufacturer or United States Pharmacopoeia, unless the drug is being
221.17 donated directly by its manufacturer, a wholesale drug distributor, or a pharmacy located
221.18 in Minnesota; and

221.19 ~~(6)~~ (5) the drug is not a controlled substance.

221.20 (c) A medical supply is eligible for donation under the medication repository program
221.21 if the following requirements are met:

221.22 (1) the supply has no physical signs of tampering, misbranding, or alteration and there
221.23 is no reason to believe it has been adulterated, tampered with, or misbranded;

221.24 (2) the supply is in its original, unopened, sealed packaging; and

221.25 ~~(3) the donation is accompanied by a medication repository donor form described under~~
221.26 ~~paragraph (d) that is signed by an individual who is authorized by the donor to attest to the~~
221.27 ~~donor's knowledge in accordance with paragraph (d); and~~

221.28 ~~(4)~~ (3) if the supply bears an expiration date, the date is at least six months later than
221.29 the date the supply was donated. If the donated supply bears an expiration date that is less
221.30 than six months from the date the supply was donated, the supply may be accepted and
221.31 distributed if the supply is in high demand and can be dispensed for use by a patient before
221.32 the supply's expiration date.

222.1 (d) The board shall develop the medication repository donor form and make it available
222.2 on the board's website. ~~The form must state that to the best of the donor's knowledge the~~
222.3 ~~donated drug or supply has been properly stored under appropriate temperature and humidity~~
222.4 ~~conditions and that the drug or supply has never been opened, used, tampered with,~~
222.5 ~~adulterated, or misbranded.~~ Prior to the first donation from a new donor, a central repository
222.6 or local repository shall verify and record the following information on the donor form:

222.7 (1) the donor's name, address, phone number, and license number, if applicable;

222.8 (2) that the donor will only make donations in accordance with the program;

222.9 (3) to the best of the donor's knowledge, only drugs or supplies that have been properly
222.10 stored under appropriate temperature and humidity conditions will be donated; and

222.11 (4) to the best of the donor's knowledge, only drugs or supplies that have never been
222.12 opened, used, tampered with, adulterated, or misbranded will be donated.

222.13 (e) Notwithstanding any other law or rule, a central repository or a local repository may
222.14 receive donated drugs from donors. Donated drugs and supplies may be shipped or delivered
222.15 to the premises of the central repository or a local repository, and shall be inspected by a
222.16 pharmacist or an authorized practitioner who is employed by or under contract with the
222.17 repository and who has been designated by the repository ~~to accept donations~~ prior to
222.18 dispensing. A drop box must not be used to deliver or accept donations.

222.19 (f) The central repository and local repository shall maintain a written or electronic
222.20 inventory of all drugs and supplies donated to the repository upon acceptance of each drug
222.21 or supply. For each drug, the inventory must include the drug's name, strength, quantity,
222.22 manufacturer, expiration date, and the date the drug was donated. For each medical supply,
222.23 the inventory must include a description of the supply, its manufacturer, the date the supply
222.24 was donated, and, if applicable, the supply's brand name and expiration date. The board
222.25 may waive the requirement under this paragraph if an entity is under common ownership
222.26 or control with a central repository or local repository and either the entity or the repository
222.27 maintains an inventory containing all the information required under this paragraph.

222.28 Sec. 17. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 7, is amended
222.29 to read:

222.30 Subd. 7. **Standards and procedures for inspecting and storing donated drugs and**
222.31 **supplies.** (a) A pharmacist or authorized practitioner who is employed by or under contract
222.32 with the central repository or a local repository shall inspect all donated drugs and supplies
222.33 before the drug or supply is dispensed to determine, to the extent reasonably possible in the

professional judgment of the pharmacist or practitioner, that the drug or supply is not adulterated or misbranded, has not been tampered with, is safe and suitable for dispensing, has not been subject to a recall, and meets the requirements for donation. ~~The pharmacist or practitioner who inspects the drugs or supplies shall sign an inspection record stating that the requirements for donation have been met.~~ If a local repository receives drugs and supplies from the central repository, the local repository does not need to reinspect the drugs and supplies.

(b) The central repository and local repositories shall store donated drugs and supplies in a secure storage area under environmental conditions appropriate for the drug or supply being stored. Donated drugs and supplies may not be stored with nondonated inventory.

(c) The central repository and local repositories shall dispose of all drugs and medical supplies that are not suitable for donation in compliance with applicable federal and state statutes, regulations, and rules concerning hazardous waste.

(d) In the event that controlled substances or drugs that can only be dispensed to a patient registered with the drug's manufacturer are shipped or delivered to a central or local repository for donation, the shipment delivery must be documented by the repository and returned immediately to the donor or the donor's representative that provided the drugs.

(e) Each repository must develop drug and medical supply recall policies and procedures. If a repository receives a recall notification, the repository shall destroy all of the drug or medical supply in its inventory that is the subject of the recall and complete a record of destruction form in accordance with paragraph (f). If a drug or medical supply that is the subject of a Class I or Class II recall has been dispensed, the repository shall immediately notify the recipient of the recalled drug or medical supply. A drug that potentially is subject to a recall need not be destroyed if its packaging bears a lot number and that lot of the drug is not subject to the recall. If no lot number is on the drug's packaging, it must be destroyed.

(f) A record of destruction of donated drugs and supplies that are not dispensed under subdivision 8, are subject to a recall under paragraph (e), or are not suitable for donation shall be maintained by the repository for at least two 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 drug destroyed; and

(3) the name of the person or firm that destroyed the drug.

No other record of destruction is required.

Sec. 18. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 8, is amended to read:

Subd. 8. **Dispensing requirements.** (a) Donated prescription drugs and supplies may be dispensed if the drugs or supplies are prescribed by a practitioner for use by an eligible individual and are dispensed by a pharmacist or practitioner. A repository shall dispense drugs and supplies to eligible individuals in the following priority order: (1) individuals who are uninsured; (2) individuals with no prescription drug coverage; and (3) individuals who are underinsured. A repository shall dispense donated drugs in compliance with applicable federal and state laws and regulations for dispensing drugs, including all requirements relating to packaging, labeling, record keeping, drug utilization review, and patient counseling.

(b) Before dispensing or administering a drug or supply, the pharmacist or practitioner shall visually inspect the drug or supply for adulteration, misbranding, tampering, 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 must not be dispensed or administered.

(c) Before ~~a~~ the first drug or supply is dispensed or administered to an individual, the individual must sign ~~a~~ an electronic or physical drug repository recipient form acknowledging that the individual understands ~~the information stated on the form. The board shall develop the form and make it available on the board's website. The form must 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 or supply 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 central repository or local repository, the Board of Pharmacy, and any other participant of the medication repository program cannot guarantee the safety of the drug or medical 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 medical supply and the visual inspection required to be performed by the pharmacist or practitioner before dispensing or administering.

225.1 Sec. 19. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 9, is amended
225.2 to read:

225.3 Subd. 9. **Handling fees.** (a) The central or local repository may charge the individual
225.4 receiving a drug or supply a handling fee of no more than 250 percent of the medical
225.5 assistance program dispensing fee for each drug or medical supply dispensed or administered
225.6 by that repository.

225.7 (b) A repository that dispenses or administers a drug or medical supply through the
225.8 medication repository program shall not receive reimbursement under the medical assistance
225.9 program or the MinnesotaCare program for that dispensed or administered drug or supply.

225.10 (c) A supply or handling fee must not be charged to an individual enrolled in the medical
225.11 assistance or MinnesotaCare program.

225.12 Sec. 20. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 11, is amended
225.13 to read:

225.14 Subd. 11. **Forms and record-keeping requirements.** (a) The following forms developed
225.15 for the administration of this program ~~shall be utilized by the participants of the program~~
225.16 ~~and~~ shall be available on the board's website:

225.17 (1) intake application form described under subdivision 5;

225.18 (2) local repository participation form described under subdivision 4;

225.19 (3) local repository withdrawal form described under subdivision 4;

225.20 (4) medication repository donor form described under subdivision 6;

225.21 (5) record of destruction form described under subdivision 7; and

225.22 (6) medication repository recipient form described under subdivision 8.

225.23 Participants may use substantively similar electronic or physical forms.

225.24 (b) All records, including drug inventory~~, inspection,~~ and disposal of donated drugs and
225.25 medical supplies, must be maintained by a repository for a minimum of two years. Records
225.26 required as part of this program must be maintained pursuant to all applicable practice acts.

225.27 (c) Data collected by the medication repository program from all local repositories shall
225.28 be submitted quarterly or upon request to the central repository. Data collected may consist
225.29 of the information, records, and forms required to be collected under this section.

225.30 (d) The central repository shall submit reports to the board as required by the contract
225.31 or upon request of the board.

226.1 Sec. 21. Minnesota Statutes 2023 Supplement, section 151.555, subdivision 12, is amended
226.2 to read:

226.3 Subd. 12. **Liability.** (a) The manufacturer of a drug or supply is not subject to criminal
226.4 or civil liability for injury, death, or loss to a person or to property for causes of action
226.5 described in clauses (1) and (2). A manufacturer is not liable for:

226.6 (1) the intentional or unintentional alteration of the drug or supply by a party not under
226.7 the control of the manufacturer; or

226.8 (2) the failure of a party not under the control of the manufacturer to transfer or
226.9 communicate product or consumer information or the expiration date of the donated drug
226.10 or supply.

226.11 (b) A health care facility participating in the program, a pharmacist dispensing a drug
226.12 or supply pursuant to the program, a practitioner dispensing or administering a drug or
226.13 supply pursuant to the program, ~~or~~ a donor of a drug or medical supply, or a person or entity
226.14 that facilitates any of the above is immune from civil liability for an act or omission that
226.15 causes injury to or the death of an individual to whom the drug or supply is dispensed and
226.16 no disciplinary action by a health-related licensing board shall be taken against a ~~pharmacist~~
226.17 ~~or practitioner~~ person or entity so long as the drug or supply is donated, accepted, distributed,
226.18 and dispensed according to the requirements of this section. This immunity does not apply
226.19 if the act or omission involves reckless, wanton, or intentional misconduct, or malpractice
226.20 unrelated to the quality of the drug or medical supply.

226.21 Sec. 22. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 13f, is
226.22 amended to read:

226.23 Subd. 13f. **Prior authorization.** (a) The Formulary Committee shall review and
226.24 recommend drugs which require prior authorization. The Formulary Committee shall
226.25 establish general criteria to be used for the prior authorization of brand-name drugs for
226.26 which generically equivalent drugs are available, but the committee is not required to review
226.27 each brand-name drug for which a generically equivalent drug is available.

226.28 (b) Prior authorization may be required by the commissioner before certain formulary
226.29 drugs are eligible for payment. The Formulary Committee may recommend drugs for prior
226.30 authorization directly to the commissioner. The commissioner may also request that the
226.31 Formulary Committee review a drug for prior authorization. Before the commissioner may
226.32 require prior authorization for a drug:

227.1 (1) the commissioner must provide information to the Formulary Committee on the
227.2 impact that placing the drug on prior authorization may have on the quality of patient care
227.3 and on program costs, information regarding whether the drug is subject to clinical abuse
227.4 or misuse, and relevant data from the state Medicaid program if such data is available;

227.5 (2) the Formulary Committee must review the drug, taking into account medical and
227.6 clinical data and the information provided by the commissioner; and

227.7 (3) the Formulary Committee must hold a public forum and receive public comment for
227.8 an additional 15 days.

227.9 The commissioner must provide a 15-day notice period before implementing the prior
227.10 authorization.

227.11 (c) Except as provided in subdivision 13j, prior authorization shall not be required or
227.12 utilized for any atypical antipsychotic drug prescribed for the treatment of mental illness
227.13 if:

227.14 (1) there is no generically equivalent drug available; and

227.15 (2) the drug was initially prescribed for the recipient prior to July 1, 2003; or

227.16 (3) the drug is part of the recipient's current course of treatment.

227.17 This paragraph applies to any multistate preferred drug list or supplemental drug rebate
227.18 program established or administered by the commissioner. Prior authorization shall
227.19 automatically be granted for 60 days for brand name drugs prescribed for treatment of mental
227.20 illness within 60 days of when a generically equivalent drug becomes available, provided
227.21 that the brand name drug was part of the recipient's course of treatment at the time the
227.22 generically equivalent drug became available.

227.23 (d) Prior authorization must not be required for liquid methadone if only one version of
227.24 liquid methadone is available. If more than one version of liquid methadone is available,
227.25 the commissioner shall ensure that at least one version of liquid methadone is available
227.26 without prior authorization.

227.27 (e) Prior authorization may be required for an oral liquid form of a drug, except as
227.28 described in paragraph (d). A prior authorization request under this paragraph must be
227.29 automatically approved within 24 hours if the drug is being prescribed for a Food and Drug
227.30 Administration-approved condition for a patient who utilizes an enteral tube for feedings
227.31 or medication administration, even if the patient has current or prior claims for pills for that
227.32 condition. If more than one version of the oral liquid form of a drug is available, the
227.33 commissioner may select the version that is able to be approved for a Food and Drug

228.1 Administration-approved condition for a patient who utilizes an enteral tube for feedings
228.2 or medication administration. This paragraph applies to any multistate preferred drug list
228.3 or supplemental drug rebate program established or administered by the commissioner. The
228.4 commissioner shall design and implement a streamlined prior authorization form for patients
228.5 who utilize an enteral tube for feedings or medication administration and are prescribed an
228.6 oral liquid form of a drug. The commissioner may require prior authorization for brand
228.7 name drugs whenever a generically equivalent product is available, even if the prescriber
228.8 specifically indicates "dispense as written-brand necessary" on the prescription as required
228.9 by section 151.21, subdivision 2.

228.10 (f) Notwithstanding this subdivision, the commissioner may automatically require prior
228.11 authorization, for a period not to exceed 180 days, for any drug that is approved by the
228.12 United States Food and Drug Administration on or after July 1, 2005. The 180-day period
228.13 begins no later than the first day that a drug is available for shipment to pharmacies within
228.14 the state. The Formulary Committee shall recommend to the commissioner general criteria
228.15 to be used for the prior authorization of the drugs, but the committee is not required to
228.16 review each individual drug. In order to continue prior authorizations for a drug after the
228.17 180-day period has expired, the commissioner must follow the provisions of this subdivision.

228.18 (g) Prior authorization under this subdivision shall comply with section 62Q.184.

228.19 (h) Any step therapy protocol requirements established by the commissioner must comply
228.20 with section 62Q.1841.

228.21 (i) Notwithstanding any law to the contrary, prior authorization or step therapy shall not
228.22 be required or utilized for any class of drugs that is approved by the United States Food and
228.23 Drug Administration for the treatment or prevention of HIV and AIDS.

228.24 **EFFECTIVE DATE.** This section is effective January 1, 2026.

228.25 Sec. 23. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision
228.26 to read:

228.27 Subd. 13l. **Vaccines and laboratory tests provided by pharmacists.** (a) Medical
228.28 assistance covers vaccines initiated, ordered, or administered by a licensed pharmacist,
228.29 according to the requirements of section 151.01, subdivision 27, clause (6), at no less than
228.30 the rate for which the same services are covered when provided by any other licensed
228.31 practitioner.

228.32 (b) Medical assistance covers laboratory tests ordered and performed by a licensed
228.33 pharmacist, according to the requirements of section 151.01, subdivision 27, clause (3), at

229.1 no less than the rate for which the same services are covered when provided by any other
229.2 licensed practitioner.

229.3 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,
229.4 whichever is later. The commissioner of human services shall notify the revisor of statutes
229.5 when federal approval is obtained.

229.6 Sec. 24. Minnesota Statutes 2022, section 256B.0625, subdivision 39, is amended to read:

229.7 Subd. 39. **Childhood immunizations.** Providers who administer pediatric vaccines
229.8 within the scope of their licensure, and who are enrolled as a medical assistance provider,
229.9 must enroll in the pediatric vaccine administration program established by section 13631
229.10 of the Omnibus Budget Reconciliation Act of 1993. Medical assistance shall pay for
229.11 administration of the vaccine to children eligible for medical assistance. Medical assistance
229.12 does not pay for vaccines that are available at no cost from the pediatric vaccine
229.13 administration program unless the vaccines qualify for 100 percent federal funding or are
229.14 mandated by the Centers for Medicare and Medicaid Services to be covered outside of the
229.15 Vaccines for Children program.

229.16 Sec. 25. **RULEMAKING; BOARD OF PHARMACY.**

229.17 The Board of Pharmacy must amend Minnesota Rules, part 6800.3400, to permit and
229.18 promote the inclusion of the following on a prescription label:

229.19 (1) the complete and unabbreviated generic name of the drug; and

229.20 (2) instructions written in plain language explaining the patient-specific indications for
229.21 the drug if the patient-specific indications are indicated on the prescription.

229.22 The Board of Pharmacy must comply with Minnesota Statutes, section 14.389, in adopting
229.23 the amendment to the rule.

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

229.25 **ARTICLE 9**

229.26 **BEHAVIORAL HEALTH**

229.27 Section 1. Minnesota Statutes 2022, section 245.462, subdivision 6, is amended to read:

229.28 Subd. 6. **Community support services program.** "Community support services program"
229.29 means services, other than inpatient or residential treatment services, provided or coordinated
229.30 by an identified program and staff under the treatment supervision of a mental health

230.1 professional designed to help adults with serious and persistent mental illness to function
230.2 and remain in the community. A community support services program includes:

230.3 (1) client outreach,

230.4 (2) medication monitoring,

230.5 (3) assistance in independent living skills,

230.6 (4) development of employability and work-related opportunities,

230.7 (5) crisis assistance,

230.8 (6) psychosocial rehabilitation,

230.9 (7) help in applying for government benefits, and

230.10 (8) housing support services.

230.11 The community support services program must be coordinated with the case management
230.12 services specified in section 245.4711. A program that meets the accreditation standards
230.13 for Clubhouse International model programs meets the requirements of this subdivision.

230.14 Sec. 2. Minnesota Statutes 2022, section 245.4663, subdivision 2, is amended to read:

230.15 Subd. 2. **Eligible providers.** In order to be eligible for a grant under this section, a mental
230.16 health provider must:

230.17 (1) provide at least 25 percent of the provider's yearly patient encounters to state public
230.18 program enrollees or patients receiving sliding fee schedule discounts through a formal
230.19 sliding fee schedule meeting the standards established by the United States Department of
230.20 Health and Human Services under Code of Federal Regulations, title 42, section 51c.303;
230.21 ~~or~~

230.22 (2) primarily serve underrepresented communities as defined in section 148E.010,
230.23 subdivision 20~~.~~; or

230.24 (3) provide services to people in a city or township that is not within the seven-county
230.25 metropolitan area as defined in section 473.121, subdivision 2, and is not the city of Duluth,
230.26 Mankato, Moorhead, Rochester, or St. Cloud.

230.27 Sec. 3. Minnesota Statutes 2023 Supplement, section 245.4889, subdivision 1, is amended
230.28 to read:

230.29 Subdivision 1. **Establishment and authority.** (a) The commissioner is authorized to
230.30 make grants from available appropriations to assist:

231.1 (1) counties;

231.2 (2) Indian tribes;

231.3 (3) children's collaboratives under section 124D.23 or 245.493; or

231.4 (4) mental health service providers.

231.5 (b) The following services are eligible for grants under this section:

231.6 (1) services to children with emotional disturbances as defined in section 245.4871,
231.7 subdivision 15, and their families;

231.8 (2) transition services under section 245.4875, subdivision 8, for young adults under
231.9 age 21 and their families;

231.10 (3) respite care services for children with emotional disturbances or severe emotional
231.11 disturbances who are at risk of ~~out-of-home placement or~~ residential treatment or
231.12 hospitalization, who are already in out-of-home placement in family foster settings as defined
231.13 in chapter 245A and at risk of change in out-of-home placement or placement in a residential
231.14 facility or other higher level of care, who have utilized crisis services or emergency room
231.15 services, or who have experienced a loss of in-home staffing support. Allowable activities
231.16 and expenses for respite care services are defined under subdivision 4. A child is not required
231.17 to have case management services to receive respite care services. Counties must work to
231.18 provide regular access to regularly scheduled respite care;

231.19 (4) children's mental health crisis services;

231.20 (5) child-, youth-, and family-specific mobile response and stabilization services models;

231.21 (6) mental health services for people from cultural and ethnic minorities, including
231.22 supervision of clinical trainees who are Black, indigenous, or people of color;

231.23 (7) children's mental health screening and follow-up diagnostic assessment and treatment;

231.24 (8) services to promote and develop the capacity of providers to use evidence-based
231.25 practices in providing children's mental health services;

231.26 (9) school-linked mental health services under section 245.4901;

231.27 (10) building evidence-based mental health intervention capacity for children birth to
231.28 age five;

231.29 (11) suicide prevention and counseling services that use text messaging statewide;

231.30 (12) mental health first aid training;

232.1 (13) training for parents, collaborative partners, and mental health providers on the
232.2 impact of adverse childhood experiences and trauma and development of an interactive
232.3 website to share information and strategies to promote resilience and prevent trauma;

232.4 (14) transition age services to develop or expand mental health treatment and supports
232.5 for adolescents and young adults 26 years of age or younger;

232.6 (15) early childhood mental health consultation;

232.7 (16) evidence-based interventions for youth at risk of developing or experiencing a first
232.8 episode of psychosis, and a public awareness campaign on the signs and symptoms of
232.9 psychosis;

232.10 (17) psychiatric consultation for primary care practitioners; and

232.11 (18) providers to begin operations and meet program requirements when establishing a
232.12 new children's mental health program. These may be start-up grants.

232.13 (c) Services under paragraph (b) must be designed to help each child to function and
232.14 remain with the child's family in the community and delivered consistent with the child's
232.15 treatment plan. Transition services to eligible young adults under this paragraph must be
232.16 designed to foster independent living in the community.

232.17 (d) As a condition of receiving grant funds, a grantee shall obtain all available third-party
232.18 reimbursement sources, if applicable.

232.19 (e) The commissioner may establish and design a pilot program to expand the mobile
232.20 response and stabilization services model for children, youth, and families. The commissioner
232.21 may use grant funding to consult with a qualified expert entity to assist in the formulation
232.22 of measurable outcomes and explore and position the state to submit a Medicaid state plan
232.23 amendment to scale the model statewide.

232.24 Sec. 4. Minnesota Statutes 2022, section 245I.02, subdivision 17, is amended to read:

232.25 Subd. 17. **Functional assessment.** "Functional assessment" means the assessment of a
232.26 client's current level of functioning relative to functioning that is appropriate for someone
232.27 the client's age. ~~For a client five years of age or younger, a functional assessment is the~~
232.28 ~~Early Childhood Service Intensity Instrument (ESCII). For a client six to 17 years of age,~~
232.29 ~~a functional assessment is the Child and Adolescent Service Intensity Instrument (CASII).~~
232.30 ~~For a client 18 years of age or older, a functional assessment is the functional assessment~~
232.31 ~~described in section 245I.10, subdivision 9.~~

233.1 Sec. 5. Minnesota Statutes 2022, section 245I.02, subdivision 19, is amended to read:

233.2 Subd. 19. **Level of care assessment.** "Level of care assessment" means the level of care
233.3 decision support tool appropriate to the client's age. ~~For a client five years of age or younger,~~
233.4 ~~a level of care assessment is the Early Childhood Service Intensity Instrument (ESCII). For~~
233.5 ~~a client six to 17 years of age, a level of care assessment is the Child and Adolescent Service~~
233.6 ~~Intensity Instrument (CASII). For a client 18 years of age or older, a level of care assessment~~
233.7 ~~is the Level of Care Utilization System for Psychiatric and Addiction Services (LOCUS)~~
233.8 ~~or another tool authorized by the commissioner.~~

233.9 Sec. 6. Minnesota Statutes 2022, section 245I.10, subdivision 9, is amended to read:

233.10 Subd. 9. **Functional assessment; required elements.** (a) When a license holder is
233.11 completing a functional assessment for an adult client, the license holder must:

233.12 (1) complete a functional assessment of the client after completing the client's diagnostic
233.13 assessment;

233.14 (2) use a collaborative process that allows the client and the client's family and other
233.15 natural supports, the client's referral sources, and the client's providers to provide information
233.16 about how the client's symptoms of mental illness impact the client's functioning;

233.17 (3) if applicable, document the reasons that the license holder did not contact the client's
233.18 family and other natural supports;

233.19 (4) assess and document how the client's symptoms of mental illness impact the client's
233.20 functioning in the following areas:

233.21 (i) the client's mental health symptoms;

233.22 (ii) the client's mental health service needs;

233.23 (iii) the client's substance use;

233.24 (iv) the client's vocational and educational functioning;

233.25 (v) the client's social functioning, including the use of leisure time;

233.26 (vi) the client's interpersonal functioning, including relationships with the client's family
233.27 and other natural supports;

233.28 (vii) the client's ability to provide self-care and live independently;

233.29 (viii) the client's medical and dental health;

233.30 (ix) the client's financial assistance needs; and

234.1 (x) the client's housing and transportation needs;

234.2 ~~(5) include a narrative summarizing the client's strengths, resources, and all areas of~~
234.3 ~~functional impairment;~~

234.4 ~~(6)~~ (5) complete the client's functional assessment before the client's initial individual
234.5 treatment plan unless a service specifies otherwise; and

234.6 ~~(7)~~ (6) update the client's functional assessment with the client's current functioning
234.7 whenever there is a significant change in the client's functioning or at least every ~~180~~ 365
234.8 days, unless a service specifies otherwise.

234.9 (b) A license holder may use any available, validated measurement tool, including but
234.10 not limited to the Daily Living Activities-20, when completing the required elements of a
234.11 functional assessment under this subdivision.

234.12 Sec. 7. Minnesota Statutes 2022, section 245I.11, subdivision 1, is amended to read:

234.13 Subdivision 1. **Generally.** (a) If a license holder is licensed as a residential program,
234.14 stores or administers client medications, or observes clients self-administer medications,
234.15 the license holder must ensure that a staff person who is a registered nurse or licensed
234.16 prescriber is responsible for overseeing storage and administration of client medications
234.17 and observing as a client self-administers medications, including training according to
234.18 section 245I.05, subdivision 6, and documenting the occurrence according to section 245I.08,
234.19 subdivision 5.

234.20 (b) For purposes of this section, "observed self-administration" means the preparation
234.21 and administration of a medication by a client to themselves under the direct supervision
234.22 of a registered nurse or a staff member to whom a registered nurse delegates supervision
234.23 duty. Observed self-administration does not include a client's use of a medication that they
234.24 keep in their own possession while participating in a program.

234.25 Sec. 8. Minnesota Statutes 2022, section 245I.11, is amended by adding a subdivision to
234.26 read:

234.27 Subd. 6. **Medication administration in children's day treatment settings.** (a) For a
234.28 program providing children's day treatment services under section 256B.0943, the license
234.29 holder must maintain policies and procedures that state whether the program will store
234.30 medication and administer or allow observed self-administration.

234.31 (b) For a program providing children's day treatment services under section 256B.0943
234.32 that does not store medications but allows clients to use a medication that they keep in their

235.1 own possession while participating in a program, the license holder must maintain
235.2 documentation from a licensed prescriber regarding the safety of medications held by clients,
235.3 including:

235.4 (1) an evaluation that the client is capable of holding and administering the medication
235.5 safely;

235.6 (2) an evaluation of whether the medication is prone to diversion, misuse, or self-injury;
235.7 and

235.8 (3) any conditions under which the license holder should no longer allow the client to
235.9 maintain the medication in their own possession.

235.10 Sec. 9. Minnesota Statutes 2022, section 245I.20, subdivision 4, is amended to read:

235.11 Subd. 4. **Minimum staffing standards.** (a) A certification holder's treatment team must
235.12 consist of at least four mental health professionals. At least two of the mental health
235.13 professionals must be employed by or under contract with the mental health clinic for a
235.14 minimum of 35 hours per week each. ~~Each of the two mental health professionals must~~
235.15 ~~specialize in a different mental health discipline.~~

235.16 (b) The treatment team must include:

235.17 (1) a physician qualified as a mental health professional according to section 245I.04,
235.18 subdivision 2, clause (4), or a nurse qualified as a mental health professional according to
235.19 section 245I.04, subdivision 2, clause (1); and

235.20 (2) a psychologist qualified as a mental health professional according to section 245I.04,
235.21 subdivision 2, clause (3).

235.22 (c) The staff persons fulfilling the requirement in paragraph (b) must provide clinical
235.23 services at least:

235.24 (1) eight hours every two weeks if the mental health clinic has over 25.0 full-time
235.25 equivalent treatment team members;

235.26 (2) eight hours each month if the mental health clinic has 15.1 to 25.0 full-time equivalent
235.27 treatment team members;

235.28 (3) four hours each month if the mental health clinic has 5.1 to 15.0 full-time equivalent
235.29 treatment team members; or

235.30 (4) two hours each month if the mental health clinic has 2.0 to 5.0 full-time equivalent
235.31 treatment team members or only provides in-home services to clients.

236.1 (d) The certification holder must maintain a record that demonstrates compliance with
236.2 this subdivision.

236.3 Sec. 10. Minnesota Statutes 2022, section 245I.23, subdivision 14, is amended to read:

236.4 Subd. 14. **Weekly team meetings.** (a) The license holder must hold weekly team meetings
236.5 and ancillary meetings according to this subdivision.

236.6 (b) A mental health professional or certified rehabilitation specialist must hold at least
236.7 one team meeting each calendar week ~~and~~. The mental health professional or certified
236.8 rehabilitation specialist must lead and be physically present at the team meeting, except as
236.9 permitted under paragraph (e). All treatment team members, including treatment team
236.10 members who work on a part-time or intermittent basis, must participate in a minimum of
236.11 one team meeting during each calendar week when the treatment team member is working
236.12 for the license holder. The license holder must document all weekly team meetings, including
236.13 the names of meeting attendees, and indicate whether the meeting was conducted remotely
236.14 under paragraph (e).

236.15 (c) If a treatment team member cannot participate in a weekly team meeting, the treatment
236.16 team member must participate in an ancillary meeting. A mental health professional, certified
236.17 rehabilitation specialist, clinical trainee, or mental health practitioner who participated in
236.18 the most recent weekly team meeting may lead the ancillary meeting. During the ancillary
236.19 meeting, the treatment team member leading the ancillary meeting must review the
236.20 information that was shared at the most recent weekly team meeting, including revisions
236.21 to client treatment plans and other information that the treatment supervisors exchanged
236.22 with treatment team members. The license holder must document all ancillary meetings,
236.23 including the names of meeting attendees.

236.24 (d) If a treatment team member working only one shift during a week cannot participate
236.25 in a weekly team meeting or participate in an ancillary meeting, the treatment team member
236.26 must read the minutes of the weekly team meeting required to be documented in paragraph
236.27 (b). The treatment team member must sign to acknowledge receipt of this information, and
236.28 document pertinent information or questions. The mental health professional or certified
236.29 rehabilitation specialist must review any documented questions or pertinent information
236.30 before the next weekly team meeting.

236.31 (e) A license holder may permit a mental health professional or certified rehabilitation
236.32 specialist to lead the weekly meeting remotely due to medical or weather conditions. If the
236.33 conditions that do not permit physical presence persist for longer than one week, the license
236.34 holder must request a variance to conduct additional meetings remotely.

237.1 Sec. 11. Minnesota Statutes 2023 Supplement, section 254B.04, subdivision 1a, is amended
237.2 to read:

237.3 Subd. 1a. **Client eligibility.** (a) Persons eligible for benefits under Code of Federal
237.4 Regulations, title 25, part 20, who meet the income standards of section 256B.056,
237.5 subdivision 4, and are not enrolled in medical assistance, are entitled to behavioral health
237.6 fund services. State money appropriated for this paragraph must be placed in a separate
237.7 account established for this purpose.

237.8 (b) Persons with dependent children who are determined to be in need of substance use
237.9 disorder treatment pursuant to an assessment under section 260E.20, subdivision 1, or in
237.10 need of chemical dependency treatment pursuant to a case plan under section 260C.201,
237.11 subdivision 6, or 260C.212, shall be assisted by the local agency to access needed treatment
237.12 services. Treatment services must be appropriate for the individual or family, which may
237.13 include long-term care treatment or treatment in a facility that allows the dependent children
237.14 to stay in the treatment facility. The county shall pay for out-of-home placement costs, if
237.15 applicable.

237.16 (c) Notwithstanding paragraph (a), ~~persons~~ any person enrolled in medical assistance
237.17 ~~are~~ or MinnesotaCare is eligible for room and board services under section 254B.05,
237.18 subdivision 5, paragraph (b), clause ~~(12)~~ (9).

237.19 (d) A client is eligible to have substance use disorder treatment paid for with funds from
237.20 the behavioral health fund when the client:

237.21 (1) is eligible for MFIP as determined under chapter 256J;

237.22 (2) is eligible for medical assistance as determined under Minnesota Rules, parts
237.23 9505.0010 to 9505.0150;

237.24 (3) is eligible for general assistance, general assistance medical care, or work readiness
237.25 as determined under Minnesota Rules, parts 9500.1200 to 9500.1318; or

237.26 (4) has income that is within current household size and income guidelines for entitled
237.27 persons, as defined in this subdivision and subdivision 7.

237.28 (e) Clients who meet the financial eligibility requirement in paragraph (a) and who have
237.29 a third-party payment source are eligible for the behavioral health fund if the third-party
237.30 payment source pays less than 100 percent of the cost of treatment services for eligible
237.31 clients.

237.32 (f) A client is ineligible to have substance use disorder treatment services paid for with
237.33 behavioral health fund money if the client:

238.1 (1) has an income that exceeds current household size and income guidelines for entitled
238.2 persons as defined in this subdivision and subdivision 7; or

238.3 (2) has an available third-party payment source that will pay the total cost of the client's
238.4 treatment.

238.5 (g) A client who is disenrolled from a state prepaid health plan during a treatment episode
238.6 is eligible for continued treatment service that is paid for by the behavioral health fund until
238.7 the treatment episode is completed or the client is re-enrolled in a state prepaid health plan
238.8 if the client:

238.9 (1) continues to be enrolled in MinnesotaCare, medical assistance, or general assistance
238.10 medical care; or

238.11 (2) is eligible according to paragraphs (a) and (b) and is determined eligible by a local
238.12 agency under section 254B.04.

238.13 (h) When a county commits a client under chapter 253B to a regional treatment center
238.14 for substance use disorder services and the client is ineligible for the behavioral health fund,
238.15 the county is responsible for the payment to the regional treatment center according to
238.16 section 254B.05, subdivision 4.

238.17 (i) Persons enrolled in MinnesotaCare are eligible for room and board services when
238.18 provided through intensive residential treatment services and residential crisis services under
238.19 section 256B.0622.

238.20 **EFFECTIVE DATE.** This section is effective January 1, 2025.

238.21 Sec. 12. **[256B.0617] MENTAL HEALTH SERVICES PROVIDER**
238.22 **CERTIFICATION.**

238.23 (a) The commissioner of human services shall establish an initial provider entity
238.24 application and certification and recertification processes to determine whether a provider
238.25 entity has administrative and clinical infrastructures that meet the certification requirements.
238.26 This process shall apply to providers of the following services:

238.27 (1) children's intensive behavioral health services under section 256B.0946; and

238.28 (2) intensive nonresidential rehabilitative mental health services under section 256B.0947.

238.29 (b) The commissioner shall recertify a provider entity every three years using the
238.30 individual provider's certification anniversary or the calendar year end. The commissioner
238.31 may approve a recertification extension in the interest of sustaining services when a certain
238.32 date for recertification is identified.

239.1 (c) The commissioner shall establish a process for decertification of a provider entity
239.2 and shall require corrective action, medical assistance repayment, or decertification of a
239.3 provider entity that no longer meets the requirements in this section or that fails to meet the
239.4 clinical quality standards or administrative standards provided by the commissioner in the
239.5 application and certification process.

239.6 (d) The commissioner must provide the following to provider entities for the certification,
239.7 recertification, and decertification processes:

239.8 (1) a structured listing of required provider certification criteria;

239.9 (2) a formal written letter with a determination of certification, recertification, or
239.10 decertification signed by the commissioner or the appropriate division director; and

239.11 (3) a formal written communication outlining the process for necessary corrective action
239.12 and follow-up by the commissioner signed by the commissioner or their designee, if
239.13 applicable. In the case of corrective action, the commissioner may schedule interim
239.14 recertification site reviews to confirm certification or decertification.

239.15 **EFFECTIVE DATE.** This section is effective July 1, 2024, and the commissioner of
239.16 human services must implement all requirements of this section by September 1, 2024.

239.17 Sec. 13. Minnesota Statutes 2022, section 256B.0622, subdivision 2a, is amended to read:

239.18 Subd. 2a. **Eligibility for assertive community treatment.** (a) An eligible client for
239.19 assertive community treatment is an individual who meets the following criteria as assessed
239.20 by an ACT team:

239.21 (1) is age 18 or older. Individuals ages 16 and 17 may be eligible upon approval by the
239.22 commissioner;

239.23 (2) has a primary diagnosis of schizophrenia, schizoaffective disorder, major depressive
239.24 disorder with psychotic features, other psychotic disorders, or bipolar disorder. Individuals
239.25 with other psychiatric illnesses may qualify for assertive community treatment if they have
239.26 a serious mental illness and meet the criteria outlined in clauses (3) and (4), but no more
239.27 than ten percent of an ACT team's clients may be eligible based on this criteria. Individuals
239.28 with a primary diagnosis of a substance use disorder, intellectual developmental disabilities,
239.29 borderline personality disorder, antisocial personality disorder, traumatic brain injury, or
239.30 an autism spectrum disorder are not eligible for assertive community treatment;

239.31 (3) has significant functional impairment as demonstrated by at least one of the following
239.32 conditions:

240.1 (i) significant difficulty consistently performing the range of routine tasks required for
240.2 basic adult functioning in the community or persistent difficulty performing daily living
240.3 tasks without significant support or assistance;

240.4 (ii) significant difficulty maintaining employment at a self-sustaining level or significant
240.5 difficulty consistently carrying out the head-of-household responsibilities; or

240.6 (iii) significant difficulty maintaining a safe living situation;

240.7 (4) has a need for continuous high-intensity services as evidenced by at least two of the
240.8 following:

240.9 (i) two or more psychiatric hospitalizations or residential crisis stabilization services in
240.10 the previous 12 months;

240.11 (ii) frequent utilization of mental health crisis services in the previous six months;

240.12 (iii) 30 or more consecutive days of psychiatric hospitalization in the previous 24 months;

240.13 (iv) intractable, persistent, or prolonged severe psychiatric symptoms;

240.14 (v) coexisting mental health and substance use disorders lasting at least six months;

240.15 (vi) recent history of involvement with the criminal justice system or demonstrated risk
240.16 of future involvement;

240.17 (vii) significant difficulty meeting basic survival needs;

240.18 (viii) residing in substandard housing, experiencing homelessness, or facing imminent
240.19 risk of homelessness;

240.20 (ix) significant impairment with social and interpersonal functioning such that basic
240.21 needs are in jeopardy;

240.22 (x) coexisting mental health and physical health disorders lasting at least six months;

240.23 (xi) residing in an inpatient or supervised community residence but clinically assessed
240.24 to be able to live in a more independent living situation if intensive services are provided;

240.25 (xii) requiring a residential placement if more intensive services are not available; or

240.26 (xiii) difficulty effectively using traditional office-based outpatient services;

240.27 (5) there are no indications that other available community-based services would be
240.28 equally or more effective as evidenced by consistent and extensive efforts to treat the
240.29 individual; and

(6) in the written opinion of a licensed mental health professional, has the need for mental health services that cannot be met with other available community-based services, or is likely to experience a mental health crisis or require a more restrictive setting if assertive community treatment is not provided.

(b) An individual meets the criteria for assertive community treatment under this section if they have participated within the last year or are currently in a first episode of psychosis program if the individual:

(1) meets the eligibility requirements outlined in paragraph (a), clauses (1), (2), (5), and (6);

(2) is currently participating in a first episode of psychosis program under section 245.4905; and

(3) needs the level of intensity provided by an ACT team, in the opinion of the individual's first episode of psychosis program, in order to prevent crisis services, hospitalization, homelessness, and involvement with the criminal justice system.

Sec. 14. Minnesota Statutes 2022, section 256B.0622, subdivision 3a, is amended to read:

Subd. 3a. **Provider certification and contract requirements for assertive community treatment.** (a) The assertive community treatment provider must~~:~~

~~(1) have a contract with the host county to provide assertive community treatment services; and~~

~~(2)~~ have each ACT team be certified by the state following the certification process and procedures developed by the commissioner. The certification process determines whether the ACT team meets the standards for assertive community treatment under this section, the standards in chapter 245I as required in section 245I.011, subdivision 5, and minimum program fidelity standards as measured by a nationally recognized fidelity tool approved by the commissioner. Recertification must occur at least every three years.

(b) An ACT team certified under this subdivision must meet the following standards:

(1) have capacity to recruit, hire, manage, and train required ACT team members;

(2) have adequate administrative ability to ensure availability of services;

(3) ensure flexibility in service delivery to respond to the changing and intermittent care needs of a client as identified by the client and the individual treatment plan;

(4) keep all necessary records required by law;

242.1 (5) be an enrolled Medicaid provider; and

242.2 (6) establish and maintain a quality assurance plan to determine specific service outcomes
242.3 and the client's satisfaction with services.

242.4 (c) The commissioner may intervene at any time and decertify an ACT team with cause.
242.5 The commissioner shall establish a process for decertification of an ACT team and shall
242.6 require corrective action, medical assistance repayment, or decertification of an ACT team
242.7 that no longer meets the requirements in this section or that fails to meet the clinical quality
242.8 standards or administrative standards provided by the commissioner in the application and
242.9 certification process. The decertification is subject to appeal to the state.

242.10 Sec. 15. Minnesota Statutes 2022, section 256B.0622, subdivision 7a, is amended to read:

242.11 Subd. 7a. **Assertive community treatment team staff requirements and roles.** (a)
242.12 The required treatment staff qualifications and roles for an ACT team are:

242.13 (1) the team leader:

242.14 (i) shall be a mental health professional. Individuals who are not licensed but who are
242.15 eligible for licensure and are otherwise qualified may also fulfill this role ~~but must obtain~~
242.16 ~~full licensure within 24 months of assuming the role of team leader~~;

242.17 (ii) must be an active member of the ACT team and provide some direct services to
242.18 clients;

242.19 (iii) must be a single full-time staff member, dedicated to the ACT team, who is
242.20 responsible for overseeing the administrative operations of the team~~, providing treatment~~
242.21 ~~supervision of services in conjunction with the psychiatrist or psychiatric care provider,~~ and
242.22 supervising team members to ensure delivery of best and ethical practices; and

242.23 (iv) must be available to ~~provide~~ ensure that overall treatment supervision to the ACT
242.24 team is available after regular business hours and on weekends and holidays~~. The team~~
242.25 ~~leader may delegate this duty to another~~ and is provided by a qualified member of the ACT
242.26 team;

242.27 (2) the psychiatric care provider:

242.28 (i) must be a mental health professional permitted to prescribe psychiatric medications
242.29 as part of the mental health professional's scope of practice. The psychiatric care provider
242.30 must have demonstrated clinical experience working with individuals with serious and
242.31 persistent mental illness;

243.1 (ii) shall collaborate with the team leader in sharing overall clinical responsibility for
243.2 screening and admitting clients; monitoring clients' treatment and team member service
243.3 delivery; educating staff on psychiatric and nonpsychiatric medications, their side effects,
243.4 and health-related conditions; actively collaborating with nurses; and helping provide
243.5 treatment supervision to the team;

243.6 (iii) shall fulfill the following functions for assertive community treatment clients:
243.7 provide assessment and treatment of clients' symptoms and response to medications, including
243.8 side effects; provide brief therapy to clients; provide diagnostic and medication education
243.9 to clients, with medication decisions based on shared decision making; monitor clients'
243.10 nonpsychiatric medical conditions and nonpsychiatric medications; and conduct home and
243.11 community visits;

243.12 (iv) shall serve as the point of contact for psychiatric treatment if a client is hospitalized
243.13 for mental health treatment and shall communicate directly with the client's inpatient
243.14 psychiatric care providers to ensure continuity of care;

243.15 (v) shall have a minimum full-time equivalency that is prorated at a rate of 16 hours per
243.16 50 clients. Part-time psychiatric care providers shall have designated hours to work on the
243.17 team, with sufficient blocks of time on consistent days to carry out the provider's clinical,
243.18 supervisory, and administrative responsibilities. No more than two psychiatric care providers
243.19 may share this role; and

243.20 (vi) shall provide psychiatric backup to the program after regular business hours and on
243.21 weekends and holidays. The psychiatric care provider may delegate this duty to another
243.22 qualified psychiatric provider;

243.23 (3) the nursing staff:

243.24 (i) shall consist of one to three registered nurses or advanced practice registered nurses,
243.25 of whom at least one has a minimum of one-year experience working with adults with
243.26 serious mental illness and a working knowledge of psychiatric medications. No more than
243.27 two individuals can share a full-time equivalent position;

243.28 (ii) are responsible for managing medication, administering and documenting medication
243.29 treatment, and managing a secure medication room; and

243.30 (iii) shall develop strategies, in collaboration with clients, to maximize taking medications
243.31 as prescribed; screen and monitor clients' mental and physical health conditions and
243.32 medication side effects; engage in health promotion, prevention, and education activities;
243.33 communicate and coordinate services with other medical providers; facilitate the development

244.1 of the individual treatment plan for clients assigned; and educate the ACT team in monitoring
244.2 psychiatric and physical health symptoms and medication side effects;

244.3 (4) the co-occurring disorder specialist:

244.4 (i) shall be a full-time equivalent co-occurring disorder specialist who has received
244.5 specific training on co-occurring disorders that is consistent with national evidence-based
244.6 practices. The training must include practical knowledge of common substances and how
244.7 they affect mental illnesses, the ability to assess substance use disorders and the client's
244.8 stage of treatment, motivational interviewing, and skills necessary to provide counseling to
244.9 clients at all different stages of change and treatment. The co-occurring disorder specialist
244.10 may also be an individual who is a licensed alcohol and drug counselor as described in
244.11 section 148F.01, subdivision 5, or a counselor who otherwise meets the training, experience,
244.12 and other requirements in section 245G.11, subdivision 5. No more than two co-occurring
244.13 disorder specialists may occupy this role; and

244.14 (ii) shall provide or facilitate the provision of co-occurring disorder treatment to clients.
244.15 The co-occurring disorder specialist shall serve as a consultant and educator to fellow ACT
244.16 team members on co-occurring disorders;

244.17 (5) the vocational specialist:

244.18 (i) shall be a full-time vocational specialist who has at least one-year experience providing
244.19 employment services or advanced education that involved field training in vocational services
244.20 to individuals with mental illness. An individual who does not meet these qualifications
244.21 may also serve as the vocational specialist upon completing a training plan approved by the
244.22 commissioner;

244.23 (ii) shall provide or facilitate the provision of vocational services to clients. The vocational
244.24 specialist serves as a consultant and educator to fellow ACT team members on these services;
244.25 and

244.26 (iii) must not refer individuals to receive any type of vocational services or linkage by
244.27 providers outside of the ACT team;

244.28 (6) the mental health certified peer specialist:

244.29 (i) shall be a full-time equivalent. No more than two individuals can share this position.
244.30 The mental health certified peer specialist is a fully integrated team member who provides
244.31 highly individualized services in the community and promotes the self-determination and
244.32 shared decision-making abilities of clients. This requirement may be waived due to workforce
244.33 shortages upon approval of the commissioner;

245.1 (ii) must provide coaching, mentoring, and consultation to the clients to promote recovery,
245.2 self-advocacy, and self-direction, promote wellness management strategies, and assist clients
245.3 in developing advance directives; and

245.4 (iii) must model recovery values, attitudes, beliefs, and personal action to encourage
245.5 wellness and resilience, provide consultation to team members, promote a culture where
245.6 the clients' points of view and preferences are recognized, understood, respected, and
245.7 integrated into treatment, and serve in a manner equivalent to other team members;

245.8 (7) the program administrative assistant shall be a full-time office-based program
245.9 administrative assistant position assigned to solely work with the ACT team, providing a
245.10 range of supports to the team, clients, and families; and

245.11 (8) additional staff:

245.12 (i) shall be based on team size. Additional treatment team staff may include mental
245.13 health professionals; clinical trainees; certified rehabilitation specialists; mental health
245.14 practitioners; or mental health rehabilitation workers. These individuals shall have the
245.15 knowledge, skills, and abilities required by the population served to carry out rehabilitation
245.16 and support functions; and

245.17 (ii) shall be selected based on specific program needs or the population served.

245.18 (b) Each ACT team must clearly document schedules for all ACT team members.

245.19 (c) Each ACT team member must serve as a primary team member for clients assigned
245.20 by the team leader and are responsible for facilitating the individual treatment plan process
245.21 for those clients. The primary team member for a client is the responsible team member
245.22 knowledgeable about the client's life and circumstances and writes the individual treatment
245.23 plan. The primary team member provides individual supportive therapy or counseling, and
245.24 provides primary support and education to the client's family and support system.

245.25 (d) Members of the ACT team must have strong clinical skills, professional qualifications,
245.26 experience, and competency to provide a full breadth of rehabilitation services. Each staff
245.27 member shall be proficient in their respective discipline and be able to work collaboratively
245.28 as a member of a multidisciplinary team to deliver the majority of the treatment,
245.29 rehabilitation, and support services clients require to fully benefit from receiving assertive
245.30 community treatment.

245.31 (e) Each ACT team member must fulfill training requirements established by the
245.32 commissioner.

246.1 Sec. 16. Minnesota Statutes 2023 Supplement, section 256B.0622, subdivision 7b, is
246.2 amended to read:

246.3 Subd. 7b. **Assertive community treatment program ~~size and opportunities~~ scores.** ~~(a)~~
246.4 Each ACT team ~~shall maintain an annual average caseload that does not exceed 100 clients.~~
246.5 ~~Staff-to-client ratios shall be based on team size as follows:~~ must demonstrate that the team
246.6 attained a passing score according to the most recently issued Tool for Measurement of
246.7 Assertive Community Treatment (TMACT).

246.8 ~~(1) a small ACT team must:~~

246.9 ~~(i) employ at least six but no more than seven full-time treatment team staff, excluding~~
246.10 ~~the program assistant and the psychiatric care provider;~~

246.11 ~~(ii) serve an annual average maximum of no more than 50 clients;~~

246.12 ~~(iii) ensure at least one full-time equivalent position for every eight clients served;~~

246.13 ~~(iv) schedule ACT team staff on weekdays and on-call duty to provide crisis services~~
246.14 ~~and deliver services after hours when staff are not working;~~

246.15 ~~(v) provide crisis services during business hours if the small ACT team does not have~~
246.16 ~~sufficient staff numbers to operate an after-hours on-call system. During all other hours,~~
246.17 ~~the ACT team may arrange for coverage for crisis assessment and intervention services~~
246.18 ~~through a reliable crisis-intervention provider as long as there is a mechanism by which the~~
246.19 ~~ACT team communicates routinely with the crisis-intervention provider and the on-call~~
246.20 ~~ACT team staff are available to see clients face-to-face when necessary or if requested by~~
246.21 ~~the crisis-intervention services provider;~~

246.22 ~~(vi) adjust schedules and provide staff to carry out the needed service activities in the~~
246.23 ~~evenings or on weekend days or holidays, when necessary;~~

246.24 ~~(vii) arrange for and provide psychiatric backup during all hours the psychiatric care~~
246.25 ~~provider is not regularly scheduled to work. If availability of the ACT team's psychiatric~~
246.26 ~~care provider during all hours is not feasible, alternative psychiatric prescriber backup must~~
246.27 ~~be arranged and a mechanism of timely communication and coordination established in~~
246.28 ~~writing; and~~

246.29 ~~(viii) be composed of, at minimum, one full-time team leader, at least 16 hours each~~
246.30 ~~week per 50 clients of psychiatric provider time, or equivalent if fewer clients, one full-time~~
246.31 ~~equivalent nursing, one full-time co-occurring disorder specialist, one full-time equivalent~~
246.32 ~~mental health certified peer specialist, one full-time vocational specialist, one full-time~~
246.33 ~~program assistant, and at least one additional full-time ACT team member who has mental~~

247.1 ~~health professional, certified rehabilitation specialist, clinical trainee, or mental health~~
247.2 ~~practitioner status; and~~

247.3 ~~(2) a midsize ACT team shall:~~

247.4 ~~(i) be composed of, at minimum, one full-time team leader, at least 16 hours of psychiatry~~
247.5 ~~time for 51 clients, with an additional two hours for every six clients added to the team, 1.5~~
247.6 ~~to two full-time equivalent nursing staff, one full-time co-occurring disorder specialist, one~~
247.7 ~~full-time equivalent mental health certified peer specialist, one full-time vocational specialist,~~
247.8 ~~one full-time program assistant, and at least 1.5 to two additional full-time equivalent ACT~~
247.9 ~~members, with at least one dedicated full-time staff member with mental health professional~~
247.10 ~~status. Remaining team members may have mental health professional, certified rehabilitation~~
247.11 ~~specialist, clinical trainee, or mental health practitioner status;~~

247.12 ~~(ii) employ seven or more treatment team full-time equivalents, excluding the program~~
247.13 ~~assistant and the psychiatric care provider;~~

247.14 ~~(iii) serve an annual average maximum caseload of 51 to 74 clients;~~

247.15 ~~(iv) ensure at least one full-time equivalent position for every nine clients served;~~

247.16 ~~(v) schedule ACT team staff for a minimum of ten-hour shift coverage on weekdays~~
247.17 ~~and six- to eight-hour shift coverage on weekends and holidays. In addition to these minimum~~
247.18 ~~specifications, staff are regularly scheduled to provide the necessary services on a~~
247.19 ~~client-by-client basis in the evenings and on weekends and holidays;~~

247.20 ~~(vi) schedule ACT team staff on-call duty to provide crisis services and deliver services~~
247.21 ~~when staff are not working;~~

247.22 ~~(vii) have the authority to arrange for coverage for crisis assessment and intervention~~
247.23 ~~services through a reliable crisis-intervention provider as long as there is a mechanism by~~
247.24 ~~which the ACT team communicates routinely with the crisis-intervention provider and the~~
247.25 ~~on-call ACT team staff are available to see clients face-to-face when necessary or if requested~~
247.26 ~~by the crisis-intervention services provider; and~~

247.27 ~~(viii) arrange for and provide psychiatric backup during all hours the psychiatric care~~
247.28 ~~provider is not regularly scheduled to work. If availability of the psychiatric care provider~~
247.29 ~~during all hours is not feasible, alternative psychiatric prescriber backup must be arranged~~
247.30 ~~and a mechanism of timely communication and coordination established in writing;~~

247.31 ~~(3) a large ACT team must:~~

~~(i) be composed of, at minimum, one full-time team leader, at least 32 hours each week per 100 clients, or equivalent of psychiatry time, three full-time equivalent nursing staff, one full-time co-occurring disorder specialist, one full-time equivalent mental health certified peer specialist, one full-time vocational specialist, one full-time program assistant, and at least two additional full-time equivalent ACT team members, with at least one dedicated full-time staff member with mental health professional status. Remaining team members may have mental health professional or mental health practitioner status;~~

~~(ii) employ nine or more treatment team full-time equivalents, excluding the program assistant and psychiatric care provider;~~

~~(iii) serve an annual average maximum caseload of 75 to 100 clients;~~

~~(iv) ensure at least one full-time equivalent position for every nine individuals served;~~

~~(v) schedule staff to work two eight-hour shifts, with a minimum of two staff on the second shift providing services at least 12 hours per day weekdays. For weekends and holidays, the team must operate and schedule ACT team staff to work one eight-hour shift, with a minimum of two staff each weekend day and every holiday;~~

~~(vi) schedule ACT team staff on-call duty to provide crisis services and deliver services when staff are not working; and~~

~~(vii) arrange for and provide psychiatric backup during all hours the psychiatric care provider is not regularly scheduled to work. If availability of the ACT team psychiatric care provider during all hours is not feasible, alternative psychiatric backup must be arranged and a mechanism of timely communication and coordination established in writing.~~

~~(b) An ACT team of any size may have a staff-to-client ratio that is lower than the requirements described in paragraph (a) upon approval by the commissioner, but may not exceed a one-to-ten staff-to-client ratio.~~

Sec. 17. Minnesota Statutes 2022, section 256B.0622, subdivision 7d, is amended to read:

Subd. 7d. **Assertive community treatment assessment and individual treatment plan.** (a) An initial assessment shall be completed the day of the client's admission to assertive community treatment by the ACT team leader or the psychiatric care provider, with participation by designated ACT team members and the client. The initial assessment must include obtaining or completing a standard diagnostic assessment according to section 245I.10, subdivision 6, and completing a 30-day individual treatment plan. The team leader, psychiatric care provider, or other mental health professional designated by the team leader

249.1 or psychiatric care provider, must update the client's diagnostic assessment ~~at least annually~~
249.2 as required under section 245I.10, subdivision 2, paragraphs (f) and (g).

249.3 (b) A functional assessment must be completed according to section 245I.10, subdivision
249.4 9. Each part of the functional assessment areas shall be completed by each respective team
249.5 specialist or an ACT team member with skill and knowledge in the area being assessed.

249.6 (c) Between 30 and 45 days after the client's admission to assertive community treatment,
249.7 the entire ACT team must hold a comprehensive case conference, where all team members,
249.8 including the psychiatric provider, present information discovered from the completed
249.9 assessments and provide treatment recommendations. The conference must serve as the
249.10 basis for the first individual treatment plan, which must be written by the primary team
249.11 member.

249.12 (d) The client's psychiatric care provider, primary team member, and individual treatment
249.13 team members shall assume responsibility for preparing the written narrative of the results
249.14 from the psychiatric and social functioning history timeline and the comprehensive
249.15 assessment.

249.16 (e) The primary team member and individual treatment team members shall be assigned
249.17 by the team leader in collaboration with the psychiatric care provider by the time of the first
249.18 treatment planning meeting or 30 days after admission, whichever occurs first.

249.19 (f) Individual treatment plans must be developed through the following treatment planning
249.20 process:

249.21 (1) The individual treatment plan shall be developed in collaboration with the client and
249.22 the client's preferred natural supports, and guardian, if applicable and appropriate. The ACT
249.23 team shall evaluate, together with each client, the client's needs, strengths, and preferences
249.24 and develop the individual treatment plan collaboratively. The ACT team shall make every
249.25 effort to ensure that the client and the client's family and natural supports, with the client's
249.26 consent, are in attendance at the treatment planning meeting, are involved in ongoing
249.27 meetings related to treatment, and have the necessary supports to fully participate. The
249.28 client's participation in the development of the individual treatment plan shall be documented.

249.29 (2) The client and the ACT team shall work together to formulate and prioritize the
249.30 issues, set goals, research approaches and interventions, and establish the plan. The plan is
249.31 individually tailored so that the treatment, rehabilitation, and support approaches and
249.32 interventions achieve optimum symptom reduction, help fulfill the personal needs and
249.33 aspirations of the client, take into account the cultural beliefs and realities of the individual,

250.1 and improve all the aspects of psychosocial functioning that are important to the client. The
250.2 process supports strengths, rehabilitation, and recovery.

250.3 (3) Each client's individual treatment plan shall identify service needs, strengths and
250.4 capacities, and barriers, and set specific and measurable short- and long-term goals for each
250.5 service need. The individual treatment plan must clearly specify the approaches and
250.6 interventions necessary for the client to achieve the individual goals, when the interventions
250.7 shall happen, and identify which ACT team member shall carry out the approaches and
250.8 interventions.

250.9 (4) The primary team member and the individual treatment team, together with the client
250.10 and the client's family and natural supports with the client's consent, are responsible for
250.11 reviewing and rewriting the treatment goals and individual treatment plan whenever there
250.12 is a major decision point in the client's course of treatment or at least every six months.

250.13 (5) The primary team member shall prepare a summary that thoroughly describes in
250.14 writing the client's and the individual treatment team's evaluation of the client's progress
250.15 and goal attainment, the effectiveness of the interventions, and the satisfaction with services
250.16 since the last individual treatment plan. The client's most recent diagnostic assessment must
250.17 be included with the treatment plan summary.

250.18 (6) The individual treatment plan and review must be approved or acknowledged by the
250.19 client, the primary team member, the team leader, the psychiatric care provider, and all
250.20 individual treatment team members. A copy of the approved individual treatment plan must
250.21 be made available to the client.

250.22 Sec. 18. Minnesota Statutes 2022, section 256B.0623, subdivision 5, is amended to read:

250.23 Subd. 5. **Qualifications of provider staff.** Adult rehabilitative mental health services
250.24 must be provided by qualified individual provider staff of a certified provider entity.
250.25 Individual provider staff must be qualified as:

250.26 (1) a mental health professional who is qualified according to section 245I.04, subdivision
250.27 2;

250.28 (2) a certified rehabilitation specialist who is qualified according to section 245I.04,
250.29 subdivision 8;

250.30 (3) a clinical trainee who is qualified according to section 245I.04, subdivision 6;

250.31 (4) a mental health practitioner qualified according to section 245I.04, subdivision 4;

251.1 (5) a mental health certified peer specialist who is qualified according to section 245I.04,
251.2 subdivision 10; ~~or~~

251.3 (6) a mental health rehabilitation worker who is qualified according to section 245I.04,
251.4 subdivision 14~~.~~; or

251.5 (7) a licensed occupational therapist, as defined in section 148.6402, subdivision 14.

251.6 **EFFECTIVE DATE.** This section is effective upon federal approval. The commissioner
251.7 of human services must notify the revisor of statutes when federal approval is obtained.

251.8 Sec. 19. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 5m, is
251.9 amended to read:

251.10 Subd. 5m. **Certified community behavioral health clinic services.** (a) Medical
251.11 assistance covers services provided by a not-for-profit certified community behavioral health
251.12 clinic (CCBHC) that meets the requirements of section 245.735, subdivision 3.

251.13 (b) The commissioner shall reimburse CCBHCs on a per-day basis for each day that an
251.14 eligible service is delivered using the CCBHC daily bundled rate system for medical
251.15 assistance payments as described in paragraph (c). The commissioner shall include a quality
251.16 incentive payment in the CCBHC daily bundled rate system as described in paragraph (e).
251.17 There is no county share for medical assistance services when reimbursed through the
251.18 CCBHC daily bundled rate system.

251.19 (c) The commissioner shall ensure that the CCBHC daily bundled rate system for CCBHC
251.20 payments under medical assistance meets the following requirements:

251.21 (1) the CCBHC daily bundled rate shall be a provider-specific rate calculated for each
251.22 CCBHC, based on the daily cost of providing CCBHC services and the total annual allowable
251.23 CCBHC costs divided by the total annual number of CCBHC visits. For calculating the
251.24 payment rate, total annual visits include visits covered by medical assistance and visits not
251.25 covered by medical assistance. Allowable costs include but are not limited to the salaries
251.26 and benefits of medical assistance providers; the cost of CCBHC services provided under
251.27 section 245.735, subdivision 3, paragraph (a), clauses (6) and (7); and other costs such as
251.28 insurance or supplies needed to provide CCBHC services;

251.29 (2) payment shall be limited to one payment per day per medical assistance enrollee
251.30 when an eligible CCBHC service is provided. A CCBHC visit is eligible for reimbursement
251.31 if at least one of the CCBHC services listed under section 245.735, subdivision 3, paragraph
251.32 (a), clause (6), is furnished to a medical assistance enrollee by a health care practitioner or
251.33 licensed agency employed by or under contract with a CCBHC;

252.1 (3) initial CCBHC daily bundled rates for newly certified CCBHCs under section 245.735,
252.2 subdivision 3, shall be established by the commissioner using a provider-specific rate based
252.3 on the newly certified CCBHC's audited historical cost report data adjusted for the expected
252.4 cost of delivering CCBHC services. Estimates are subject to review by the commissioner
252.5 and must include the expected cost of providing the full scope of CCBHC services and the
252.6 expected number of visits for the rate period;

252.7 (4) the commissioner shall rebase CCBHC rates once every two years following the last
252.8 rebasing and no less than 12 months following an initial rate or a rate change due to a change
252.9 in the scope of services. For CCBHCs certified after September 31, 2020, and before January
252.10 1, 2021, the commissioner shall rebase rates according to this clause beginning for dates of
252.11 service provided on January 1, 2024;

252.12 (5) the commissioner shall provide for a 60-day appeals process after notice of the results
252.13 of the rebasing;

252.14 (6) an entity that receives a CCBHC daily bundled rate that overlaps with another federal
252.15 Medicaid rate is not eligible for the CCBHC rate methodology;

252.16 (7) payments for CCBHC services to individuals enrolled in managed care shall be
252.17 coordinated with the state's phase-out of CCBHC wrap payments. The commissioner shall
252.18 complete the phase-out of CCBHC wrap payments within 60 days of the implementation
252.19 of the CCBHC daily bundled rate system in the Medicaid Management Information System
252.20 (MMIS), for CCBHCs reimbursed under this chapter, with a final settlement of payments
252.21 due made payable to CCBHCs no later than 18 months thereafter;

252.22 (8) the CCBHC daily bundled rate for each CCBHC shall be updated by trending each
252.23 provider-specific rate by the Medicare Economic Index for primary care services. This
252.24 update shall occur each year in between rebasing periods determined by the commissioner
252.25 in accordance with clause (4). CCBHCs must provide data on costs and visits to the state
252.26 annually using the CCBHC cost report established by the commissioner; and

252.27 (9) a CCBHC may request a rate adjustment for changes in the CCBHC's scope of
252.28 services when such changes are expected to result in an adjustment to the CCBHC payment
252.29 rate by 2.5 percent or more. The CCBHC must provide the commissioner with information
252.30 regarding the changes in the scope of services, including the estimated cost of providing
252.31 the new or modified services and any projected increase or decrease in the number of visits
252.32 resulting from the change. Estimated costs are subject to review by the commissioner. Rate
252.33 adjustments for changes in scope shall occur no more than once per year in between rebasing
252.34 periods per CCBHC and are effective on the date of the annual CCBHC rate update.

253.1 (d) Managed care plans and county-based purchasing plans shall reimburse CCBHC
253.2 providers at the CCBHC daily bundled rate. The commissioner shall monitor the effect of
253.3 this requirement on the rate of access to the services delivered by CCBHC providers. If, for
253.4 any contract year, federal approval is not received for this paragraph, the commissioner
253.5 must adjust the capitation rates paid to managed care plans and county-based purchasing
253.6 plans for that contract year to reflect the removal of this provision. Contracts between
253.7 managed care plans and county-based purchasing plans and providers to whom this paragraph
253.8 applies must allow recovery of payments from those providers if capitation rates are adjusted
253.9 in accordance with this paragraph. Payment recoveries must not exceed the amount equal
253.10 to any increase in rates that results from this provision. This paragraph expires if federal
253.11 approval is not received for this paragraph at any time.

253.12 (e) The commissioner shall implement a quality incentive payment program for CCBHCs
253.13 that meets the following requirements:

253.14 (1) a CCBHC shall receive a quality incentive payment upon meeting specific numeric
253.15 thresholds for performance metrics established by the commissioner, in addition to payments
253.16 for which the CCBHC is eligible under the CCBHC daily bundled rate system described in
253.17 paragraph (c);

253.18 (2) a CCBHC must be certified and enrolled as a CCBHC for the entire measurement
253.19 year to be eligible for incentive payments;

253.20 (3) each CCBHC shall receive written notice of the criteria that must be met in order to
253.21 receive quality incentive payments at least 90 days prior to the measurement year; and

253.22 (4) a CCBHC must provide the commissioner with data needed to determine incentive
253.23 payment eligibility within six months following the measurement year. The commissioner
253.24 shall notify CCBHC providers of their performance on the required measures and the
253.25 incentive payment amount within 12 months following the measurement year.

253.26 (f) All claims to managed care plans for CCBHC services as provided under this section
253.27 shall be submitted directly to, and paid by, the commissioner on the dates specified no later
253.28 than January 1 of the following calendar year, if:

253.29 (1) one or more managed care plans does not comply with the federal requirement for
253.30 payment of clean claims to CCBHCs, as defined in Code of Federal Regulations, title 42,
253.31 section 447.45(b), and the managed care plan does not resolve the payment issue within 30
253.32 days of noncompliance; and

254.1 (2) the total amount of clean claims not paid in accordance with federal requirements
254.2 by one or more managed care plans is 50 percent of, or greater than, the total CCBHC claims
254.3 eligible for payment by managed care plans.

254.4 If the conditions in this paragraph are met between January 1 and June 30 of a calendar
254.5 year, claims shall be submitted to and paid by the commissioner beginning on January 1 of
254.6 the following year. If the conditions in this paragraph are met between July 1 and December
254.7 31 of a calendar year, claims shall be submitted to and paid by the commissioner beginning
254.8 on July 1 of the following year.

254.9 (g) Peer services provided by a CCBHC certified under section 245.735 are a covered
254.10 service under medical assistance when a licensed mental health professional or alcohol and
254.11 drug counselor determines that peer services are medically necessary. Eligibility under this
254.12 subdivision for peer services provided by a CCBHC supersede eligibility standards under
254.13 sections 256B.0615, 256B.0616, and 245G.07, subdivision 2, clause (8).

254.14 Sec. 20. Minnesota Statutes 2022, section 256B.0625, subdivision 20, is amended to read:

254.15 Subd. 20. **Mental health case management.** (a) To the extent authorized by rule of the
254.16 state agency, medical assistance covers case management services to persons with serious
254.17 and persistent mental illness and children with severe emotional disturbance. Services
254.18 provided under this section must meet the relevant standards in sections 245.461 to 245.4887,
254.19 the Comprehensive Adult and Children's Mental Health Acts, Minnesota Rules, parts
254.20 9520.0900 to 9520.0926, and 9505.0322, excluding subpart 10.

254.21 (b) Entities meeting program standards set out in rules governing family community
254.22 support services as defined in section 245.4871, subdivision 17, are eligible for medical
254.23 assistance reimbursement for case management services for children with severe emotional
254.24 disturbance when these services meet the program standards in Minnesota Rules, parts
254.25 9520.0900 to 9520.0926 and 9505.0322, excluding subparts 6 and 10.

254.26 (c) Medical assistance and MinnesotaCare payment for mental health case management
254.27 shall be made on a monthly basis. In order to receive payment for an eligible child, the
254.28 provider must document at least a face-to-face contact either in person or by interactive
254.29 video that meets the requirements of subdivision 20b with the child, the child's parents, or
254.30 the child's legal representative. To receive payment for an eligible adult, the provider must
254.31 document:

254.32 (1) at least a face-to-face contact with the adult or the adult's legal representative either
254.33 in person or by interactive video that meets the requirements of subdivision 20b; or

255.1 (2) at least a telephone contact or contact via secure electronic message, if preferred by
255.2 the adult client, with the adult or the adult's legal representative and document a face-to-face
255.3 contact either in person or by interactive video that meets the requirements of subdivision
255.4 20b with the adult or the adult's legal representative within the preceding two months.

255.5 (d) Payment for mental health case management provided by county or state staff shall
255.6 be based on the monthly rate methodology under section 256B.094, subdivision 6, paragraph
255.7 (b), with separate rates calculated for child welfare and mental health, and within mental
255.8 health, separate rates for children and adults.

255.9 (e) Payment for mental health case management provided by Indian health services or
255.10 by agencies operated by Indian tribes may be made according to this section or other relevant
255.11 federally approved rate setting methodology.

255.12 (f) Payment for mental health case management provided by vendors who contract with
255.13 a county must be calculated in accordance with section 256B.076, subdivision 2. Payment
255.14 for mental health case management provided by vendors who contract with a Tribe must
255.15 be based on a monthly rate negotiated by the Tribe. The rate must not exceed the rate charged
255.16 by the vendor for the same service to other payers. If the service is provided by a team of
255.17 contracted vendors, the team shall determine how to distribute the rate among its members.
255.18 No reimbursement received by contracted vendors shall be returned to the county or tribe,
255.19 except to reimburse the county or tribe for advance funding provided by the county or tribe
255.20 to the vendor.

255.21 (g) If the service is provided by a team which includes contracted vendors, tribal staff,
255.22 and county or state staff, the costs for county or state staff participation in the team shall be
255.23 included in the rate for county-provided services. In this case, the contracted vendor, the
255.24 tribal agency, and the county may each receive separate payment for services provided by
255.25 each entity in the same month. In order to prevent duplication of services, each entity must
255.26 document, in the recipient's file, the need for team case management and a description of
255.27 the roles of the team members.

255.28 (h) Notwithstanding section 256B.19, subdivision 1, the nonfederal share of costs for
255.29 mental health case management shall be provided by the recipient's county of responsibility,
255.30 as defined in sections 256G.01 to 256G.12, from sources other than federal funds or funds
255.31 used to match other federal funds. If the service is provided by a tribal agency, the nonfederal
255.32 share, if any, shall be provided by the recipient's tribe. When this service is paid by the state
255.33 without a federal share through fee-for-service, 50 percent of the cost shall be provided by
255.34 the recipient's county of responsibility.

256.1 (i) Notwithstanding any administrative rule to the contrary, prepaid medical assistance
256.2 and MinnesotaCare include mental health case management. When the service is provided
256.3 through prepaid capitation, the nonfederal share is paid by the state and the county pays no
256.4 share.

256.5 (j) The commissioner may suspend, reduce, or terminate the reimbursement to a provider
256.6 that does not meet the reporting or other requirements of this section. The county of
256.7 responsibility, as defined in sections 256G.01 to 256G.12, or, if applicable, the tribal agency,
256.8 is responsible for any federal disallowances. The county or tribe may share this responsibility
256.9 with its contracted vendors.

256.10 (k) The commissioner shall set aside a portion of the federal funds earned for county
256.11 expenditures under this section to repay the special revenue maximization account under
256.12 section 256.01, subdivision 2, paragraph (o). The repayment is limited to:

256.13 (1) the costs of developing and implementing this section; and

256.14 (2) programming the information systems.

256.15 (l) Payments to counties and tribal agencies for case management expenditures under
256.16 this section shall only be made from federal earnings from services provided under this
256.17 section. When this service is paid by the state without a federal share through fee-for-service,
256.18 50 percent of the cost shall be provided by the state. Payments to county-contracted vendors
256.19 shall include the federal earnings, the state share, and the county share.

256.20 (m) Case management services under this subdivision do not include therapy, treatment,
256.21 legal, or outreach services.

256.22 (n) If the recipient is a resident of a nursing facility, intermediate care facility, or hospital,
256.23 and the recipient's institutional care is paid by medical assistance, payment for case
256.24 management services under this subdivision is limited to the lesser of:

256.25 (1) the last 180 days of the recipient's residency in that facility and may not exceed more
256.26 than six months in a calendar year; or

256.27 (2) the limits and conditions which apply to federal Medicaid funding for this service.

256.28 (o) Payment for case management services under this subdivision shall not duplicate
256.29 payments made under other program authorities for the same purpose.

256.30 (p) If the recipient is receiving care in a hospital, nursing facility, or residential setting
256.31 licensed under chapter 245A or 245D that is staffed 24 hours a day, seven days a week,

257.1 mental health targeted case management services must actively support identification of
257.2 community alternatives for the recipient and discharge planning.

257.3 Sec. 21. Minnesota Statutes 2023 Supplement, section 256B.0671, subdivision 5, is
257.4 amended to read:

257.5 Subd. 5. **Child and family psychoeducation services.** (a) Medical assistance covers
257.6 child and family psychoeducation services provided to a child ~~up to~~ under age 21 ~~with~~ and
257.7 the child's family members, when determined to be medically necessary due to a ~~diagnosed~~
257.8 mental health condition ~~when~~ or diagnosed mental illness identified in the child's individual
257.9 treatment plan and provided by a mental health professional who is qualified under section
257.10 245I.04, subdivision 2, and practicing within the scope of practice under section 245I.04,
257.11 subdivision 3; a mental health practitioner who is qualified under section 245I.04, subdivision
257.12 4, and practicing within the scope of practice under section 245I.04, subdivision 5; or a
257.13 clinical trainee who ~~has determined it medically necessary to involve family members in~~
257.14 ~~the child's care~~ is qualified under section 245I.04, subdivision 6, and practicing within the
257.15 scope of practice under section 245I.04, subdivision 7.

257.16 (b) "Child and family psychoeducation services" means information or demonstration
257.17 provided to an individual or family as part of an individual, family, multifamily group, or
257.18 peer group session to explain, educate, and support the child and family in understanding
257.19 a child's symptoms of mental illness, the impact on the child's development, and needed
257.20 components of treatment and skill development so that the individual, family, or group can
257.21 help the child to prevent relapse, prevent the acquisition of comorbid disorders, and achieve
257.22 optimal mental health and long-term resilience.

257.23 (c) Child and family psychoeducation services include individual, family, or group skills
257.24 development or training to:

257.25 (1) support the development of psychosocial skills that are medically necessary to
257.26 rehabilitate the child to an age-appropriate developmental trajectory when the child's
257.27 development was disrupted by a mental health condition or diagnosed mental illness; or

257.28 (2) enable the child to self-monitor, compensate for, cope with, counteract, or replace
257.29 skills deficits or maladaptive skills acquired over the course of the child's mental health
257.30 condition or mental illness.

257.31 (d) Skills development or training delivered to a child or the child's family under this
257.32 subdivision must be targeted to the specific deficits related to the child's mental health
257.33 condition or mental illness and must be prescribed in the child's individual treatment plan.

258.1 Group skills training may be provided to multiple recipients who, because of the nature of
258.2 their emotional, behavioral, or social functional ability, may benefit from interaction in a
258.3 group setting.

258.4 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,
258.5 whichever is later. The commissioner of human services shall notify the revisor of statutes
258.6 when federal approval is obtained.

258.7 Sec. 22. Minnesota Statutes 2022, section 256B.0757, is amended by adding a subdivision
258.8 to read:

258.9 Subd. 5a. **Payments for behavioral health home services.** The commissioner must
258.10 implement a single statewide reimbursement rate for behavioral health home services under
258.11 this section. The rate must be no less than $335.18 per member per month. The commissioner
258.12 must adjust the statewide reimbursement rate annually according to the change from the
258.13 midpoint of the previous rate year to the midpoint of the rate year for which the rate is being
258.14 determined using the Centers for Medicare and Medicaid Services Medicare Economic
258.15 Index as forecasted in the fourth quarter of the calendar year before the rate year.

258.16 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,
258.17 whichever is later. The commissioner of human services shall notify the revisor of statutes
258.18 when federal approval is obtained.

258.19 Sec. 23. Minnesota Statutes 2022, section 256B.0943, subdivision 12, is amended to read:

258.20 Subd. 12. **Excluded services.** The following services are not eligible for medical
258.21 assistance payment as children's therapeutic services and supports:

258.22 (1) service components of children's therapeutic services and supports simultaneously
258.23 provided by more than one provider entity unless prior authorization is obtained;

258.24 (2) treatment by multiple providers within the same agency at the same clock time,
258.25 unless one service is delivered to the child and the other service is delivered to child's family
258.26 or treatment team without the child present;

258.27 (3) children's therapeutic services and supports provided in violation of medical assistance
258.28 policy in Minnesota Rules, part 9505.0220;

258.29 (4) mental health behavioral aide services provided by a personal care assistant who is
258.30 not qualified as a mental health behavioral aide and employed by a certified children's
258.31 therapeutic services and supports provider entity;

259.1 (5) service components of CTSS that are the responsibility of a residential or program
259.2 license holder, including foster care providers under the terms of a service agreement or
259.3 administrative rules governing licensure; and

259.4 (6) adjunctive activities that may be offered by a provider entity but are not otherwise
259.5 covered by medical assistance, including:

259.6 (i) a service that is primarily recreation oriented or that is provided in a setting that is
259.7 not medically supervised. This includes sports activities, exercise groups, activities such as
259.8 craft hours, leisure time, social hours, meal or snack time, trips to community activities,
259.9 and tours;

259.10 (ii) a social or educational service that does not have or cannot reasonably be expected
259.11 to have a therapeutic outcome related to the client's emotional disturbance;

259.12 (iii) prevention or education programs provided to the community; and

259.13 (iv) treatment for clients with primary diagnoses of alcohol or other drug abuse.

259.14 Sec. 24. Minnesota Statutes 2022, section 256B.0947, subdivision 5, is amended to read:

259.15 Subd. 5. **Standards for intensive nonresidential rehabilitative providers.** (a) Services
259.16 must meet the standards in this section and chapter 245I as required in section 245I.011,
259.17 subdivision 5.

259.18 (b) The treatment team must have specialized training in providing services to the specific
259.19 age group of youth that the team serves. An individual treatment team must serve youth
259.20 who are: (1) at least eight years of age or older and under 16 years of age, or (2) at least 14
259.21 years of age or older and under 21 years of age.

259.22 (c) The treatment team for intensive nonresidential rehabilitative mental health services
259.23 comprises both permanently employed core team members and client-specific team members
259.24 as follows:

259.25 (1) Based on professional qualifications and client needs, clinically qualified core team
259.26 members are assigned on a rotating basis as the client's lead worker to coordinate a client's
259.27 care. The core team must comprise at least four full-time equivalent direct care staff and
259.28 must minimally include:

259.29 (i) a mental health professional who serves as team leader to provide administrative
259.30 direction and treatment supervision to the team;

(ii) an advanced-practice registered nurse with certification in psychiatric or mental health care or a board-certified child and adolescent psychiatrist, either of which must be credentialed to prescribe medications;

~~(iii) a licensed alcohol and drug counselor who is also trained in mental health interventions; and~~

~~(iv)~~ (iii) a mental health certified peer specialist who is qualified according to section 245I.04, subdivision 10, and is also a former children's mental health consumer~~.~~; and

(iv) a co-occurring disorder specialist who meets the requirements under section 256B.0622, subdivision 7a, paragraph (a), clause (4), who will provide or facilitate the provision of co-occurring disorder treatment to clients.

(2) The core team may also include any of the following:

(i) additional mental health professionals;

(ii) a vocational specialist;

(iii) an educational specialist with knowledge and experience working with youth regarding special education requirements and goals, special education plans, and coordination of educational activities with health care activities;

(iv) a child and adolescent psychiatrist who may be retained on a consultant basis;

(v) a clinical trainee qualified according to section 245I.04, subdivision 6;

(vi) a mental health practitioner qualified according to section 245I.04, subdivision 4;

(vii) a case management service provider, as defined in section 245.4871, subdivision 4;

(viii) a housing access specialist; and

(ix) a family peer specialist as defined in subdivision 2, paragraph (j).

(3) A treatment team may include, in addition to those in clause (1) or (2), ad hoc members not employed by the team who consult on a specific client and who must accept overall clinical direction from the treatment team for the duration of the client's placement with the treatment team and must be paid by the provider agency at the rate for a typical session by that provider with that client or at a rate negotiated with the client-specific member. Client-specific treatment team members may include:

(i) the mental health professional treating the client prior to placement with the treatment team;

261.1 (ii) the client's current substance use counselor, if applicable;

261.2 (iii) a lead member of the client's individualized education program team or school-based
261.3 mental health provider, if applicable;

261.4 (iv) a representative from the client's health care home or primary care clinic, as needed
261.5 to ensure integration of medical and behavioral health care;

261.6 (v) the client's probation officer or other juvenile justice representative, if applicable;
261.7 and

261.8 (vi) the client's current vocational or employment counselor, if applicable.

261.9 (d) The treatment supervisor shall be an active member of the treatment team and shall
261.10 function as a practicing clinician at least on a part-time basis. The treatment team shall meet
261.11 with the treatment supervisor at least weekly to discuss recipients' progress and make rapid
261.12 adjustments to meet recipients' needs. The team meeting must include client-specific case
261.13 reviews and general treatment discussions among team members. Client-specific case
261.14 reviews and planning must be documented in the individual client's treatment record.

261.15 (e) The staffing ratio must not exceed ten clients to one full-time equivalent treatment
261.16 team position.

261.17 (f) The treatment team shall serve no more than 80 clients at any one time. Should local
261.18 demand exceed the team's capacity, an additional team must be established rather than
261.19 exceed this limit.

261.20 (g) Nonclinical staff shall have prompt access in person or by telephone to a mental
261.21 health practitioner, clinical trainee, or mental health professional. The provider shall have
261.22 the capacity to promptly and appropriately respond to emergent needs and make any
261.23 necessary staffing adjustments to ensure the health and safety of clients.

261.24 (h) The intensive nonresidential rehabilitative mental health services provider shall
261.25 participate in evaluation of the assertive community treatment for youth (Youth ACT) model
261.26 as conducted by the commissioner, including the collection and reporting of data and the
261.27 reporting of performance measures as specified by contract with the commissioner.

261.28 (i) A regional treatment team may serve multiple counties.

261.29 Sec. 25. Minnesota Statutes 2022, section 256B.76, subdivision 6, is amended to read:

261.30 Subd. 6. **Medicare relative value units.** (a) Effective for services rendered on or after
261.31 January 1, 2007, the commissioner shall make payments for physician and professional
261.32 services based on the Medicare relative value units (RVU's). This change shall be budget

262.1 neutral and the cost of implementing RVU's will be incorporated in the established conversion
262.2 factor.

262.3 (b) The commissioner shall revise fee-for-service payment methodologies under this
262.4 section upon the issuance of a Medicare Physician Fee Schedule final rule by the Centers
262.5 for Medicare and Medicaid Services to ensure that payment rates under this subdivision are
262.6 at least equal to the corresponding rates in the final rule.

262.7 (c) Before or at the same time the commissioner revises and implements payment rates
262.8 for other services under paragraph (a), the commissioner must revise and implement payment
262.9 rates for mental health services based on RVUs and rendered on or after January 1, 2025,
262.10 so that the payment rates are at least equal to 83 percent of the Medicare Physician Fee
262.11 Schedule.

262.12 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,
262.13 whichever is later. The commissioner of human services shall notify the revisor of statutes
262.14 when federal approval is obtained.

262.15 Sec. 26. Laws 2023, chapter 70, article 1, section 35, is amended to read:

262.16 Sec. 35. Minnesota Statutes 2022, section 256B.761, is amended to read:

262.17 **256B.761 REIMBURSEMENT FOR MENTAL HEALTH SERVICES.**

262.18 (a) Effective for services rendered on or after July 1, 2001, payment for medication
262.19 management provided to psychiatric patients, outpatient mental health services, day treatment
262.20 services, home-based mental health services, and family community support services shall
262.21 be paid at the lower of (1) submitted charges, or (2) 75.6 percent of the 50th percentile of
262.22 1999 charges.

262.23 (b) Effective July 1, 2001, the medical assistance rates for outpatient mental health
262.24 services provided by an entity that operates: (1) a Medicare-certified comprehensive
262.25 outpatient rehabilitation facility; and (2) a facility that was certified prior to January 1, 1993,
262.26 with at least 33 percent of the clients receiving rehabilitation services in the most recent
262.27 calendar year who are medical assistance recipients, will be increased by 38 percent, when
262.28 those services are provided within the comprehensive outpatient rehabilitation facility and
262.29 provided to residents of nursing facilities owned by the entity.

262.30 (c) In addition to rate increases otherwise provided, the commissioner may restructure
262.31 coverage policy and rates to improve access to adult rehabilitative mental health services
262.32 under section 256B.0623 and related mental health support services under section 256B.021,

subdivision 4, paragraph (f), clause (2). For state fiscal years 2015 and 2016, the projected state share of increased costs due to this paragraph is transferred from adult mental health grants under sections 245.4661 and 256E.12. The transfer for fiscal year 2016 is a permanent base adjustment for subsequent fiscal years. Payments made to managed care plans and county-based purchasing plans under sections 256B.69, 256B.692, and 256L.12 shall reflect the rate changes described in this paragraph.

(d) Any ratables effective before July 1, 2015, do not apply to early intensive developmental and behavioral intervention (EIDBI) benefits described in section 256B.0949.

(e) Effective for services rendered on or after January 1, 2024, payment rates for behavioral health services included in the rate analysis required by Laws 2021, First Special Session chapter 7, article 17, section 18, except for adult day treatment services under section 256B.0671, subdivision 3; early intensive developmental and behavioral intervention services under section 256B.0949; and substance use disorder services under chapter 254B, must be increased by three percent from the rates in effect on December 31, 2023. Effective for services rendered on or after January 1, 2025, payment rates for behavioral health services included in the rate analysis required by Laws 2021, First Special Session chapter 7, article 17, section 18~~, except for adult day treatment services under section 256B.0671, subdivision 3~~; early intensive developmental behavioral intervention services under section 256B.0949; and substance use disorder services under chapter 254B, must be annually adjusted according to the change from the midpoint of the previous rate year to the midpoint of the rate year for which the rate is being determined using the Centers for Medicare and Medicaid Services Medicare Economic Index as forecasted in the fourth quarter of the calendar year before the rate year. For payments made in accordance with this paragraph, if and to the extent that the commissioner identifies that the state has received federal financial participation for behavioral health services in excess of the amount allowed under United States Code, title 42, section 447.321, the state shall repay the excess amount to the Centers for Medicare and Medicaid Services with state money and maintain the full payment rate under this paragraph. This paragraph does not apply to federally qualified health centers, rural health centers, Indian health services, certified community behavioral health clinics, cost-based rates, and rates that are negotiated with the county. This paragraph expires upon legislative implementation of the new rate methodology resulting from the rate analysis required by Laws 2021, First Special Session chapter 7, article 17, section 18.

(f) Effective January 1, 2024, the commissioner shall increase capitation payments made to managed care plans and county-based purchasing plans to reflect the behavioral health service rate increase provided in paragraph (e). Managed care and county-based purchasing

264.1 plans must use the capitation rate increase provided under this paragraph to increase payment
264.2 rates to behavioral health services providers. The commissioner must monitor the effect of
264.3 this rate increase on enrollee access to behavioral health services. If for any contract year
264.4 federal approval is not received for this paragraph, the commissioner must adjust the
264.5 capitation rates paid to managed care plans and county-based purchasing plans for that
264.6 contract year to reflect the removal of this provision. Contracts between managed care plans
264.7 and county-based purchasing plans and providers to whom this paragraph applies must
264.8 allow recovery of payments from those providers if capitation rates are adjusted in accordance
264.9 with this paragraph. Payment recoveries must not exceed the amount equal to any increase
264.10 in rates that results from this provision.

264.11 **EFFECTIVE DATE.** This section is effective January 1, 2025, or upon federal approval,
264.12 whichever is later. The commissioner of human services shall notify the revisor of statutes
264.13 when federal approval is obtained.

264.14 Sec. 27. **FIRST EPISODE PSYCHOSIS COORDINATED SPECIALITY CARE**
264.15 **MEDICAL ASSISTANCE BENEFIT.**

264.16 (a) The commissioner of human services must develop a First Episode Psychosis
264.17 Coordinated Specialty Care (FEP-CSC) medical assistance benefit.

264.18 (b) The benefit must cover medically necessary treatment. Services must include:

264.19 (1) assertive outreach and engagement strategies encouraging individuals' involvement;

264.20 (2) person-centered care, delivered in the home and community, extending beyond
264.21 typical hours of operation, such as evenings and weekends;

264.22 (3) crisis planning and intervention;

264.23 (4) team leadership from a mental health professional who provides ongoing consultation
264.24 to the team members, coordinates admission screening, and leads the weekly team meetings
264.25 to facilitate case review and entry to the program;

264.26 (5) employment and education services that enable individuals to function in workplace
264.27 and educational settings that support individual preferences;

264.28 (6) family education and support that builds on an individual's identified family and
264.29 natural support systems;

264.30 (7) individual and group psychotherapy that include but are not limited to cognitive
264.31 behavioral therapies;

265.1 (8) care coordination services in clinic, community, and home settings to assist individuals
265.2 with practical problem solving, such as securing transportation, addressing housing and
265.3 other basic needs, managing money, obtaining medical care, and coordinating care with
265.4 other providers; and

265.5 (9) pharmacotherapy, medication management, and primary care coordination provided
265.6 by a mental health professional who is permitted to prescribe psychiatric medications.

265.7 (c) An eligible recipient is an individual who:

265.8 (1) is between the ages of 15 and 40;

265.9 (2) is experiencing early signs of psychosis with the duration of onset being less than
265.10 two years; and

265.11 (3) has been on antipsychotic medications for less than a total of 12 months.

265.12 (d) By December 1, 2026, the commissioner must submit a report to the chairs and
265.13 ranking minority members of the legislative committees with jurisdiction over human
265.14 services policy and finance. The report must include:

265.15 (1) an overview of the recommended benefit;

265.16 (2) eligibility requirements;

265.17 (3) program standards;

265.18 (4) a reimbursement methodology that covers team-based bundled costs;

265.19 (5) performance evaluation criteria for programs; and

265.20 (6) draft legislation with the statutory changes necessary to implement the benefit.

265.21 **EFFECTIVE DATE.** This section is effective July 1, 2024.

265.22 Sec. 28. **MEDICAL ASSISTANCE CHILDREN'S RESIDENTIAL MENTAL**
265.23 **HEALTH CRISIS STABILIZATION.**

265.24 (a) The commissioner of human services must consult with providers, advocates, Tribal
265.25 Nations, counties, people with lived experience as or with a child in a mental health crisis,
265.26 and other interested community members to develop a covered benefit under medical
265.27 assistance to provide residential mental health crisis stabilization for children. The benefit
265.28 must:

265.29 (1) consist of evidence-based promising practices, or culturally responsive treatment
265.30 services for children under the age of 21 experiencing a mental health crisis;

266.1 (2) embody an integrative care model that supports individuals experiencing a mental
266.2 health crisis who may also be experiencing co-occurring conditions;

266.3 (3) qualify for federal financial participation; and

266.4 (4) include services that support children and families, including but not limited to:

266.5 (i) an assessment of the child's immediate needs and factors that led to the mental health
266.6 crisis;

266.7 (ii) individualized care to address immediate needs and restore the child to a precrisis
266.8 level of functioning;

266.9 (iii) 24-hour on-site staff and assistance;

266.10 (iv) supportive counseling and clinical services;

266.11 (v) skills training and positive support services, as identified in the child's individual
266.12 crisis stabilization plan;

266.13 (vi) referrals to other service providers in the community as needed and to support the
266.14 child's transition from residential crisis stabilization services;

266.15 (vii) development of an individualized and culturally responsive crisis response action
266.16 plan; and

266.17 (viii) assistance to access and store medication.

266.18 (b) When developing the new benefit, the commissioner must make recommendations
266.19 for providers to be reimbursed for room and board.

266.20 (c) The commissioner must consult with or contract with rate-setting experts to develop
266.21 a prospective data-based rate methodology for the children's residential mental health crisis
266.22 stabilization benefit.

266.23 (d) No later than October 1, 2025, the commissioner must submit to the chairs and
266.24 ranking minority members of the legislative committees with jurisdiction over human
266.25 services policy and finance a report detailing the children's residential mental health crisis
266.26 stabilization benefit and must include:

266.27 (1) eligibility criteria, clinical and service requirements, provider standards, licensing
266.28 requirements, and reimbursement rates;

266.29 (2) the process for community engagement, community input, and crisis models studied
266.30 in other states;

267.1 (3) a deadline for the commissioner to submit a state plan amendment to the Centers for
267.2 Medicare and Medicaid Services; and

267.3 (4) draft legislation with the statutory changes necessary to implement the benefit.

267.4 **EFFECTIVE DATE.** This section is effective July 1, 2024.

267.5 Sec. 29. **MEDICAL ASSISTANCE CLUBHOUSE BENEFIT ANALYSIS.**

267.6 The commissioner of human services must conduct an analysis to identify existing or
267.7 pending Medicaid Clubhouse benefits in other states, federal authorities used, populations
267.8 served, service and reimbursement design, and accreditation standards. By December 1,
267.9 2025, the commissioner must submit a report to the chairs and ranking minority members
267.10 of the legislative committees with jurisdiction over health and human services finance and
267.11 policy. The report must include a comparative analysis of Medicaid Clubhouse programs
267.12 and recommendations for designing a medical assistance benefit in Minnesota.

267.13 Sec. 30. **STUDY ON MEDICAL ASSISTANCE CHILDREN'S INTENSIVE**
267.14 **RESIDENTIAL TREATMENT BENEFIT.**

267.15 (a) The commissioner of human services must consult with providers, advocates, Tribal
267.16 Nations, counties, people with lived experience as or with a child experiencing mental health
267.17 conditions, and other interested community members to develop a medical assistance state
267.18 plan covered benefit to provide intensive residential mental health services for children and
267.19 youth. The benefit must:

267.20 (1) consist of evidence-based promising practices and culturally responsive treatment
267.21 services for children under the age of 21;

267.22 (2) adapt to an integrative care model that supports individuals experiencing mental
267.23 health and co-occurring conditions;

267.24 (3) qualify for federal financial participation; and

267.25 (4) include services that support children, youth, and families, including but not limited
267.26 to:

267.27 (i) assessment;

267.28 (ii) individual treatment planning;

267.29 (iii) 24-hour on-site staff and assistance;

267.30 (iv) supportive counseling and clinical services; and

268.1 (v) referrals to other service providers in the community as needed and to support
268.2 transition to the family home or own home.

268.3 (b) When developing the new benefit, the commissioner must make recommendations
268.4 for providers to be reimbursed for room and board.

268.5 (c) The commissioner must consult with or contract with rate-setting experts to develop
268.6 a prospective data-based rate methodology for the children's intensive residential mental
268.7 health services.

268.8 (d) No later than August 1, 2026, the commissioner must submit to the chairs and ranking
268.9 minority members of the legislative committees with jurisdiction over human services policy
268.10 and finance a report detailing the proposed benefit, including:

268.11 (1) eligibility criteria, clinical and service requirements, provider standards, licensing
268.12 requirements, and reimbursement rates;

268.13 (2) the process for community engagement, community input, and residential models
268.14 studied in other states;

268.15 (3) a deadline for the commissioner to submit a state plan amendment to the Centers for
268.16 Medicare and Medicaid Services; and

268.17 (4) draft legislation with the statutory changes necessary to implement the benefit.

268.18 **EFFECTIVE DATE.** This section is effective July 1, 2024.

268.19 Sec. 31. **REVISOR INSTRUCTION.**

268.20 The revisor of statutes, in consultation with the Office of Senate Counsel, Research and
268.21 Fiscal Analysis; the House Research Department; and the commissioner of human services
268.22 shall prepare legislation for the 2025 legislative session to recodify Minnesota Statutes,
268.23 section 256B.0622, to move provisions related to assertive community treatment and intensive
268.24 residential treatment services into separate sections of statute. The revisor shall correct any
268.25 cross-references made necessary by this recodification.

268.26 **ARTICLE 10**

268.27 **CHILD PROTECTION AND WELFARE**

268.28 Section 1. Minnesota Statutes 2023 Supplement, section 256.01, subdivision 12b, is
268.29 amended to read:

268.30 Subd. 12b. **Department of Human Services systemic critical incident review team.** (a)
268.31 The commissioner may establish a Department of Human Services systemic critical incident

269.1 review team to review critical incidents reported as required under section 626.557 for
269.2 which the Department of Human Services is responsible under section 626.5572, subdivision
269.3 13; chapter 245D; ~~or~~ Minnesota Rules, chapter 9544; or child fatalities and near fatalities
269.4 that occur in licensed facilities and are not due to natural causes. When reviewing a critical
269.5 incident, the systemic critical incident review team shall identify systemic influences to the
269.6 incident rather than determine the culpability of any actors involved in the incident. The
269.7 systemic critical incident review may assess the entire critical incident process from the
269.8 point of an entity reporting the critical incident through the ongoing case management
269.9 process. Department staff shall lead and conduct the reviews and may utilize county staff
269.10 as reviewers. The systemic critical incident review process may include but is not limited
269.11 to:

269.12 (1) data collection about the incident and actors involved. Data may include the relevant
269.13 critical services; the service provider's policies and procedures applicable to the incident;
269.14 the community support plan as defined in section 245D.02, subdivision 4b, for the person
269.15 receiving services; or an interview of an actor involved in the critical incident or the review
269.16 of the critical incident. Actors may include:

269.17 (i) staff of the provider agency;

269.18 (ii) lead agency staff administering home and community-based services delivered by
269.19 the provider;

269.20 (iii) Department of Human Services staff with oversight of home and community-based
269.21 services;

269.22 (iv) Department of Health staff with oversight of home and community-based services;

269.23 (v) members of the community including advocates, legal representatives, health care
269.24 providers, pharmacy staff, or others with knowledge of the incident or the actors in the
269.25 incident; and

269.26 (vi) staff from the Office of the Ombudsman for Mental Health and Developmental
269.27 Disabilities and the Office of Ombudsman for Long-Term Care;

269.28 (2) systemic mapping of the critical incident. The team conducting the systemic mapping
269.29 of the incident may include any actors identified in clause (1), designated representatives
269.30 of other provider agencies, regional teams, and representatives of the local regional quality
269.31 council identified in section 256B.097; and

269.32 (3) analysis of the case for systemic influences.

270.1 Data collected by the critical incident review team shall be aggregated and provided to
270.2 regional teams, participating regional quality councils, and the commissioner. The regional
270.3 teams and quality councils shall analyze the data and make recommendations to the
270.4 commissioner regarding systemic changes that would decrease the number and severity of
270.5 critical incidents in the future or improve the quality of the home and community-based
270.6 service system.

270.7 (b) Cases selected for the systemic critical incident review process shall be selected by
270.8 a selection committee among the following critical incident categories:

270.9 (1) cases of caregiver neglect identified in section 626.5572, subdivision 17;

270.10 (2) cases involving financial exploitation identified in section 626.5572, subdivision 9;

270.11 (3) incidents identified in section 245D.02, subdivision 11;

270.12 (4) behavior interventions identified in Minnesota Rules, part 9544.0110;

270.13 (5) service terminations reported to the department in accordance with section 245D.10,
270.14 subdivision 3a; and

270.15 (6) other incidents determined by the commissioner.

270.16 (c) The systemic critical incident review under this section shall not replace the process
270.17 for screening or investigating cases of alleged maltreatment of an adult under section 626.557
270.18 or of a child under chapter 260E. The department may select cases for systemic critical
270.19 incident review, under the jurisdiction of the commissioner, reported for suspected
270.20 maltreatment and closed following initial or final disposition.

270.21 (d) The proceedings and records of the review team are confidential data on individuals
270.22 or protected nonpublic data as defined in section 13.02, subdivisions 3 and 13. Data that
270.23 document a person's opinions formed as a result of the review are not subject to discovery
270.24 or introduction into evidence in a civil or criminal action against a professional, the state,
270.25 or a county agency arising out of the matters that the team is reviewing. Information,
270.26 documents, and records otherwise available from other sources are not immune from
270.27 discovery or use in a civil or criminal action solely because the information, documents,
270.28 and records were assessed or presented during proceedings of the review team. A person
270.29 who presented information before the systemic critical incident review team or who is a
270.30 member of the team shall not be prevented from testifying about matters within the person's
270.31 knowledge. In a civil or criminal proceeding, a person shall not be questioned about opinions
270.32 formed by the person as a result of the review.

271.1 (e) By October 1 of each year, the commissioner shall prepare an annual public report
271.2 containing the following information:

271.3 (1) the number of cases reviewed under each critical incident category identified in
271.4 paragraph (b) and a geographical description of where cases under each category originated;

271.5 (2) an aggregate summary of the systemic themes from the critical incidents examined
271.6 by the critical incident review team during the previous year;

271.7 (3) a synopsis of the conclusions, incident analyses, or exploratory activities taken in
271.8 regard to the critical incidents examined by the critical incident review team; and

271.9 (4) recommendations made to the commissioner regarding systemic changes that could
271.10 decrease the number and severity of critical incidents in the future or improve the quality
271.11 of the home and community-based service system.

271.12 **EFFECTIVE DATE.** This section is effective July 1, 2025.

271.13 Sec. 2. Minnesota Statutes 2022, section 256N.26, subdivision 12, is amended to read:

271.14 Subd. 12. **Treatment of Supplemental Security Income.** (a) If a child placed in foster
271.15 care receives benefits through Supplemental Security Income (SSI) at the time of foster
271.16 care placement or subsequent to placement in foster care, the financially responsible agency
271.17 may apply to be the payee for the child for the duration of the child's placement in foster
271.18 care. If a child continues to be eligible for SSI after finalization of the adoption or transfer
271.19 of permanent legal and physical custody and is determined to be eligible for a payment
271.20 under Northstar Care for Children, a permanent caregiver may choose to receive payment
271.21 from both programs simultaneously. The permanent caregiver is responsible to report the
271.22 amount of the payment to the Social Security Administration and the SSI payment will be
271.23 reduced as required by the Social Security Administration.

271.24 (b) If a financially responsible agency applies to be the payee for a child who receives
271.25 benefits through SSI, or receives the benefits under this subdivision on behalf of a child,
271.26 the financially responsible agency must provide written notice by certified mail, return
271.27 receipt requested to:

271.28 (1) the child, if the child is 13 years of age or older;

271.29 (2) the child's parent, guardian, or custodian or if there is no legal parent or custodian
271.30 the child's relative selected by the agency;

271.31 (3) the guardian ad litem;

271.32 (4) the legally responsible agency; and

272.1 (5) the counsel appointed for the child pursuant to section 260C.163, subdivision 3.

272.2 (c) If a financially responsible agency receives benefits under this subdivision on behalf
272.3 of a child 13 years of age or older, the legally responsible agency and the guardian ad litem
272.4 must disclose this information to the child in person in a manner that best helps the child
272.5 understand the information. This paragraph does not apply in circumstances where the child
272.6 is living outside of Minnesota.

272.7 (d) If a financially responsible agency receives the benefits under this subdivision on
272.8 behalf of a child, it cannot use those funds for any other purpose than the care of that child.
272.9 The financially responsible agency must not commingle any benefits received under this
272.10 subdivision and must not put the benefits received on behalf of a child under this subdivision
272.11 into a general fund.

272.12 (e) If a financially responsible agency receives any benefits under this subdivision, it
272.13 must keep a record of:

272.14 (1) the total dollar amount it received on behalf of all children it receives benefits for;

272.15 (2) the total number of children it applied to be a payee for; and

272.16 (3) the total number of children it received benefits for.

272.17 (f) By January 1 of each year, each financially responsible agency must submit a report
272.18 to the commissioner of human services that includes the information required under paragraph
272.19 (c). By January 31 of each year, the commissioner must submit a report to the chairs and
272.20 ranking minority members of the legislative committees with jurisdiction over child
272.21 protection that compiles the information provided to the commissioner by each financially
272.22 responsible agency under paragraph (e); subdivision 13, paragraph (e); and section
272.23 260C.4411, subdivision 3, paragraph (d). This paragraph expires January 31, 2034.

272.24 Sec. 3. Minnesota Statutes 2022, section 256N.26, subdivision 13, is amended to read:

272.25 Subd. 13. **Treatment of retirement survivor's disability insurance, veteran's benefits,**
272.26 **railroad retirement benefits, and black lung benefits.** (a) If a child placed in foster care
272.27 receives retirement survivor's disability insurance, veteran's benefits, railroad retirement
272.28 benefits, or black lung benefits at the time of foster care placement or subsequent to
272.29 placement in foster care, the financially responsible agency may apply to be the payee for
272.30 the child for the duration of the child's placement in foster care. If it is anticipated that a
272.31 child will be eligible to receive retirement survivor's disability insurance, veteran's benefits,
272.32 railroad retirement benefits, or black lung benefits after finalization of the adoption or

273.1 assignment of permanent legal and physical custody, the permanent caregiver shall apply
273.2 to be the payee of those benefits on the child's behalf.

273.3 (b) If the financially responsible agency applies to be the payee for a child who receives
273.4 retirement survivor's disability insurance, veteran's benefits, railroad retirement benefits,
273.5 or black lung benefits, or receives the benefits under this subdivision on behalf of a child,
273.6 the financially responsible agency must provide written notice by certified mail, return
273.7 receipt requested to:

273.8 (1) the child, if the child is 13 years of age or older;

273.9 (2) the child's parent, guardian, or custodian or if there is no legal parent or custodian
273.10 the child's relative selected by the agency;

273.11 (3) the guardian ad litem;

273.12 (4) the legally responsible agency; and

273.13 (5) the counsel appointed for the child pursuant to section 260C.163, subdivision 3.

273.14 (c) If a financially responsible agency receives benefits under this subdivision on behalf
273.15 of a child 13 years of age or older, the legally responsible agency and the guardian ad litem
273.16 must disclose this information to the child in person in a manner that best helps the child
273.17 understand the information. This paragraph does not apply in circumstances where the child
273.18 is living outside of Minnesota.

273.19 (d) If a financially responsible agency receives the benefits under this subdivision on
273.20 behalf of a child, it cannot use those funds for any other purpose than the care of that child.
273.21 The financially responsible agency must not commingle any benefits received under this
273.22 subdivision and must not put the benefits received on behalf of a child under this subdivision
273.23 into a general fund.

273.24 (e) If a financially responsible agency receives any benefits under this subdivision, it
273.25 must keep a record of:

273.26 (1) the total dollar amount it received on behalf of all children it receives benefits for;

273.27 (2) the total number of children it applied to be a payee for; and

273.28 (3) the total number of children it received benefits for.

273.29 (f) By January 1 of each year, each financially responsible agency must submit a report
273.30 to the commissioner of human services that includes the information required under paragraph
273.31 (e).

274.1 Sec. 4. Minnesota Statutes 2023 Supplement, section 260.014, is amended by adding a
274.2 subdivision to read:

274.3 Subd. 5. **Carryforward authority.** Funds appropriated under this section are available
274.4 for two fiscal years.

274.5 Sec. 5. Minnesota Statutes 2022, section 260C.4411, is amended by adding a subdivision
274.6 to read:

274.7 Subd. 3. **Notice.** (a) If the county of financial responsibility under section 256G.02 or
274.8 Tribal agency authorized under section 256.01, subdivision 14b, receives any benefits under
274.9 subdivision 2 on behalf of a child, it must provide written notice by certified mail, return
274.10 receipt requested to:

274.11 (1) the child, if the child is 13 years of age or older;

274.12 (2) the child's parent, guardian, or custodian or if there is no legal parent or custodian
274.13 the child's relative selected by the agency;

274.14 (3) the guardian ad litem;

274.15 (4) the legally responsible agency as defined in section 256N.02, subdivision 14; and

274.16 (5) the counsel appointed for the child pursuant to section 260C.163, subdivision 3.

274.17 (b) If the county of financial responsibility under section 256G.02 or Tribal agency
274.18 authorized under section 256.01, subdivision 14b, receives benefits under subdivision 2 on
274.19 behalf of a child 13 years of age or older, the legally responsible agency as defined in section
274.20 256N.02, subdivision 14, and the guardian ad litem must disclose this information to the
274.21 child in person in a manner that best helps the child understand the information. This
274.22 paragraph does not apply in circumstances where the child is living outside of Minnesota.

274.23 (c) If the county of financial responsibility under section 256G.02 or Tribal agency
274.24 authorized under section 256.01, subdivision 14b, receives the benefits under subdivision
274.25 2 on behalf of a child, it cannot use those funds for any other purpose than the care of that
274.26 child. The county of financial responsibility or Tribal agency must not commingle any
274.27 benefits received under subdivision 2 and must not put the benefits received on behalf of a
274.28 child under subdivision 2 into a general fund.

274.29 (d) If the county of financial responsibility under section 256G.02 or Tribal agency
274.30 authorized under section 256.01, subdivision 14b, receives any benefits under subdivision
274.31 2, it must keep a record of the total dollar amount it received on behalf of all children it
274.32 receives benefits for and the total number of children it receives benefits for. By January 1

275.1 of each year, the county of financial responsibility and Tribal agency must submit a report
275.2 to the commissioner of human services that includes the information required under this
275.3 paragraph.

275.4 Sec. 6. **[260E.021] CHILD PROTECTION ADVISORY COUNCIL.**

275.5 Subdivision 1. **Membership.** The Child Protection Advisory Council consists of 24
275.6 members, appointed as follows:

275.7 (1) the commissioner of human services or a designee;

275.8 (2) the commissioner of children, youth, and families or a designee;

275.9 (3) the ombudsperson for foster youth or a designee;

275.10 (4) two members of the house of representatives, one appointed by the speaker of the
275.11 house and one appointed by the minority leader of the house of representatives;

275.12 (5) two members of the senate, one appointed by the senate majority leader and one
275.13 appointed by the senate minority leader;

275.14 (6) a representative from the Association of Minnesota Counties appointed by the
275.15 association;

275.16 (7) two members representing county social services agencies appointed by the Minnesota
275.17 Association of County Social Service Administrators, one from a county outside the
275.18 seven-county metropolitan area and one from a county within the seven-county metropolitan
275.19 area;

275.20 (8) one member with experience working and advocating for children with disabilities
275.21 in the child welfare system, appointed by the Minnesota Council on Disability;

275.22 (9) two members appointed by Indian Child Welfare Advisory Council, one from a
275.23 county outside the seven-county metropolitan area and one from a county within the
275.24 seven-county metropolitan area;

275.25 (10) one member appointed by the ombudsperson of American Indian Families;

275.26 (11) one member appointed by the Children's Alliance;

275.27 (12) three members appointed by the ombudsperson for families;

275.28 (13) two members from the Children's Justice Task Force, one with experience as an
275.29 attorney or judge working in the child welfare system and one with experience as a peace
275.30 officer working in the child welfare system; and

276.1 (14) four members of the public appointed by the governor, including:

276.2 (i) one member 18 years of age or older who has lived experience with the child welfare
276.3 system;

276.4 (ii) one member 18 years of age or older who has lived experience with the child welfare
276.5 system as a parent or caregiver;

276.6 (iii) one member who is an advocate who has experience working within the child welfare
276.7 system and who has experience working with members of the LGBTQ+ community or
276.8 persons who are Black, Indigenous, or people of color; and

276.9 (iv) one member with experience working as a pediatrician or nurse specializing in child
276.10 abuse.

276.11 Subd. 2. **Council administration.** (a) For members appointed under subdivision 1,
276.12 clauses (6) to (14), section 15.059, subdivisions 1 to 4, apply.

276.13 (b) The commissioner of administration shall provide the advisory council with staff
276.14 support, office space, and access to office equipment and services.

276.15 Subd. 3. **Meetings.** (a) The advisory council must meet at least quarterly but may meet
276.16 more frequently at the call of the chairperson or at the request of a majority of advisory
276.17 council members.

276.18 (b) Meetings of the advisory council are subject to the Minnesota Open Meeting Law
276.19 under chapter 13D.

276.20 Subd. 4. **Chairperson.** (a) The advisory council must elect a chairperson from among
276.21 the members of the executive committee and other officers as it deems necessary and in
276.22 accordance with the advisory council's operating procedures.

276.23 (b) The advisory council is governed by an executive committee elected by the members
276.24 of the advisory council.

276.25 (c) The advisory council shall appoint an executive director. The advisory council may
276.26 delegate to the executive director any powers and duties under this section that do not require
276.27 advisory council approval. The executive director serves in the unclassified service and
276.28 may be removed at any time by a majority vote of the advisory council. The executive
276.29 director may employ and direct staff necessary to carry out advisory council mandates,
276.30 policies, activities, and objectives.

276.31 (d) The executive committee may appoint additional subcommittees and work groups
276.32 as necessary to fulfill the duties of the advisory council.

277.1 Subd. 5. **Duties.** (a) The advisory council must:

277.2 (1) review annual reports prepared by the child mortality review panel under section
277.3 260E.39;

277.4 (2) review child welfare data provided by the Department of Human Services and
277.5 counties;

277.6 (3) review and provide guidance on the Family First Prevention Services Act
277.7 implementation; and

277.8 (4) work with the commissioner of human services to evaluate child protection grants
277.9 to address disparities in child welfare pursuant to section 256E.28.

277.10 (b) The advisory council may collect additional topic areas for study and evaluation
277.11 from the public. For the advisory council to study and evaluate a topic, the topic must be
277.12 approved for study and evaluation by the advisory council.

277.13 (c) Legislative members may not deliberate about or vote on decisions related to the
277.14 issuance of grants of state money.

277.15 Subd. 6. **Report.** By January 1, 2025, and annually thereafter, the advisory council must
277.16 submit a report to the chairs and ranking minority members of the legislative committees
277.17 with jurisdiction over child protection and child welfare on the advisory council's activities
277.18 under subdivision 5 and other issues on which the advisory council may choose to report.

277.19 Subd. 7. **Expiration.** The Child Protection Advisory Council expires June 30, 2027.

277.20 Sec. 7. **[260E.39] CHILD FATALITY AND NEAR FATALITY REVIEW.**

277.21 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
277.22 the meanings given.

277.23 (b) "Critical incident" means a child fatality or near fatality in which maltreatment was
277.24 a known or suspected contributing cause.

277.25 (c) "Joint review" means the critical incident review conducted by the child mortality
277.26 review panel jointly with the local review team under subdivision 4, paragraph (b).

277.27 (d) "Local review" means the local critical incident review conducted by the local review
277.28 team under subdivision 4, paragraph (c).

277.29 (e) "Local review team" means a local child mortality review team established under
277.30 subdivision 2.

277.31 (f) "Panel" means the child mortality review panel established under subdivision 3.

278.1 Subd. 2. **Local child mortality review teams.** (a) Each county shall establish a
278.2 multidisciplinary local child mortality review team and shall participate in local critical
278.3 incident reviews that are based on safety science principles to support a culture of learning.
278.4 The local welfare agency's child protection team may serve as the local review team. The
278.5 local review team shall include but not be limited to professionals with knowledge of the
278.6 critical incident being reviewed.

278.7 (b) The local review team shall conduct reviews of critical incidents jointly with the
278.8 child mortality review panel or as otherwise required under subdivision 4, paragraph (c).

278.9 Subd. 3. **Child mortality review panel; establishment and membership.** (a) The
278.10 commissioner shall establish a child mortality review panel to review critical incidents
278.11 attributed to child maltreatment. The purpose of the panel is to identify systemic changes
278.12 to improve child safety and well-being and recommend modifications in statutes, rules,
278.13 policies, and procedures.

278.14 (b) The panel shall consist of:

278.15 (1) the commissioner of children, youth, and families or a designee;

278.16 (2) the commissioner of human services or a designee;

278.17 (3) the commissioner of health or a designee;

278.18 (4) the commissioner of education or a designee;

278.19 (5) a judge appointed by the Minnesota judicial branch; and

278.20 (6) other members appointed by the governor, including but not limited to:

278.21 (i) a physician who is a medical examiner;

278.22 (ii) a physician who is a child abuse specialist pediatrician;

278.23 (iii) a county attorney who works on child protection cases;

278.24 (iv) two current child protection supervisors for local welfare agencies, each of whom
278.25 has previous experience as a frontline child protection worker;

278.26 (v) a current local welfare agency director who has previous experience as a frontline
278.27 child protection worker or supervisor;

278.28 (vi) two current child protection supervisors or directors for Tribal child welfare agencies,
278.29 each of whom has previous experience as a frontline child protection worker or supervisor;

278.30 (vii) a county public health worker; and

279.1 (viii) a member representing law enforcement.

279.2 (c) The governor shall designate one member as chair of the panel from the members
279.3 listed in paragraph (b), clauses (5) and (6).

279.4 (d) Members of the panel shall serve terms of four years for an unlimited number of
279.5 terms. A member of the panel may be removed by the appointing authority for the member.

279.6 (e) The commissioner shall employ an executive director for the panel to provide
279.7 administrative support to the panel and the chair, including providing the panel with critical
279.8 incident notices submitted by local welfare agencies; compile and synthesize information
279.9 for the panel; draft recommendations and reports for the panel's final approval; and conduct
279.10 or otherwise direct training and consultation under subdivision 7.

279.11 Subd. 4. **Critical incident review process.** (a) A local welfare agency that has determined
279.12 that maltreatment was the cause of or a contributing factor in a critical incident must notify
279.13 the commissioner of children, youth, and families and the executive director of the panel
279.14 within three business days of making the determination.

279.15 (b) The panel shall conduct a joint review with the local review team for:

279.16 (1) any critical incident relating to a family, child, or caregiver involved in a local welfare
279.17 agency family assessment or investigation within the 12 months preceding the critical
279.18 incident;

279.19 (2) a critical incident the governor or commissioner directs the panel to review; and

279.20 (3) any other critical incident the panel chooses for review.

279.21 (c) The local review team must review all critical incident cases not subject to joint
279.22 review under paragraph (b).

279.23 (d) Within 120 days of initiating a joint review or local review of a critical incident,
279.24 except as provided under paragraph (h), the panel or local review team shall complete the
279.25 joint review or local review and compile a report. The report must include any systemic
279.26 learnings that may increase child safety and well-being, and may include policy or practice
279.27 considerations for systems changes that may improve child well-being and safety.

279.28 (e) A local review team must provide its report following a local review to the panel
279.29 within three business days after the report is complete. After receiving the local review team
279.30 report, the panel may conduct a further joint review.

280.1 (f) Following the panel's joint review or after receiving a local review team report, the
280.2 panel may make recommendations to any state or local agency, branch of government, or
280.3 system partner to improve child safety and well-being.

280.4 (g) The commissioner shall conduct additional information gathering as requested by
280.5 the panel or the local review team. The commissioner must conduct information gathering
280.6 for all cases for which the panel requests assistance. The commissioner shall compile a
280.7 summary report for each critical incident for which information gathering is conducted and
280.8 provide the report to the panel and the local welfare agency that reported the critical incident.

280.9 (h) If the panel or local review team requests information gathering from the
280.10 commissioner, the panel or local review team may conduct the joint review or local review
280.11 and compile the report under paragraph (d) after receiving the commissioner's summary
280.12 information gathering report. The timeline for a local or joint review under paragraph (d)
280.13 may be extended if the panel or local review team requests additional information gathering
280.14 to complete their review. If the local review team extends the timeline for its review and
280.15 report, the local welfare agency must notify the executive director of the panel of the
280.16 extension and the expected completion date.

280.17 (i) The review of any critical incident shall proceed as specified in this section, regardless
280.18 of the status of any pending litigation or other active investigation.

280.19 Subd. 5. **Critical incident reviews; data practices and immunity.** (a) In conducting
280.20 reviews, the panel, the local review team, and the commissioner shall have access to not
280.21 public data under chapter 13 maintained by state agencies, statewide systems, or political
280.22 subdivisions that are related to the child's critical incident or circumstances surrounding the
280.23 care of the child. The panel, the local review team, and the commissioner shall also have
280.24 access to records of private hospitals as necessary to carry out the duties prescribed by this
280.25 section. A state agency, statewide system, or political subdivision shall provide the data
280.26 upon request from the commissioner. Not public data may be shared with members of the
280.27 panel, a local review team, or the commissioner in connection with an individual case.

280.28 (b) Notwithstanding the data's classification in the possession of any other agency, data
280.29 acquired by a local review team, the panel, or the commissioner in the exercise of their
280.30 duties are protected nonpublic or confidential data as defined in section 13.02 but may be
280.31 disclosed as necessary to carry out the duties of the review team, panel, or commissioner.
280.32 The data are not subject to subpoena or discovery.

280.33 (c) The commissioner shall disclose information regarding a critical incident upon request
280.34 but shall not disclose data that was classified as confidential or private data on decedents

281.1 under section 13.10 or private, confidential, or protected nonpublic data in the disseminating
281.2 agency, except that the commissioner may disclose local social service agency data as
281.3 provided in section 260E.35 on individual cases involving a critical incident with a person
281.4 served by the local social service agency prior to the date of the critical incident.

281.5 (d) A person attending a local review team or child mortality review panel meeting shall
281.6 not disclose what transpired at the meeting except to carry out the purposes of the local
281.7 review team or panel. The commissioner shall not disclose what transpired during the
281.8 information gathering process except to carry out the duties of the commissioner. The
281.9 proceedings and records of the local review team, the panel, and the commissioner are
281.10 protected nonpublic data as defined in section 13.02, subdivision 13, and are not subject to
281.11 discovery or introduction into evidence in a civil or criminal action. Information, documents,
281.12 and records otherwise available from other sources are not immune from discovery or use
281.13 in a civil or criminal action solely because they were presented during proceedings of the
281.14 local review team, the panel, or the commissioner.

281.15 (e) A person who presented information before the local review team, the panel, or the
281.16 commissioner or who is a member of the local review team or the panel, or an employee
281.17 conducting information gathering as designated by the commissioner, shall not be prevented
281.18 from testifying about matters within the person's knowledge. However, in a civil or criminal
281.19 proceeding, a person may not be questioned about the person's presentation of information
281.20 to the local review team, the panel, or the commissioner, or about the information reviewed
281.21 or discussed during a critical incident review or the information gathering process, any
281.22 conclusions drawn or recommendations made related to information gathering or a critical
281.23 incident review, or opinions formed by the person as a result of the panel or review team
281.24 meetings.

281.25 (f) A person who presented information before the local review team, the panel, or the
281.26 commissioner, who is a member of the local review team or the panel, or who is an employee
281.27 conducting information gathering as designated by the commissioner, is immune from any
281.28 civil or criminal liability that might otherwise result from the person's presentation or
281.29 statements if the person was acting in good faith and assisting with information gathering
281.30 or in a critical incident review under this section.

281.31 Subd. 6. **Child mortality review panel; annual report.** Beginning December 15, 2026,
281.32 and on or before December 15 annually thereafter, the commissioner shall publish a report
281.33 of the child mortality review panel. The report shall include but not be limited to de-identified
281.34 summary data on the number of critical incidents reported to the panel, the number of critical
281.35 incidents reviewed by the panel and local review teams, and systemic learnings identified

282.1 by the panel or local review teams during the period covered by the report. The report shall
282.2 also include recommendations on improving the child protection system, including
282.3 modifications to statutes, rules, policies, and procedures. The panel may make
282.4 recommendations to the legislature or any state or local agency at any time, outside of the
282.5 annual report.

282.6 Subd. 7. **Local welfare agency critical incident review training.** The commissioner
282.7 shall provide training and support to local review teams and the panel to assist with local
282.8 or joint review processes and procedures. The commissioner shall also provide consultation
282.9 to local review teams and the panel conducting local or joint reviews pursuant to this section.

282.10 Subd. 8. **Culture of learning and improvement.** The local review teams and panel
282.11 shall advance and support a culture of learning and improvement within Minnesota's child
282.12 welfare system.

282.13 **EFFECTIVE DATE.** This section is effective July 1, 2025.

282.14 Sec. 8. Minnesota Statutes 2023 Supplement, section 518A.42, subdivision 3, is amended
282.15 to read:

282.16 Subd. 3. **Exception.** (a) ~~This section~~ The minimum basic support amount under
282.17 subdivision 2 does not apply to an obligor who is incarcerated ~~or is a recipient of a general~~
282.18 ~~assistance grant, Supplemental Security Income, temporary assistance for needy families~~
282.19 ~~(TANF) grant, or comparable state-funded Minnesota family investment program (MFIP)~~
282.20 ~~benefits~~.

282.21 (b) The minimum basic support amount under subdivision 2 does not apply to an obligor
282.22 who is a recipient of:

282.23 (1) a general assistance grant;

282.24 (2) Supplemental Security Income;

282.25 (3) a Temporary Assistance for Needy Families (TANF) grant; or

282.26 (4) comparable state-funded Minnesota family investment program (MFIP) benefits.

282.27 ~~(b)~~ (c) If the court finds the obligor receives no income and completely lacks the ability
282.28 to earn income, the minimum basic support amount under ~~this~~ subdivision 2 does not apply.

282.29 ~~(c)~~ (d) If the obligor's basic support amount is reduced below the minimum basic support
282.30 amount due to the application of the parenting expense adjustment, the minimum basic
282.31 support amount under ~~this~~ subdivision 2 does not apply and the lesser amount is the guideline
282.32 basic support.

283.1 Sec. 9. Laws 2023, chapter 70, article 14, section 42, subdivision 6, is amended to read:

283.2 Subd. 6. **Community Resource Center Advisory Council; establishment and**
283.3 **duties.** (a) The commissioner, in consultation with other relevant state agencies, shall appoint
283.4 members to the Community Resource Center Advisory Council.

283.5 (b) Membership must be demographically and geographically diverse and include:

283.6 (1) parents and family members with lived experience who lack opportunities;

283.7 (2) community-based organizations serving families who lack opportunities;

283.8 (3) Tribal and urban American Indian representatives;

283.9 (4) county government representatives;

283.10 (5) school and school district representatives; and

283.11 (6) state partner representatives.

283.12 (c) Duties of the Community Resource Center Advisory Council include but are not
283.13 limited to:

283.14 (1) advising the commissioner on the development and funding of a network of
283.15 community resource centers;

283.16 (2) advising the commissioner on the development of requests for proposals and grant
283.17 award processes;

283.18 (3) advising the commissioner on the development of program outcomes and
283.19 accountability measures; and

283.20 (4) advising the commissioner on ongoing governance and necessary support in the
283.21 implementation of community resource centers.

283.22 (d) Compensation for members of the Community Resource Center Advisory Council
283.23 is governed by Minnesota Statutes, section 15.0575, except that a public member may be
283.24 compensated at the rate of up to $125 per day.

283.25 (e) A vacancy on the council may be filled by the appointing authority for the remainder
283.26 of the unexpired term.

284.1 Sec. 10. **CHILD PROTECTION ADVISORY COUNCIL; INITIAL TERMS AND**
284.2 **APPOINTMENTS AND FIRST MEETING.**

284.3 Subdivision 1. **Initial appointments.** Appointing authorities for the Child Protection
284.4 Advisory Council under Minnesota Statutes, section 260E.021, must appoint members to
284.5 the council by September 30, 2024.

284.6 Subd. 2. **Terms.** Members appointed under Minnesota Statutes, section 260E.021,
284.7 subdivision 1, clauses (7), (8), and (9), serve a term that is coterminous with the governor.
284.8 Members appointed under Minnesota Statutes, section 260E.021, subdivision 1, clauses
284.9 (10) and (12), serve a term that ends one year after the governor's term. Members appointed
284.10 under Minnesota Statutes, section 260E.021, subdivision 1, clauses (6), (11), and (13), serve
284.11 a term that ends two years after the governor's term. Members appointed under Minnesota
284.12 Statutes, section 260E.021, subdivision 1, clause (14), serve a term that ends three years
284.13 after the governor's term.

284.14 Subd. 3. **Chair; first meeting.** The commissioner of children, youth, and families or
284.15 the commissioner's designee will serve as chair until the council elects a chair. The
284.16 commissioner must convene the first meeting of the council by October 31, 2024. The
284.17 council must elect its executive committee and its chair at its first meeting.

284.18 Subd. 4. **Expiration.** This section expires June 30, 2027.

284.19 Sec. 11. **DIRECTION TO COMMISSIONER; CHILD MALTREATMENT**
284.20 **REPORTING SYSTEMS REVIEW AND RECOMMENDATIONS.**

284.21 The commissioner of children, youth, and families must review current child maltreatment
284.22 reporting processes and systems in various states and evaluate the costs and benefits of each
284.23 reviewed state's system. In consultation with stakeholders, including but not limited to
284.24 counties, Tribes, and organizations with expertise in child maltreatment prevention and
284.25 child protection, the commissioner must develop recommendations on implementing a
284.26 statewide child abuse and neglect reporting system in Minnesota and outline the benefits,
284.27 challenges, and costs of such a transition. By June 1, 2025, the commissioner must submit
284.28 a report detailing the commissioner's recommendations to the chairs and ranking minority
284.29 members of the legislative committees with jurisdiction over child protection. The
284.30 commissioner must also publish the report on the department's website.

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

285.1 Sec. 12. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; CHILD**
285.2 **WELFARE WORKFORCE SYSTEM IMPROVEMENTS.**

285.3 When designing, developing, and implementing a data-driven, federally compliant
285.4 Comprehensive Child Welfare Information System, the commissioner of human services
285.5 must ensure that the system can do the following:

285.6 (1) allow counties to track various financial information, including benefits received by
285.7 counties on behalf of children in the child protection system;

285.8 (2) allow counties to track all fees received by counties from parents with children in
285.9 out-of-home placements;

285.10 (3) provide ombudspersons with direct access to nonprivileged information necessary
285.11 for the discharge of the ombudsperson's duties, including specific child protection case
285.12 information;

285.13 (4) provide comprehensive statewide data reports; and

285.14 (5) track demographic information about children in the child protection system, including
285.15 disability, ethnicity, economic status, and cultural identity.

285.16 Sec. 13. **PREVENTING NONRELATIVE FOSTER CARE PLACEMENT GRANTS.**

285.17 (a) The commissioner of children, youth, and families must award grants to eligible
285.18 community-based nonprofit organizations to provide culturally competent supports to relative
285.19 caregivers who are caring for relative children and connection to local and statewide
285.20 resources.

285.21 (b) Grant funds must be used to serve relative caregivers caring for children from
285.22 communities that are disproportionately overrepresented in the child welfare system based
285.23 on available data, as determined by the commissioner.

285.24 (c) Grant funds may be used to assess relative caregiver and child needs, provide
285.25 connection to local and statewide culturally competent resources, and provide culturally
285.26 competent case management to assist with complex cases. Grant funds may also be used to
285.27 provide culturally competent supports to reduce the need for child welfare involvement or
285.28 risk of child welfare involvement and increase family stability by preventing nonrelative
285.29 foster care placement.

285.30 (d) For purposes of this section, "relative" has the meaning given in Minnesota Statutes,
285.31 section 260C.007, subdivision 27.

286.1 Sec. 14. **REPEALER.**

286.2 (a) Minnesota Statutes 2022, section 256.01, subdivisions 12 and 12a, are repealed.

286.3 (b) Minnesota Rules, part 9560.0232, subpart 5, is repealed.

286.4 **EFFECTIVE DATE.** This section is effective July 1, 2025.

286.5 **ARTICLE 11**

286.6 **ECONOMIC SUPPORTS**

286.7 Section 1. **[142F.103] CAMPUS-BASED EMPLOYMENT AND TRAINING**
286.8 **PROGRAM FOR STUDENTS ENROLLED IN HIGHER EDUCATION.**

286.9 Subdivision 1. **Designation.** (a) Within six months of the effective date of this section,
286.10 the Board of Trustees of Minnesota State Colleges and Universities must, and the Board of
286.11 Regents of the University of Minnesota is requested to, submit an application to the
286.12 commissioner of human services verifying whether each MNSCU institution meets the
286.13 requirements to be a campus-based employment and training program that qualifies for the
286.14 student exemption for Supplemental Nutrition Assistance Program (SNAP) eligibility, as
286.15 described in the Code of Federal Regulations, title 7, section 273.5(b)(11)(iv).

286.16 (b) An institution of higher education must be designated as a campus-based employment
286.17 and training program by the commissioner of human services if that institution meets the
286.18 requirements set forth in the guidance under subdivision 3. The commissioner of human
286.19 services must maintain a list of approved programs on its website.

286.20 Subd. 2. **Student eligibility.** A student is eligible to participate in a campus-based
286.21 employment and training program under this section if the student is enrolled in:

286.22 (1) a public two-year community or technical college and received a state grant under
286.23 section 136A.121, received a federal Pell grant, or has a student aid index of $0 or less;

286.24 (2) a Tribal college as defined in section 136A.62 and received a state grant under section
286.25 136A.121, received a federal Pell grant, or has a student aid index of $0 or less; or

286.26 (3) a public four-year university and received a state grant under section 136A.121,
286.27 received a federal Pell grant, or has a student aid index of $0 or less.

286.28 Subd. 3. **Guidance.** Within three months of the effective date of this section and annually
286.29 thereafter, the commissioner of human services, in consultation with the commissioner of
286.30 higher education, must issue guidance to counties, Tribal Nations, Tribal colleges, and
286.31 Minnesota public postsecondary institutions that:

287.1 (1) clarifies the state and federal eligibility requirements for campus-based employment
287.2 and training programs for low-income households;

287.3 (2) clarifies the application process for campus-based employment and training programs
287.4 for low-income households including but not limited to providing a list of the supporting
287.5 documents required for program approval;

287.6 (3) clarifies how students in an institution of higher education approved as a campus-based
287.7 employment and training program for low-income households qualify for a SNAP student
287.8 exemption; and

287.9 (4) clarifies the SNAP eligibility criteria for students that qualify for a SNAP student
287.10 exemption under this section.

287.11 Subd. 4. **Application.** Within three months of the effective date of this section, the
287.12 commissioner of human services, in consultation with the commissioner of higher education,
287.13 must design an application for institutions of higher education to apply for a campus-based
287.14 employment and training program designation.

287.15 Subd. 5. **Notice.** At the beginning of each academic semester, an institution of higher
287.16 education with a designated campus-based employment and training program must send a
287.17 letter to students eligible under this section to inform them that they may qualify for SNAP
287.18 benefits and direct them to resources to apply. The letter under this subdivision shall serve
287.19 as proof of a student's enrollment in a campus-based employment and training program.

287.20 **EFFECTIVE DATE.** This section is effective upon federal approval. The commissioner
287.21 of human services must notify the revisor of statutes when federal approval is obtained.

287.22 Sec. 2. **[142F.16] MINNESOTA FOOD BANK PROGRAM.**

287.23 The Minnesota food bank program is established in the Department of Human Services.
287.24 The commissioner of human services shall distribute money appropriated to the Minnesota
287.25 food bank program to all regional food banks the commissioner contracts with for the
287.26 purposes of The Emergency Food Assistance Program (TEFAP).The commissioner shall
287.27 distribute money under this section in accordance with the federal TEFAP formula and
287.28 guidelines of the United States Department of Agriculture. Money distributed under this
287.29 section must be used by all regional food banks to purchase food that will be distributed
287.30 free of charge to TEFAP partner agencies. Money distributed under this section must also
287.31 cover the handling and delivery fees typically paid by food shelves to food banks to ensure
287.32 costs associated with money under this section are not incurred at the local level.

288.1 Sec. 3. Minnesota Statutes 2023 Supplement, section 256E.38, subdivision 4, is amended
288.2 to read:

288.3 Subd. 4. **Eligible uses of grant money.** An eligible applicant that receives grant money
288.4 under this section shall use the money to purchase diapers and wipes and may use up to
288.5 ~~four~~ ten percent of the money for administrative costs.

288.6 Sec. 4. **TRANSFER TO DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES.**

288.7 The responsibilities for the campus-based employment and training program for students
288.8 enrolled in higher education under Minnesota Statutes, section 142F.103, and the Minnesota
288.9 food bank program under Minnesota Statutes, section 142F.16, must transfer from the
288.10 commissioner of human services to the commissioner of children, youth, and families.
288.11 Minnesota Statutes, sections 142F.103 and 142F.16, are incorporated into the transfer of
288.12 duties and responsibilities in Laws 2023, chapter 70, article 12, section 30, and the
288.13 commissioner shall give the notices of when the transfer is effective as required by Laws
288.14 2023, chapter 70, article 12, section 30, subdivision 1.

288.15 **ARTICLE 12**

288.16 **HOUSING AND HOMELESSNESS**

288.17 Section 1. **PREGNANT AND PARENTING HOMELESS YOUTH STUDY.**

288.18 (a) The commissioner of human services must contract with the Wilder Foundation to
288.19 conduct a study of:

288.20 (1) the statewide numbers and unique needs of pregnant and parenting youth experiencing
288.21 homelessness; and

288.22 (2) best practices in supporting pregnant and parenting homeless youth within
288.23 programming, emergency shelter, and housing settings.

288.24 (b) The Wilder Foundation must submit a final report to the commissioner by December
288.25 31, 2025. The commissioner shall submit the report to the chairs and ranking minority
288.26 members of the legislative committees with jurisdiction over homeless youth services finance
288.27 and policy.

288.28 Sec. 2. **REVIVAL AND REENACTMENT.**

288.29 Minnesota Statutes 2022, section 256B.051, subdivision 7, is revived and reenacted
288.30 effective retroactively from August 1, 2023. Any time frames within or dependent on the

289.1 subdivision are based on the original effective date in Laws 2017, First Special Session
289.2 chapter 6, article 2, section 10.

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

289.4 Sec. 3. **REPEALER.**

289.5 Laws 2023, chapter 25, section 190, subdivision 10, is repealed.

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

289.7 **ARTICLE 13**

289.8 **CHILD CARE LICENSING**

289.9 Section 1. **[142B.171] CHILD CARE WEIGHTED RISK SYSTEM.**

289.10 Subdivision 1. **Implementation.** The commissioner shall develop and implement a child
289.11 care weighted risk system that provides a tiered licensing enforcement framework for child
289.12 care licensing requirements in this chapter or Minnesota Rules, chapter 9502 or 9503.

289.13 Subd. 2. **Documented technical assistance.** (a) In lieu of a correction order under section
289.14 142B.16, the commissioner shall provide documented technical assistance to a family child
289.15 care or child care center license holder if the commissioner finds that:

289.16 (1) the license holder has failed to comply with a requirement in this chapter or Minnesota
289.17 Rules, chapter 9502 or 9503, that the commissioner determines to be low risk as determined
289.18 by the child care weighted risk system;

289.19 (2) the noncompliance does not imminently endanger the health, safety, or rights of the
289.20 persons served by the program; and

289.21 (3) the license holder did not receive documented technical assistance or a correction
289.22 order for the same violation at the license holder's most recent annual licensing inspection.

289.23 (b) Documented technical assistance must include communication from the commissioner
289.24 to the child care provider that:

289.25 (1) states the conditions that constitute a violation of a law or rule;

289.26 (2) references the specific law or rule violated; and

289.27 (3) explains remedies for correcting the violation.

289.28 (c) The commissioner shall not publicly publish documented technical assistance on the
289.29 department's website.

Sec. 2. Minnesota Statutes 2023 Supplement, section 245A.50, subdivision 3, is amended to read:

Subd. 3. **First aid.** (a) Before initial licensure and before caring for a child, license holders, second adult caregivers, and substitutes must be trained in pediatric first aid. The first aid training must have been provided by an individual approved to provide first aid instruction. First aid training may be less than eight hours and persons qualified to provide first aid training include individuals approved as first aid instructors. License holders, second adult caregivers, and substitutes must repeat pediatric first aid training every two years within 90 days of the date the training was initially taken. ~~License holders, second adult caregivers, and substitutes must not let the training expire.~~

(b) Video training reviewed and approved by the county licensing agency satisfies the training requirement of this subdivision.

Sec. 3. Minnesota Statutes 2023 Supplement, section 245A.50, subdivision 4, is amended to read:

Subd. 4. **Cardiopulmonary resuscitation.** (a) Before initial licensure and before caring for a child, license holders, second adult caregivers, and substitutes must be trained in pediatric cardiopulmonary resuscitation (CPR), including CPR techniques for infants and children, and in the treatment of obstructed airways. The CPR training must have been provided by an individual approved to provide CPR instruction. License holders, second adult caregivers, and substitutes must repeat pediatric CPR training at least once every two years within 90 days of the date the training was initially taken, and the training must ~~document the training~~ be documented in the license holder's records. ~~License holders, second adult caregivers, and substitutes must not let the training expire.~~

(b) Persons providing CPR training must use CPR training that has been developed:

(1) by the American Heart Association or the American Red Cross and incorporates psychomotor skills to support the instruction; or

(2) using nationally recognized, evidence-based guidelines for CPR training and incorporates psychomotor skills to support the instruction.

Sec. 4. **REPEALER.**

Minnesota Statutes 2022, section 245A.065, is repealed.

291.1 ARTICLE 14

291.2 DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES

291.3 Section 1. **[142A.045] CHILDREN, YOUTH, AND FAMILIES**
291.4 **INTERGOVERNMENTAL ADVISORY COMMITTEE.**

291.5 (a) An intergovernmental advisory committee is established to provide advice,
291.6 consultation, and recommendations to the commissioner on the planning, design,
291.7 administration, funding, and evaluation of services to children, youth, and families.
291.8 Notwithstanding section 15.059, the commissioner, the Association of Minnesota Counties,
291.9 and the Minnesota Association of County Social Services Administrators must codevelop
291.10 and execute a process to administer the committee that ensures each county is represented.
291.11 The committee must meet at least quarterly and special meetings may be called by the
291.12 committee chair or a majority of the members.

291.13 (b) Subject to section 15.059, the commissioner may reimburse committee members or
291.14 their alternates for allowable expenses while engaged in their official duties as committee
291.15 members.

291.16 (c) Notwithstanding section 15.059, the intergovernmental advisory committee does not
291.17 expire.

291.18 Sec. 2. **[142B.47] TRAINING ON RISK OF SUDDEN UNEXPECTED INFANT**
291.19 **DEATH AND ABUSIVE HEAD TRAUMA FOR CHILD FOSTER CARE**
291.20 **PROVIDERS.**

291.21 (a) Licensed child foster care providers that care for infants or children through five
291.22 years of age must document that before caregivers assist in the care of infants or children
291.23 through five years of age, they are instructed on the standards in section 142B.46 and receive
291.24 training on reducing the risk of sudden unexpected infant death and abusive head trauma
291.25 from shaking infants and young children. This section does not apply to emergency relative
291.26 placement under section 142B.06. The training on reducing the risk of sudden unexpected
291.27 infant death and abusive head trauma may be provided as:

291.28 (1) orientation training to child foster care providers who care for infants or children
291.29 through five years of age under Minnesota Rules, part 2960.3070, subpart 1; or

291.30 (2) in-service training to child foster care providers who care for infants or children
291.31 through five years of age under Minnesota Rules, part 2960.3070, subpart 2.

292.1 (b) Training required under this section must be at least one hour in length and must be
292.2 completed at least once every five years. At a minimum, the training must address the risk
292.3 factors related to sudden unexpected infant death and abusive head trauma, means of reducing
292.4 the risk of sudden unexpected infant death and abusive head trauma, and license holder
292.5 communication with parents regarding reducing the risk of sudden unexpected infant death
292.6 and abusive head trauma.

292.7 (c) Training for child foster care providers must be approved by the county or private
292.8 licensing agency that is responsible for monitoring the child foster care provider under
292.9 section 142B.30. The approved training fulfills, in part, training required under Minnesota
292.10 Rules, part 2960.3070.

292.11 Sec. 3. Minnesota Statutes 2022, section 245A.10, subdivision 1, as amended by Laws
292.12 2024, chapter 80, article 2, section 48, is amended to read:

292.13 Subdivision 1. **Application or license fee required, programs exempt from fee.** (a)
292.14 Unless exempt under paragraph (b), the commissioner shall charge a fee for evaluation of
292.15 applications and inspection of programs which are licensed under this chapter.

292.16 (b) Except as provided under subdivision 2, no application or license fee shall be charged
292.17 for a child foster residence setting, adult foster care, or a community residential setting.

292.18 Sec. 4. Minnesota Statutes 2022, section 245A.10, subdivision 2, as amended by Laws
292.19 2024, chapter 80, article 2, section 49, is amended to read:

292.20 Subd. 2. **County fees for applications and licensing inspections.** (a) For purposes of
292.21 adult foster care and child foster residence setting licensing and licensing the physical plant
292.22 of a community residential setting, under this chapter, a county agency may charge a fee to
292.23 a corporate applicant or corporate license holder to recover the actual cost of licensing
292.24 inspections, not to exceed $500 annually.

292.25 (b) Counties may elect to reduce or waive the fees in paragraph (a) under the following
292.26 circumstances:

292.27 (1) in cases of financial hardship;

292.28 (2) if the county has a shortage of providers in the county's area; or

292.29 (3) for new providers.

293.1 Sec. 5. Minnesota Statutes 2022, section 245A.144, is amended to read:

293.2 **245A.144 TRAINING ON RISK OF SUDDEN UNEXPECTED INFANT DEATH**
293.3 **AND ABUSIVE HEAD TRAUMA FOR CHILD FOSTER CARE PROVIDERS.**

293.4 (a) Licensed child foster care providers that care for infants or children through five
293.5 years of age must document that before staff persons ~~and caregivers~~ assist in the care of
293.6 infants or children through five years of age, they are instructed on the standards in section
293.7 ~~245A.1435~~ 142B.46 and receive training on reducing the risk of sudden unexpected infant
293.8 death and abusive head trauma from shaking infants and young children. ~~This section does~~
293.9 ~~not apply to emergency relative placement under section 245A.035.~~ The training on reducing
293.10 the risk of sudden unexpected infant death and abusive head trauma may be provided as:

293.11 (1) orientation training to child foster care providers, who care for infants or children
293.12 through five years of age, under Minnesota Rules, part 2960.3070, subpart 1; or

293.13 (2) in-service training to child foster care providers, who care for infants or children
293.14 through five years of age, under Minnesota Rules, part 2960.3070, subpart 2.

293.15 (b) Training required under this section must be at least one hour in length and must be
293.16 completed at least once every five years. At a minimum, the training must address the risk
293.17 factors related to sudden unexpected infant death and abusive head trauma, means of reducing
293.18 the risk of sudden unexpected infant death and abusive head trauma, and license holder
293.19 communication with parents regarding reducing the risk of sudden unexpected infant death
293.20 and abusive head trauma.

293.21 (c) Training for child foster care providers must be approved by the county ~~or private~~
293.22 ~~licensing agency~~ that is responsible for monitoring the child foster care provider under
293.23 section 245A.16. The approved training fulfills, in part, training required under Minnesota
293.24 Rules, part 2960.3070.

293.25 Sec. 6. Minnesota Statutes 2023 Supplement, section 245A.16, subdivision 1, as amended
293.26 by Laws 2024, chapter 80, article 2, section 65, is amended to read:

293.27 Subdivision 1. **Delegation of authority to agencies.** (a) County agencies that have been
293.28 designated by the commissioner to perform licensing functions and activities under section
293.29 245A.04; to recommend denial of applicants under section 245A.05; to issue correction
293.30 orders, to issue variances, and recommend a conditional license under section 245A.06; or
293.31 to recommend suspending or revoking a license or issuing a fine under section 245A.07,
293.32 shall comply with rules and directives of the commissioner governing those functions and

294.1 with this section. The following variances are excluded from the delegation of variance
294.2 authority and may be issued only by the commissioner:

294.3 (1) ~~dual licensure of family child foster care and family adult foster care,~~ dual licensure
294.4 of child foster residence setting and community residential setting~~, and dual licensure of~~
294.5 ~~family adult foster care and family child care~~;

294.6 (2) until the responsibility for family child foster care transfers to the commissioner of
294.7 children, youth, and families under Laws 2023, chapter 70, article 12, section 30, dual
294.8 licensure of family child foster care and family adult foster care;

294.9 (3) until the responsibility for family child care transfers to the commissioner of children,
294.10 youth, and families under Laws 2023, chapter 70, article 12, section 30, dual licensure of
294.11 family adult foster care and family child care;

294.12 (4) adult foster care maximum capacity;

294.13 ~~(3)~~ (5) adult foster care minimum age requirement;

294.14 ~~(4)~~ (6) child foster care maximum age requirement;

294.15 ~~(5)~~ (7) variances regarding disqualified individuals;

294.16 ~~(6)~~ (8) the required presence of a caregiver in the adult foster care residence during
294.17 normal sleeping hours;

294.18 ~~(7)~~ (9) variances to requirements relating to chemical use problems of a license holder
294.19 or a household member of a license holder; and

294.20 ~~(8)~~ (10) variances to section 142B.46 for the use of a cradleboard for a cultural
294.21 accommodation.

294.22 (b) Once the respective responsibilities transfer from the commissioner of human services
294.23 to the commissioner of children, youth, and families, under Laws 2023, chapter 70, article
294.24 12, section 30, the commissioners of human services and children, youth, and families must
294.25 both approve a variance for dual licensure of family child foster care and family adult foster
294.26 care or family adult foster care and family child care. Variances under this paragraph are
294.27 excluded from the delegation of variance authority and may be issued only by both
294.28 commissioners.

294.29 ~~(b)~~ (c) For family adult day services programs, the commissioner may authorize licensing
294.30 reviews every two years after a licensee has had at least one annual review.

294.31 ~~(c)~~ (d) A license issued under this section may be issued for up to two years.

295.1 ~~(d)~~ (e) During implementation of chapter 245D, the commissioner shall consider:

295.2 (1) the role of counties in quality assurance;

295.3 (2) the duties of county licensing staff; and

295.4 (3) the possible use of joint powers agreements, according to section 471.59, with counties
295.5 through which some licensing duties under chapter 245D may be delegated by the
295.6 commissioner to the counties.

295.7 Any consideration related to this paragraph must meet all of the requirements of the corrective
295.8 action plan ordered by the federal Centers for Medicare and Medicaid Services.

295.9 ~~(e)~~ (f) Licensing authority specific to section 245D.06, subdivisions 5, 6, 7, and 8, or
295.10 successor provisions; and section 245D.061 or successor provisions, for family child foster
295.11 care programs providing out-of-home respite, as identified in section 245D.03, subdivision
295.12 1, paragraph (b), clause (1), is excluded from the delegation of authority to county agencies.

295.13 Sec. 7. Minnesota Statutes 2022, section 245A.175, is amended to read:

295.14 **245A.175 CHILD FOSTER CARE TRAINING REQUIREMENT; MENTAL**
295.15 **HEALTH TRAINING; FETAL ALCOHOL SPECTRUM DISORDERS TRAINING.**

295.16 Prior to a nonemergency placement of a child in a foster care home, the child foster care
295.17 license holder and ~~caregivers in foster family and treatment foster care settings,~~ and all staff
295.18 providing care in foster residence settings must complete two hours of training that addresses
295.19 the causes, symptoms, and key warning signs of mental health disorders; cultural
295.20 considerations; and effective approaches for dealing with a child's behaviors. At least one
295.21 hour of the annual training requirement for the ~~foster family license holder and caregivers,~~
295.22 ~~and~~ foster residence staff must be on children's mental health issues and treatment. Except
295.23 for providers and services under chapter 245D, the annual training must also include at least
295.24 one hour of training on fetal alcohol spectrum disorders, which must be counted toward the
295.25 12 hours of required in-service training per year. ~~Short-term substitute caregivers are exempt~~
295.26 ~~from these requirements.~~ Training curriculum shall be approved by the commissioner of
295.27 human services.

295.28 Sec. 8. Minnesota Statutes 2023 Supplement, section 245A.66, subdivision 4, as amended
295.29 by Laws 2024, chapter 80, article 2, section 73, is amended to read:

295.30 Subd. 4. **Ongoing training requirement.** (a) In addition to the orientation training
295.31 required by the applicable licensing rules and statutes, children's residential facility license
295.32 holders must provide a training annually on the maltreatment of minors reporting

296.1 requirements and definitions in chapter 260E to each mandatory reporter, as described in
296.2 section 260E.06, subdivision 1.

296.3 (b) In addition to the orientation training required by the applicable licensing rules and
296.4 statutes, all foster residence setting staff and volunteers that are mandatory reporters as
296.5 described in section 260E.06, subdivision 1, must complete training each year on the
296.6 maltreatment of minors reporting requirements and definitions in chapter 260E.

296.7 Sec. 9. Minnesota Statutes 2022, section 256.029, as amended by Laws 2024, chapter 80,
296.8 article 1, section 66, is amended to read:

296.9 **256.029 DOMESTIC VIOLENCE INFORMATIONAL BROCHURE.**

296.10 (a) The commissioner shall provide a domestic violence informational brochure that
296.11 provides information about the existence of domestic violence waivers for eligible public
296.12 assistance applicants to all applicants of general assistance, medical assistance, and
296.13 MinnesotaCare. The brochure must explain that eligible applicants may be temporarily
296.14 waived from certain program requirements due to domestic violence. The brochure must
296.15 provide information about services and other programs to help victims of domestic violence.

296.16 (b) The brochure must be funded with TANF funds.

296.17 (c) The commissioner must work with the commissioner of children, youth, and families
296.18 to create a brochure that meets the requirements of this section and section 142G.05.

296.19 Sec. 10. Minnesota Statutes 2023 Supplement, section 256.043, subdivision 3, is amended
296.20 to read:

296.21 Subd. 3. **Appropriations from registration and license fee account.** (a) The
296.22 appropriations in paragraphs (b) to (n) shall be made from the registration and license fee
296.23 account on a fiscal year basis in the order specified.

296.24 (b) The appropriations specified in Laws 2019, chapter 63, article 3, section 1, paragraphs
296.25 (b), (f), (g), and (h), as amended by Laws 2020, chapter 115, article 3, section 35, shall be
296.26 made accordingly.

296.27 (c) $100,000 is appropriated to the commissioner of human services for grants for opiate
296.28 antagonist distribution. Grantees may utilize funds for opioid overdose prevention,
296.29 community asset mapping, education, and opiate antagonist distribution.

296.30 (d) $2,000,000 is appropriated to the commissioner of human services for grants to Tribal
296.31 nations and five urban Indian communities for traditional healing practices for American

297.1 Indians and to increase the capacity of culturally specific providers in the behavioral health
297.2 workforce.

297.3 (e) $400,000 is appropriated to the commissioner of human services for competitive
297.4 grants for opioid-focused Project ECHO programs.

297.5 (f) $277,000 in fiscal year 2024 and $321,000 each year thereafter is appropriated to the
297.6 commissioner of human services to administer the funding distribution and reporting
297.7 requirements in paragraph (o).

297.8 (g) $3,000,000 in fiscal year 2025 and $3,000,000 each year thereafter is appropriated
297.9 to the commissioner of human services for safe recovery sites start-up and capacity building
297.10 grants under section 254B.18.

297.11 (h) $395,000 in fiscal year 2024 and $415,000 each year thereafter is appropriated to
297.12 the commissioner of human services for the opioid overdose surge alert system under section
297.13 245.891.

297.14 (i) $300,000 is appropriated to the commissioner of management and budget for
297.15 evaluation activities under section 256.042, subdivision 1, paragraph (c).

297.16 (j) $261,000 is appropriated to the commissioner of human services for the provision of
297.17 administrative services to the Opiate Epidemic Response Advisory Council and for the
297.18 administration of the grants awarded under paragraph (n).

297.19 (k) $126,000 is appropriated to the Board of Pharmacy for the collection of the registration
297.20 fees under section 151.066.

297.21 (l) $672,000 is appropriated to the commissioner of public safety for the Bureau of
297.22 Criminal Apprehension. Of this amount, $384,000 is for drug scientists and lab supplies
297.23 and $288,000 is for special agent positions focused on drug interdiction and drug trafficking.

297.24 (m) After the appropriations in paragraphs (b) to (l) are made, 50 percent of the remaining
297.25 amount is appropriated to the commissioner of ~~human services~~ children, youth, and families
297.26 for distribution to county social service agencies and Tribal social service agency initiative
297.27 projects authorized under section 256.01, subdivision 14b, to provide child protection
297.28 services to children and families who are affected by addiction. The commissioner shall
297.29 distribute this money proportionally to county social service agencies and Tribal social
297.30 service agency initiative projects based on out-of-home placement episodes where parental
297.31 drug abuse is the primary reason for the out-of-home placement using data from the previous
297.32 calendar year. County social service agencies and Tribal social service agency initiative
297.33 projects receiving funds from the opiate epidemic response fund must annually report to

298.1 the commissioner on how the funds were used to provide child protection services, including
298.2 measurable outcomes, as determined by the commissioner. County social service agencies
298.3 and Tribal social service agency initiative projects must not use funds received under this
298.4 paragraph to supplant current state or local funding received for child protection services
298.5 for children and families who are affected by addiction.

298.6 (n) After the appropriations in paragraphs (b) to (m) are made, the remaining amount in
298.7 the account is appropriated to the commissioner of human services to award grants as
298.8 specified by the Opiate Epidemic Response Advisory Council in accordance with section
298.9 256.042, unless otherwise appropriated by the legislature.

298.10 (o) Beginning in fiscal year 2022 and each year thereafter, funds for county social service
298.11 agencies and Tribal social service agency initiative projects under paragraph (m) and grant
298.12 funds specified by the Opiate Epidemic Response Advisory Council under paragraph (n)
298.13 may be distributed on a calendar year basis.

298.14 (p) Notwithstanding section 16A.28, subdivision 3, funds appropriated in paragraphs
298.15 (c), (d), (e), (g), (m), and (n) are available for three years after the funds are appropriated.

298.16 Sec. 11. Minnesota Statutes 2023 Supplement, section 256.043, subdivision 3a, is amended
298.17 to read:

298.18 Subd. 3a. **Appropriations from settlement account.** (a) The appropriations in paragraphs
298.19 (b) to (e) shall be made from the settlement account on a fiscal year basis in the order
298.20 specified.

298.21 (b) If the balance in the registration and license fee account is not sufficient to fully fund
298.22 the appropriations specified in subdivision 3, paragraphs (b) to (l), an amount necessary to
298.23 meet any insufficiency shall be transferred from the settlement account to the registration
298.24 and license fee account to fully fund the required appropriations.

298.25 (c) $209,000 in fiscal year 2023 and $239,000 in fiscal year 2024 and subsequent fiscal
298.26 years are appropriated to the commissioner of human services for the administration of
298.27 grants awarded under paragraph (e). $276,000 in fiscal year 2023 and $151,000 in fiscal
298.28 year 2024 and subsequent fiscal years are appropriated to the commissioner of human
298.29 services to collect, collate, and report data submitted and to monitor compliance with
298.30 reporting and settlement expenditure requirements by grantees awarded grants under this
298.31 section and municipalities receiving direct payments from a statewide opioid settlement
298.32 agreement as defined in section 256.042, subdivision 6.

299.1 (d) After any appropriations necessary under paragraphs (b) and (c) are made, an amount
299.2 equal to the calendar year allocation to Tribal social service agency initiative projects under
299.3 subdivision 3, paragraph (m), is appropriated from the settlement account to the commissioner
299.4 of ~~human services~~ children, youth, and families for distribution to Tribal social service
299.5 agency initiative projects to provide child protection services to children and families who
299.6 are affected by addiction. The requirements related to proportional distribution, annual
299.7 reporting, and maintenance of effort specified in subdivision 3, paragraph (m), also apply
299.8 to the appropriations made under this paragraph.

299.9 (e) After making the appropriations in paragraphs (b), (c), and (d), the remaining amount
299.10 in the account is appropriated to the commissioner of human services to award grants as
299.11 specified by the Opiate Epidemic Response Advisory Council in accordance with section
299.12 256.042.

299.13 (f) Funds for Tribal social service agency initiative projects under paragraph (d) and
299.14 grant funds specified by the Opiate Epidemic Response Advisory Council under paragraph
299.15 (e) may be distributed on a calendar year basis.

299.16 (g) Notwithstanding section 16A.28, subdivision 3, funds appropriated in paragraphs
299.17 (d) and (e) are available for three years after the funds are appropriated.

299.18 Sec. 12. Minnesota Statutes 2023 Supplement, section 256.045, subdivision 3, as amended
299.19 by Laws 2024, chapter 79, article 3, section 3, and Laws 2024, chapter 80, article 1, section
299.20 67, is amended to read:

299.21 Subd. 3. **State agency hearings.** (a) State agency hearings are available for the following:

299.22 (1) any person:

299.23 (i) applying for, receiving or having received public assistance, medical care, or a program
299.24 of social services administered by the commissioner or a county agency on behalf of the
299.25 commissioner; and

299.26 (ii) whose application for assistance is denied, not acted upon with reasonable promptness,
299.27 or whose assistance is suspended, reduced, terminated, or claimed to have been incorrectly
299.28 paid;

299.29 (2) any patient or relative aggrieved by an order of the commissioner under section
299.30 252.27;

299.31 (3) a party aggrieved by a ruling of a prepaid health plan;

300.1 (4) except as provided under chapter 245C, any individual or facility determined by a
300.2 lead investigative agency to have maltreated a vulnerable adult under section 626.557 after
300.3 they have exercised their right to administrative reconsideration under section 626.557;

300.4 (5) any person to whom a right of appeal according to this section is given by other
300.5 provision of law;

300.6 (6) an applicant aggrieved by an adverse decision to an application for a hardship waiver
300.7 under section 256B.15;

300.8 (7) an applicant aggrieved by an adverse decision to an application or redetermination
300.9 for a Medicare Part D prescription drug subsidy under section 256B.04, subdivision 4a;

300.10 (8) except as provided under chapter 245A, an individual or facility determined to have
300.11 maltreated a minor under chapter 260E, after the individual or facility has exercised the
300.12 right to administrative reconsideration under chapter 260E;

300.13 ~~(8)~~ (9) except as provided under chapter 245C ~~and except for a subject of a background~~
300.14 ~~study that the commissioner has conducted on behalf of another agency for a program or~~
300.15 ~~facility not otherwise overseen by the commissioner~~, an individual disqualified under sections
300.16 245C.14 and 245C.15, following a reconsideration decision issued under section 245C.23,
300.17 on the basis of serious or recurring maltreatment; a preponderance of the evidence that the
300.18 individual has committed an act or acts that meet the definition of any of the crimes listed
300.19 in section 245C.15, subdivisions 1 to 4; or for failing to make reports required under section
300.20 260E.06, subdivision 1, or 626.557, subdivision 3. Hearings regarding a maltreatment
300.21 determination under clause (4) or (8) ~~or section 142A.20, subdivision 3, clause (4)~~, and a
300.22 disqualification under this clause in which the basis for a disqualification is serious or
300.23 recurring maltreatment, shall be consolidated into a single fair hearing. In such cases, the
300.24 scope of review by the human services judge shall include both the maltreatment
300.25 determination and the disqualification. The failure to exercise the right to an administrative
300.26 reconsideration shall not be a bar to a hearing under this section if federal law provides an
300.27 individual the right to a hearing to dispute a finding of maltreatment;

300.28 ~~(9)~~ (10) any person with an outstanding debt resulting from receipt of public assistance
300.29 administered by the commissioner or medical care who is contesting a setoff claim by the
300.30 Department of Human Services or a county agency. The scope of the appeal is the validity
300.31 of the claimant agency's intention to request a setoff of a refund under chapter 270A against
300.32 the debt;

300.33 ~~(10)~~ (11) a person issued a notice of service termination under section 245D.10,
300.34 subdivision 3a, by a licensed provider of any residential supports or services listed in section

301.1 245D.03, subdivision 1, paragraphs (b) and (c), that is not otherwise subject to appeal under
301.2 subdivision 4a;

301.3 ~~(11)~~ (12) an individual disability waiver recipient based on a denial of a request for a
301.4 rate exception under section 256B.4914;

301.5 ~~(12)~~ (13) a person issued a notice of service termination under section 245A.11,
301.6 subdivision 11, that is not otherwise subject to appeal under subdivision 4a; or

301.7 ~~(13)~~ (14) a recovery community organization seeking medical assistance vendor eligibility
301.8 under section 254B.01, subdivision 8, that is aggrieved by a membership or accreditation
301.9 determination and that believes the organization meets the requirements under section
301.10 254B.05, subdivision 1, paragraph (d), clauses (1) to (10). The scope of the review by the
301.11 human services judge shall be limited to whether the organization meets each of the
301.12 requirements under section 254B.05, subdivision 1, paragraph (d), clauses (1) to (10).

301.13 (b) The hearing for an individual or facility under paragraph (a), clause (4), (8), or (9),
301.14 is the only administrative appeal to the final agency determination specifically, including
301.15 a challenge to the accuracy and completeness of data under section 13.04. Hearings requested
301.16 under paragraph (a), clause (4), apply only to incidents of maltreatment that occur on or
301.17 after October 1, 1995. Hearings requested by nursing assistants in nursing homes alleged
301.18 to have maltreated a resident prior to October 1, 1995, shall be held as a contested case
301.19 proceeding under the provisions of chapter 14. Hearings requested under paragraph (a),
301.20 clause (8), apply only to incidents of maltreatment that occur on or after July 1, 1997. A
301.21 hearing for an individual or facility under paragraph (a), clause (4), (8), or (9), is only
301.22 available when there is no district court action pending. If such action is filed in district
301.23 court while an administrative review is pending that arises out of some or all of the events
301.24 or circumstances on which the appeal is based, the administrative review must be suspended
301.25 until the judicial actions are completed. If the district court proceedings are completed,
301.26 dismissed, or overturned, the matter may be considered in an administrative hearing.

301.27 (c) For purposes of this section, bargaining unit grievance procedures are not an
301.28 administrative appeal.

301.29 (d) The scope of hearings involving claims to foster care payments under section 142A.20,
301.30 subdivision 2, clause (2), shall be limited to the issue of whether the county is legally
301.31 responsible for a child's placement under court order or voluntary placement agreement
301.32 and, if so, the correct amount of foster care payment to be made on the child's behalf and
301.33 shall not include review of the propriety of the county's child protection determination or
301.34 child placement decision.

302.1 ~~(d)~~ (e) The scope of hearings under paragraph (a), clauses (11) and (13), shall be limited
302.2 to whether the proposed termination of services is authorized under section 245D.10,
302.3 subdivision 3a, paragraph (b), or 245A.11, subdivision 11, and whether the requirements
302.4 of section 245D.10, subdivision 3a, paragraphs (c) to (e), or 245A.11, subdivision 2a,
302.5 paragraphs (d) and (e), were met. If the appeal includes a request for a temporary stay of
302.6 termination of services, the scope of the hearing shall also include whether the case
302.7 management provider has finalized arrangements for a residential facility, a program, or
302.8 services that will meet the assessed needs of the recipient by the effective date of the service
302.9 termination.

302.10 ~~(e)~~ (f) A vendor of medical care as defined in section 256B.02, subdivision 7, or a vendor
302.11 under contract with a county agency to provide social services is not a party and may not
302.12 request a hearing under this section, except if assisting a recipient as provided in subdivision
302.13 4.

302.14 ~~(f)~~ (g) An applicant or recipient is not entitled to receive social services beyond the
302.15 services prescribed under chapter 256M or other social services the person is eligible for
302.16 under state law.

302.17 ~~(g)~~ (h) The commissioner may summarily affirm the county or state agency's proposed
302.18 action without a hearing when the sole issue is an automatic change due to a change in state
302.19 or federal law, except in matters covered by paragraph ~~(h)~~ (i).

302.20 ~~(h)~~ (i) When the subject of an administrative review is a matter within the jurisdiction
302.21 of the direct care and treatment executive board as a part of the board's powers and duties
302.22 under chapter 246C, the executive board may summarily affirm the county or state agency's
302.23 proposed action without a hearing when the sole issue is an automatic change due to a
302.24 change in state or federal law.

302.25 ~~(i)~~ (j) Unless federal or Minnesota law specifies a different time frame in which to file
302.26 an appeal, an individual or organization specified in this section may contest the specified
302.27 action, decision, or final disposition before the state agency by submitting a written request
302.28 for a hearing to the state agency within 30 days after receiving written notice of the action,
302.29 decision, or final disposition, or within 90 days of such written notice if the applicant,
302.30 recipient, patient, or relative shows good cause, as defined in section 256.0451, subdivision
302.31 13, why the request was not submitted within the 30-day time limit. The individual filing
302.32 the appeal has the burden of proving good cause by a preponderance of the evidence.

Sec. 13. Minnesota Statutes 2022, section 256.045, subdivision 3b, as amended by Laws 2024, chapter 80, article 1, section 68, is amended to read:

Subd. 3b. **Standard of evidence for maltreatment and disqualification hearings.** (a) The state human services judge shall determine that maltreatment has occurred if a preponderance of evidence exists to support the final disposition under section 626.557 and chapter 260E. For purposes of hearings regarding disqualification, the state human services judge shall affirm the proposed disqualification in an appeal under subdivision 3, paragraph (a), clause (9), if a preponderance of the evidence shows the individual has:

(1) committed maltreatment under section 626.557 or chapter 260E that is serious or recurring;

(2) committed an act or acts meeting the definition of any of the crimes listed in section 245C.15, subdivisions 1 to 4; or

(3) failed to make required reports under section 626.557 or chapter 260E, for incidents in which the final disposition under section 626.557 or chapter 260E was substantiated maltreatment that was serious or recurring.

(b) If the disqualification is affirmed, the state human services judge shall determine whether the individual poses a risk of harm in accordance with the requirements of section 245C.22, and whether the disqualification should be set aside or not set aside. In determining whether the disqualification should be set aside, the human services judge shall consider all of the characteristics that cause the individual to be disqualified, including those characteristics that were not subject to review under paragraph (a), in order to determine whether the individual poses a risk of harm. A decision to set aside a disqualification that is the subject of the hearing constitutes a determination that the individual does not pose a risk of harm and that the individual may provide direct contact services in the individual program specified in the set aside.

(c) If a disqualification is based solely on a conviction or is conclusive for any reason under section 245C.29, the disqualified individual does not have a right to a hearing under this section.

(d) The state human services judge shall recommend an order to the commissioner of health~~,~~; education~~,~~; children, youth, and families; or human services, as applicable, who shall issue a final order. The commissioner shall affirm, reverse, or modify the final disposition. Any order of the commissioner issued in accordance with this subdivision is conclusive upon the parties unless appeal is taken in the manner provided in subdivision 7. In any licensing appeal under chapters 245A and 245C and sections 144.50 to 144.58 and

304.1 144A.02 to 144A.482, the commissioner's determination as to maltreatment is conclusive,
304.2 as provided under section 245C.29.

304.3 Sec. 14. Minnesota Statutes 2022, section 256.045, subdivision 5, as amended by Laws
304.4 2024, chapter 79, article 3, section 4, is amended to read:

304.5 Subd. 5. **Orders of the commissioner of human services.** (a) Except as provided for
304.6 under subdivision 5a for matters under the jurisdiction of the direct care and treatment
304.7 executive board and for hearings held under section 142A.20, subdivision 2, a state human
304.8 services judge shall conduct a hearing on the appeal and shall recommend an order to the
304.9 commissioner of human services. The recommended order must be based on all relevant
304.10 evidence and must not be limited to a review of the propriety of the state or county agency's
304.11 action. A human services judge may take official notice of adjudicative facts. The
304.12 commissioner of human services may accept the recommended order of a state human
304.13 services judge and issue the order to the county agency and the applicant, recipient, former
304.14 recipient, or prepaid health plan. The commissioner on refusing to accept the recommended
304.15 order of the state human services judge, shall notify the petitioner, the agency, or prepaid
304.16 health plan of that fact and shall state reasons therefor and shall allow each party ten days'
304.17 time to submit additional written argument on the matter. After the expiration of the ten-day
304.18 period, the commissioner shall issue an order on the matter to the petitioner, the agency, or
304.19 prepaid health plan.

304.20 (b) A party aggrieved by an order of the commissioner may appeal under subdivision
304.21 7, or request reconsideration by the commissioner within 30 days after the date the
304.22 commissioner issues the order. The commissioner may reconsider an order upon request of
304.23 any party or on the commissioner's own motion. A request for reconsideration does not stay
304.24 implementation of the commissioner's order. The person seeking reconsideration has the
304.25 burden to demonstrate why the matter should be reconsidered. The request for reconsideration
304.26 may include legal argument and proposed additional evidence supporting the request. If
304.27 proposed additional evidence is submitted, the person must explain why the proposed
304.28 additional evidence was not provided at the time of the hearing. If reconsideration is granted,
304.29 the other participants must be sent a copy of all material submitted in support of the request
304.30 for reconsideration and must be given ten days to respond. Upon reconsideration, the
304.31 commissioner may issue an amended order or an order affirming the original order.

304.32 (c) Any order of the commissioner issued under this subdivision shall be conclusive
304.33 upon the parties unless appeal is taken in the manner provided by subdivision 7. Any order
304.34 of the commissioner is binding on the parties and must be implemented by the state agency,

305.1 a county agency, or a prepaid health plan according to subdivision 3a, until the order is
305.2 reversed by the district court, or unless the commissioner or a district court orders monthly
305.3 assistance or aid or services paid or provided under subdivision 10.

305.4 (d) A vendor of medical care as defined in section 256B.02, subdivision 7, or a vendor
305.5 under contract with a county agency to provide social services is not a party and may not
305.6 request a hearing or seek judicial review of an order issued under this section, unless assisting
305.7 a recipient as provided in subdivision 4. A prepaid health plan is a party to an appeal under
305.8 subdivision 3a, but cannot seek judicial review of an order issued under this section.

305.9 Sec. 15. Minnesota Statutes 2022, section 256.045, subdivision 7, as amended by Laws
305.10 2024, chapter 79, article 3, section 7, is amended to read:

305.11 Subd. 7. **Judicial review.** Except for a prepaid health plan, any party who is aggrieved
305.12 by an order of the commissioner of human services~~,~~; the commissioner of health; or the
305.13 commissioner of children, youth, and families in appeals within the commissioner's
305.14 jurisdiction under subdivision 3b~~,~~; or the direct care and treatment executive board in appeals
305.15 within the jurisdiction of the executive board under subdivision 5a may appeal the order to
305.16 the district court of the county responsible for furnishing assistance, or, in appeals under
305.17 subdivision 3b, the county where the maltreatment occurred, by serving a written copy of
305.18 a notice of appeal upon the applicable commissioner or executive board and any adverse
305.19 party of record within 30 days after the date the commissioner or executive board issued
305.20 the order, the amended order, or order affirming the original order, and by filing the original
305.21 notice and proof of service with the court administrator of the district court. Service may
305.22 be made personally or by mail; service by mail is complete upon mailing; no filing fee shall
305.23 be required by the court administrator in appeals taken pursuant to this subdivision, with
305.24 the exception of appeals taken under subdivision 3b. The applicable commissioner or
305.25 executive board may elect to become a party to the proceedings in the district court. Except
305.26 for appeals under subdivision 3b, any party may demand that the commissioner or executive
305.27 board furnish all parties to the proceedings with a copy of the decision, and a transcript of
305.28 any testimony, evidence, or other supporting papers from the hearing held before the human
305.29 services judge, by serving a written demand upon the applicable commissioner or executive
305.30 board within 30 days after service of the notice of appeal. Any party aggrieved by the failure
305.31 of an adverse party to obey an order issued by the commissioner or executive board under
305.32 subdivisions 5 or 5a may compel performance according to the order in the manner prescribed
305.33 in sections 586.01 to 586.12.

Sec. 16. Minnesota Statutes 2022, section 256.0451, subdivision 1, as amended by Laws 2024, chapter 80, article 1, section 72, is amended to read:

Subdivision 1. **Scope.** (a) The requirements in this section apply to all fair hearings and appeals under ~~section~~ sections 142A.20, subdivision 2, and 256.045, subdivision 3, paragraph (a), clauses (1), (2), (3), (5), (6), (7), ~~(8), (11)~~ (10), and ~~(13)~~ (12). Except as provided in subdivisions 3 and 19, the requirements under this section apply to fair hearings and appeals under section 256.045, subdivision 3, paragraph (a), clauses (4), (8), (9), ~~(10),~~ and ~~(12)~~ (11).

(b) For purposes of this section, "person" means an individual who, on behalf of themselves or their household, is appealing or disputing or challenging an action, a decision, or a failure to act, by an agency in the human services system. When a person involved in a proceeding under this section is represented by an attorney or by an authorized representative, the term "person" also means the person's attorney or authorized representative. Any notice sent to the person involved in the hearing must also be sent to the person's attorney or authorized representative.

(c) For purposes of this section, "agency" means the county human services agency, the state human services agency, and, where applicable, any entity involved under a contract, subcontract, grant, or subgrant with the state agency or with a county agency, that provides or operates programs or services in which appeals are governed by section 256.045.

Sec. 17. Minnesota Statutes 2022, section 256.0451, subdivision 22, is amended to read:

Subd. 22. **Decisions.** A timely, written decision must be issued in every appeal. Each decision must contain a clear ruling on the issues presented in the appeal hearing and should contain a ruling only on questions directly presented by the appeal and the arguments raised in the appeal.

(a) A written decision must be issued within 90 days of the date the person involved requested the appeal unless a shorter time is required by law. An additional 30 days is provided in those cases where the commissioner refuses to accept the recommended decision. In appeals of maltreatment determinations or disqualifications filed pursuant to section 256.045, subdivision 3, paragraph (a), clause (4), (8), or (9), ~~or (10),~~ that also give rise to possible licensing actions, the 90-day period for issuing final decisions does not begin until the later of the date that the licensing authority provides notice to the appeals division that the authority has made the final determination in the matter or the date the appellant files the last appeal in the consolidated matters.

307.1 (b) The decision must contain both findings of fact and conclusions of law, clearly
307.2 separated and identified. The findings of fact must be based on the entire record. Each
307.3 finding of fact made by the human services judge shall be supported by a preponderance
307.4 of the evidence unless a different standard is required under the regulations of a particular
307.5 program. The "preponderance of the evidence" means, in light of the record as a whole, the
307.6 evidence leads the human services judge to believe that the finding of fact is more likely to
307.7 be true than not true. The legal claims or arguments of a participant do not constitute either
307.8 a finding of fact or a conclusion of law, except to the extent the human services judge adopts
307.9 an argument as a finding of fact or conclusion of law.

307.10 The decision shall contain at least the following:

307.11 (1) a listing of the date and place of the hearing and the participants at the hearing;

307.12 (2) a clear and precise statement of the issues, including the dispute under consideration
307.13 and the specific points which must be resolved in order to decide the case;

307.14 (3) a listing of the material, including exhibits, records, reports, placed into evidence at
307.15 the hearing, and upon which the hearing decision is based;

307.16 (4) the findings of fact based upon the entire hearing record. The findings of fact must
307.17 be adequate to inform the participants and any interested person in the public of the basis
307.18 of the decision. If the evidence is in conflict on an issue which must be resolved, the findings
307.19 of fact must state the reasoning used in resolving the conflict;

307.20 (5) conclusions of law that address the legal authority for the hearing and the ruling, and
307.21 which give appropriate attention to the claims of the participants to the hearing;

307.22 (6) a clear and precise statement of the decision made resolving the dispute under
307.23 consideration in the hearing; and

307.24 (7) written notice of the right to appeal to district court or to request reconsideration,
307.25 and of the actions required and the time limits for taking appropriate action to appeal to
307.26 district court or to request a reconsideration.

307.27 (c) The human services judge shall not independently investigate facts or otherwise rely
307.28 on information not presented at the hearing. The human services judge may not contact
307.29 other agency personnel, except as provided in subdivision 18. The human services judge's
307.30 recommended decision must be based exclusively on the testimony and evidence presented
307.31 at the hearing, and legal arguments presented, and the human services judge's research and
307.32 knowledge of the law.

308.1 (d) The commissioner will review the recommended decision and accept or refuse to
308.2 accept the decision according to section 142A.20, subdivision 3, or 256.045, subdivision
308.3 5.

308.4 Sec. 18. Minnesota Statutes 2022, section 256.0451, subdivision 24, is amended to read:

308.5 Subd. 24. **Reconsideration.** (a) Reconsideration may be requested within 30 days of
308.6 the date of the commissioner's final order. If reconsideration is requested under section
308.7 142A.20, subdivision 3, or 256.045, subdivision 5, the other participants in the appeal shall
308.8 be informed of the request. The person seeking reconsideration has the burden to demonstrate
308.9 why the matter should be reconsidered. The request for reconsideration may include legal
308.10 argument and may include proposed additional evidence supporting the request. The other
308.11 participants shall be sent a copy of all material submitted in support of the request for
308.12 reconsideration and must be given ten days to respond.

308.13 (b) When the requesting party raises a question as to the appropriateness of the findings
308.14 of fact, the commissioner shall review the entire record.

308.15 (c) When the requesting party questions the appropriateness of a conclusion of law, the
308.16 commissioner shall consider the recommended decision, the decision under reconsideration,
308.17 and the material submitted in connection with the reconsideration. The commissioner shall
308.18 review the remaining record as necessary to issue a reconsidered decision.

308.19 (d) The commissioner shall issue a written decision on reconsideration in a timely fashion.
308.20 The decision must clearly inform the parties that this constitutes the final administrative
308.21 decision, advise the participants of the right to seek judicial review, and the deadline for
308.22 doing so.

308.23 Sec. 19. Minnesota Statutes 2022, section 256.046, subdivision 2, as amended by Laws
308.24 2024, chapter 80, article 1, section 75, is amended to read:

308.25 Subd. 2. **Combined hearing.** ~~(a)~~ The human services judge may combine a fair hearing
308.26 under section 142A.20 or 256.045 and administrative fraud disqualification hearing under
308.27 this section or section 142A.27 into a single hearing if the factual issues arise out of the
308.28 same, or related, circumstances~~; the commissioner of human services has jurisdiction over~~
308.29 ~~at least one of the hearings;~~ and the individual receives prior notice that the hearings will
308.30 be combined. If the administrative fraud disqualification hearing and fair hearing are
308.31 combined, the time frames for administrative fraud disqualification hearings specified in
308.32 Code of Federal Regulations, title 7, section 273.16, apply. If the individual accused of
308.33 wrongfully obtaining assistance is charged under section 256.98 for the same act or acts

309.1 which are the subject of the hearing, the individual may request that the hearing be delayed
309.2 until the criminal charge is decided by the court or withdrawn.

309.3 ~~(b) The human services judge must conduct any hearings under section 142A.20 or~~
309.4 ~~142A.27 pursuant to the relevant laws and rules governing children, youth, and families~~
309.5 ~~judges.~~

309.6 Sec. 20. Minnesota Statutes 2023 Supplement, section 256M.42, is amended by adding a
309.7 subdivision to read:

309.8 Subd. 7. **Adult protection grant allocation under Reform 2020.** The requirements of
309.9 subdivisions 2 to 6 apply to the Reform 2020 adult protection state grants in Minnesota
309.10 Statutes 2013 Supplement, section 256M.40, subdivision 1, and Laws 2013, chapter 108,
309.11 article 15. The Reform 2020 state adult protection grant must be allocated annually consistent
309.12 with the calendar year 2023 allocation made under section 256M.40.

309.13 Sec. 21. Laws 2023, chapter 70, article 12, section 30, subdivision 2, is amended to read:

309.14 Subd. 2. **Department of Human Services.** The powers and duties of the Department
309.15 of Human Services with respect to the following responsibilities and related elements are
309.16 transferred to the Department of Children, Youth, and Families according to Minnesota
309.17 Statutes, section 15.039:

309.18 (1) family services and community-based collaboratives under Minnesota Statutes,
309.19 section 124D.23;

309.20 (2) child care programs under Minnesota Statutes, chapter 119B;

309.21 (3) Parent Aware quality rating and improvement system under Minnesota Statutes,
309.22 section 124D.142;

309.23 (4) migrant child care services under Minnesota Statutes, section 256M.50;

309.24 (5) early childhood and school-age professional development training under Laws 2007,
309.25 chapter 147, article 2, section 56;

309.26 (6) licensure of family child care and child care centers, child foster care, and private
309.27 child placing agencies under Minnesota Statutes, chapter 245A;

309.28 (7) certification of license-exempt child care centers under Minnesota Statutes, chapter
309.29 245H;

310.1 (8) program integrity and fraud related to the Child Care Assistance Program (CCAP),
310.2 the Minnesota Family Investment Program (MFIP), and the Supplemental Nutrition
310.3 Assistance Program (SNAP) under Minnesota Statutes, chapters 119B and 245E;

310.4 (9) SNAP under Minnesota Statutes, sections 256D.60 to 256D.63;

310.5 (10) electronic benefit transactions under Minnesota Statutes, sections 256.9862,
310.6 256.9863, 256.9865, 256.987, 256.9871, 256.9872, and 256J.77;

310.7 (11) Minnesota food assistance program under Minnesota Statutes, section 256D.64;

310.8 (12) Minnesota food shelf program under Minnesota Statutes, section 256E.34;

310.9 (13) MFIP and Temporary Assistance for Needy Families (TANF) under Minnesota
310.10 Statutes, sections 256.9864 and 256.9865 and chapters 256J and 256P;

310.11 (14) Diversionary Work Program (DWP) under Minnesota Statutes, section 256J.95;

310.12 (15) ~~resettlement programs under Minnesota Statutes, section 256B.06, subdivision 6~~
310.13 American Indian food sovereignty program under Minnesota Statutes, section 256E.342;

310.14 (16) child abuse under Minnesota Statutes, chapter 256E;

310.15 (17) reporting of the maltreatment of minors under Minnesota Statutes, chapter 260E;

310.16 (18) children in voluntary foster care for treatment under Minnesota Statutes, chapter
310.17 260D;

310.18 (19) juvenile safety and placement under Minnesota Statutes, chapter 260C;

310.19 (20) the Minnesota Indian Family Preservation Act under Minnesota Statutes, sections
310.20 260.751 to 260.835;

310.21 (21) the Interstate Compact for Juveniles under Minnesota Statutes, section 260.515,
310.22 and the Interstate Compact on the Placement of Children under Minnesota Statutes, sections
310.23 260.851 to 260.93;

310.24 (22) adoption under Minnesota Statutes, sections 259.20 to 259.89;

310.25 (23) Northstar Care for Children under Minnesota Statutes, chapter 256N;

310.26 (24) child support under Minnesota Statutes, chapters 13, 13B, 214, 256, 256J, 257, 259,
310.27 518, 518A, 518C, 551, 552, 571, and 588, and Minnesota Statutes, section 609.375;

310.28 (25) community action programs under Minnesota Statutes, sections 256E.30 to 256E.32;
310.29 ~~and~~

311.1 (26) Family Assets for Independence in Minnesota under Minnesota Statutes, section
311.2 256E.35.;

311.3 (27) capital for emergency food distribution facilities under Laws 2023, chapter 70,
311.4 article 20, section 2, subdivision 24, paragraph (i);

311.5 (28) community resource centers under Laws 2023, chapter 70, article 14, section 42;

311.6 (29) diaper distribution grant program under Minnesota Statutes, section 256E.38;

311.7 (30) emergency services program under Minnesota Statutes, section 256E.36;

311.8 (31) emergency shelter facilities grants under Laws 2023, chapter 70, article 11, section
311.9 14;

311.10 (32) Family First Prevention Services Act support and development grant program under
311.11 Minnesota Statutes, section 256.4793;

311.12 (33) Family First Prevention Services Act kinship navigator program under Minnesota
311.13 Statutes, section 256.4794;

311.14 (34) family first prevention and early intervention allocation program under Minnesota
311.15 Statutes, section 260.014;

311.16 (35) grants for prepared meals food relief under Laws 2023, chapter 70, article 12, section
311.17 33;

311.18 (36) Homeless Youth Act under Minnesota Statutes, sections 256K.45 to 256K.451;

311.19 (37) homeless youth cash stipend pilot under Laws 2023, chapter 70, article 11, section
311.20 13;

311.21 (38) independent living skills for foster youth under Laws 2023, chapter 70, article 14,
311.22 section 41;

311.23 (39) legacy adoption assistance under Minnesota Statutes, chapter 259A;

311.24 (40) quality parenting initiative grant program under Minnesota Statutes, section
311.25 245.0962;

311.26 (41) relative custody assistance under Minnesota Statutes, section 257.85;

311.27 (42) reimbursement to counties and Tribes for certain out-of-home placements under
311.28 Minnesota Statutes, section 477A.0126;

311.29 (43) safe harbor shelter and housing under Minnesota Statutes, section 256K.47;

311.30 (44) shelter-linked youth mental health grants under Minnesota Statutes, section 256K.46;

312.1 (45) Supplemental Nutrition Assistance Program outreach under Minnesota Statutes,
312.2 section 256D.65; and

312.3 (46) transitional housing programs under Minnesota Statutes, section 256E.33.

312.4 Sec. 22. Laws 2023, chapter 70, article 12, section 30, subdivision 3, is amended to read:

312.5 Subd. 3. **Department of Education.** The powers and duties of the Department of
312.6 Education with respect to the following responsibilities and related elements are transferred
312.7 to the Department of Children, Youth, and Families according to Minnesota Statutes, section
312.8 15.039:

312.9 (1) Head Start Program and Early Head Start under Minnesota Statutes, sections 119A.50
312.10 to 119A.545;

312.11 (2) the early childhood screening program under Minnesota Statutes, sections 121A.16
312.12 to 121A.19;

312.13 (3) early learning scholarships under Minnesota Statutes, section 124D.165;

312.14 (4) the interagency early childhood intervention system under Minnesota Statutes,
312.15 sections 125A.259 to 125A.48;

312.16 (5) voluntary prekindergarten programs and school readiness plus programs under
312.17 Minnesota Statutes, section 124D.151;

312.18 (6) early childhood family education programs under Minnesota Statutes, sections
312.19 124D.13 to 124D.135;

312.20 (7) school readiness under Minnesota Statutes, sections 124D.15 to 124D.16; ~~and~~

312.21 (8) after-school community learning programs under Minnesota Statutes, section
312.22 124D.2211~~.~~; and

312.23 (9) grow your own program under Minnesota Statutes, section 122A.731.

312.24 Sec. 23. Laws 2024, chapter 80, article 1, section 38, subdivision 1, is amended to read:

312.25 Subdivision 1. ~~**Children, youth, and families judges; appointment**~~ **Hearings held by**
312.26 **the Department of Human Services.** ~~The commissioner of children, youth, and families~~
312.27 ~~may appoint one or more state children, youth, and families judges to conduct hearings and~~
312.28 ~~recommend orders in accordance with subdivisions 2, 3, and 5. Children, youth, and families~~
312.29 ~~judges designated pursuant to this section may administer oaths and shall be under the~~
312.30 ~~control and supervision of the commissioner of children, youth, and families and shall not~~

313.1 ~~be a part of the Office of Administrative Hearings established pursuant to sections 14.48 to~~
313.2 ~~14.56. The commissioner shall only appoint as a full-time children, youth, and families~~
313.3 ~~judge an individual who is licensed to practice law in Minnesota and who is:~~

313.4 ~~(1) in active status;~~

313.5 ~~(2) an inactive resident;~~

313.6 ~~(3) retired;~~

313.7 ~~(4) on disabled status; or~~

313.8 ~~(5) on retired senior status.~~

313.9 All state agency hearings under subdivision 2 must be heard by a human services judge
313.10 pursuant to sections 256.045 and 256.0451.

313.11 Sec. 24. Laws 2024, chapter 80, article 1, section 38, subdivision 2, is amended to read:

313.12 Subd. 2. **State agency hearings.** ~~(a)~~ State agency hearings are available for the following:

313.13 (1) any person:

313.14 (i) applying for, receiving, or having received public assistance or a program of social
313.15 services administered by the commissioner or a county agency on behalf of the commissioner
313.16 or the federal Food and Nutrition Act; and

313.17 (ii) whose application for assistance is denied, not acted upon with reasonable promptness,
313.18 or whose assistance is suspended, reduced, terminated, or claimed to have been incorrectly
313.19 paid;

313.20 (2) any person whose claim for foster care payment according to a placement of the
313.21 child resulting from a child protection assessment under chapter 260E is denied or not acted
313.22 upon with reasonable promptness, regardless of funding source;

313.23 (3) any person to whom a right of appeal according to this section is given by other
313.24 provision of law; and

313.25 ~~(4) except as provided under chapter 142B, an individual or facility determined to have~~
313.26 ~~maltreated a minor under chapter 260E, after the individual or facility has exercised the~~
313.27 ~~right to administrative reconsideration under chapter 260E;~~

313.28 ~~(5) except as provided under chapter 245C, an individual disqualified under sections~~
313.29 ~~245C.14 and 245C.15, following a reconsideration decision issued under section 245C.23,~~
313.30 ~~on the basis of serious or recurring maltreatment; of a preponderance of the evidence that~~
313.31 ~~the individual has committed an act or acts that meet the definition of any of the crimes~~

~~listed in section 245C.15, subdivisions 1 to 4; or for failing to make reports required under section 260E.06, subdivision 1, or 626.557, subdivision 3. Hearings regarding a maltreatment determination under clause (4) and a disqualification under this clause in which the basis for a disqualification is serious or recurring maltreatment shall be consolidated into a single fair hearing. In such cases, the scope of review by the children, youth, and families judge shall include both the maltreatment determination and the disqualification. The failure to exercise the right to an administrative reconsideration shall not be a bar to a hearing under this section if federal law provides an individual the right to a hearing to dispute a finding of maltreatment; and~~

~~(6)~~ (4) any person with an outstanding debt resulting from receipt of public assistance or the federal Food and Nutrition Act who is contesting a setoff claim by the commissioner of children, youth, and families or a county agency. The scope of the appeal is the validity of the claimant agency's intention to request a setoff of a refund under chapter 270A against the debt.

~~(b) The hearing for an individual or facility under paragraph (a), clause (4) or (5), is the only administrative appeal to the final agency determination specifically, including a challenge to the accuracy and completeness of data under section 13.04. A hearing for an individual or facility under paragraph (a), clause (4) or (5), is only available when there is no district court action pending. If such action is filed in district court while an administrative review is pending that arises out of some or all of the events or circumstances on which the appeal is based, the administrative review must be suspended until the judicial actions are completed. If the district court proceedings are completed, dismissed, or overturned, the matter may be considered in an administrative hearing.~~

~~(c) For purposes of this section, bargaining unit grievance procedures are not an administrative appeal.~~

~~(d) The scope of hearings involving claims to foster care payments under paragraph (a), clause (2), shall be limited to the issue of whether the county is legally responsible for a child's placement under court order or voluntary placement agreement and, if so, the correct amount of foster care payment to be made on the child's behalf and shall not include review of the propriety of the county's child protection determination or child placement decision.~~

~~(e) An applicant or recipient is not entitled to receive social services beyond the services prescribed under chapter 256M or other social services the person is eligible for under state law.~~

~~(f) The commissioner may summarily affirm the county or state agency's proposed action without a hearing when the sole issue is an automatic change due to a change in state or federal law.~~

~~(g) Unless federal or Minnesota law specifies a different time frame in which to file an appeal, an individual or organization specified in this section may contest the specified action, decision, or final disposition before the state agency by submitting a written request for a hearing to the state agency within 30 days after receiving written notice of the action, decision, or final disposition or within 90 days of such written notice if the applicant, recipient, patient, or relative shows good cause, as defined in section 142A.21, subdivision 13, why the request was not submitted within the 30-day time limit. The individual filing the appeal has the burden of proving good cause by a preponderance of the evidence.~~

Sec. 25. Laws 2024, chapter 80, article 1, section 38, subdivision 5, is amended to read:

Subd. 5. **Orders of the commissioner of children, youth, and families.** (a) A state ~~children, youth, and families~~ human services judge shall conduct a hearing on ~~the~~ an appeal of a matter listed in subdivision 2 and shall recommend an order to the commissioner of children, youth, and families. The recommended order must be based on all relevant evidence and must not be limited to a review of the propriety of the state or county agency's action. A ~~children, youth, and families~~ state human services judge may take official notice of adjudicative facts. The commissioner of children, youth, and families may accept the recommended order of a state ~~children, youth, and families~~ human services judge and issue the order to the county agency and the applicant, recipient, or former recipient. If the commissioner refuses to accept the recommended order of the state ~~children, youth, and families~~ human services judge, the commissioner shall notify the petitioner or the agency of the commissioner's refusal and shall state reasons for the refusal. The commissioner shall allow each party ten days' time to submit additional written argument on the matter. After the expiration of the ten-day period, the commissioner shall issue an order on the matter to the petitioner and the agency.

(b) A party aggrieved by an order of the commissioner may appeal under subdivision ~~7~~ 5 or request reconsideration by the commissioner within 30 days after the date the commissioner issues the order. The commissioner may reconsider an order upon request of any party or on the commissioner's own motion. A request for reconsideration does not stay implementation of the commissioner's order. The person seeking reconsideration has the burden to demonstrate why the matter should be reconsidered. The request for reconsideration may include legal argument and proposed additional evidence supporting the request. If

proposed additional evidence is submitted, the person must explain why the proposed additional evidence was not provided at the time of the hearing. If reconsideration is granted, the other participants must be sent a copy of all material submitted in support of the request for reconsideration and must be given ten days to respond. Upon reconsideration, the commissioner may issue an amended order or an order affirming the original order.

(c) Any order of the commissioner issued under this subdivision shall be conclusive upon the parties unless appeal is taken in the manner provided by subdivision ~~7~~ 5. Any order of the commissioner is binding on the parties and must be implemented by the state agency or a county agency until the order is reversed by the district court or unless the commissioner or a district court orders monthly assistance or aid or services paid or provided under subdivision ~~10~~ 8.

(d) A vendor under contract with a county agency to provide social services is not a party and may not request a hearing or seek judicial review of an order issued under this section, unless assisting a recipient as provided in section 256.045, subdivision 4.

Sec. 26. Laws 2024, chapter 80, article 1, section 38, subdivision 6, is amended to read:

Subd. 6. **Additional powers of commissioner; subpoenas.** (a) The commissioner may initiate a review of any action or decision of a county agency and direct that the matter be presented to a state ~~children, youth, and families~~ human services judge for a hearing held under subdivision 2 or ~~3~~ section 256.045, subdivision 3b. In all matters dealing with children, youth, and families committed by law to the discretion of the county agency, the commissioner's judgment may be substituted for that of the county agency. The commissioner may order an independent examination when appropriate.

(b) Any party to a hearing held pursuant to subdivision 2 or ~~3~~ section 256.045, subdivision 3b, may request that the commissioner issue a subpoena to compel the attendance of witnesses and the production of records at the hearing. A local agency may request that the commissioner issue a subpoena to compel the release of information from third parties prior to a request for a hearing under section 142A.21 upon a showing of relevance to such a proceeding. The issuance, service, and enforcement of subpoenas under this subdivision is governed by section 357.22 and the Minnesota Rules of Civil Procedure.

~~(c) The commissioner may issue a temporary order staying a proposed demission by a residential facility licensed under chapter 142B:~~

~~(1) while an appeal by a recipient under subdivision 3 is pending; or~~

317.1 ~~(2) for the period of time necessary for the case management provider to implement the~~
317.2 ~~commissioner's order.~~

317.3 Sec. 27. Laws 2024, chapter 80, article 1, section 38, subdivision 7, is amended to read:

317.4 Subd. 7. **Judicial review.** Any party who is aggrieved by an order of the commissioner
317.5 of children, youth, and families may appeal the order to the district court of the county
317.6 responsible for furnishing assistance, or, in appeals under section 256.045, subdivision ~~3~~
317.7 3b, the county where the maltreatment occurred, by serving a written copy of a notice of
317.8 appeal upon the commissioner and any adverse party of record within 30 days after the date
317.9 the commissioner issued the order, the amended order, or order affirming the original order,
317.10 and by filing the original notice and proof of service with the court administrator of the
317.11 district court. Service may be made personally or by mail; service by mail is complete upon
317.12 mailing. The court administrator shall not require a filing fee in appeals taken pursuant to
317.13 this subdivision, except for appeals taken under section 256.045, subdivision ~~3~~ 3b. The
317.14 commissioner may elect to become a party to the proceedings in the district court. Except
317.15 for appeals under section 256.045, subdivision ~~3~~ 3b, any party may demand that the
317.16 commissioner furnish all parties to the proceedings with a copy of the decision, and a
317.17 transcript of any testimony, evidence, or other supporting papers from the hearing held
317.18 before the ~~children, youth, and families~~ state human services judge, by serving a written
317.19 demand upon the commissioner within 30 days after service of the notice of appeal. Any
317.20 party aggrieved by the failure of an adverse party to obey an order issued by the commissioner
317.21 under subdivision 5 may compel performance according to the order in the manner prescribed
317.22 in sections 586.01 to 586.12.

317.23 Sec. 28. Laws 2024, chapter 80, article 1, section 38, subdivision 9, is amended to read:

317.24 Subd. 9. **Appeal.** Any party aggrieved by the order of the district court may appeal the
317.25 order as in other civil cases. Except for appeals under section 256.045, subdivision ~~3~~ 3b,
317.26 no costs or disbursements shall be taxed against any party nor shall any filing fee or bond
317.27 be required of any party.

317.28 Sec. 29. Laws 2024, chapter 80, article 1, section 96, is amended to read:

317.29 Sec. 96. **REVISOR INSTRUCTION.**

317.30 The revisor of statutes must renumber sections or subdivisions in Column A as Column
317.31 B.

Column A	Column B
256.01, subdivision 12	142A.03, subdivision 7
256.01, subdivision 12a	142A.03, subdivision 8
256.01, subdivision 15	142A.03, subdivision 10
256.01, subdivision 36	142A.03, subdivision 22
256.0112, subdivision 10	142A.07, subdivision 8
256.019, subdivision 2	142A.28, subdivision 2
256.4793	142A.45
256.4794	142A.451
256.82	142A.418
256.9831	142A.13, subdivision 14
256.9862, subdivision 1	142A.13, subdivision 10
256.9862, subdivision 2	142A.13, subdivision 11
256.9863	142A.13, subdivision 5
256.9865, subdivision 1	142A.13, subdivision 6
256.9865, subdivision 2	142A.13, subdivision 7
256.9865, subdivision 3	142A.13, subdivision 8
256.9865, subdivision 4	142A.13, subdivision 9
256.987, subdivision 2	142A.13, subdivision 2
256.987, subdivision 3	142A.13, subdivision 3
256.987, subdivision 4	142A.13, subdivision 4
256.9871	142A.13, subdivision 12
256.9872	142A.13, subdivision 13
256.997	142A.30
256.998	142A.29
256B.06, subdivision 6	142A.40
256E.20	142A.41
256E.21	142A.411
256E.22	142A.412
256E.24	142A.413
256E.25	142A.414
256E.26	142A.415
256E.27	142A.416
256E.28	142A.417
256E.38	142A.42
256N.001	142A.60
256N.01	142A.601
256N.02	142A.602

256N.20	142A.603
256N.21	142A.604
256N.22	142A.605
256N.23	142A.606
256N.24	142A.607
256N.25	142A.608
256N.26	142A.609
256N.261	142A.61
256N.27	142A.611
256N.28	142A.612
257.175	142A.03, subdivision 32
257.33, subdivision 1	142A.03, subdivision 33
257.33, subdivision 2	142A.03, subdivision 34
260.014	142A.452
299A.72	142A.75
299A.73	142A.43
299A.95	142A.76

The revisor of statutes must correct any statutory cross-references consistent with this renumbering.

Sec. 30. Laws 2024, chapter 80, article 2, section 5, subdivision 21, is amended to read:

Subd. 21. **Plan for transfer of clients and records upon closure.** (a) Except for license holders who reside on the premises and child care providers, an applicant for initial or continuing licensure or certification must submit a written plan indicating how the program or private agency will ensure the transfer of clients and records for both open and closed cases if the program closes. The plan must provide for managing private and confidential information concerning the clients of the program ~~clients~~ or private agency. The plan must also provide for notifying affected clients of the closure at least 25 days prior to closure, including information on how to access their records. A controlling individual of the program or private agency must annually review and sign the plan.

(b) Plans for the transfer of open cases and case records must specify arrangements the program or private agency will make to transfer clients to another provider or county agency for continuation of services and to transfer the case record with the client.

(c) Plans for the transfer of closed case records must be accompanied by a signed agreement or other documentation indicating that a county or a similarly licensed provider

320.1 has agreed to accept and maintain the program's or private agency's closed case records and
320.2 to provide follow-up services as necessary to affected clients.

320.3 Sec. 31. Laws 2024, chapter 80, article 2, section 7, subdivision 2, is amended to read:

320.4 Subd. 2. **County fees for applications and licensing inspections.** (a) A county agency
320.5 may charge a license fee to an applicant or license holder not to exceed $50 for a one-year
320.6 license or $100 for a two-year license.

320.7 (b) Counties may allow providers to pay the applicant fee in paragraph (a) on an
320.8 installment basis for up to one year. If the provider is receiving child care assistance payments
320.9 from the state, the provider may have the fee under paragraph (a) deducted from the child
320.10 care assistance payments for up to one year and the state shall reimburse the county for the
320.11 county fees collected in this manner.

320.12 ~~(c) For purposes of child foster care licensing under this chapter, a county agency may~~
320.13 ~~charge a fee to a corporate applicant or corporate license holder to recover the actual cost~~
320.14 ~~of licensing inspections, not to exceed $500 annually.~~

320.15 ~~(d) Counties may elect to reduce or waive the fees in paragraph (c) under the following~~
320.16 ~~circumstances:~~

320.17 ~~(1) in cases of financial hardship;~~

320.18 ~~(2) if the county has a shortage of providers in the county's area; or~~

320.19 ~~(3) for new providers.~~

320.20 Sec. 32. Laws 2024, chapter 80, article 2, section 10, subdivision 6, is amended to read:

320.21 Subd. 6. **Appeal of multiple sanctions.** (a) When the license holder appeals more than
320.22 one licensing action or sanction that were simultaneously issued by the commissioner, the
320.23 license holder shall specify the actions or sanctions that are being appealed.

320.24 (b) If there are different timelines prescribed in statutes for the licensing actions or
320.25 sanctions being appealed, the license holder must submit the appeal within the longest of
320.26 those timelines specified in statutes.

320.27 (c) The appeal must be made in writing by certified mail ~~or~~, by personal service, or
320.28 through the provider licensing and reporting hub. If mailed, the appeal must be postmarked
320.29 and sent to the commissioner within the prescribed timeline with the first day beginning
320.30 the day after the license holder receives the certified letter. If a request is made by personal
320.31 service, it must be received by the commissioner within the prescribed timeline with the

first day beginning the day after the license holder receives the certified letter. If the appeal is made through the provider hub, the appeal must be received by the commissioner within the prescribed timeline with the first day beginning the day after the commissioner issued the order through the hub.

(d) When there are different timelines prescribed in statutes for the appeal of licensing actions or sanctions simultaneously issued by the commissioner, the commissioner shall specify in the notice to the license holder the timeline for appeal as specified under paragraph (b).

Sec. 33. Laws 2024, chapter 80, article 2, section 16, subdivision 1, is amended to read:

Subdivision 1. **Delegation of authority to agencies.** (a) County agencies and private agencies that have been designated or licensed by the commissioner to perform licensing functions and activities under section 142B.10 ~~and background studies for family child care under chapter 245C~~; to recommend denial of applicants under section 142B.15; to issue correction orders, to issue variances, and to recommend a conditional license under section 142B.16; or to recommend suspending or revoking a license or issuing a fine under section 142B.18, shall comply with rules and directives of the commissioner governing those functions and with this section. The following variances are excluded from the delegation of variance authority and may be issued only by the commissioner:

(1) dual licensure of family child care and family child foster care~~, dual licensure of family child foster care and family adult foster care, dual licensure of child foster residence setting and community residential setting, and dual licensure of family adult foster care and family child care~~;

(2) child foster care maximum age requirement;

(3) variances regarding disqualified individuals;

(4) variances to requirements relating to chemical use problems of a license holder or a household member of a license holder; and

(5) variances to section 142B.74 for a time-limited period. If the commissioner grants a variance under this clause, the license holder must provide notice of the variance to all parents and guardians of the children in care.

(b) The commissioners of human services and children, youth, and families must both approve a variance for dual licensure of family child foster care and family adult foster care or family adult foster care and family child care. Variances under this paragraph are excluded from the delegation of variance authority and may be issued only by both commissioners.

322.1 (c) Except as provided in section 142B.41, subdivision 4, paragraph (e), a county agency
322.2 must not grant a license holder a variance to exceed the maximum allowable family child
322.3 care license capacity of 14 children.

322.4 ~~(b)~~ (d) A county agency that has been designated by the commissioner to issue family
322.5 child care variances must:

322.6 (1) publish the county agency's policies and criteria for issuing variances on the county's
322.7 public website and update the policies as necessary; and

322.8 (2) annually distribute the county agency's policies and criteria for issuing variances to
322.9 all family child care license holders in the county.

322.10 ~~(c)~~ (e) Before the implementation of NETStudy 2.0, county agencies must report
322.11 information about disqualification reconsiderations under sections 245C.25 and 245C.27,
322.12 subdivision 2, paragraphs (a) and (b), and variances granted under paragraph (a), clause
322.13 (5), to the commissioner at least monthly in a format prescribed by the commissioner.

322.14 ~~(d)~~ (f) For family child care programs, the commissioner shall require a county agency
322.15 to conduct one unannounced licensing review at least annually.

322.16 ~~(e)~~ (g) A license issued under this section may be issued for up to two years.

322.17 ~~(f)~~ (h) A county agency shall report to the commissioner, in a manner prescribed by the
322.18 commissioner, the following information for a licensed family child care program:

322.19 (1) the results of each licensing review completed, including the date of the review, and
322.20 any licensing correction order issued;

322.21 (2) any death, serious injury, or determination of substantiated maltreatment; and

322.22 (3) any fires that require the service of a fire department within 48 hours of the fire. The
322.23 information under this clause must also be reported to the state fire marshal within two
322.24 business days of receiving notice from a licensed family child care provider.

322.25 Sec. 34. Laws 2024, chapter 80, article 2, section 30, subdivision 2, is amended to read:

322.26 Subd. 2. **Maltreatment of minors ongoing training requirement.** (a) In addition to
322.27 the orientation training required by the applicable licensing rules and statutes, private
322.28 child-placing agency license holders must provide a training annually on the maltreatment
322.29 of minors reporting requirements and definitions in chapter 260E to each mandatory reporter,
322.30 as described in section 260E.06, subdivision 1.

323.1 (b) In addition to the orientation training required by the applicable licensing rules and
323.2 statutes, all family child foster care license holders and caregivers ~~and foster residence~~
323.3 ~~setting staff and volunteers~~ who are mandatory reporters as described in section 260E.06,
323.4 subdivision 1, must complete training each year on the maltreatment of minors reporting
323.5 requirements and definitions in chapter 260E.

323.6 Sec. 35. Laws 2024, chapter 80, article 2, section 31, is amended to read:

323.7 Sec. 31. **142B.80 CHILD FOSTER CARE TRAINING REQUIREMENT; MENTAL**
323.8 **HEALTH TRAINING; FETAL ALCOHOL SPECTRUM DISORDERS TRAINING.**

323.9 Prior to a nonemergency placement of a child in a foster care home, the child foster care
323.10 license holder and caregivers in foster family and treatment foster care settings~~, and all staff~~
323.11 ~~providing care in foster residence settings~~ must complete two hours of training that addresses
323.12 the causes, symptoms, and key warning signs of mental health disorders; cultural
323.13 considerations; and effective approaches for dealing with a child's behaviors. At least one
323.14 hour of the annual training requirement for the foster family license holder and caregivers~~,~~
323.15 ~~and foster residence staff~~ must be on children's mental health issues and treatment. Except
323.16 for providers and services under chapter 245D, the annual training must also include at least
323.17 one hour of training on fetal alcohol spectrum disorders, which must be counted toward the
323.18 12 hours of required in-service training per year. Short-term substitute caregivers are exempt
323.19 from these requirements. Training curriculum shall be approved by the commissioner of
323.20 children, youth, and families.

323.21 Sec. 36. Laws 2024, chapter 80, article 2, section 74, is amended to read:

323.22 Sec. 74. **REVISOR INSTRUCTION.**

323.23 The revisor of statutes must renumber sections or subdivisions in column A as column
323.24 B.

	Column A	Column B
323.25		
323.26	245A.02, subdivision 2c	142B.01, subdivision 3
323.27	245A.02, subdivision 6a	142B.01, subdivision 11
323.28	245A.02, subdivision 6b	142B.01, subdivision 12
323.29	245A.02, subdivision 10a	142B.01, subdivision 22
323.30	245A.02, subdivision 12	142B.01, subdivision 23
323.31	245A.02, subdivision 16	142B.01, subdivision 26
323.32	245A.02, subdivision 17	142B.01, subdivision 27

324.1 245A.02, subdivision 18 142B.01, subdivision 28
324.2 245A.02, subdivision 19 142B.01, subdivision 13
324.3 245A.03, subdivision 2a 142B.05, subdivision 3
324.4 245A.03, subdivision 2b 142B.05, subdivision 4
324.5 245A.03, subdivision 4 142B.05, subdivision 6
324.6 245A.03, subdivision 4a 142B.05, subdivision 7
324.7 245A.03, subdivision 8 142B.05, subdivision 10
324.8 245A.035 142B.06
324.9 245A.04, subdivision 9a 142B.10, subdivision 17
324.10 245A.04, subdivision 10 142B.10, subdivision 18
324.11 245A.06, subdivision 8 142B.16, subdivision 5
324.12 245A.06, subdivision 9 142B.16, subdivision 6
324.13 245A.065 142B.17
324.14 245A.07, subdivision 4 142B.18, subdivision 6
324.15 245A.07, subdivision 5 142B.18, subdivision 7
324.16 245A.14, subdivision 3 142B.41, subdivision 3
324.17 245A.14, subdivision 4 142B.41, subdivision 4
324.18 245A.14, subdivision 4a 142B.41, subdivision 5
324.19 245A.14, subdivision 6 142B.41, subdivision 6
324.20 245A.14, subdivision 8 142B.41, subdivision 7
324.21 245A.14, subdivision 10 142B.41, subdivision 8
324.22 245A.14, subdivision 11 142B.41, subdivision 9
324.23 245A.14, subdivision 15 142B.41, subdivision 11
324.24 245A.14, subdivision 16 142B.41, subdivision 12
324.25 245A.14, subdivision 17 142B.41, subdivision 13
324.26 245A.1434 142B.60
324.27 ~~245A.144~~ ~~142B.47~~
324.28 245A.1445 142B.48
324.29 245A.145 142B.61
324.30 245A.146, subdivision 2 142B.45, subdivision 2
324.31 245A.146, subdivision 3 142B.45, subdivision 3
324.32 245A.146, subdivision 4 142B.45, subdivision 4
324.33 245A.146, subdivision 5 142B.45, subdivision 5
324.34 245A.146, subdivision 6 142B.45, subdivision 6
324.35 245A.147 142B.75
324.36 245A.148 142B.76
324.37 245A.149 142B.77
324.38 245A.15 142B.78

325.1 245A.1511	142B.79
325.2 245A.152	142B.62
325.3 245A.16, subdivision 7	142B.30, subdivision 7
325.4 245A.16, subdivision 9	142B.30, subdivision 9
325.5 245A.16, subdivision 11	142B.30, subdivision 11
325.6 245A.23	142B.63
325.7 245A.40	142B.65
325.8 245A.41	142B.66
325.9 245A.42	142B.67
325.10 245A.50	142B.70
325.11 245A.51	142B.71
325.12 245A.52	142B.72
325.13 245A.53	142B.74
325.14 245A.66, subdivision 2	142B.54, subdivision 2
325.15 245A.66, subdivision 3	142B.54, subdivision 3

325.16 The revisor of statutes must correct any statutory cross-references consistent with this
325.17 renumbering.

325.18 Sec. 37. Laws 2024, chapter 80, article 4, section 26, is amended to read:

325.19 Sec. 26. **REVISOR INSTRUCTION.**

325.20 (a) The revisor of statutes shall renumber each section of Minnesota Statutes listed in
325.21 column A with the number listed in column B. The revisor shall also make necessary
325.22 cross-reference changes consistent with the renumbering. The revisor shall also make any
325.23 technical, language, and other changes necessitated by the renumbering and cross-reference
325.24 changes in this act.

325.25 Column A	Column B
325.26 119A.50	142D.12
325.27 119A.52	142D.121
325.28 119A.53	142D.122
325.29 119A.535	142D.123
325.30 119A.5411	142D.124
325.31 119A.545	142D.125
325.32 119B.195	142D.30
325.33 119B.196	142D.24
325.34 119B.25	142D.20
325.35 119B.251	142D.31

119B.252	142D.32
119B.27	142D.21
119B.28	142D.22
119B.29	142D.23
121A.16	142D.09
121A.17	142D.091
121A.18	142D.092
121A.19	142D.093
122A.731	142D.33
124D.13	142D.10
124D.135	142D.11
124D.141	142D.16
124D.142	142D.13
124D.15	142D.05
124D.151	142D.08
124D.16	142D.06
124D.165	142D.25
124D.2211	142D.14
124D.23	142D.15

(b) The revisor of statutes shall codify Laws 2017, First Special Session chapter 5, article 8, section 9, as amended by article 4, section 25, as Minnesota Statutes, section 142D.07.

(c) The revisor of statutes shall change "commissioner of education" to "commissioner of children, youth, and families" and change "Department of Education" to "Department of Children, Youth, and Families" as necessary in Minnesota Statutes, chapters 119A and 120 to 129C, to reflect the changes in this act and Laws 2023, chapter 70, article 12. The revisor shall also make any technical, language, and other changes resulting from the change of term to the statutory language, sentence structure, or both, if necessary to preserve the meaning of the text.

Sec. 38. Laws 2024, chapter 80, article 6, section 4, is amended to read:

Sec. 4. **REVISOR INSTRUCTION.**

(a) The revisor of statutes must renumber each section of Minnesota Statutes in Column A with the number in Column B.

Column A	Column B
245.771	142F.05

256D.60	142F.10
256D.61	142F.11
256D.62	142F.101
256D.63	142F.102
256D.64	142F.13
256D.65	142F.12
256E.30	142F.30
256E.31	142F.301
256E.32	142F.302
256E.33	142F.51
256E.34	142F.14
256E.342	142F.15
256E.35	142F.20
256E.36	142F.52
256K.45	142F.55
256K.451	142F.56
256K.46	142F.57
256K.47	142F.58

(b) The revisor of statutes must correct any statutory cross-references consistent with this renumbering.

Sec. 39. Laws 2024, chapter 80, article 7, section 4, is amended to read:

Sec. 4. Minnesota Statutes 2022, section 256J.09, is amended by adding a subdivision to read:

Subd. 11. **Domestic violence informational brochure.** (a) The commissioner shall provide a domestic violence informational brochure that provides information about the existence of domestic violence waivers to all MFIP applicants. The brochure must explain that eligible applicants may be temporarily waived from certain program requirements due to domestic violence. The brochure must provide information about services and other programs to help victims of domestic violence.

(b) The brochure must be funded with TANF funds.

(c) The commissioner must work with the commissioner of human services to create a brochure that meets the requirements of this section and section 256.029.

328.1 Sec. 40. **CHILD FOSTER RESIDENCE SETTINGS TO STAY AT THE**
328.2 **DEPARTMENT OF HUMAN SERVICES.**

328.3 The responsibility to license child foster residence settings as defined in Minnesota
328.4 Statutes, section 245A.02, subdivision 6e, does not transfer to the Department of Children,
328.5 Youth, and Families under Laws 2023, chapter 70, article 12, section 30, and remains with
328.6 the Department of Human Services.

328.7 Sec. 41. **DIRECTION TO THE COMMISSIONER OF CHILDREN, YOUTH, AND**
328.8 **FAMILIES; COORDINATION OF SERVICES FOR CHILDREN WITH**
328.9 **DISABILITIES AND MENTAL HEALTH.**

328.10 The commissioner shall designate a department leader to be responsible for coordination
328.11 of services and outcomes around children's mental health and for children with or at risk
328.12 for disabilities within and between the Department of Children, Youth, and Families; the
328.13 Department of Human Services; and related agencies.

328.14 Sec. 42. **REPEALER.**

328.15 (a) Laws 2024, chapter 80, article 1, sections 38, subdivisions 3, 4, and 11; 39; and 43,
328.16 subdivision 2; Laws 2024, chapter 80, article 2, sections 1, subdivision 11; 3, subdivision
328.17 3; 4, subdivision 4; 10, subdivision 4; 33; and 69; and Laws 2024, chapter 80, article 7,
328.18 sections 3; and 9, are repealed.

328.19 (b) Minnesota Rules, part 9545.0845, is repealed.

328.20 Sec. 43. **EFFECTIVE DATE; TRANSFER OF RESPONSIBILITIES.**

328.21 (a) This article is effective July 1, 2024.

328.22 (b) Notwithstanding paragraph (a), the powers and responsibilities transferred under this
328.23 article are effective upon notice of the commissioner of children, youth, and families to the
328.24 commissioners of administration, management and budget, and other relevant departments
328.25 along with the secretary of the senate, the chief clerk of the house of representatives, and
328.26 the chairs and ranking minority members of relevant legislative committees and divisions,
328.27 pursuant to Laws 2023, chapter 70, article 12, section 30, subdivision 1.

328.28 (c) By August 1, 2025, the commissioners of human services and children, youth, and
328.29 families shall notify the chairs and ranking minority members of relevant legislative
328.30 committees and divisions and the revisor of statutes of any sections of this article or programs

329.1 to be transferred that are waiting for federal approval to become effective pursuant to Laws
329.2 2023, chapter 70, article 12, section 30, subdivision 1, paragraph (b).

329.3 **ARTICLE 15**

329.4 **MINNESOTA INDIAN FAMILY PRESERVATION ACT**

329.5 Section 1. Minnesota Statutes 2022, section 259.20, subdivision 2, is amended to read:

329.6 Subd. 2. **Other applicable law.** (a) Portions of chapters 245A, 245C, 257, 260, and
329.7 317A may also affect the adoption of a particular child.

329.8 (b) Provisions of the Indian Child Welfare Act, United States Code, title 25, chapter 21,
329.9 sections 1901-1923, ~~may also~~ and the Minnesota Indian Family Preservation Act under
329.10 sections 260.751 to 260.835 apply in the adoption of an Indian child~~, and may preempt~~
329.11 ~~specific provisions of this chapter~~ as described in section 259.201.

329.12 (c) Consistent with section 245C.33 and Public Law 109-248, a completed background
329.13 study is required before the approval of any foster or adoptive placement in a related or an
329.14 unrelated home.

329.15 Sec. 2. **[259.201] COMPLIANCE WITH FEDERAL INDIAN CHILD WELFARE**
329.16 **ACT AND MINNESOTA INDIAN FAMILY PRESERVATION ACT.**

329.17 Adoption proceedings under this chapter that involve an Indian child are child custody
329.18 proceedings governed by the Indian Child Welfare Act, United States Code, title 25, sections
329.19 1901 to 1963; by the Minnesota Indian Family Preservation Act, sections 260.751 to 260.835;
329.20 by section 259.20, subdivision 2, paragraph (b); and by this chapter when not inconsistent
329.21 with the federal Indian Child Welfare Act and the Minnesota Indian Family Preservation
329.22 Act.

329.23 Sec. 3. Minnesota Statutes 2023 Supplement, section 260.755, subdivision 1a, is amended
329.24 to read:

329.25 Subd. 1a. **Active efforts.** (a) "Active efforts" means a rigorous and concerted level of
329.26 effort to preserve the Indian child's family that is ongoing throughout the involvement of
329.27 the child-placing agency ~~to continuously involve the Indian child's Tribe and that uses the~~
329.28 or the petitioner with the Indian child. Active efforts require the engagement of the Indian
329.29 child, the Indian child's parents, the Indian custodian, the extended family, and the Tribe in
329.30 using the prevailing social and cultural values, conditions, and way of life of the Indian
329.31 child's Tribe to: (1) preserve the Indian child's family ~~and~~; (2) prevent placement of an

Indian child ~~and,~~; (3) if placement occurs, to return the Indian child to the Indian child's family at the earliest possible time; and (4) where a permanent change in parental rights or custody are necessary, ensure the Indian child retains meaningful connections to the Indian child's family, extended family, and Tribe.

(b) Active efforts ~~under section~~ for all Indian child placements includes this section and sections 260.012 and 260.762 and require a higher standard than reasonable efforts as defined in section 260.012 to preserve the family, prevent breakup of the family, and reunify the family. Active efforts ~~include reasonable efforts as required by Title IV-E of the Social Security Act, United States Code, title 42, sections 670 to 679c~~ are required for all Indian child placement proceedings and for all voluntary Indian child placements that involve a child-placing agency regardless of whether the reasonable efforts would have been relieved under section 260.012.

Sec. 4. Minnesota Statutes 2022, section 260.755, subdivision 2a, is amended to read:

Subd. 2a. **Best interests of an Indian child.** "Best interests of an Indian child" means compliance with the federal Indian Child Welfare Act and the Minnesota Indian Family Preservation Act to preserve and maintain an Indian child's family. The best interests of an Indian child support the Indian child's sense of belonging to family, extended family, and Tribe. The best interests of an Indian child are interwoven with the best interests of the Indian child's Tribe.

Sec. 5. Minnesota Statutes 2023 Supplement, section 260.755, subdivision 3, is amended to read:

Subd. 3. **Child placement proceeding.** (a) "Child placement proceeding" includes a judicial proceeding which could result in:

(1) "adoptive placement," meaning the permanent placement of an Indian child for adoption, including an action resulting in a final decree of adoption;

(2) "involuntary foster care placement," meaning an action removing an Indian child from the child's parents or Indian custodian for temporary placement in a foster home, institution, or the home of a guardian. The parent or Indian custodian cannot have the Indian child returned upon demand, but parental rights have not been terminated;

(3) "preadoptive placement," meaning the temporary placement of an Indian child in a foster home or institution after the termination of parental rights, before or instead of adoptive placement; or

(4) "termination of parental rights," meaning an action resulting in the termination of the parent-child relationship under section 260C.301.

(b) The term child placement proceeding is a domestic relations proceeding that includes all placements where Indian children are placed ~~out-of-home or~~ away from the care, custody, and control of their parent or parents or Indian custodian that do not implicate custody between the parents. Child placement proceeding also includes any placement based upon juvenile status offenses~~,~~ but does not include a placement based upon an act which if committed by an adult would be deemed a crime, or upon an award of custody in a divorce proceeding to one of the parents.

Sec. 6. Minnesota Statutes 2023 Supplement, section 260.755, subdivision 3a, is amended to read:

Subd. 3a. **Child-placing agency.** "Child-placing agency" means a public, private, or nonprofit legal entity: (1) providing assistance to ~~a~~ an Indian child and the Indian child's ~~parent or~~ parents or Indian custodian; or (2) placing ~~a~~ an Indian child in foster care or for adoption on a voluntary or involuntary basis.

Sec. 7. Minnesota Statutes 2022, section 260.755, subdivision 5, is amended to read:

Subd. 5. **Demand.** "Demand" means a written and notarized statement signed by a parent or Indian custodian of ~~a~~ an Indian child which requests the return of the Indian child who has been voluntarily placed in foster care.

Sec. 8. Minnesota Statutes 2023 Supplement, section 260.755, subdivision 5b, is amended to read:

Subd. 5b. **Extended family member.** "Extended family member" is as defined by the law or custom of the Indian child's Tribe or, in the absence of any law or custom of the Tribe, is a person who has reached the age of 18 and who is the Indian child's grandparent, aunt or uncle, brother or sister, brother-in-law or sister-in-law, niece or nephew, first or second cousin, or stepparent. For the purposes of provision of active efforts and foster care and permanency placement decisions, the legal parent, guardian, or custodian of the Indian child's sibling is not an extended family member or relative of an Indian child unless they are independently related to the Indian child or recognized by the Indian child's Tribe as an extended family member.

332.1 Sec. 9. Minnesota Statutes 2022, section 260.755, subdivision 14, is amended to read:

332.2 Subd. 14. **Parent.** "Parent" means the biological parent of an Indian child~~,~~ or any ~~Indian~~
332.3 person who has lawfully adopted an Indian child, including a person who has adopted ~~a~~ an
332.4 Indian child by Tribal law or custom. Parent includes a father as defined by Tribal law or
332.5 custom. Parent does not include an unmarried father whose paternity has not been
332.6 acknowledged or established. Paternity has been acknowledged when an unmarried father
332.7 takes any action to hold himself out as the biological father of an Indian child.

332.8 Sec. 10. Minnesota Statutes 2022, section 260.755, is amended by adding a subdivision
332.9 to read:

332.10 Subd. 15a. **Petitioner.** "Petitioner" means one or more individuals other than a parent
332.11 or Indian custodian who has filed a petition or motion seeking a grant of temporary or
332.12 permanent guardianship, custody, or adoption of an Indian child.

332.13 Sec. 11. Minnesota Statutes 2022, section 260.755, subdivision 17a, is amended to read:

332.14 Subd. 17a. **Qualified expert witness.** "Qualified expert witness" means an individual
332.15 who ~~(1) has specific knowledge of the Indian child's tribe's culture and customs, or~~ meets
332.16 the criteria in section 260.771, subdivision 6, paragraph (d), and ~~(2)~~ provides testimony as
332.17 required by the Indian Child Welfare Act of 1978, United States Code, title 25, section
332.18 1912, and the Minnesota Indian Family Preservation Act, regarding ~~out-of-home placement~~
332.19 ~~or termination of parental rights~~ child placement or permanency proceedings relating to an
332.20 Indian child.

332.21 Sec. 12. Minnesota Statutes 2023 Supplement, section 260.755, subdivision 20, is amended
332.22 to read:

332.23 Subd. 20. **Tribal court.** "Tribal court" means a court with jurisdiction over child custody
332.24 proceedings and which is either a court of Indian offenses, ~~or~~ a court established and operated
332.25 under the code or custom of an Indian Tribe, or any other administrative body of a Tribe
332.26 which is vested with authority over child custody proceedings.

332.27 Sec. 13. Minnesota Statutes 2022, section 260.755, is amended by adding a subdivision
332.28 to read:

332.29 Subd. 20a. **Tribal representative.** "Tribal representative" means a representative
332.30 designated by and acting on behalf of a Tribe in connection with an Indian child placement
332.31 proceeding as defined in subdivision 3. It is not required that the designated representative

333.1 be an attorney to represent the Tribe in these matters. An individual appearing as a Tribal
333.2 representative on behalf of a Tribe and participating in a court proceeding under this chapter
333.3 is not engaged in the unauthorized practice of law.

333.4 Sec. 14. Minnesota Statutes 2023 Supplement, section 260.755, subdivision 22, is amended
333.5 to read:

333.6 Subd. 22. **Voluntary foster care placement.** "Voluntary foster care placement" means
333.7 a decision in which there has been participation by a child-placing agency resulting in the
333.8 temporary placement of an Indian child away from the home of the Indian child's parents
333.9 or Indian custodian in a foster home, institution, or the home of a guardian, and the parent
333.10 or Indian custodian may have the Indian child returned upon demand.

333.11 Sec. 15. Minnesota Statutes 2023 Supplement, section 260.758, subdivision 2, is amended
333.12 to read:

333.13 Subd. 2. **Temporary emergency jurisdiction of state courts.** (a) The child-placing
333.14 agency, petitioner, or court shall ensure that the emergency removal or placement terminates
333.15 immediately when removal or placement is no longer necessary to prevent imminent physical
333.16 damage or harm to the Indian child. The child-placing agency, petitioner, or court shall
333.17 expeditiously initiate a child placement proceeding subject to the provisions of sections
333.18 260.751 to 260.835, transfer the Indian child to the jurisdiction of the appropriate Indian
333.19 Tribe, or return the Indian child to the Indian child's parent or Indian custodian as may be
333.20 appropriate.

333.21 (b) If the Indian child is a resident of or is domiciled on a reservation but temporarily
333.22 located off the reservation, a court of this state has only temporary emergency jurisdiction
333.23 until the Indian child is transferred to the jurisdiction of the appropriate Indian Tribe unless
333.24 the Indian child's Tribe has expressly declined to exercise its jurisdiction, or the Indian child
333.25 is returned to the Indian child's parent or Indian custodian.

333.26 Sec. 16. Minnesota Statutes 2023 Supplement, section 260.758, subdivision 4, is amended
333.27 to read:

333.28 Subd. 4. **Emergency proceeding requirements.** (a) The court shall hold a hearing no
333.29 later than 72 hours, excluding weekends and holidays, after the emergency removal of the
333.30 Indian child. The court shall determine whether the emergency removal continues to be
333.31 necessary to prevent imminent physical damage or harm to the Indian child.

(b) The court shall hold additional hearings whenever new information indicates that the emergency situation has ended and must determine at any court hearing during the emergency proceeding ~~to determine~~ whether the emergency removal or placement is no longer necessary to prevent imminent physical damage or harm to the Indian child.

Sec. 17. Minnesota Statutes 2023 Supplement, section 260.758, subdivision 5, is amended to read:

Subd. 5. **Termination of emergency removal or placement.** (a) An emergency removal or placement of an Indian child must immediately terminate once the child-placing agency or court possesses sufficient evidence to determine that the emergency removal or placement is no longer necessary to prevent imminent physical damage or harm to the Indian child and the Indian child shall be immediately returned to the custody of the Indian child's parent or Indian custodian.

(b) An emergency removal or placement ends when the Indian child is transferred to the jurisdiction of the Indian child's Tribe, or when the court orders, after service upon the Indian child's parents, Indian custodian, and Indian child's Tribe, ~~that~~ placement of the Indian child ~~shall be placed in foster care~~ upon a determination supported by clear and convincing evidence, including testimony by a qualified expert witness, that custody of the Indian child by the Indian child's parent or Indian custodian is likely to result in serious emotional or physical damage to the Indian child.

(c) In no instance shall emergency removal or emergency placement of an Indian child extend beyond 30 days unless the court finds by a showing of clear and convincing evidence that: (1) continued emergency removal or placement is necessary to prevent imminent physical damage or harm to the Indian child; (2) the court has been unable to transfer the proceeding to the jurisdiction of the Indian child's Tribal court; and (3) it has not been possible to initiate a child placement proceeding with all of the protections under sections 260.751 to 260.835, including obtaining the testimony of a qualified expert witness.

Sec. 18. Minnesota Statutes 2023 Supplement, section 260.761, is amended to read:

260.761 INQUIRY OF TRIBAL LINEAGE; NOTICE TO TRIBES, PARENTS, AND INDIAN CUSTODIANS; ACCESS TO FILES.

Subdivision 1. **Inquiry of Tribal lineage.** (a) The child-placing agency or ~~individual~~ petitioner shall inquire of the child, the child's parents and custodians, and other appropriate persons whether there is any reason to believe that a child brought to the agency's attention may have lineage to an Indian Tribe. This inquiry shall occur at the time the child comes

335.1 to the attention of the child-placing agency or ~~individual~~ petitioner and shall continue
335.2 throughout the involvement of the child-placing agency or ~~individual~~ petitioner.

335.3 (b) In any child placement proceeding, the court shall inquire of the child, the child's
335.4 parents, custodian, and any person participating in the proceedings whether the child has
335.5 any American Indian heritage or lineage to an Indian Tribe. The inquiry shall be made at
335.6 the commencement of the proceeding and all responses must be on the record. The court
335.7 must instruct the parties to inform the court if they subsequently receive information that
335.8 provides reason to believe the child is an Indian child.

335.9 (c) If there is reason to believe the child is an Indian child, but the court does not have
335.10 sufficient evidence to determine whether the child is an Indian child, the court shall:

335.11 (1) confirm with a report, declaration, or testimony in the record that the child-placing
335.12 agency or petitioner used due diligence to identify and work with all of the Tribes for which
335.13 there is reason to believe the child may be a member of or eligible for membership to verify
335.14 whether the child is an Indian child; and

335.15 (2) proceed with the case as if the child is an Indian child until it is determined on the
335.16 record that the child does not meet the definition of Indian child.

335.17 Subd. 2. **Notice ~~to Tribes~~ of services or court proceedings involving an Indian**
335.18 **child.** (a) When a child-placing agency or petitioner has information that a family assessment,
335.19 investigation, or noncaregiver sex trafficking assessment being conducted may involve an
335.20 Indian child, the child-placing agency or petitioner shall notify the Indian child's Tribe of
335.21 the family assessment, investigation, or noncaregiver sex trafficking assessment according
335.22 to section 260E.18. The child-placing agency or petitioner shall provide initial notice by
335.23 telephone and by email or facsimile and shall include the child's full name and date of birth;
335.24 the full names and dates of birth of the child's biological parents; and if known the full
335.25 names and dates of birth of the child's grandparents and of the child's Indian custodian. If
335.26 information regarding the child's grandparents or Indian custodian is not immediately
335.27 available, the child-placing agency or petitioner shall continue to request this information
335.28 and shall notify the Tribe when it is received. Notice shall be provided to all Tribes to which
335.29 the child may have any Tribal lineage. The child-placing agency or petitioner shall request
335.30 that the Tribe or a designated Tribal representative participate in evaluating the family
335.31 circumstances, identifying family and Tribal community resources, and developing case
335.32 plans. The child-placing agency or petitioner shall continue to include the Tribe in service
335.33 planning and updates as to the progress of the case.

(b) When a child-placing agency or petitioner has information that a child receiving services may be an Indian child, the child-placing agency or petitioner shall notify the Tribe by telephone and by email or facsimile of the child's full name and date of birth, the full names and dates of birth of the child's biological parents, and, if known, the full names and dates of birth of the child's grandparents and of the child's Indian custodian. This notification must be provided for the Tribe to determine if the child is a member or eligible for Tribal membership, and the child-placing agency or petitioner must provide this notification to the Tribe within seven days of receiving information that the child may be an Indian child. If information regarding the child's grandparents or Indian custodian is not available within the seven-day period, the child-placing agency or petitioner shall continue to request this information and shall notify the Tribe when it is received. Notice shall be provided to all Tribes to which the child may have any Tribal lineage.

(c) In all child placement proceedings, when a court has reason to believe that a child placed in emergency protective care is an Indian child, the court administrator or a designee shall, as soon as possible and before a hearing takes place, notify the Tribal social services agency by telephone and by email or facsimile of the date, time, and location of the emergency protective care or other initial hearing. The court shall ~~make efforts to allow appearances by telephone or video conference for Tribal representatives, parents, and Indian custodians~~ allow appearances by telephone, video conference, or other electronic medium for Tribal representatives, the Indian child's parents, or the Indian custodian.

(d) In all child placement proceedings, except for adoptive or preadoptive placement proceedings, when a court has reason to believe the child is an Indian child, the child-placing agency or ~~individual~~ petitioner shall ~~effect service of any petition governed by sections 260.751 to 260.835~~ provide notice of the proceedings and a copy of any petition to the Indian child's parents, Indian custodian, and the Indian child's Tribe and shall effect service of any notice and petition governed by sections 260.751 to 260.835 upon the parent, Indian custodian, and the Indian child's Tribe by certified mail or registered mail, return receipt requested ~~upon the Indian child's parents, Indian custodian, and Indian child's Tribe at least 10 days before the admit-deny hearing is held~~. If the identity or location of the Indian child's parents or Indian custodian ~~and~~ or Tribe cannot be determined, the child-placing agency or petitioner shall provide the notice required in this paragraph to the United States Secretary of the Interior, Bureau of Indian Affairs by certified or registered mail, return receipt requested. Where service is only accomplished through the United States Secretary of the Interior, Bureau of Indian Affairs, the initial hearing shall not be held until 20 days after notice upon the Tribe or the Secretary of the Interior.

(e) Notice under this subdivision must be in clear and understandable language and include the following:

(1) the child's name, date of birth, and birth place;

(2) all names known for the parents and Indian custodian, including maiden, married, former names, and aliases, correctly spelled;

(3) the dates of birth, birth place, and Tribal enrollment numbers of the Indian child, the Indian child's parents, and the Indian custodian, if known;

(4) the full names, dates of birth, birth places, and Tribal enrollment or affiliation information of direct lineal ancestors of the child, other extended family members, and custodians of the child, if known;

(5) the name of any and all Indian Tribes in which the child is or may be a member or eligible for membership in; and

(6) statements setting out:

(i) the name of the petitioner and name and address of the petitioner's attorney;

(ii) the right of any parent or Indian custodian of the Indian child, to intervene in the child placement proceedings, if not already a party;

(iii) the right of the Indian child's Tribe to intervene in the proceedings at any time;

(iv) the right of the Indian child, the Indian child's parent, and the Indian custodian to court-appointed counsel if they meet the requirements in section 611.17;

(v) the right to be granted, upon request, up to 20 additional days to prepare for the child-placement proceedings;

(vi) the right of the Indian child's parent, the Indian custodian, and the Indian child's Tribe to petition the court for transfer of the proceedings to Tribal court;

(vii) the mailing addresses and telephone numbers of the court and information related to all parental and custodial rights of the parent or Indian custodian; and

(viii) that all parties must maintain confidentiality of all information contained in the notice and must not provide the information to anyone other than their attorney.

~~(e)~~ (f) A Tribe, the Indian child's parents, or the Indian custodian may request up to 20 additional days to prepare for the ~~admit-deny~~ initial hearing. The court shall allow appearances by telephone, video conference, or other electronic medium for Tribal representatives, the Indian child's parents, or the Indian custodian.

~~(f)~~ (g) A child-placing agency or ~~individual~~ petitioner must provide the notices required under this subdivision at the earliest possible time to facilitate involvement of the Indian child's Tribe. Nothing in this subdivision is intended to hinder the ability of the child-placing agency, ~~individual~~ petitioner, and the court to respond to an emergency situation. Lack of participation by a Tribe shall not prevent the Tribe from intervening in services and proceedings at a later date. A Tribe may participate in a case at any time. At any stage of the child-placing ~~agency's~~ agency or petitioner's involvement with an Indian child, the child-placing agency or petitioner shall provide full cooperation to the Tribal social services agency, including disclosure of all data concerning the Indian child. Nothing in this subdivision relieves the child-placing agency or petitioner of satisfying the notice requirements in state or federal law.

(h) The court shall allow appearances by telephone, video conference, or other electronic means for Tribal representatives at all hearings and trials. The court shall allow appearances by telephone, video conference, or other electronic means for the Indian child's parents or Indian custodian for all hearings, except that the court may require an in-person appearance for trials or other evidentiary or contested hearings.

Subd. 3. **Notice of potential preadoptive or adoptive placement.** In any adoptive or preadoptive placement proceeding, including voluntary proceedings, where any party or participant has reason to believe that a child who is the subject of an adoptive or preadoptive placement proceeding is or may be an "Indian child," as defined in section 260.755, subdivision 8, and United States Code, title 25, section 1903(4), the child-placing agency or ~~individual~~ petitioner shall notify the Indian child's Tribe by registered mail or certified mail with return receipt requested of the pending proceeding and of the right of intervention under subdivision 6. If the identity or location of the Indian child's Tribe cannot be determined, the notice must be given to the United States Secretary of Interior in like manner. No preadoptive or adoptive placement proceeding may be held until at least 20 days after receipt of the notice by the Tribe or the secretary. Upon request, the Tribe must be granted up to 20 additional days to prepare for the proceeding. The child-placing agency or ~~individual~~ petitioner shall include in the notice the identity of the birth parents and Indian child absent written objection by the birth parents. The child-placing agency or petitioner shall inform the birth parents of the Indian child of any services available to the Indian child through the child's Tribal social services agency, including child placement services, and shall additionally provide the birth parents of the Indian child with all information sent from the Tribal social services agency in response to the notice.

Subd. 4. **Unknown father.** If the child-placing agency, ~~individual~~ petitioner, the court, or any party has reason to believe that a child who is the subject of a child placement proceeding is or may be an Indian child but the father of the child is unknown and has not registered with the fathers' adoption registry pursuant to section 259.52, the child-placing agency or ~~individual~~ petitioner shall provide to the Tribe believed to be the Indian child's Tribe information sufficient to enable the Tribe to determine the child's eligibility for membership in the Tribe, including, but not limited to, the legal and maiden name of the birth mother, her date of birth, the names and dates of birth of her parents and grandparents, and, if available, information pertaining to the possible identity, Tribal affiliation, or location of the birth father. If the identity or location of the Indian child's Tribe cannot be determined, the notice must be given to the United States Secretary of Interior in like manner.

Subd. 5. **Proof of service of notice upon Tribe or secretary.** In cases where a child-placing agency or party to an adoptive placement knows or has reason to believe that a child is or may be an Indian child, proof of service upon the Indian child's Tribe or the secretary of interior must be filed with the adoption petition.

Subd. 6. **Indian Tribe's right of intervention.** In any child placement proceeding under sections 260.751 to 260.835, the Indian child's Tribe shall have a right to intervene at any point in the proceeding.

Subd. 6a. **Indian Tribe's access to files.** At any stage of the child-placing ~~agency's~~ agency or petitioner's involvement with an Indian child, the child-placing agency or petitioner shall, upon request, give the Tribal social services agency full cooperation including access to all files concerning the Indian child. If the files contain confidential or private data, the child-placing agency or petitioner may require execution of an agreement with the Tribal social services agency to maintain the data according to statutory provisions applicable to the data.

Sec. 19. Minnesota Statutes 2023 Supplement, section 260.762, is amended to read:

260.762 DUTY TO PREVENT OUT-OF-HOME CHILD PLACEMENT, PRESERVE THE CHILD'S FAMILY, AND PROMOTE FAMILY REUNIFICATION; ACTIVE EFFORTS.

Subdivision 1. **Active efforts.** Active efforts includes acknowledging traditional helping and healing systems of an Indian child's Tribe and using these systems as the core to help and heal the Indian child and family regardless of whether the Indian child's Tribe has intervened in the proceedings. ~~Active efforts are not required to prevent voluntary out-of-home placement and to effect voluntary permanency for the Indian child.~~

340.1 ~~Subd. 2. **Requirements for child-placing agencies and individual petitioners.** A~~
340.2 ~~child-placing agency or individual petitioner shall:~~

340.3 ~~(1) work with the Indian child's Tribe and family to develop an alternative plan to~~
340.4 ~~out-of-home placement;~~

340.5 ~~(2) before making a decision that may affect an Indian child's safety and well-being or~~
340.6 ~~when contemplating out-of-home placement of an Indian child, seek guidance from the~~
340.7 ~~Indian child's Tribe on family structure, how the family can seek help, what family and~~
340.8 ~~Tribal resources are available, and what barriers the family faces at that time that could~~
340.9 ~~threaten its preservation; and~~

340.10 ~~(3) request participation of the Indian child's Tribe at the earliest possible time and~~
340.11 ~~request the Tribe's active participation throughout the case.~~

340.12 Subd. 2a. **Required findings that active efforts were provided.** (a) A court shall not
340.13 order a child placement, termination of parental rights, guardianship to the commissioner
340.14 of human services under section 260C.325, or temporary or permanent change in custody
340.15 of an Indian child unless the court finds that the child-placing agency or petitioner
340.16 demonstrated that active efforts were made to preserve the Indian child's family. Active
340.17 efforts to preserve the Indian child's family include efforts to prevent placement of the Indian
340.18 child to correct the conditions that led to the placement by ensuring remedial services and
340.19 rehabilitative programs designed to prevent the breakup of the family were provided in a
340.20 manner consistent with the prevailing social and cultural conditions of the Indian child's
340.21 Tribe and in partnership with the Indian child, the Indian child's parents, the Indian custodian,
340.22 extended family members, and Tribe, and that these efforts have proved unsuccessful.

340.23 (b) The court, in determining whether active efforts were made to preserve the Indian
340.24 child's family for purposes of child placement or permanency, shall ensure the provision of
340.25 active efforts designed to correct the conditions that led to the placement of the Indian child
340.26 and shall make findings regarding whether the following activities were appropriate and
340.27 necessary, and whether the child-placing agency or petitioner ensured appropriate and
340.28 meaningful services were available based upon the family's specific needs, whether listed
340.29 in this paragraph or not:

340.30 (1) whether active efforts were made at the earliest point possible to inquire into the
340.31 child's heritage, to identify any federally recognized Indian Tribe the child may be affiliated
340.32 with, to notify all potential Tribes at the earliest point possible, and to request participation
340.33 of the Indian child's Tribe;

341.1 (2) whether a Tribally designated representative with substantial knowledge of the
341.2 prevailing social and cultural standards and child-rearing practices within the Tribal
341.3 community was provided an opportunity to consult with and be involved in any investigations
341.4 or assessments of the family's circumstances, participate in identifying the family's needs,
341.5 and participate in development of any plan to keep the Indian child safely in the home,
341.6 identify services designed to prevent the breakup of the Indian child's family, and to reunify
341.7 the Indian child's family as soon as safety can be assured if out-of-home placement has
341.8 occurred;

341.9 (3) whether the Tribal representative was provided with all information available
341.10 regarding the proceeding, and whether it was requested that the Tribal representative assist
341.11 in identifying services designed to prevent the breakup of the Indian child's family and to
341.12 reunify the Indian child's family as soon as safety can be assured if out-of-home placement
341.13 has occurred;

341.14 (4) whether, before making a decision that may affect an Indian child's safety and
341.15 well-being or when contemplating placement of an Indian child, guidance from the Indian
341.16 child's Tribe was sought regarding family structure, how the family can seek help, what
341.17 family and Tribal resources are available, and what barriers the family faces that could
341.18 threaten the family's preservation;

341.19 (5) whether a Tribal representative was consulted to determine and arrange for visitation
341.20 in the most natural setting that ensures the Indian child's safety, when the Indian child's
341.21 safety requires supervised visitation;

341.22 (6) whether early and ongoing efforts occurred to identify, locate, and include extended
341.23 family members as supports for the Indian child and the Indian child's family;

341.24 (7) whether continued active efforts were made to identify and place the Indian child in
341.25 a home that is compliant with the placement preferences in sections 260.751 to 260.835,
341.26 including whether extended family members were consulted to provide support to the Indian
341.27 child and Indian child's parents; to inform the child-placing agency, petitioner, and court
341.28 as to cultural connections and family structure; to assist in identifying appropriate cultural
341.29 services and supports for the Indian child and Indian child's parents; and to identify and
341.30 serve as placement and permanency resources for the Indian child. If there was difficulty
341.31 contacting or engaging extended family members, whether assistance was sought from the
341.32 Tribe, the Department of Human Services, or other agencies with expertise in working with
341.33 Indian families;

(8) whether services and resources were provided to extended family members who are considered the primary placement option for an Indian child, as agreed upon by the child-placing agency or petitioner and the Tribe, to overcome licensing and other barriers to providing care to an Indian child. The need for services or resources shall not be a basis to exclude an extended family member from consideration as a primary placement. Services and resources include but are not limited to child care assistance, financial assistance, housing resources, emergency resources, and foster care licensing assistance and resources;

(9) whether concrete services and access to both Tribal and non-Tribal services were provided to the Indian child's parents and Indian custodian and, where necessary, members of the Indian child's extended family members who provide support to the Indian child and the Indian child's parents; and whether these services were provided in an ongoing manner throughout the child-placing agency or petitioner's involvement with the Indian family to directly assist the Indian family in accessing and utilizing services to maintain the Indian family, or to reunify the Indian family as soon as safety can be assured if out-of-home placement has occurred. Services include but are not limited to financial assistance, food, housing, health care, transportation, in-home services, community support services, and specialized services; and

(10) whether visitation occurred whenever possible in the home of the Indian child's parent, Indian custodian, or extended family member or in another noninstitutional setting in order to keep the Indian child in close contact with the Indian child's parents, siblings, and other relatives regardless of the Indian child's age and to allow the Indian child and those with whom the Indian child visits to have natural, unsupervised interaction when consistent with protecting the child's safety.

Subd. 2b. **Adoptions.** For adoptions under chapter 259, the court may find that active efforts were made to prevent placement of an Indian child or to reunify the Indian child with the Indian child's parents upon a finding that: (1) subdivision 2a, paragraph (b), clauses (1) to (4), were met; (2) the Indian child's parent knowingly and voluntarily consented to placement of the Indian child for adoption on the record as described in section 260.765, subdivision 3a; (3) fraud was not present, and the Indian child's parent was not under duress; (4) the Indian child's parent was offered and declined services that would enable the Indian child's parent to maintain custody of the Indian child; and (5) the Indian child's parent was counseled on alternatives to adoption, and adoption contact agreements.

~~Subd. 3. **Required findings that active efforts were provided.** (a) Any party seeking to affect a termination of parental rights, other permanency action, or a placement where custody of an Indian child may be temporarily or permanently transferred to a person or~~

~~entity who is not the Indian child's parent or Indian custodian, and where the Indian child's parent or Indian custodian cannot have the Indian child returned to their care upon demand, must satisfy the court that active efforts have been made to provide remedial services and rehabilitative programs designed to prevent the breakup of the Indian family and that these efforts have proved unsuccessful.~~

~~(b) A court shall not order an out-of-home or permanency placement for an Indian child unless the court finds that the child-placing agency made active efforts to, as required by section 260.012 and this section, provide remedial services and rehabilitative programs designed to prevent the breakup of the Indian child's family, and that these efforts have proved unsuccessful. To the extent possible, active efforts must be provided in a manner consistent with the prevailing social and cultural conditions of the Indian child's Tribe and in partnership with the Indian child, Indian parents, extended family, and Tribe.~~

~~(c) Regardless of whether the Indian child's Tribe has intervened in the proceedings, the court, in determining whether the child-placing agency made active efforts to preserve the Indian child's family for purposes of out-of-home placement and permanency, shall ensure the provision of active efforts designed to correct the conditions that led to the out-of-home placement of the Indian child and shall make findings regarding whether the following activities were appropriate and necessary, and whether the child-placing agency made appropriate and meaningful services, whether listed in this paragraph or not, available to the family based upon that family's specific needs:~~

~~(1) whether the child-placing agency made efforts at the earliest point possible to (i) identify whether a child may be an Indian child as defined in section 260.755, subdivision 8; and (ii) identify and request participation of the Indian child's Tribe at the earliest point possible and throughout the investigation or assessment, case planning, provision of services, and case completion;~~

~~(2) whether the child-placing agency requested that a Tribally designated representative with substantial knowledge of prevailing social and cultural standards and child-rearing practices within the Tribal community evaluate the circumstances of the Indian child's family, provided the Tribally designated representative with all information available regarding the case, and requested that the Tribally designated representative assist in developing a case plan that uses Tribal and Indian community resources;~~

~~(3) whether the child-placing agency provided concrete services and access to both Tribal and non-Tribal services to members of the Indian child's family, including but not limited to financial assistance, food, housing, health care, transportation, in-home services,~~

344.1 ~~community support services, and specialized services; and whether these services are being~~
344.2 ~~provided in an ongoing manner throughout the agency's involvement with the family, to~~
344.3 ~~directly assist the family in accessing and utilizing services to maintain the Indian family,~~
344.4 ~~or reunify the Indian family as soon as safety can be assured if out-of-home placement has~~
344.5 ~~occurred;~~

344.6 ~~(4) whether the child-placing agency made early and ongoing efforts to identify, locate,~~
344.7 ~~and include extended family members;~~

344.8 ~~(5) whether the child-placing agency notified and consulted with the Indian child's~~
344.9 ~~extended family members, as identified by the child, the child's parents, or the Tribe; whether~~
344.10 ~~extended family members were consulted to provide support to the child and parents, to~~
344.11 ~~inform the child-placing agency and court as to cultural connections and family structure,~~
344.12 ~~to assist in identifying appropriate cultural services and supports for the child and parents,~~
344.13 ~~and to identify and serve as a placement and permanency resource for the child; and if there~~
344.14 ~~was difficulty contacting or engaging with extended family members, whether assistance~~
344.15 ~~was sought from the Tribe, the Department of Human Services, or other agencies with~~
344.16 ~~expertise in working with Indian families;~~

344.17 ~~(6) whether the child-placing agency provided services and resources to relatives who~~
344.18 ~~are considered the primary placement option for an Indian child, as agreed by the~~
344.19 ~~child-placing agency and the Tribe, to overcome barriers to providing care to an Indian~~
344.20 ~~child. Services and resources shall include but are not limited to child care assistance,~~
344.21 ~~financial assistance, housing resources, emergency resources, and foster care licensing~~
344.22 ~~assistance and resources; and~~

344.23 ~~(7) whether the child-placing agency arranged for visitation to occur, whenever possible,~~
344.24 ~~in the home of the Indian child's parent, Indian custodian, or other family member or in~~
344.25 ~~another noninstitutional setting, in order to keep the child in close contact with parents,~~
344.26 ~~siblings, and other relatives regardless of the child's age and to allow the child and those~~
344.27 ~~with whom the child visits to have natural, unsupervised interaction when consistent with~~
344.28 ~~protecting the child's safety; and whether the child-placing agency consulted with a Tribal~~
344.29 ~~representative to determine and arrange for visitation in the most natural setting that ensures~~
344.30 ~~the child's safety, when the child's safety requires supervised visitation.~~

344.31 Sec. 20. Minnesota Statutes 2023 Supplement, section 260.763, subdivision 1, is amended
344.32 to read:

344.33 Subdivision 1. **Indian Tribe jurisdiction.** (a) An Indian Tribe has exclusive jurisdiction
344.34 over all child placement proceedings involving an Indian child who resides or is domiciled

345.1 within the reservation of the Tribe, except where jurisdiction is otherwise vested in the state
345.2 by existing federal law. The child-placing agencies and the courts shall defer to a Tribal
345.3 determination of the Tribe's exclusive jurisdiction when an Indian child resides or is
345.4 domiciled within the reservation of the Tribe.

345.5 (b) Where an Indian child is a ward of the Tribal court, the Indian Tribe retains exclusive
345.6 jurisdiction, notwithstanding the residence or domicile of the child unless the Tribe agrees
345.7 to allow concurrent jurisdiction with the state.

345.8 (c) An Indian Tribe and the state of Minnesota share concurrent jurisdiction over a child
345.9 placement proceeding involving an Indian child who resides or is domiciled outside of the
345.10 reservation of the Tribe, or if the Tribe agrees to concurrent jurisdiction.

345.11 Sec. 21. Minnesota Statutes 2023 Supplement, section 260.763, subdivision 4, is amended
345.12 to read:

345.13 Subd. 4. **Transfer of proceedings.** In any child placement proceeding, upon a motion
345.14 or request by the Indian child's parent, Indian custodian, or Tribe, the court, in the absence
345.15 of good cause to the contrary, shall transfer the proceeding to the jurisdiction of the Tribe
345.16 absent objection by either of the Indian child's parent or the Indian custodian. The ~~petition~~
345.17 motion or request to transfer may be ~~filed~~ made by the Indian child's parent, the Indian
345.18 custodian, or the Indian child's Tribe at any stage in the proceedings by: (1) filing a written
345.19 motion with the court and serving the motion upon the other parties; or (2) making a request
345.20 on the record during the hearing, which shall be reflected in the court's findings. A request
345.21 or motion to transfer made by a Tribal representative of the Indian child's Tribe under this
345.22 subdivision shall not be considered the unauthorized practice of law. The transfer is subject
345.23 to declination by the Tribal court of the Tribe.

345.24 Sec. 22. Minnesota Statutes 2023 Supplement, section 260.763, subdivision 5, is amended
345.25 to read:

345.26 Subd. 5. **Good cause to deny transfer.** (a) Establishing good cause to deny transfer of
345.27 jurisdiction to a Tribal court is a fact-specific inquiry to be determined on a case-by-case
345.28 basis. Socioeconomic conditions and the perceived adequacy of Tribal or Bureau of Indian
345.29 Affairs social services or judicial systems must not be considered in a determination that
345.30 good cause exists. The party opposed to transfer of jurisdiction to a Tribal court has the
345.31 burden to prove by clear and convincing evidence that good cause to deny transfer exists.
345.32 Opposition to a motion to transfer jurisdiction to Tribal court must be in writing and must
345.33 be served upon all parties.

(b) Upon a motion or request by an Indian child's parent, Indian custodian, or Tribe, the court ~~may find good cause to deny transfer to Tribal court if~~ shall transfer jurisdiction to a Tribal court unless the court determines that there is good cause to deny transfer based on the following:

(1) the Indian child's Tribe does not have a Tribal court or any other administrative body of a Tribe vested with authority over child placement proceedings, as defined in section 260.755, subdivision 3, to which the case can be transferred, and no other Tribal court has been designated by the Indian child's Tribe; or

(2) the evidence necessary to decide the case could not be adequately presented in the Tribal court without undue hardship to the parties or the witnesses and the Tribal court is unable to mitigate the hardship by any means permitted in the Tribal court's rules. Without evidence of undue hardship, travel distance alone is not a basis for denying a transfer.

Sec. 23. Minnesota Statutes 2023 Supplement, section 260.765, subdivision 2, is amended to read:

Subd. 2. **Notice.** When an Indian child is voluntarily placed ~~in foster care~~ out of the care of the Indian child's parent or Indian custodian, the child-placing agency involved in the decision to place the Indian child shall give notice as described in section 260.761 of the placement to the Indian child's parent, parents, Indian custodian, and the Tribal social services agency within seven days of placement, excluding weekends and holidays.

If a child-placing agency makes a temporary voluntary ~~foster care~~ placement pending a decision on adoption by ~~a~~ an Indian child's parent or Indian custodian, notice of the placement shall be given to the Indian child's parents, Tribal social services agency, and the Indian custodian upon the filing of a petition for termination of parental rights or three months following the temporary placement, whichever occurs first.

Sec. 24. Minnesota Statutes 2023 Supplement, section 260.765, subdivision 3a, is amended to read:

Subd. 3a. **Court requirements for consent.** Where any parent or Indian custodian voluntarily consents to a ~~foster care~~ child placement or to termination of parental rights or adoption, the consent shall not be valid unless executed in writing and recorded before a judge and accompanied by the presiding judge's finding that the terms and consequences of the consent were fully explained in detail and were fully understood by the parent or Indian custodian. The court shall also find that either the parent or Indian custodian fully understood the explanation in English or that it was interpreted into a language the parent

or Indian custodian understood. Any consent given prior to, or within ten days after, the birth of an Indian child shall not be valid.

Sec. 25. Minnesota Statutes 2023 Supplement, section 260.765, subdivision 4b, is amended to read:

Subd. 4b. **Collateral attack; vacation of decree and return of custody; limitations.** After the entry of a final decree of adoption of an Indian child in any state court, the Indian child's parent may withdraw consent upon the grounds that consent was obtained through fraud or duress and may petition the court to vacate the decree. Upon a finding that consent was obtained through fraud or duress, the court shall vacate the decree and return the Indian child to the Indian child's parent. No adoption that has been effective for at least two years may be invalidated under the provisions of this subdivision unless otherwise permitted under a provision of state law.

Sec. 26. Minnesota Statutes 2023 Supplement, section 260.771, subdivision 1a, is amended to read:

Subd. 1a. **Active efforts.** In any child placement proceeding, the child-placing agency or ~~individual~~ petitioner shall ensure that appropriate active efforts as described in section 260.762 are provided to the Indian child's parent or parents, Indian custodian, and family to support reunification and preservation of the Indian child's placement with and relationship to the Indian child's extended family.

Sec. 27. Minnesota Statutes 2023 Supplement, section 260.771, subdivision 1b, is amended to read:

Subd. 1b. **Placement preference.** In any child placement proceeding, the child-placing agency or ~~individual~~ petitioner shall follow the placement preferences described in section 260.773 or, where preferred placement is not available even with the provision of active efforts, shall follow section 260.773, subdivisions 12 to 15.

Sec. 28. Minnesota Statutes 2023 Supplement, section 260.771, subdivision 1c, is amended to read:

Subd. 1c. **Identification of extended family members.** Any child-placing agency or ~~individual~~ petitioner considering placement of an Indian child shall ~~make~~ ensure active efforts are made to identify and locate siblings and extended family members and to explore placement with ~~an~~ extended family ~~member and facilitate continued involvement in the~~

348.1 ~~Indian child's life~~ members and ensure the Indian child's relationship with the Indian child's
348.2 extended family and Tribe.

348.3 Sec. 29. Minnesota Statutes 2023 Supplement, section 260.771, subdivision 2b, is amended
348.4 to read:

348.5 Subd. 2b. **Appointment of counsel.** (a) In any state court child placement proceeding,
348.6 including but not limited to any proceeding where the petitioner or another party seeks to
348.7 temporarily or permanently remove an Indian child from the Indian child's parent or parents
348.8 or Indian custodian, the Indian child's parent or parents or Indian custodian shall have the
348.9 right to be represented by an attorney. If the parent or parents or Indian custodian cannot
348.10 afford an attorney and meet the requirements of section 611.17, an attorney will be appointed
348.11 to represent them.

348.12 (b) In any state court child placement proceeding, any Indian child ten years of age or
348.13 older shall have the right to court-appointed counsel. The court may appoint counsel for
348.14 any Indian child under ten years of age in any state court child placement proceeding if the
348.15 court determines that appointment is appropriate and in the best interest of the Indian child.

348.16 (c) If the court appoints counsel to represent a person pursuant to this subdivision, the
348.17 court shall appoint counsel to represent the person prior to the first hearing on the petition,
348.18 but may appoint counsel at any stage of the proceeding if the court deems it necessary. The
348.19 court shall not appoint a public defender to represent the person unless such appointment
348.20 is authorized by section 611.14.

348.21 Sec. 30. Minnesota Statutes 2023 Supplement, section 260.771, subdivision 2d, is amended
348.22 to read:

348.23 Subd. 2d. **Tribal access to files and other documents.** At any subsequent stage of the
348.24 child-placing agency or petitioner's involvement with an Indian child, the child-placing
348.25 agency or ~~individual~~ petitioner shall, upon request, give the Tribal social services agency
348.26 full cooperation including access to all files concerning the Indian child. If the files contain
348.27 confidential or private data, the child-placing agency or ~~individual~~ petitioner may require
348.28 execution of an agreement with the Tribal social services agency specifying that the Tribal
348.29 social services agency shall maintain the data according to statutory provisions applicable
348.30 to the data.

Sec. 31. Minnesota Statutes 2023 Supplement, section 260.771, is amended by adding a subdivision to read:

Subd. 2e. **Participation of Indian child's Tribe in court proceedings.** (a) In any child placement proceeding that involves an Indian child, any Tribe that the Indian child may be eligible for membership in, as determined by the Tribe, is a party to the proceedings without the need to file a motion.

(b) An Indian child's Tribe, Tribal representative, or attorney representing the Tribe:

(1) may appear remotely at hearings by telephone, video conference, or other electronic medium without prior request;

(2) is not required to use the court's electronic filing and service system and may use United States mail, facsimile, or other alternative method for filing and service;

(3) may file documents with the court using an alternative method that the clerk of court shall accept and file electronically;

(4) is exempt from any filing fees required under section 357.021; and

(5) is exempt from the pro hac vice requirements of Rule 5 of the Minnesota General Rules of Practice.

Sec. 32. Minnesota Statutes 2023 Supplement, section 260.771, subdivision 6, is amended to read:

Subd. 6. **Qualified expert witness and evidentiary requirements.** (a) In ~~an~~ any involuntary ~~foster care~~ placement proceeding, the court must determine by clear and convincing evidence, including testimony of a qualified expert witness, that continued custody of the Indian child by the parent or Indian custodian is likely to result in serious emotional damage or serious physical damage to the Indian child.

In a termination of parental rights proceeding, the court must determine by evidence beyond a reasonable doubt, including testimony of a qualified expert witness, that continued custody of the Indian child by the parent or Indian custodian is likely to result in serious emotional damage or serious physical damage to the Indian child.

In an involuntary permanent transfer of legal and physical custody ~~proceeding~~, permanent custody to the agency ~~proceeding~~, temporary custody to the agency, or other permanency proceeding, the court must determine by clear and convincing evidence, including testimony of a qualified expert witness, that the continued custody of the Indian child by the Indian child's parent or parents or Indian custodian is likely to result in serious emotional damage

350.1 or serious physical damage to the Indian child. Qualified expert witness testimony is not
350.2 required where custody is transferred to the Indian child's parent.

350.3 Testimony of a qualified expert witness shall be provided for involuntary ~~foster care~~
350.4 child placement and permanency proceedings independently.

350.5 (b) The child-placing agency, ~~individual~~ petitioner, or any other party shall make diligent
350.6 efforts to locate and present to the court a qualified expert witness designated by the Indian
350.7 child's Tribe. The qualifications of a qualified expert witness designated by the Indian child's
350.8 Tribe are not subject to a challenge in Indian child placement proceedings.

350.9 (c) If a party cannot obtain testimony from a Tribally designated qualified expert witness,
350.10 the party shall submit to the court the diligent efforts made to obtain a Tribally designated
350.11 qualified expert witness.

350.12 (d) If clear and convincing evidence establishes that a party's diligent efforts cannot
350.13 produce testimony from a Tribally designated qualified expert witness, the party shall
350.14 demonstrate to the court that a proposed qualified expert witness is, in descending order of
350.15 preference:

350.16 (1) a member of the Indian child's Tribe who is recognized by the Indian child's Tribal
350.17 community as knowledgeable in Tribal customs as they pertain to family organization and
350.18 child-rearing practices; or

350.19 (2) an Indian person from an Indian community who has substantial experience in the
350.20 delivery of child and family services to Indians and extensive knowledge of prevailing social
350.21 and cultural standards and contemporary and traditional child-rearing practices of the Indian
350.22 child's Tribe.

350.23 If clear and convincing evidence establishes that diligent efforts have been made to obtain
350.24 a qualified expert witness who meets the criteria in clause (1) or (2), but those efforts have
350.25 not been successful, a party may use an expert witness, as defined by the Minnesota Rules
350.26 of Evidence, rule 702, who has substantial experience in providing services to Indian families
350.27 and who has substantial knowledge of prevailing social and cultural standards and
350.28 child-rearing practices within the Indian community. The court or any party may request
350.29 the assistance of the Indian child's Tribe or the Bureau of Indian Affairs agency serving the
350.30 Indian child's Tribe in locating persons qualified to serve as expert witnesses.

350.31 (e) The court may allow alternative methods of participation and testimony in state court
350.32 proceedings by a qualified expert witness, such as participation or testimony by telephone,
350.33 ~~videoconferencing~~ video conference, or other ~~methods~~ electronic medium.

351.1 Sec. 33. Minnesota Statutes 2023 Supplement, section 260.773, subdivision 1, is amended
351.2 to read:

351.3 Subdivision 1. **Least restrictive setting.** In all proceedings where custody of the Indian
351.4 child may be removed from the Indian child's parent or Indian custodian, the Indian child
351.5 shall be placed in the least restrictive setting which most approximates a family and in which
351.6 the Indian child's special needs, if any, may be met. The Indian child shall also be placed
351.7 within reasonable proximity to the Indian child's home, taking into account any special
351.8 needs of the Indian child.

351.9 Sec. 34. Minnesota Statutes 2023 Supplement, section 260.773, subdivision 2, is amended
351.10 to read:

351.11 Subd. 2. **Tribe's order of placement recognized.** In the case of a placement under
351.12 subdivision 3 or 4, if the Indian child's Tribe has established a different order of placement
351.13 preference by resolution, the child-placing agency or petitioner and the court shall recognize
351.14 the Indian child's Tribe's order of placement in the form provided by the Tribe.

351.15 Sec. 35. Minnesota Statutes 2023 Supplement, section 260.773, subdivision 3, is amended
351.16 to read:

351.17 Subd. 3. **Placement ~~options~~ preferences for temporary proceedings.** Preference shall
351.18 be given, in the absence of good cause to the contrary, to a placement with:

351.19 (1) a noncustodial parent or Indian custodian;

351.20 (2) a member of the Indian child's extended family;

351.21 (3) a foster home licensed, approved, or specified by the Indian child's Tribe;

351.22 (4) an Indian foster home licensed or approved by an authorized non-Indian licensing
351.23 authority; or

351.24 (5) an institution for children approved by an Indian Tribe or operated by an Indian
351.25 organization which has a program suitable to meet the Indian child's needs.

351.26 Sec. 36. Minnesota Statutes 2023 Supplement, section 260.773, subdivision 4, is amended
351.27 to read:

351.28 Subd. 4. **Placement ~~preference~~ preferences for permanent proceedings.** In any
351.29 adoptive placement, transfer of custody placement, or other permanency placement of an
351.30 Indian child, a preference shall be given, in the absence of good cause to the contrary, to a
351.31 placement with:

352.1 (1) the Indian child's noncustodial parent or Indian custodian;

352.2 (2) a member of the Indian child's extended family;

352.3 (3) other members of the Indian child's Tribe; or

352.4 (4) other persons or entities recognized as appropriate to be a permanency resource for
352.5 the Indian child, by the Indian child's parent or parents, Indian custodian, or Indian Tribe.

352.6 Sec. 37. Minnesota Statutes 2023 Supplement, section 260.773, subdivision 5, is amended
352.7 to read:

352.8 Subd. 5. **Suitability of placement.** The ~~county~~ child-placing agency and petitioner shall
352.9 defer to the judgment of the Indian child's Tribe as to the suitability of a placement.

352.10 Sec. 38. Minnesota Statutes 2023 Supplement, section 260.773, subdivision 10, is amended
352.11 to read:

352.12 Subd. 10. **Exceptions to placement preferences.** The court shall follow the placement
352.13 preferences in subdivisions 1 to 9, except as follows:

352.14 (1) where a parent evidences a desire for anonymity, the child-placing agency or petitioner
352.15 and the court shall give weight to the parent's desire for anonymity in applying the
352.16 preferences. A parent's desire for anonymity does not excuse the application of sections
352.17 260.751 to 260.835; or

352.18 (2) where the court determines there is good cause based on:

352.19 (i) the reasonable request of the Indian child's parents, if one or both parents attest that
352.20 they have reviewed the placement options that comply with the order of placement
352.21 preferences;

352.22 (ii) the reasonable request of the Indian child if the Indian child is able to understand
352.23 and comprehend the decision that is being made;

352.24 (iii) the testimony of a qualified expert designated by the Indian child's Tribe and, if
352.25 necessary, testimony from an expert witness who meets qualifications of section 260.771,
352.26 subdivision 6, paragraph (d), clause (2), that supports placement outside the order of
352.27 placement preferences due to extraordinary physical or emotional needs of the Indian child
352.28 that require highly specialized services; or

352.29 (iv) the testimony by the child-placing agency or petitioner that a diligent search has
352.30 been conducted that did not locate any available, suitable families for the Indian child that
352.31 meet the placement preference criteria.

Sec. 39. Minnesota Statutes 2023 Supplement, section 260.773, subdivision 11, is amended to read:

Subd. 11. **Factors considered in determining placement.** Testimony of the Indian child's bonding or attachment to a foster family alone, without the existence of at least one of the factors in subdivision 10, clause (2), shall not be considered good cause to keep an Indian child in a lower preference or nonpreference placement. Ease of visitation and facilitation of relationship with the Indian child's parents, Indian custodian, extended family, or Tribe may be considered when determining placement.

Sec. 40. Minnesota Statutes 2023 Supplement, section 260.774, subdivision 1, is amended to read:

Subdivision 1. **Improper removal.** In any proceeding where custody of the Indian child was improperly removed from the parent or ~~parents~~ Indian custodian or where the petitioner has improperly retained custody after a visit or other temporary relinquishment of custody, the court shall decline jurisdiction over the petition and shall immediately return the Indian child to the Indian child's parent ~~or parents~~ or Indian custodian unless returning the Indian child to the Indian child's parent ~~or parents~~ or Indian custodian would subject the Indian child to a substantial and immediate danger or threat of such danger.

Sec. 41. Minnesota Statutes 2023 Supplement, section 260.774, subdivision 2, is amended to read:

Subd. 2. **Invalidation.** (a) Any order for ~~out-of-home~~ child placement, transfer of custody, termination of parental rights, or other permanent change in custody of an Indian child shall be invalidated upon a showing, by a preponderance of the evidence, that a violation of any one of the provisions in section 260.761, 260.762, 260.763, 260.765, 260.771, 260.773, or 260.7745 has occurred.

(b) The Indian child, the Indian child's parent or parents, guardian, Indian custodian, or Indian Tribe may file a petition or motion to invalidate under this subdivision.

(c) Upon a finding that a violation of one of the provisions in section 260.761, 260.762, 260.763, 260.765, 260.771, 260.773, or 260.7745 has occurred, the court shall:

(1) dismiss the petition without prejudice; ~~and~~

(2) return the Indian child to the care, custody, and control of the parent or parents or Indian custodian, unless the Indian child would be subjected to imminent physical damage or harm~~.~~; and

354.1 (3) determine whether the Indian child's parent or Indian custodian has been assessed
354.2 placement costs and order reimbursement of those costs.

354.3 (d) Upon a finding that a willful, intentional, knowing, or reckless violation of one of
354.4 the provisions in section 260.761, 260.762, 260.763, 260.765, 260.771, 260.773, or 260.7745
354.5 has occurred, the court may consider whether sanctions, reasonable costs, and attorney fees
354.6 should be imposed against the offending party.

354.7 Sec. 42. Minnesota Statutes 2023 Supplement, section 260.774, subdivision 3, is amended
354.8 to read:

354.9 Subd. 3. **Return of custody following adoption.** (a) Whenever a final decree of adoption
354.10 of an Indian child has been vacated, set aside, or there is a termination of the parental rights
354.11 of the adoptive parents to the Indian child, a biological parent or prior Indian custodian may
354.12 petition for return of custody and the court shall grant the petition unless there is a showing,
354.13 in proceedings subject to the provision of sections 260.751 to 260.835, that the return of
354.14 custody is not in the best interests of the Indian child.

354.15 (b) The county attorney, Indian child, Indian child's Tribe, Indian custodian, or a an
354.16 Indian child's parent whose parental rights were terminated under a previous order of the
354.17 court may file a petition for the return of custody.

354.18 (c) A petition for return of custody may be filed in court when:

354.19 (1) the parent or Indian custodian has corrected the conditions that led to an order
354.20 terminating parental rights;

354.21 (2) the parent or Indian custodian is willing and has the capability to provide day-to-day
354.22 care and maintain the health, safety, and welfare of the Indian child; and

354.23 (3) the adoption has been vacated, set aside, or termination of the parental rights of the
354.24 adoptive parents to the Indian child has occurred.

354.25 (d) A petition for reestablishment of the legal parent and child relationship for a an Indian
354.26 child who has not been adopted must meet the requirements in section 260C.329.

354.27 Sec. 43. Minnesota Statutes 2022, section 260.775, is amended to read:

354.28 **260.775 PLACEMENT RECORDS.**

354.29 (a) The commissioner of human services shall publish annually an inventory of all Indian
354.30 children in residential facilities. The inventory shall include, by county and statewide,
354.31 information on legal status, living arrangement, age, sex, Tribe in which the Indian child is

355.1 a member or eligible for membership, accumulated length of time in foster care, and other
355.2 demographic information deemed appropriate concerning all Indian children in residential
355.3 facilities. The report must also state the extent to which authorized child-placing agencies
355.4 comply with the order of preference described in United States Code, title 25, section 1901,
355.5 et seq. The commissioner shall include the information required under this paragraph in the
355.6 annual report on child maltreatment and on children in ~~out-of-home~~ placement under section
355.7 257.0725.

355.8 (b) This section expires January 1, 2032.

355.9 Sec. 44. Minnesota Statutes 2023 Supplement, section 260.781, subdivision 1, is amended
355.10 to read:

355.11 Subdivision 1. **Court decree information.** (a) A state court entering a final decree or
355.12 order in an Indian child adoptive placement shall provide the Department of Human Services
355.13 and the child's Tribal social services agency with a copy of the decree or order together with
355.14 such other information to show:

355.15 (1) the name and Tribal affiliation of the Indian child;

355.16 (2) the names and addresses of the biological parents and Indian custodian, if any;

355.17 (3) the names and addresses of the adoptive parents; and

355.18 (4) the identity of any agency having files or information relating to the adoptive
355.19 placement.

355.20 If the court records contain an affidavit of the biological or adoptive ~~parent or~~ parents
355.21 or Indian custodian requesting anonymity, the court shall delete the name and address of
355.22 the biological or adoptive parents or Indian custodian from the information sent to the Indian
355.23 child's Tribal social services agency. The court shall include the affidavit with the other
355.24 information provided to the Minnesota Department of Human Services and the Secretary
355.25 of the Interior. The Minnesota Department of Human Services shall and the Secretary of
355.26 the Interior is requested to ensure that the confidentiality of the information is maintained
355.27 and the information shall not be subject to the Freedom of Information Act, United States
355.28 Code, title 5, section 552, as amended.

355.29 (b) For:

355.30 (1) disclosure of information for ~~enrollment~~ membership of an Indian child in the Tribe;

355.31 (2) determination of member rights or benefits; or

356.1 (3) certification of entitlement to membership upon the request of the adopted Indian
356.2 child over the age of eighteen, the adoptive or foster parents of an Indian child, or an Indian
356.3 Tribe,

356.4 the Secretary of the Interior is requested to disclose any other necessary information for the
356.5 membership of an Indian child in the Tribe in which the Indian child may be eligible for
356.6 membership or for determining any rights or benefits associated with that membership.
356.7 Where the documents relating to the Indian child contain an affidavit from the biological
356.8 parent or ~~parents~~ Indian custodian requesting anonymity, the Secretary of the Interior is
356.9 requested to certify to the Indian child's Tribe, where the information warrants, that the
356.10 Indian child's parentage and other circumstances of birth entitle the Indian child to
356.11 membership under the criteria established by the Tribe.

356.12 Sec. 45. Minnesota Statutes 2022, section 260.785, subdivision 1, is amended to read:

356.13 Subdivision 1. **Primary support grants.** The commissioner shall establish direct grants
356.14 to Indian Tribes, Indian organizations, and Tribal social services agency programs located
356.15 off-reservation that serve Indian children and their families to provide primary support for
356.16 Indian child welfare programs to implement the Minnesota Indian Family Preservation Act.

356.17 Sec. 46. Minnesota Statutes 2022, section 260.785, subdivision 3, is amended to read:

356.18 Subd. 3. **Compliance grants.** The commissioner shall establish direct grants to an Indian
356.19 child welfare defense corporation, as defined in Minnesota Statutes 1996, section 611.216,
356.20 subdivision 1a, to promote statewide compliance with the Minnesota Indian Family
356.21 Preservation Act and the Indian Child Welfare Act, United States Code, title 25, section
356.22 1901, et seq. The commissioner shall give priority consideration to applicants with
356.23 demonstrated capability of providing legal advocacy services statewide.

356.24 Sec. 47. Minnesota Statutes 2023 Supplement, section 260.786, subdivision 2, is amended
356.25 to read:

356.26 Subd. 2. **Purposes.** Money must be used to address staffing for responding to notifications
356.27 under the federal Indian Child Welfare Act and the Minnesota Indian Family Preservation
356.28 Act, to the extent necessary, or to provide other child protection and child welfare services.
356.29 Money must not be used to supplant current Tribal expenditures for these purposes.

357.1 Sec. 48. Minnesota Statutes 2023 Supplement, section 260.795, subdivision 1, is amended
357.2 to read:

357.3 Subdivision 1. **Types of services.** (a) Eligible Indian child welfare services provided
357.4 under primary support grants include:

357.5 (1) placement prevention and reunification services;

357.6 (2) family-based services;

357.7 (3) individual and family counseling;

357.8 (4) access to professional individual, group, and family counseling;

357.9 (5) crisis intervention and crisis counseling;

357.10 (6) development of foster and adoptive placement resources, including recruitment,
357.11 licensing, and support;

357.12 (7) court advocacy;

357.13 (8) training and consultation to county and private social services agencies regarding
357.14 the federal Indian Child Welfare Act and the Minnesota Indian Family Preservation Act;

357.15 (9) advocacy in working with the county and private social services agencies, and
357.16 activities to help provide access to agency services, including but not limited to 24-hour
357.17 caretaker and homemaker services, day care, emergency shelter care up to 30 days in 12
357.18 months, access to emergency financial assistance, and arrangements to provide temporary
357.19 respite care to a family for up to 72 hours consecutively or 30 days in 12 months;

357.20 (10) transportation services to the child and parents to prevent placement or reunite the
357.21 family; and

357.22 (11) other activities and services approved by the commissioner that further the goals
357.23 of the federal Indian Child Welfare Act and the Minnesota Indian Family Preservation Act,
357.24 including but not limited to recruitment of Indian staff for child-placing agencies and licensed
357.25 child-placing agencies. The commissioner may specify the priority of an activity and service
357.26 based on its success in furthering these goals.

357.27 (b) Eligible services provided under special focus grants include:

357.28 (1) permanency planning activities that meet the special needs of Indian families;

357.29 (2) teenage pregnancy;

357.30 (3) independent living skills;

358.1 (4) family and community involvement strategies to combat child abuse and chronic
358.2 neglect of children;

358.3 (5) coordinated child welfare and mental health services to Indian families;

358.4 (6) innovative approaches to assist Indian youth to establish better self-image, decrease
358.5 isolation, and decrease the suicide rate;

358.6 (7) expanding or improving services by packaging and disseminating information on
358.7 successful approaches or by implementing models in Indian communities relating to the
358.8 development or enhancement of social structures that increase family self-reliance and links
358.9 with existing community resources;

358.10 (8) family retrieval services to help adopted individuals reestablish legal affiliation with
358.11 the Indian Tribe; and

358.12 (9) other activities and services approved by the commissioner that further the goals of
358.13 the federal Indian Child Welfare Act and the Minnesota Indian Family Preservation Act.
358.14 The commissioner may specify the priority of an activity and service based on its success
358.15 in furthering these goals.

358.16 (c) The commissioner shall give preference to programs that use Indian staff, contract
358.17 with Indian organizations or Tribes, or whose application is a joint effort between the Indian
358.18 and non-Indian community to achieve the goals of the federal Indian Child Welfare Act
358.19 and the Minnesota Indian Family Preservation Act. Programs must have input and support
358.20 from the Indian community.

358.21 Sec. 49. Minnesota Statutes 2022, section 260.810, subdivision 3, is amended to read:

358.22 Subd. 3. **Final report.** A final evaluation report must be submitted by each approved
358.23 program to the commissioner. It must include client outcomes, cost and effectiveness in
358.24 meeting the goals of the Minnesota Indian Family Preservation Act and permanency planning
358.25 goals. The commissioner must compile the final reports into one document and provide a
358.26 copy to each Tribe.

358.27 Sec. 50. Minnesota Statutes 2022, section 260C.007, subdivision 26b, is amended to read:

358.28 Subd. 26b. **Relative of an Indian child.** "Relative of an Indian child" means a person
358.29 who is a member of the Indian child's family as defined in the Indian Child Welfare Act of
358.30 1978, United States Code, title 25, section 1903, paragraphs (2), (6), and (9), and who is an
358.31 extended family member as defined in section 260.755, subdivision 5b, of the Minnesota
358.32 Indian Family Preservation Act.

359.1 Sec. 51. Minnesota Statutes 2022, section 260C.178, subdivision 1, as amended by Laws
359.2 2024, chapter 80, article 8, section 24, is amended to read:

359.3 Subdivision 1. **Hearing and release requirements.** (a) If a child was taken into custody
359.4 under section 260C.175, subdivision 1, clause (1) or (2), item (ii), the court shall hold a
359.5 hearing within 72 hours of the time that the child was taken into custody, excluding
359.6 Saturdays, Sundays, and holidays, to determine whether the child should continue to be in
359.7 custody.

359.8 (b) Unless there is reason to believe that the child would endanger self or others or not
359.9 return for a court hearing, or that the child's health or welfare would be immediately
359.10 endangered, the child shall be released to the custody of a parent, guardian, custodian, or
359.11 other suitable person, subject to reasonable conditions of release including, but not limited
359.12 to, a requirement that the child undergo a chemical use assessment as provided in section
359.13 260C.157, subdivision 1.

359.14 (c) If the court determines that there is reason to believe that the child would endanger
359.15 self or others or not return for a court hearing, or that the child's health or welfare would be
359.16 immediately endangered if returned to the care of the parent or guardian who has custody
359.17 and from whom the child was removed, the court shall order the child:

359.18 (1) into the care of the child's noncustodial parent and order the noncustodial parent to
359.19 comply with any conditions that the court determines appropriate to ensure the safety and
359.20 care of the child, including requiring the noncustodial parent to cooperate with paternity
359.21 establishment proceedings if the noncustodial parent has not been adjudicated the child's
359.22 father; or

359.23 (2) into foster care as defined in section 260C.007, subdivision 18, under the legal
359.24 responsibility of the responsible social services agency or responsible probation or corrections
359.25 agency for the purposes of protective care as that term is used in the juvenile court rules.
359.26 The court shall not give the responsible social services legal custody and order a trial home
359.27 visit at any time prior to adjudication and disposition under section 260C.201, subdivision
359.28 1, paragraph (a), clause (3), but may order the child returned to the care of the parent or
359.29 guardian who has custody and from whom the child was removed and order the parent or
359.30 guardian to comply with any conditions the court determines to be appropriate to meet the
359.31 safety, health, and welfare of the child.

359.32 (d) In determining whether the child's health or welfare would be immediately
359.33 endangered, the court shall consider whether the child would reside with a perpetrator of
359.34 domestic child abuse.

360.1 (e) The court, before determining whether a child should be placed in or continue in
360.2 foster care under the protective care of the responsible agency, shall also make a
360.3 determination, consistent with section 260.012 as to whether reasonable efforts were made
360.4 to prevent placement or whether reasonable efforts to prevent placement are not required.
360.5 In the case of an Indian child, the court shall determine whether active efforts, according
360.6 to section 260.762 and the Indian Child Welfare Act of 1978, United States Code, title 25,
360.7 section 1912(d), were made to prevent placement. The court shall enter a finding that the
360.8 responsible social services agency has made reasonable efforts to prevent placement when
360.9 the agency establishes either:

360.10 (1) that the agency has actually provided services or made efforts in an attempt to prevent
360.11 the child's removal but that such services or efforts have not proven sufficient to permit the
360.12 child to safely remain in the home; or

360.13 (2) that there are no services or other efforts that could be made at the time of the hearing
360.14 that could safely permit the child to remain home or to return home. The court shall not
360.15 make a reasonable efforts determination under this clause unless the court is satisfied that
360.16 the agency has sufficiently demonstrated to the court that there were no services or other
360.17 efforts that the agency was able to provide at the time of the hearing enabling the child to
360.18 safely remain home or to safely return home. When reasonable efforts to prevent placement
360.19 are required and there are services or other efforts that could be ordered that would permit
360.20 the child to safely return home, the court shall order the child returned to the care of the
360.21 parent or guardian and the services or efforts put in place to ensure the child's safety. When
360.22 the court makes a prima facie determination that one of the circumstances under paragraph
360.23 (g) exists, the court shall determine that reasonable efforts to prevent placement and to
360.24 return the child to the care of the parent or guardian are not required.

360.25 (f) If the court finds the social services agency's preventive or reunification efforts have
360.26 not been reasonable but further preventive or reunification efforts could not permit the child
360.27 to safely remain at home, the court may nevertheless authorize or continue the removal of
360.28 the child.

360.29 (g) The court may not order or continue the foster care placement of the child unless the
360.30 court makes explicit, individualized findings that continued custody of the child by the
360.31 parent or guardian would be contrary to the welfare of the child and that placement is in the
360.32 best interest of the child.

361.1 (h) At the emergency removal hearing, or at any time during the course of the proceeding,
361.2 and upon notice and request of the county attorney, the court shall determine whether a
361.3 petition has been filed stating a prima facie case that:

361.4 (1) the parent has subjected a child to egregious harm as defined in section 260C.007,
361.5 subdivision 14;

361.6 (2) the parental rights of the parent to another child have been involuntarily terminated;

361.7 (3) the child is an abandoned infant under section 260C.301, subdivision 2, paragraph
361.8 (a), clause (2);

361.9 (4) the parents' custodial rights to another child have been involuntarily transferred to a
361.10 relative under a juvenile protection proceeding or a similar process of another jurisdiction;

361.11 (5) the parent has committed sexual abuse as defined in section 260E.03, against the
361.12 child or another child of the parent;

361.13 (6) the parent has committed an offense that requires registration as a predatory offender
361.14 under section 243.166, subdivision 1b, paragraph (a) or (b); or

361.15 (7) the provision of services or further services for the purpose of reunification is futile
361.16 and therefore unreasonable.

361.17 (i) When a petition to terminate parental rights is required under section 260C.301,
361.18 subdivision 4, or 260C.503, subdivision 2, but the county attorney has determined not to
361.19 proceed with a termination of parental rights petition, and has instead filed a petition to
361.20 transfer permanent legal and physical custody to a relative under section 260C.507, the
361.21 court shall schedule a permanency hearing within 30 days of the filing of the petition.

361.22 (j) If the county attorney has filed a petition under section 260C.307, the court shall
361.23 schedule a trial under section 260C.163 within 90 days of the filing of the petition except
361.24 when the county attorney determines that the criminal case shall proceed to trial first under
361.25 section 260C.503, subdivision 2, paragraph (c).

361.26 (k) If the court determines the child should be ordered into foster care and the child's
361.27 parent refuses to give information to the responsible social services agency regarding the
361.28 child's father or relatives of the child, the court may order the parent to disclose the names,
361.29 addresses, telephone numbers, and other identifying information to the responsible social
361.30 services agency for the purpose of complying with sections 260C.150, 260C.151, 260C.212,
361.31 260C.215, 260C.219, and 260C.221.

362.1 (l) If a child ordered into foster care has siblings, whether full, half, or step, who are
362.2 also ordered into foster care, the court shall inquire of the responsible social services agency
362.3 of the efforts to place the children together as required by section 260C.212, subdivision 2,
362.4 paragraph (d), if placement together is in each child's best interests, unless a child is in
362.5 placement for treatment or a child is placed with a previously noncustodial parent who is
362.6 not a parent to all siblings. If the children are not placed together at the time of the hearing,
362.7 the court shall inquire at each subsequent hearing of the agency's reasonable efforts to place
362.8 the siblings together, as required under section 260.012. If any sibling is not placed with
362.9 another sibling or siblings, the agency must develop a plan to facilitate visitation or ongoing
362.10 contact among the siblings as required under section 260C.212, subdivision 1, unless it is
362.11 contrary to the safety or well-being of any of the siblings to do so.

362.12 (m) When the court has ordered the child into the care of a noncustodial parent or in
362.13 foster care, the court may order a chemical dependency evaluation, mental health evaluation,
362.14 medical examination, and parenting assessment for the parent as necessary to support the
362.15 development of a plan for reunification required under subdivision 7 and section 260C.212,
362.16 subdivision 1, or the child protective services plan under section 260E.26, and Minnesota
362.17 Rules, part 9560.0228.

362.18 (n) When the court has ordered an Indian child into an emergency child placement, the
362.19 Indian child shall be placed according to the placement preferences in the Minnesota Indian
362.20 Family Preservation Act, section 260.773.

362.21 Sec. 52. Minnesota Statutes 2022, section 260D.01, is amended to read:

362.22 **260D.01 CHILD IN VOLUNTARY FOSTER CARE FOR TREATMENT.**

362.23 (a) Sections 260D.01 to 260D.10, may be cited as the "child in voluntary foster care for
362.24 treatment" provisions of the Juvenile Court Act.

362.25 (b) The juvenile court has original and exclusive jurisdiction over a child in voluntary
362.26 foster care for treatment upon the filing of a report or petition required under this chapter.
362.27 All obligations of the responsible social services agency to a child and family in foster care
362.28 contained in chapter 260C not inconsistent with this chapter are also obligations of the
362.29 agency with regard to a child in foster care for treatment under this chapter.

362.30 (c) This chapter shall be construed consistently with the mission of the children's mental
362.31 health service system as set out in section 245.487, subdivision 3, and the duties of an agency
362.32 under sections 256B.092 and 260C.157 and Minnesota Rules, parts 9525.0004 to 9525.0016,

363.1 to meet the needs of a child with a developmental disability or related condition. This
363.2 chapter:

363.3 (1) establishes voluntary foster care through a voluntary foster care agreement as the
363.4 means for an agency and a parent to provide needed treatment when the child must be in
363.5 foster care to receive necessary treatment for an emotional disturbance or developmental
363.6 disability or related condition;

363.7 (2) establishes court review requirements for a child in voluntary foster care for treatment
363.8 due to emotional disturbance or developmental disability or a related condition;

363.9 (3) establishes the ongoing responsibility of the parent as legal custodian to visit the
363.10 child, to plan together with the agency for the child's treatment needs, to be available and
363.11 accessible to the agency to make treatment decisions, and to obtain necessary medical,
363.12 dental, and other care for the child;

363.13 (4) applies to voluntary foster care when the child's parent and the agency agree that the
363.14 child's treatment needs require foster care either:

363.15 (i) due to a level of care determination by the agency's screening team informed by the
363.16 child's diagnostic and functional assessment under section 245.4885; or

363.17 (ii) due to a determination regarding the level of services needed by the child by the
363.18 responsible social services agency's screening team under section 256B.092, and Minnesota
363.19 Rules, parts 9525.0004 to 9525.0016; and

363.20 (5) includes the requirements for a child's placement in sections 260C.70 to 260C.714,
363.21 when the juvenile treatment screening team recommends placing a child in a qualified
363.22 residential treatment program, except as modified by this chapter.

363.23 (d) This chapter does not apply when there is a current determination under chapter
363.24 260E that the child requires child protective services or when the child is in foster care for
363.25 any reason other than treatment for the child's emotional disturbance or developmental
363.26 disability or related condition. When there is a determination under chapter 260E that the
363.27 child requires child protective services based on an assessment that there are safety and risk
363.28 issues for the child that have not been mitigated through the parent's engagement in services
363.29 or otherwise, or when the child is in foster care for any reason other than the child's emotional
363.30 disturbance or developmental disability or related condition, the provisions of chapter 260C
363.31 apply.

364.1 (e) The paramount consideration in all proceedings concerning a child in voluntary foster
364.2 care for treatment is the safety, health, and the best interests of the child. The purpose of
364.3 this chapter is:

364.4 (1) to ensure that a child with a disability is provided the services necessary to treat or
364.5 ameliorate the symptoms of the child's disability;

364.6 (2) to preserve and strengthen the child's family ties whenever possible and in the child's
364.7 best interests, approving the child's placement away from the child's parents only when the
364.8 child's need for care or treatment requires out-of-home placement and the child cannot be
364.9 maintained in the home of the parent; and

364.10 (3) to ensure that the child's parent retains legal custody of the child and associated
364.11 decision-making authority unless the child's parent willfully fails or is unable to make
364.12 decisions that meet the child's safety, health, and best interests. The court may not find that
364.13 the parent willfully fails or is unable to make decisions that meet the child's needs solely
364.14 because the parent disagrees with the agency's choice of foster care facility, unless the
364.15 agency files a petition under chapter 260C, and establishes by clear and convincing evidence
364.16 that the child is in need of protection or services.

364.17 (f) The legal parent-child relationship shall be supported under this chapter by maintaining
364.18 the parent's legal authority and responsibility for ongoing planning for the child and by the
364.19 agency's assisting the parent, when necessary, to exercise the parent's ongoing right and
364.20 obligation to visit or to have reasonable contact with the child. Ongoing planning means:

364.21 (1) actively participating in the planning and provision of educational services, medical,
364.22 and dental care for the child;

364.23 (2) actively planning and participating with the agency and the foster care facility for
364.24 the child's treatment needs;

364.25 (3) planning to meet the child's need for safety, stability, and permanency, and the child's
364.26 need to stay connected to the child's family and community;

364.27 (4) engaging with the responsible social services agency to ensure that the family and
364.28 permanency team under section 260C.706 consists of appropriate family members. For
364.29 purposes of voluntary placement of a child in foster care for treatment under chapter 260D,
364.30 prior to forming the child's family and permanency team, the responsible social services
364.31 agency must consult with the child's parent or legal guardian, the child if the child is 14
364.32 years of age or older, and, if applicable, the child's Tribe to obtain recommendations regarding
364.33 which individuals to include on the team and to ensure that the team is family-centered and

will act in the child's best interests. If the child, child's parents, or legal guardians raise concerns about specific relatives or professionals, the team should not include those individuals unless the individual is a treating professional or an important connection to the youth as outlined in the case or crisis plan; and

(5) for a voluntary placement under this chapter in a qualified residential treatment program, as defined in section 260C.007, subdivision 26d, for purposes of engaging in a relative search as provided in section 260C.221, the county agency must consult with the child's parent or legal guardian, the child if the child is 14 years of age or older, and, if applicable, the child's Tribe to obtain recommendations regarding which adult relatives the county agency should notify. If the child, child's parents, or legal guardians raise concerns about specific relatives, the county agency should not notify those relatives.

(g) The provisions of section 260.012 to ensure placement prevention, family reunification, and all active and reasonable effort requirements of that section apply. ~~This chapter shall be construed consistently with the requirements of the Indian Child Welfare Act of 1978, United States Code, title 25, section 1901, et al., and the provisions of the Minnesota Indian Family Preservation Act, sections 260.751 to 260.835.~~

Sec. 53. **[260D.011] COMPLIANCE WITH FEDERAL INDIAN CHILD WELFARE ACT AND MINNESOTA INDIAN FAMILY PRESERVATION ACT.**

Proceedings under this chapter concerning an Indian child are child custody proceedings governed by the Indian Child Welfare Act, United States Code, title 25, sections 1901 to 1963; by the Minnesota Indian Family Preservation Act, sections 260.751 to 260.835; and by this chapter when not inconsistent with the federal Indian Child Welfare Act or the Minnesota Indian Family Preservation Act.

Sec. 54. **[260E.015] COMPLIANCE WITH FEDERAL INDIAN CHILD WELFARE ACT AND MINNESOTA INDIAN FAMILY PRESERVATION ACT.**

Proceedings under this chapter concerning an Indian child are child custody proceedings governed by the Indian Child Welfare Act, United States Code, title 25, sections 1901 to 1963; by the Minnesota Indian Family Preservation Act, sections 260.751 to 260.835; and by this chapter when not inconsistent with the federal Indian Child Welfare Act or the Minnesota Indian Family Preservation Act.

366.1 Sec. 55. **[524.5-2011] COMPLIANCE WITH FEDERAL INDIAN CHILD WELFARE**
366.2 **ACT AND MINNESOTA INDIAN FAMILY PRESERVATION ACT.**

366.3 Proceedings under this chapter concerning an Indian child are child custody proceedings
366.4 governed by the Indian Child Welfare Act, United States Code, title 25, sections 1901 to
366.5 1963; by the Minnesota Indian Family Preservation Act, sections 260.751 to 260.835; and
366.6 by this chapter when not inconsistent with the federal Indian Child Welfare Act or the
366.7 Minnesota Indian Family Preservation Act.

366.8 Sec. 56. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; STUDY OF**
366.9 **CHILD PLACEMENT AND PERMANENCY; PRACTICE RECOMMENDATIONS.**

366.10 Subdivision 1. **Study parameters.** (a) The commissioner of children, youth, and families
366.11 shall contract with an independent consultant to evaluate the effects of child placement in
366.12 foster care and out-of-home settings on the safety, permanency, and well-being of the child.
366.13 The study must be designed to evaluate the system overall for a child's placement and
366.14 permanency. The study shall identify and evaluate factors designed to ensure emotional and
366.15 physical safety of the child in the context of child placement and permanency dispositions
366.16 and shall include an analysis of structuring out-of-home placement decisions, reunification
366.17 timelines, and service provisions to best allow the parents to engage in positive parenting
366.18 of the child. The consultant must develop guidelines for when to place a child out-of-home,
366.19 who to place the child with, when and how to keep the child connected to family and
366.20 community, and what timelines allow a child's parents to best engage in necessary services
366.21 and treatment before reunification, including but not limited to substance use disorder or
366.22 mental health treatment.

366.23 (b) The study shall take into account the educational and behavioral development, mental
366.24 health functioning, and placement stability of the child. The study shall also take into
366.25 consideration the social, financial, and whole health of the family unit.

366.26 Subd. 2. **Collaboration with interested parties.** (a) The consultant shall design the
366.27 study with an advisory group consisting of:

366.28 (1) the commissioner of human services, or a designee;

366.29 (2) the commissioner of children, youth, and families, or a designee;

366.30 (3) the ombudsperson for foster youth, or a designee;

366.31 (4) a representative from the Association of Minnesota Counties appointed by the
366.32 association;

367.1 (5) two members representing county social services agencies, one from the seven-county
367.2 metropolitan area and one from Greater Minnesota;

367.3 (6) one member appointed by the Minnesota Council on Disability;

367.4 (7) one member appointed by the Indian Child Welfare Advisory Council;

367.5 (8) one member appointed by the Ombudsperson for American Indian Families;

367.6 (9) one member appointed by the Children's Alliance;

367.7 (10) up to four members appointed by the ombudsperson for families;

367.8 (11) up to four members from the Children's Justice Task Force; and

367.9 (12) members of the public appointed by the governor representing:

367.10 (i) one member 18 years of age who has lived experience with the child welfare system;

367.11 (ii) one member 18 years of age or older who has lived experience with the child welfare
367.12 system as a parent or caregiver;

367.13 (iii) one member who is working with or advocating for children with disabilities;

367.14 (iv) one member with experience working with or advocating for LGBTQ youth;

367.15 (v) one member working with or advocating for Indigenous children;

367.16 (vi) one member working with or advocating for black children or youth;

367.17 (vii) one member working with or advocating for other children of color;

367.18 (viii) one member who is an attorney representing children in child placement
367.19 proceedings;

367.20 (ix) one member who is a Tribal attorney in child placement proceedings;

367.21 (x) one member who is an attorney representing parents in child placement proceedings;

367.22 (xi) one member with experience in children's mental health;

367.23 (xii) one member with experience in adult mental health; and

367.24 (xiii) one member who is a substance abuse professional.

367.25 (b) Membership terms, compensation, and removal of members appointed under
367.26 paragraph (a) are governed by Minnesota Statutes, section 15.059.

367.27 Subd. 3. **Report.** By September 1, 2027, the consultant shall submit a final report to the
367.28 commissioner of human services and to the chairs and ranking minority members of the
367.29 legislative committees with jurisdiction over health and human services. The final report

368.1 must include a recommendation on the optimal time frame for child placement in foster
368.2 care or out-of-home placement. The commissioner of human services shall include a report
368.3 on needed statutory changes as a result of the consultant's report.

368.4 Sec. 57. **REPEALER.**

368.5 Minnesota Statutes 2022, section 260.755, subdivision 13, is repealed.

368.6 **ARTICLE 16**

368.7 **MINNESOTA AFRICAN AMERICAN FAMILY PRESERVATION AND CHILD**
368.8 **WELFARE DISPROPORTIONALITY ACT**

368.9 Section 1. **[260.61] CITATION.**

368.10 Sections 260.61 to 260.693 may be cited as the "Minnesota African American Family
368.11 Preservation and Child Welfare Disproportionality Act."

368.12 **EFFECTIVE DATE.** This section is effective July 1, 2026, except as provided under
368.13 section 20 of this article.

368.14 Sec. 2. **[260.62] PURPOSES.**

368.15 (a) The purposes of the Minnesota African American Family Preservation and Child
368.16 Welfare Disproportionality Act are to:

368.17 (1) protect the best interests of African American and disproportionately represented
368.18 children;

368.19 (2) promote the stability and security of African American and disproportionately
368.20 represented children and their families by establishing minimum standards to prevent the
368.21 arbitrary and unnecessary removal of African American and disproportionately represented
368.22 children from their families; and

368.23 (3) improve permanency outcomes, including family reunification, for African American
368.24 and disproportionately represented children.

368.25 (b) Nothing in this legislation is intended to interfere with the protections of the Indian
368.26 Child Welfare Act of 1978, United States Code, title 25, sections 1901 to 1963, or the
368.27 Minnesota Indian Family Preservation Act, Minnesota Statutes, sections 260.751 to 260.835.

368.28 **EFFECTIVE DATE.** This section is effective July 1, 2026, except as provided under
368.29 section 20 of this article.

369.1 Sec. 3. **[260.63] DEFINITIONS.**

369.2 Subdivision 1. **Scope.** The definitions in this section apply to sections 260.61 to 260.693.

369.3 Subd. 2. **Active efforts.** "Active efforts" means a rigorous and concerted level of effort
369.4 that the responsible social services agency must continuously make throughout the time
369.5 that the responsible social services agency is involved with an African American or a
369.6 disproportionately represented child and the child's family. To provide active efforts to
369.7 preserve an African American or a disproportionately represented child's family, the
369.8 responsible social services agency must continuously involve an African American or a
369.9 disproportionately represented child's family in all services for the family, including case
369.10 planning and choosing services and providers, and inform the family of the ability to file a
369.11 report of noncompliance with this act with the commissioner through the child welfare
369.12 compliance and feedback portal. When providing active efforts, a responsible social services
369.13 agency must consider an African American or a disproportionately represented child's
369.14 family's social and cultural values at all times while providing services to the African
369.15 American or disproportionately represented child and the child's family. Active efforts
369.16 includes continuous efforts to preserve an African American or a disproportionately
369.17 represented child's family and to prevent the out-of-home placement of an African American
369.18 or a disproportionately represented child. If an African American or a disproportionately
369.19 represented child enters out-of-home placement, the responsible social services agency must
369.20 make active efforts to reunify the African American or disproportionately represented child
369.21 with the child's family as soon as possible. Active efforts sets a higher standard for the
369.22 responsible social services agency than reasonable efforts to preserve the child's family,
369.23 prevent the child's out-of-home placement, and reunify the child with the child's family.
369.24 Active efforts includes the provision of reasonable efforts as required by Title IV-E of the
369.25 Social Security Act, United States Code, title 42, sections 670 to 679c.

369.26 Subd. 3. **Adoptive placement.** "Adoptive placement" means the permanent placement
369.27 of an African American or a disproportionately represented child made by the responsible
369.28 social services agency upon a fully executed adoption placement agreement, including the
369.29 signatures of the adopting parent, the responsible social services agency, and the
369.30 commissioner of human services according to section 260C.613, subdivision 1.

369.31 Subd. 4. **African American child.** "African American child" means a child having
369.32 origins in Africa, including a child of two or more races who has at least one parent with
369.33 origins in Africa. Whether a child or parent has origins in Africa is based upon
369.34 self-identification or identification of the child's origins by the parent or guardian.

370.1 Subd. 5. **Best interests of the African American or disproportionately represented**
370.2 **child.** The "best interests of the African American or disproportionately represented child"
370.3 means providing a culturally informed practice lens that acknowledges, utilizes, and embraces
370.4 the African American or disproportionately represented child's community and cultural
370.5 norms and allows the child to remain safely at home with the child's family. The best interests
370.6 of the African American or disproportionately represented child support the child's sense
370.7 of belonging to the child's family, extended family, kin, and cultural community.

370.8 Subd. 6. **Child placement proceeding.** (a) "Child placement proceeding" means any
370.9 judicial proceeding that could result in:

370.10 (1) an adoptive placement;

370.11 (2) a foster care placement;

370.12 (3) a preadoptive placement; or

370.13 (4) a termination of parental rights.

370.14 (b) Judicial proceedings under this subdivision include a child's placement based upon
370.15 a child's juvenile status offense but do not include a child's placement based upon:

370.16 (1) an act which if committed by an adult would be deemed a crime; or

370.17 (2) an award of child custody in a divorce proceeding to one of the child's parents.

370.18 Subd. 7. **Commissioner.** "Commissioner" means the commissioner of human services
370.19 or the commissioner's designee.

370.20 Subd. 8. **Custodian.** "Custodian" means any person who is under a legal obligation to
370.21 provide care and support for an African American or a disproportionately represented child,
370.22 or who is in fact providing daily care and support for an African American or a
370.23 disproportionately represented child. This subdivision does not impose a legal obligation
370.24 upon a person who is not otherwise legally obligated to provide a child with necessary food,
370.25 clothing, shelter, education, or medical care.

370.26 Subd. 9. **Disproportionality.** "Disproportionality" means the overrepresentation of
370.27 African American children and other disproportionately represented children in Minnesota's
370.28 child welfare system population as compared to the representation of those children in
370.29 Minnesota's total child population.

370.30 Subd. 10. **Disproportionately represented child.** "Disproportionately represented child"
370.31 means an unmarried person who is under the age of 18 and who is a member of a community
370.32 whose race, culture, ethnicity, disability status, or low-income socioeconomic status is

371.1 disproportionately encountered, engaged, or identified in the child welfare system as
371.2 compared to the representation in the state's total child population, as determined on an
371.3 annual basis by the commissioner. A child's race, culture, or ethnicity is determined based
371.4 upon a child's self-identification or identification of a child's race, culture, or ethnicity as
371.5 reported by the child's parent or guardian.

371.6 Subd. 11. **Egregious harm.** "Egregious harm" has the meaning given in section 260E.03,
371.7 subdivision 5.

371.8 Subd. 12. **Foster care placement.** "Foster care placement" means the temporary
371.9 placement in foster care as defined in section 260C.007, subdivision 18, following the
371.10 court-ordered removal of an African American or a disproportionately represented child
371.11 when the parent or legal custodian cannot have the child returned upon demand.

371.12 Subd. 13. **Imminent physical damage or harm.** "Imminent physical damage or harm"
371.13 means that a child is threatened with immediate and present conditions that are
371.14 life-threatening or likely to result in abandonment, sexual abuse, or serious physical injury.

371.15 Subd. 14. **Responsible social services agency.** "Responsible social services agency"
371.16 has the meaning given in section 260C.007, subdivision 27a.

371.17 Subd. 15. **Parent.** "Parent" means the biological parent of an African American or a
371.18 disproportionately represented child or any person who has legally adopted an African
371.19 American or a disproportionately represented child. Parent includes an unmarried father
371.20 whose paternity has been acknowledged or established and a putative father. Paternity has
371.21 been acknowledged when an unmarried father takes any action to hold himself out as the
371.22 biological father of a child.

371.23 Subd. 16. **Preadoptive placement.** "Preadoptive placement" means a responsible social
371.24 services agency's placement of an African American or a disproportionately represented
371.25 child when the child is under the guardianship of the commissioner for the purpose of
371.26 adoption but an adoptive placement agreement for the child has not been fully executed.

371.27 Subd. 17. **Relative.** "Relative" has the meaning given in section 260C.007, subdivision
371.28 27.

371.29 Subd. 18. **Safety network.** "Safety network" means a group of individuals identified by
371.30 the parent and child, when appropriate, that is accountable for developing, implementing,
371.31 sustaining, supporting, or improving a safety plan to protect the safety and well-being of a
371.32 child.

372.1 Subd. 19. **Sexual abuse.** "Sexual abuse" has the meaning given in section 260E.03,
372.2 subdivision 20.

372.3 Subd. 20. **Termination of parental rights.** "Termination of parental rights" means an
372.4 action resulting in the termination of the parent-child relationship under section 260C.301.

372.5 **EFFECTIVE DATE.** This section is effective July 1, 2026, except as provided under
372.6 section 20 of this article.

372.7 Sec. 4. **[260.64] DUTY TO PREVENT OUT-OF-HOME PLACEMENT AND**
372.8 **PROMOTE FAMILY REUNIFICATION.**

372.9 Subdivision 1. **Active efforts.** A responsible social services agency shall make active
372.10 efforts to prevent the out-of-home placement of an African American or a disproportionately
372.11 represented child, eliminate the need for a child's removal from the child's home, and reunify
372.12 an African American or a disproportionately represented child with the child's family as
372.13 soon as practicable.

372.14 Subd. 2. **Safety plan.** (a) Prior to petitioning the court to remove an African American
372.15 or a disproportionately represented child from the child's home under section 260.66, a
372.16 responsible social services agency must work with the child's family to allow the child to
372.17 remain in the child's home while implementing a safety plan based on the family's needs.
372.18 The responsible social services agency must:

372.19 (1) make active efforts to engage the child's parent or custodian and the child, when
372.20 appropriate;

372.21 (2) assess the family's cultural and economic needs;

372.22 (3) hold a family group consultation meeting and connect the family with supports to
372.23 establish a safety network for the family; and

372.24 (4) provide support, guidance, and input to assist the family and the family's safety
372.25 network with developing the safety plan.

372.26 (b) The safety plan must:

372.27 (1) address the specific allegations impacting the child's safety in the home. If neglect
372.28 is alleged, the safety plan must incorporate economic services and supports for the child
372.29 and the child's family, if eligible, to address the family's specific needs and prevent neglect;

372.30 (2) incorporate family and community support to ensure the child's safety while keeping
372.31 the family intact; and

373.1 (3) be adjusted as needed to address the child's and family's ongoing needs and support.

373.2 (c) The responsible social services agency is not required to establish a safety plan in a
373.3 case with allegations of sexual abuse or egregious harm.

373.4 Subd. 3. **Out-of-home placement prohibited.** Unless the court finds by clear and
373.5 convincing evidence that the child would be at risk of serious emotional damage or serious
373.6 physical damage if the child were to remain in the child's home, a court shall not order a
373.7 foster care or permanent out-of-home placement of an African American or a
373.8 disproportionately represented child alleged to be in need of protection or services. At each
373.9 hearing regarding an African American or a disproportionately represented child who is
373.10 alleged or adjudicated to be in need of child protective services, the court shall review
373.11 whether the responsible social services agency has provided active efforts to the child and
373.12 the child's family and shall require the responsible social services agency to provide evidence
373.13 and documentation that demonstrates that the agency is providing culturally informed,
373.14 strength-based, community-involved, and community-based services to the child and the
373.15 child's family.

373.16 Subd. 4. **Required findings that active efforts were provided.** When determining
373.17 whether the responsible social services agency has made active efforts to preserve the child's
373.18 family, the court shall make findings regarding whether the responsible social services
373.19 agency made appropriate and meaningful services available to the child's family based upon
373.20 the family's specific needs. If a court determines that the responsible social services agency
373.21 did not make active efforts to preserve the family as required by this section, the court shall
373.22 order the responsible social services agency to immediately provide active efforts to the
373.23 child and child's family to preserve the family.

373.24 **EFFECTIVE DATE.** This section is effective July 1, 2026, except as provided under
373.25 section 20 of this article.

373.26 Sec. 5. **[260.641] ENSURING FREQUENT VISITATION FOR AFRICAN**
373.27 **AMERICAN AND DISPROPORTIONATELY REPRESENTED CHILDREN IN**
373.28 **OUT-OF-HOME PLACEMENT.**

373.29 A responsible social services agency must engage in best practices related to visitation
373.30 when an African American or a disproportionately represented child is in out-of-home
373.31 placement. When the child is in out-of-home placement, the responsible social services
373.32 agency shall make active efforts to facilitate regular and frequent visitation between the
373.33 child and the child's parents or custodians, the child's siblings, and the child's relatives. If
373.34 visitation is infrequent between the child and the child's parents, custodians, siblings, or

374.1 relatives, the responsible social services agency shall make active efforts to increase the
374.2 frequency of visitation and address any barriers to visitation.

374.3 **EFFECTIVE DATE.** This section is effective July 1, 2026, except as provided under
374.4 section 20 of this article.

374.5 Sec. 6. **[260.65] NONCUSTODIAL PARENTS; TEMPORARY OUT-OF-HOME**
374.6 **PLACEMENT.**

374.7 Subdivision 1. **Active efforts required; responsible social services agency.** Prior to
374.8 or within 48 hours of the removal of an African American or a disproportionately represented
374.9 child from the child's home under section 260.66, the responsible social services agency
374.10 must make active efforts to identify and locate the child's noncustodial or nonadjudicated
374.11 parent and the child's relatives to notify the child's parent and relatives that the child is or
374.12 will be placed in foster care and provide the child's parent and relatives with a list of legal
374.13 resources. The notice to the child's noncustodial or nonadjudicated parent and relatives must
374.14 also include the information required under section 260C.221, subdivision 2. The responsible
374.15 social services agency must maintain detailed records of the agency's efforts to notify parents
374.16 and relatives under this section.

374.17 Subd. 2. **Placement with noncustodial or nonadjudicated parent.** (a) Notwithstanding
374.18 the provisions of section 260C.219, if an African American or disproportionately represented
374.19 child's noncustodial or nonadjudicated parent is identified and located under subdivision 1,
374.20 the responsible social services agency must assess the child's noncustodial or nonadjudicated
374.21 parent's ability to care for the child before placing the child in foster care. If a child's
374.22 noncustodial or nonadjudicated parent is willing and able to provide daily care for the
374.23 African American or disproportionately represented child temporarily or permanently, the
374.24 court shall order the child into the home of the noncustodial or nonadjudicated parent
374.25 pursuant to section 260C.178 or 260C.201, subdivision 1. The responsible social services
374.26 agency must make active efforts to assist a noncustodial or nonadjudicated parent with
374.27 remedying any issues that may prevent the child from being placed with the noncustodial
374.28 or nonadjudicated parent.

374.29 (b) If an African American or a disproportionately represented child's noncustodial or
374.30 nonadjudicated parent is unwilling or unable to provide daily care for the child and the court
374.31 has determined that the child's continued placement in the home of the child's noncustodial
374.32 or nonadjudicated parent would endanger the child's health, safety, or welfare, the child's
374.33 parent, custodian, or the child, when appropriate, has the right to select one or more relatives
374.34 who may be willing and able to provide temporary care for the child. The responsible social

375.1 services agency must place the child with a selected relative after assessing the relative's
375.2 willingness and ability to provide daily care for the child. If selected relatives are not available
375.3 or there is a documented safety concern with the relative placement, the responsible social
375.4 services agency shall consider additional relatives for the child's placement.

375.5 Subd. 3. **Informal kinship care agreement.** The responsible social services agency
375.6 must inform selected relatives and the child's parent or custodian of the difference between
375.7 informal kinship care arrangements and court-ordered foster care. If a selected relative and
375.8 the child's parent or custodian request an informal kinship care arrangement for a child's
375.9 placement instead of court-ordered foster care and such an arrangement will maintain the
375.10 child's safety and well-being, the responsible social services agency shall comply with the
375.11 request and inform the court of the plan for the child. The court shall honor the request to
375.12 forego a court-ordered foster care placement of the child in favor of an informal kinship
375.13 care arrangement, unless the court determines that the request is not in the best interests of
375.14 the African American or disproportionately represented child.

375.15 Subd. 4. **Active efforts; child foster care licensure process.** The responsible social
375.16 services agency must make active efforts to support relatives with whom a child is placed
375.17 in completing the child foster care licensure process and addressing barriers, disqualifications,
375.18 or other issues affecting the relatives' licensure, including but not limited to assisting relatives
375.19 with requesting reconsideration of a disqualification under section 245C.21.

375.20 Subd. 5. **Future placement not prohibited.** The decision by a relative not to be
375.21 considered as an African American or a disproportionately represented child's foster care
375.22 or temporary placement option shall not be a basis for the responsible social services agency
375.23 or the court to rule out the relative for placement in the future or for denying the relative's
375.24 request to be considered or selected as a foster care or permanent placement for the child.

375.25 **EFFECTIVE DATE.** This section is effective July 1, 2026, except as provided under
375.26 section 20 of this article.

375.27 Sec. 7. **[260.66] EMERGENCY REMOVAL.**

375.28 Subdivision 1. **Emergency removal or placement permitted.** Nothing in this section
375.29 shall be construed to prevent the emergency removal of an African American or a
375.30 disproportionately represented child's parent or custodian or the emergency placement of
375.31 the child in a foster setting in order to prevent imminent physical damage or harm to the
375.32 child.

376.1 Subd. 2. **Petition for emergency removal; placement requirements.** A petition for a
376.2 court order authorizing the emergency removal or continued emergency placement of an
376.3 African American or a disproportionately represented child or the petition's accompanying
376.4 documents must contain a statement of the risk of imminent physical damage or harm to
376.5 the African American or disproportionately represented child and any evidence that the
376.6 emergency removal or placement continues to be necessary to prevent imminent physical
376.7 damage or harm to the child. The petition or its accompanying documents must also contain
376.8 the following information:

376.9 (1) the name, age, and last known address of the child;

376.10 (2) the name and address of the child's parents and custodians, or, if unknown, a detailed
376.11 explanation of efforts made to locate and contact them;

376.12 (3) the steps taken to provide notice to the child's parents and custodians about the
376.13 emergency proceeding;

376.14 (4) a specific and detailed account of the circumstances that led the agency responsible
376.15 for the emergency removal of the child to take that action; and

376.16 (5) a statement of the efforts that have been taken to assist the child's parents or custodians
376.17 so that the child may safely be returned to their custody.

376.18 Subd. 3. **Emergency proceeding requirements.** (a) The court shall hold a hearing no
376.19 later than 72 hours, excluding weekends and holidays, after the emergency removal of an
376.20 African American or a disproportionately represented child. The court shall determine
376.21 whether the emergency removal continues to be necessary to prevent imminent physical
376.22 damage or harm to the child.

376.23 (b) The court shall hold additional hearings whenever new information indicates that
376.24 the emergency situation has ended. At any court hearing after the emergency proceeding,
376.25 the court must determine whether the emergency removal or placement is no longer necessary
376.26 to prevent imminent physical damage or harm to the child.

376.27 (c) Notwithstanding section 260C.163, subdivision 3, and the provisions of Minnesota
376.28 Rules of Juvenile Protection Procedure, rule 25, a parent or custodian of an African American
376.29 or a disproportionately represented child who is subject to an emergency hearing under this
376.30 section and Minnesota Rules of Juvenile Protection Procedure, rule 30, must be represented
376.31 by counsel. The court must appoint qualified counsel to represent a parent if the parent
376.32 meets the eligibility requirements in section 611.17.

377.1 Subd. 4. **Termination of emergency removal or placement.** (a) An emergency removal
377.2 or placement of an African American or a disproportionately represented child must
377.3 immediately terminate once the responsible social services agency or court possesses
377.4 sufficient evidence to determine that the emergency removal or placement is no longer
377.5 necessary to prevent imminent physical damage or harm to the child and the child shall be
377.6 immediately returned to the custody of the child's parent or custodian. The responsible social
377.7 services agency or court shall ensure that the emergency removal or placement terminates
377.8 immediately when the removal or placement is no longer necessary to prevent imminent
377.9 physical damage or harm to the African American or disproportionately represented child.

377.10 (b) An emergency removal or placement ends when the court orders, after service upon
377.11 the African American or disproportionately represented child's parents or custodian, that
377.12 the child shall be placed in foster care upon a determination supported by clear and
377.13 convincing evidence that custody of the child by the child's parent or custodian is likely to
377.14 result in serious emotional or physical damage to the child.

377.15 (c) In no instance shall emergency removal or emergency placement of an African
377.16 American or a disproportionately represented child extend beyond 30 days unless the court
377.17 finds by a showing of clear and convincing evidence that:

377.18 (1) continued emergency removal or placement is necessary to prevent imminent physical
377.19 damage or harm to the child; and

377.20 (2) it has not been possible to initiate a child placement proceeding with all of the
377.21 protections under sections 260.61 to 260.68.

377.22 **EFFECTIVE DATE.** This section is effective July 1, 2026, except as provided under
377.23 section 20 of this article.

377.24 Sec. 8. **[260.67] TRANSFER OF PERMANENT LEGAL AND PHYSICAL**
377.25 **CUSTODY; TERMINATION OF PARENTAL RIGHTS; CHILD PLACEMENT**
377.26 **PROCEEDINGS.**

377.27 Subdivision 1. **Preference for permanency placement with a relative.** Consistent with
377.28 section 260C.513, if an African American or disproportionately represented child cannot
377.29 be returned to the child's parent, permanency placement with a relative is preferred. The
377.30 court shall consider the requirements of and responsibilities under section 260.012, paragraph
377.31 (a), and if possible and if requirements under section 260C.515, subdivision 4, are met,
377.32 transfer permanent legal and physical custody of the child to:

378.1 (1) a noncustodial parent under section 260C.515, subdivision 4, if the child cannot
378.2 return to the care of the parent or custodian from whom the child was removed or who had
378.3 legal custody at the time that the child was placed in foster care; or

378.4 (2) a willing and able relative, according to the requirements of section 260C.515,
378.5 subdivision 4. When the responsible social services agency is the petitioner, prior to the
378.6 court ordering a transfer of permanent legal and physical custody to a relative, the responsible
378.7 social services agency must inform the relative of Northstar kinship assistance benefits and
378.8 eligibility requirements, and of the relative's ability to apply for benefits on behalf of the
378.9 child under chapter 256N.

378.10 Subd. 2. **Termination of parental rights restrictions.** (a) A court shall not terminate
378.11 the parental rights of a parent of an African American or a disproportionately represented
378.12 child based solely on the parent's failure to complete case plan requirements.

378.13 (b) A court shall not terminate the parental rights of a parent of an African American or
378.14 a disproportionately represented child in a child placement proceeding unless the allegations
378.15 against the parent involve sexual abuse; egregious harm; murder in the first, second, or third
378.16 degree under section 609.185, 609.19, or 609.195; murder of an unborn child in the first,
378.17 second, or third degree under section 609.2661, 609.2662, or 609.2663; manslaughter of
378.18 an unborn child in the first or second degree under section 609.2664 or 609.2665; domestic
378.19 assault by strangulation under section 609.2247; felony domestic assault under section
378.20 609.2242 or 609.2243; kidnapping under section 609.25; solicitation, inducement, and
378.21 promotion of prostitution under section 609.322, subdivision 1, and subdivision 1a if one
378.22 or more aggravating factors are present; criminal sexual conduct under sections 609.342 to
378.23 609.3451; engaging in, hiring, or agreeing to hire a minor to engage in prostitution under
378.24 section 609.324, subdivision 1; solicitation of children to engage in sexual conduct under
378.25 section 609.352; possession of pornographic work involving minors under section 617.247;
378.26 malicious punishment or neglect or endangerment of a child under section 609.377 or
378.27 609.378; use of a minor in sexual performance under section 617.246; or failing to protect
378.28 a child from an overt act or condition that constitutes egregious harm.

378.29 (c) Nothing in this subdivision precludes the court from terminating the parental rights
378.30 of a parent of an African American or a disproportionately represented child if the parent
378.31 desires to voluntarily terminate the parent's own parental rights for good cause under section
378.32 260C.301, subdivision 1, paragraph (a).

378.33 Subd. 3. **Appeals.** Notwithstanding the Minnesota Rules of Juvenile Protection Procedure,
378.34 rule 47.02, subdivision 2, a parent of an African American or a disproportionately represented

379.1 child whose parental rights have been terminated may appeal the decision within 90 days
379.2 of the service of notice by the court administrator of the filing of the court's order.

379.3 **EFFECTIVE DATE.** This section is effective July 1, 2026, except as provided under
379.4 section 20 of this article.

379.5 Sec. 9. **[260.68] RESPONSIBLE SOCIAL SERVICES AGENCY CONDUCT AND**
379.6 **CASE REVIEW.**

379.7 Subdivision 1. **Responsible social services agency conduct.** (a) A responsible social
379.8 services agency employee who has duties related to child protection shall not knowingly:

379.9 (1) make untrue statements about any case involving a child alleged to be in need of
379.10 protection or services;

379.11 (2) intentionally withhold any information that may be material to a case involving a
379.12 child alleged to be in need of protection or services; or

379.13 (3) fabricate or falsify any documentation or evidence relating to a case involving a child
379.14 alleged to be in need of protection or services.

379.15 (b) Any of the actions listed in paragraph (a) shall constitute grounds for adverse
379.16 employment action.

379.17 Subd. 2. **Case review.** (a) Each responsible social services agency shall conduct a review
379.18 of all child welfare cases for African American and other disproportionately represented
379.19 children handled by the agency. Each responsible social services agency shall create a
379.20 summary report of trends identified under paragraphs (b) and (c), a remediation plan as
379.21 provided in paragraph (d), and an update on implementation of any previous remediation
379.22 plans. The first report shall be provided to the commission and chairs and ranking minority
379.23 members of the legislative committees with jurisdiction over child welfare by October 1,
379.24 2029, and annually thereafter. For purposes of determining outcomes in this subdivision,
379.25 responsible social services agencies shall use guidance from the commissioner under section
379.26 260.63, subdivision 10. The commissioner shall provide guidance starting on November 1,
379.27 2028, and annually thereafter.

379.28 (b) The case review must include:

379.29 (1) the number of African American and disproportionately represented children
379.30 represented in the county child welfare system;

380.1 (2) the number and sources of maltreatment reports received and reports screened in for
380.2 investigation or referred for family assessment and the race of the children and parents or
380.3 custodians involved in each report;

380.4 (3) the number and race of children and parents or custodians who receive in-home
380.5 preventive case management services;

380.6 (4) the number and race of children whose parents or custodians are referred to
380.7 community-based, culturally appropriate, strength-based, or trauma-informed services;

380.8 (5) the number and race of children removed from their homes;

380.9 (6) the number and race of children reunified with their parents or custodians;

380.10 (7) the number and race of children whose parents or custodians are offered family group
380.11 decision-making services;

380.12 (8) the number and race of children whose parents or custodians are offered the parent
380.13 support outreach program;

380.14 (9) the number and race of children in foster care or out-of-home placement at the time
380.15 that the data is gathered;

380.16 (10) the number and race of children who achieve permanency through a transfer of
380.17 permanent legal and physical custody to a relative or an adoption; and

380.18 (11) the number and race of children who are under the guardianship of the commissioner
380.19 or awaiting a permanency disposition.

380.20 (c) The required case review must also:

380.21 (1) identify barriers to reunifying children with their families;

380.22 (2) identify the family conditions that led to the out-of-home placement;

380.23 (3) identify any barriers to accessing culturally informed mental health or substance use
380.24 disorder treatment services for the parents or children;

380.25 (4) document efforts to identify fathers and maternal and paternal relatives and to provide
380.26 services to custodial and noncustodial fathers, if appropriate; and

380.27 (5) document and summarize court reviews of active efforts.

380.28 (d) Any responsible social services agency that has a case review showing
380.29 disproportionality and disparities in child welfare outcomes for African American and other
380.30 disproportionately represented children and the children's families, compared to the agency's
380.31 overall outcomes, must include in their case review summary report a remediation plan with

381.1 measurable outcomes to identify, address, and reduce the factors that led to the
381.2 disproportionality and disparities in the agency's child welfare outcomes. The remediation
381.3 plan shall also include information about how the responsible social services agency will
381.4 achieve and document trauma-informed, positive child well-being outcomes through
381.5 remediation efforts.

381.6 **EFFECTIVE DATE.** This section is effective July 1, 2026, except as provided under
381.7 section 20 of this article.

381.8 Sec. 10. **[260.69] CULTURAL COMPETENCY TRAINING FOR INDIVIDUALS**
381.9 **WORKING WITH AFRICAN AMERICAN AND DISPROPORTIONATELY**
381.10 **REPRESENTED CHILDREN.**

381.11 Subdivision 1. **Applicability.** The commissioner of human services must collaborate
381.12 with the Children's Justice Initiative to ensure that cultural competency training is given to
381.13 individuals working in the child welfare system, including child welfare workers, supervisors,
381.14 attorneys, juvenile court judges, and family law judges.

381.15 Subd. 2. **Training.** (a) The commissioner must develop training content and establish
381.16 the frequency of trainings.

381.17 (b) The cultural competency training under this section is required prior to or within six
381.18 months of beginning work with any African American or disproportionately represented
381.19 child and their family. A responsible social services agency staff person who is unable to
381.20 complete the cultural competency training prior to working with African American or
381.21 disproportionately represented children and their families must work with a qualified staff
381.22 person within the agency who has completed cultural competency training until the person
381.23 is able to complete the required training. The training must be available by January 1, 2027,
381.24 and must:

381.25 (1) be provided by an African American individual or individual from a community that
381.26 is disproportionately represented in the child welfare system who is knowledgeable about
381.27 African American and other disproportionately represented social and cultural norms and
381.28 historical trauma;

381.29 (2) raise awareness and increase a person's competency to value diversity, conduct a
381.30 self-assessment, manage the dynamics of difference, acquire cultural knowledge, and adapt
381.31 to diversity and the cultural contexts of communities served;

381.32 (3) include instruction on effectively developing a safety plan and instruction on engaging
381.33 a safety network; and

382.1 (4) be accessible and comprehensive and include the ability to ask questions.

382.2 (c) The training may be provided in a series of segments, either in person or online.

382.3 Subd. 3. **Update.** The commissioner must provide an update to the chairs and ranking
382.4 minority members of the legislative committees with jurisdiction over child protection by
382.5 July 1, 2027, on the rollout of the training under subdivision 1 and the content and
382.6 accessibility of the training under subdivision 2.

382.7 **EFFECTIVE DATE.** This section is effective July 1, 2026, except as provided under
382.8 section 20 of this article.

382.9 Sec. 11. **[260.691] AFRICAN AMERICAN CHILD WELL-BEING ADVISORY**
382.10 **COUNCIL.**

382.11 Subdivision 1. **Duties.** The African American Child Well-Being Advisory Council must:

382.12 (1) review annual reports related to African American children involved in the child
382.13 welfare system. These reports may include, but are not limited to the maltreatment,
382.14 out-of-home placement, and permanency of African American children;

382.15 (2) assist in and make recommendations to the commissioner for developing strategies
382.16 to reduce maltreatment determinations, prevent unnecessary out-of-home placement, promote
382.17 culturally appropriate foster care and shelter or facility placement decisions and settings for
382.18 African American children in need of out-of-home placement, ensure timely achievement
382.19 of permanency, and improve child welfare outcomes for African American children and
382.20 their families;

382.21 (3) review summary reports on targeted case reviews prepared by the commissioner to
382.22 ensure that responsible social services agencies meet the needs of African American children
382.23 and their families. Based on data collected from those reviews, the council will assist the
382.24 commissioner with developing strategies needed to improve any identified child welfare
382.25 outcomes, including but not limited to maltreatment, out-of-home placement, and permanency
382.26 for African American children;

382.27 (4) assist the Cultural and Ethnic Communities Leadership Council with making
382.28 recommendations to the commissioner and the legislature for public policy and statutory
382.29 changes that specifically consider the needs of African American children and their families
382.30 involved in the child welfare system;

383.1 (5) advise the commissioner on stakeholder engagement strategies and actions that the
383.2 commissioner and responsible social services agencies may take to improve child welfare
383.3 outcomes for African American children and their families;

383.4 (6) assist the commissioner with developing strategies for public messaging and
383.5 communication related to racial disproportionality and disparities in child welfare outcomes
383.6 for African American children and their families;

383.7 (7) assist the commissioner with identifying and developing internal and external
383.8 partnerships to support adequate access to services and resources for African American
383.9 children and their families, including but not limited to housing assistance, employment
383.10 assistance, food and nutrition support, health care, child care assistance, and educational
383.11 support and training; and

383.12 (8) assist the commissioner with developing strategies to promote the development of
383.13 a culturally diverse and representative child welfare workforce in Minnesota that includes
383.14 professionals who are reflective of the community served and who have been directly
383.15 impacted by lived experiences within the child welfare system. The council must also assist
383.16 the commissioner in exploring strategies and partnerships to address education and training
383.17 needs, hiring, recruitment, retention, and professional advancement practices.

383.18 Subd. 2. **Annual report.** By January 1, 2026, and annually thereafter, the council shall
383.19 report to the chairs and ranking minority members of the legislative committees with
383.20 jurisdiction over child protection on the council's activities under subdivision 1 and other
383.21 issues on which the council chooses to report. The report may include recommendations
383.22 for statutory changes to improve the child protection system and child welfare outcomes
383.23 for African American children and families.

383.24 **EFFECTIVE DATE.** This section is effective July 1, 2024.

383.25 Sec. 12. **[260.692] AFRICAN AMERICAN CHILD WELL-BEING UNIT.**

383.26 Subdivision 1. **Duties.** The African American Child Well-Being Unit, currently
383.27 established by the commissioner, must:

383.28 (1) assist with the development of African American cultural competency training and
383.29 review child welfare curriculum in the Minnesota Child Welfare Training Academy to
383.30 ensure that responsible social services agency staff and other child welfare professionals
383.31 are appropriately prepared to engage with African American children and their families and
383.32 to support family preservation and reunification;

384.1 (2) provide technical assistance, including on-site technical assistance, and case
384.2 consultation to responsible social services agencies to assist agencies with implementing
384.3 and complying with the Minnesota African American Family Preservation and Child Welfare
384.4 Disproportionality Act;

384.5 (3) monitor individual county and statewide disaggregated and nondisaggregated data
384.6 to identify trends and patterns in child welfare outcomes, including but not limited to
384.7 reporting, maltreatment, out-of-home placement, and permanency of African American
384.8 children and develop strategies to address disproportionality and disparities in the child
384.9 welfare system;

384.10 (4) develop and implement a system for conducting case reviews when the commissioner
384.11 receives reports of noncompliance with the Minnesota African American Family Preservation
384.12 and Child Welfare Disproportionality Act or when requested by the parent or custodian of
384.13 an African American child. Case reviews may include but are not limited to a review of
384.14 placement prevention efforts, safety planning, case planning and service provision by the
384.15 responsible social services agency, relative placement consideration, and permanency
384.16 planning;

384.17 (5) establish and administer a request for proposals process for African American and
384.18 disproportionately represented family preservation grants under section 260.693, monitor
384.19 grant activities, and provide technical assistance to grantees;

384.20 (6) in coordination with the African American Child Well-Being Advisory Council,
384.21 coordinate services and create internal and external partnerships to support adequate access
384.22 to services and resources for African American children and their families, including but
384.23 not limited to housing assistance, employment assistance, food and nutrition support, health
384.24 care, child care assistance, and educational support and training; and

384.25 (7) develop public messaging and communication to inform the public about racial
384.26 disparities in child welfare outcomes, current efforts and strategies to reduce racial disparities,
384.27 and resources available to African American children and their families involved in the
384.28 child welfare system.

384.29 Subd. 2. **Case reviews.** (a) The African American Child Well-Being Unit must conduct
384.30 systemic case reviews to monitor targeted child welfare outcomes, including but not limited
384.31 to maltreatment, out-of-home placement, and permanency of African American children.

384.32 (b) The reviews under this subdivision must be conducted using a random sampling of
384.33 representative child welfare cases stratified for certain case related factors, including but
384.34 not limited to case type, maltreatment type, if the case involves out-of-home placement,

385.1 and other demographic variables. In conducting the reviews, unit staff may use court records
385.2 and documents, information from the social services information system, and other available
385.3 case file information to complete the case reviews.

385.4 (c) The frequency of the reviews and the number of cases, child welfare outcomes, and
385.5 selected counties reviewed will be determined by the unit in consultation with the African
385.6 American Child Well-Being Advisory Council, with consideration given to the availability
385.7 of unit resources needed to conduct the reviews.

385.8 (d) The unit must monitor all case reviews and use the collective case review information
385.9 and data to generate summary case review reports, ensure compliance with the Minnesota
385.10 African American Family Preservation and Child Welfare Disproportionality Act, and
385.11 identify trends or patterns in child welfare outcomes for African American children.

385.12 (e) The unit must review information from members of the public received through the
385.13 compliance and feedback portal, including policy and practice concerns related to individual
385.14 child welfare cases. After assessing a case concern, the unit may determine if further
385.15 necessary action should be taken, which may include coordinating case remediation with
385.16 other relevant child welfare agencies in accordance with data privacy laws, including the
385.17 African American Child Well-Being Advisory Council, and offering case consultation and
385.18 technical assistance to the responsible local social service agency as needed or requested
385.19 by the agency.

385.20 Subd. 3. **Reports.** (a) The African American Child Well-Being Unit must provide regular
385.21 updates on unit activities, including summary reports of case reviews, to the African
385.22 American Child Well-Being Advisory Council, and must publish an annual census of African
385.23 American children in out-of-home placements statewide. The annual census must include
385.24 data on the types of placements, age and sex of the children, how long the children have
385.25 been in out-of-home placements, and other relevant demographic information.

385.26 (b) The African American Child Well-Being Unit will gather summary data about the
385.27 practice and policy inquiries and individual case concerns received through the compliance
385.28 and feedback portal under subdivision 2, paragraph (e). The unit will provide regular reports
385.29 of the nonidentifying compliance and feedback portal summary data to the African American
385.30 Child Well-Being Advisory Council to identify child welfare trends and patterns to assist
385.31 with developing policy and practice recommendations to support eliminating disparity and
385.32 disproportionality for African American children.

385.33 **EFFECTIVE DATE.** This section is effective July 1, 2024.

386.1 Sec. 13. **[260.693] AFRICAN AMERICAN AND DISPROPORTIONATELY**
386.2 **REPRESENTED FAMILY PRESERVATION GRANTS.**

386.3 Subdivision 1. **Primary support grants.** The commissioner shall establish direct grants
386.4 to organizations, service providers, and programs owned and led by African Americans and
386.5 other individuals from communities disproportionately represented in the child welfare
386.6 system to provide services and support for African American and disproportionately
386.7 represented children and their families involved in Minnesota's child welfare system,
386.8 including supporting existing eligible services and facilitating the development of new
386.9 services and providers, to create a more expansive network of service providers available
386.10 for African American and disproportionately represented children and their families.

386.11 Subd. 2. **Eligible services.** (a) Services eligible for grants under this section include but
386.12 are not limited to:

386.13 (1) child out-of-home placement prevention and reunification services;

386.14 (2) family-based services and reunification therapy;

386.15 (3) culturally specific individual and family counseling;

386.16 (4) court advocacy;

386.17 (5) training and consultation to responsible social services agencies and private social
386.18 services agencies regarding this act;

386.19 (6) development and promotion of culturally informed, affirming, and responsive
386.20 community-based prevention and family preservation services that target the children, youth,
386.21 families, and communities of African American and African heritage experiencing the
386.22 highest disparities, disproportionality, and overrepresentation in the Minnesota child welfare
386.23 system;

386.24 (7) culturally affirming and responsive services that work with children and families in
386.25 their communities to address their needs and ensure child and family safety and well-being
386.26 within a culturally appropriate lens and framework;

386.27 (8) services to support informal kinship care arrangements; and

386.28 (9) other activities and services approved by the commissioner that further the goals of
386.29 the Minnesota African American Family Preservation and Child Welfare Disproportionality
386.30 Act, including but not limited to the recruitment of African American staff and staff from
386.31 other communities disproportionately represented in the child welfare system to work for
386.32 responsible social services agencies and licensed child-placing agencies.

387.1 (b) The commissioner may specify the priority of an activity and service based on its
387.2 success in furthering these goals. The commissioner shall give preference to programs and
387.3 service providers that are located in or serve counties with the highest rates of child welfare
387.4 disproportionality for African American and other disproportionately represented children
387.5 and their families and employ staff who represent the population primarily served.

387.6 Subd. 3. **Ineligible services.** Grant money may not be used to supplant funding for
387.7 existing services or for the following purposes:

387.8 (1) child day care that is necessary solely because of the employment or training for
387.9 employment of a parent or another relative with whom the child is living;

387.10 (2) foster care maintenance or difficulty of care payments;

387.11 (3) residential treatment facility payments;

387.12 (4) adoption assistance or Northstar kinship assistance payments under chapter 259A
387.13 or 256N;

387.14 (5) public assistance payments for Minnesota family investment program assistance,
387.15 supplemental aid, medical assistance, general assistance, general assistance medical care,
387.16 or community health services; or

387.17 (6) administrative costs for income maintenance staff.

387.18 Subd. 4. **Requests for proposals.** The commissioner shall request proposals for grants
387.19 under subdivisions 1, 2, and 3 and specify the information and criteria required.

387.20 **EFFECTIVE DATE.** This section is effective July 1, 2024.

387.21 Sec. 14. Minnesota Statutes 2022, section 260C.329, subdivision 3, is amended to read:

387.22 Subd. 3. **Petition.** The county attorney ~~or~~, a parent whose parental rights were terminated
387.23 under a previous order of the court, a child who is ten years of age or older, the responsible
387.24 social services agency, or a guardian ad litem may file a petition for the reestablishment of
387.25 the legal parent and child relationship. A parent filing a petition under this section shall pay
387.26 a filing fee in the amount required under section 357.021, subdivision 2, clause (1). The
387.27 filing fee may be waived pursuant to chapter 563. A petition for the reestablishment of the
387.28 legal parent and child relationship may be filed when:

387.29 ~~(1) in cases where the county attorney is the petitioning party, both the responsible social~~
387.30 ~~services agency and the county attorney agree that reestablishment of the legal parent and~~
387.31 ~~child relationship is in the child's best interests;~~

388.1 ~~(2)~~ (1) the parent has corrected the conditions that led to an order terminating parental
388.2 rights;

388.3 ~~(3)~~ (2) the parent is willing and has the capability to provide day-to-day care and maintain
388.4 the health, safety, and welfare of the child;

388.5 ~~(4) the child has been in foster care for at least 48 months after the court issued the order~~
388.6 ~~terminating parental rights;~~

388.7 ~~(5)~~ (3) the child has not been adopted; and

388.8 ~~(6)~~ (4) the child is not the subject of a written adoption placement agreement between
388.9 the responsible social services agency and the prospective adoptive parent, as required under
388.10 Minnesota Rules, part 9560.0060, subpart 2.

388.11 **EFFECTIVE DATE.** This section is effective July 1, 2026, except as provided under
388.12 section 20 of this article.

388.13 Sec. 15. Minnesota Statutes 2022, section 260C.329, subdivision 8, is amended to read:

388.14 Subd. 8. **Hearing.** The court may grant the petition ordering the reestablishment of the
388.15 legal parent and child relationship only if it finds by clear and convincing evidence that:

388.16 (1) reestablishment of the legal parent and child relationship is in the child's best interests;

388.17 (2) the child has not been adopted;

388.18 (3) the child is not the subject of a written adoption placement agreement between the
388.19 responsible social services agency and the prospective adoptive parent, as required under
388.20 Minnesota Rules, part 9560.0060, subpart 2;

388.21 ~~(4) at least 48 months have elapsed following a final order terminating parental rights~~
388.22 ~~and the child remains in foster care;~~

388.23 ~~(5)~~ (4) the child desires to reside with the parent;

388.24 ~~(6)~~ (5) the parent has corrected the conditions that led to an order terminating parental
388.25 rights; and

388.26 ~~(7)~~ (6) the parent is willing and has the capability to provide day-to-day care and maintain
388.27 the health, safety, and welfare of the child.

388.28 **EFFECTIVE DATE.** This section is effective July 1, 2026, except as provided under
388.29 section 20 of this article.

389.1 Sec. 16. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES;**
389.2 **DISAGGREGATE DATA.**

389.3 The commissioner of human services must establish a process to improve the
389.4 disaggregation of data to monitor child welfare outcomes for African American and other
389.5 disproportionately represented children in the child welfare system. The commissioner must
389.6 begin disaggregating data by January 1, 2027.

389.7 **EFFECTIVE DATE.** This section is effective July 1, 2026.

389.8 Sec. 17. **CHILD WELFARE COMPLIANCE AND FEEDBACK PORTAL.**

389.9 The commissioner of human services shall develop, maintain, and administer a publicly
389.10 accessible online compliance and feedback portal to receive reports of noncompliance with
389.11 the Minnesota African American Family Preservation and Child Welfare Disproportionality
389.12 Act under Minnesota Statutes, sections 260.61 to 260.69, and other statutes related to child
389.13 maltreatment, safety, and placement. Reports received through the portal must be transferred
389.14 for review and further action to the appropriate unit or department within the Department
389.15 of Human Services, including but not limited to the African American Child Well-Being
389.16 Unit.

389.17 **EFFECTIVE DATE.** This section is effective July 1, 2026, except as provided under
389.18 section 20 of this article.

389.19 Sec. 18. **DIRECTION TO COMMISSIONER; MAINTAINING CONNECTIONS**
389.20 **IN FOSTER CARE BEST PRACTICES.**

389.21 The commissioner of human services shall develop and publish guidance on best practices
389.22 for ensuring that African American and disproportionately represented children in foster
389.23 care maintain connections and relationships with their parents, custodians, and extended
389.24 relatives. The commissioner shall also develop and publish best practice guidance on
389.25 engaging and assessing noncustodial and nonadjudicated parents to care for their African
389.26 American or disproportionately represented children who cannot remain with the children's
389.27 custodial parents.

389.28 **EFFECTIVE DATE.** This section is effective July 1, 2026, except as provided under
389.29 section 20 of this article.

390.1 Sec. 19. **DIRECTION TO THE COMMISSIONER; COMPLIANCE SYSTEM**
390.2 **REVIEW DEVELOPMENT.**

390.3 (a) By January 1, 2026, the commissioner of human services, in consultation with counties
390.4 and the working group established under section 20 of this article, must develop a system
390.5 to review county compliance with the Minnesota African American Family Preservation
390.6 and Child Welfare Disproportionality Act. The system may include, but is not limited to,
390.7 the cases to be reviewed, the criteria to be reviewed to demonstrate compliance, the rate of
390.8 noncompliance and the coordinating penalty, the program improvement plan, and training.

390.9 (b) By January 1, 2026, the commissioner of human services must provide a report to
390.10 the chairs and ranking minority members of the legislative committees with jurisdiction
390.11 over child welfare on the proposed compliance system review process and language to
390.12 codify that process in statute.

390.13 **EFFECTIVE DATE.** This section is effective July 1, 2024.

390.14 Sec. 20. **MINNESOTA AFRICAN AMERICAN FAMILY PRESERVATION AND**
390.15 **CHILD WELFARE DISPROPORTIONALITY ACT; PILOT PROGRAMS.**

390.16 (a) The commissioner of human services must establish a pilot program that implements
390.17 sections 1 to 17 in Hennepin and Ramsey Counties.

390.18 (b) The commissioner of human services must report on the outcomes of the pilot
390.19 program, including the number of participating families, the rate of children in out-of-home
390.20 placement, and the measures taken to prevent out-of-home placement for each participating
390.21 family to the chairs and ranking minority members of the legislative committees with
390.22 jurisdiction over child welfare.

390.23 (c) Sections 1 to 17 are effective July 1, 2024, for purposes of this pilot program.

390.24 (d) This section expires July 1, 2027.

390.25 **EFFECTIVE DATE.** This section is effective July 1, 2024.

390.26 Sec. 21. **MINNESOTA AFRICAN AMERICAN FAMILY PRESERVATION AND**
390.27 **CHILD WELFARE DISPROPORTIONALITY ACT; WORKING GROUP.**

390.28 (a) The commissioner of human services must establish a working group to provide
390.29 guidance and oversight for the Minnesota African American Family Preservation and Child
390.30 Welfare Disproportionality Act pilot programs in Hennepin and Ramsey Counties.

391.1 (b) The members of the working group must include representatives from the Minnesota
391.2 Association of County Social Service Administrators, the Association of Minnesota Counties,
391.3 Hennepin County, Ramsey County, the Department of Human Services, and community
391.4 organizations with experience in child welfare. The legislature may provide recommendations
391.5 to the commissioner on the selection of the representatives from the community organizations.

391.6 (c) The working group must provide oversight of the pilot programs and evaluate the
391.7 cost of the pilot program. The working group must also assess future costs of implementing
391.8 the Minnesota African American Family Preservation and Child Welfare Disproportionality
391.9 Act statewide.

391.10 (d) By June 30, 2026, the working group must develop an implementation plan and best
391.11 practices for the Minnesota African American Family Preservation and Child Welfare
391.12 Disproportionality Act to go into effect statewide.

391.13 **EFFECTIVE DATE.** This section is effective July 1, 2024.

391.14 ## ARTICLE 17
391.15 ## CHILDREN AND FAMILIES POLICY

391.16 Section 1. Minnesota Statutes 2023 Supplement, section 119B.011, subdivision 15, is
391.17 amended to read:

391.18 Subd. 15. **Income.** "Income" means earned income as defined under section 256P.01,
391.19 subdivision 3,; unearned income as defined under section 256P.01, subdivision 8,; income
391.20 under Minnesota Rules, part 3400.0170; and public assistance cash benefits, including the
391.21 Minnesota family investment program, work benefit, Minnesota supplemental aid, general
391.22 assistance, refugee cash assistance, at-home infant child care subsidy payments, and child
391.23 support and maintenance distributed to the family under section 256.741, subdivision 2a.

391.24 The following are deducted from income: funds used to pay for health insurance
391.25 premiums for family members, and child or spousal support paid to or on behalf of a person
391.26 or persons who live outside of the household. Income sources not included in this subdivision
391.27 and; section 256P.06, subdivision 3,; and Minnesota Rules, part 3400.0170, are not counted
391.28 as income.

391.29 Sec. 2. Minnesota Statutes 2023 Supplement, section 119B.16, subdivision 1a, is amended
391.30 to read:

391.31 Subd. 1a. **Fair hearing allowed for providers.** (a) This subdivision applies to providers
391.32 caring for children receiving child care assistance.

392.1 (b) A provider may request a fair hearing according to sections 256.045 and 256.046
392.2 only if a county agency or the commissioner:

392.3 (1) denies or revokes a provider's authorization, unless the action entitles the provider
392.4 to:

392.5 (i) an administrative review under section 119B.161; or

392.6 (ii) a contested case hearing or an administrative reconsideration under section 245.095;

392.7 (2) assigns responsibility for an overpayment to a provider under section 119B.11,
392.8 subdivision 2a;

392.9 (3) establishes an overpayment for failure to comply with section 119B.125, subdivision
392.10 6;

392.11 (4) seeks monetary recovery or recoupment under section 245E.02, subdivision 4,
392.12 paragraph (c), clause (2);

392.13 (5) ends a provider's rate differential under section 119B.13, subdivision 3a or 3b;

392.14 ~~(5)~~ (6) initiates an administrative fraud disqualification ~~hearing~~; or

392.15 ~~(6)~~ (7) issues a payment and the provider disagrees with the amount of the payment.

392.16 (c) A provider may request a fair hearing by submitting a written request to the
392.17 ~~Department of Human Services, Appeals Division~~ state agency. A provider's request must
392.18 be received by the ~~Appeals Division~~ state agency no later than 30 days after the date a
392.19 county or the commissioner ~~mails~~ sends the notice under subdivision 1c.

392.20 (d) The provider's appeal request must contain the following:

392.21 (1) each disputed item, the reason for the dispute, and, if applicable, an estimate of the
392.22 dollar amount involved for each disputed item;

392.23 (2) the computation the provider believes to be correct, if applicable;

392.24 (3) the statute or rule relied on for each disputed item; and

392.25 (4) the name, address, and telephone number of the person at the provider's place of
392.26 business with whom contact may be made regarding the appeal.

392.27 **EFFECTIVE DATE.** This section is effective August 1, 2024.

Sec. 3. Minnesota Statutes 2023 Supplement, section 119B.16, subdivision 1c, is amended to read:

Subd. 1c. **Notice to providers.** (a) Before taking an action appealable under subdivision 1a, paragraph (b), clauses (1) to (5), a county agency or the commissioner must ~~mail~~ send written notice to the provider against whom the action is being taken. Unless otherwise specified under this chapter, chapter 245E, or Minnesota Rules, chapter 3400, a county agency or the commissioner must ~~mail~~ send the written notice at least 15 calendar days before the adverse action's effective date. If the appealable action is a denial of an authorization under subdivision 1a, paragraph (b), clause (1), the provider's notice is effective on the date the notice is sent.

(b) The notice of adverse action in paragraph (a) shall state (1) the factual basis for the county agency or department's determination, (2) the action the county agency or department intends to take, (3) the dollar amount of the monetary recovery or recoupment, if known, and (4) the provider's right to appeal the department's proposed action.

(c) Notice requirements for administrative fraud disqualifications under subdivision 1a, paragraph (b), clause (6), are set forth in section 256.046, subdivision 3.

(d) A provider must receive notices that include:

(1) the right to appeal if a county issues a payment and the provider disagrees with the amount of the payment under subdivision 1a, paragraph (b), clause (7), at the time of authorization and reauthorization under section 119B.125, subdivision 1; and

(2) the amount of each payment when a payment is issued.

(e) A provider's request to appeal a payment amount must be received by the state agency no later than 30 days after the date a county sends the notice informing the provider of its payment amount.

EFFECTIVE DATE. This section is effective August 1, 2024.

Sec. 4. Minnesota Statutes 2023 Supplement, section 119B.161, subdivision 2, is amended to read:

Subd. 2. **Notice.** (a) The commissioner must ~~mail~~ send written notice to a provider within five days of suspending payment or denying or revoking the provider's authorization under subdivision 1.

(b) The notice must:

394.1 (1) state the provision under which the commissioner is denying, revoking, or suspending
394.2 the provider's authorization or suspending payment to the provider;

394.3 (2) set forth the general allegations leading to the denial, revocation, or suspension of
394.4 the provider's authorization. The notice need not disclose any specific information concerning
394.5 an ongoing investigation;

394.6 (3) state that the denial, revocation, or suspension of the provider's authorization is for
394.7 a temporary period and explain the circumstances under which the action expires; and

394.8 (4) inform the provider of the right to submit written evidence and argument for
394.9 consideration by the commissioner.

394.10 (c) Notwithstanding Minnesota Rules, part 3400.0185, if the commissioner suspends
394.11 payment to a provider under chapter 245E or denies or revokes a provider's authorization
394.12 under section 119B.13, subdivision 6, paragraph (d), clause (1) or (2), a county agency or
394.13 the commissioner must send notice of service authorization closure to each affected family.
394.14 The notice sent to an affected family is effective on the date the notice is created.

394.15 **EFFECTIVE DATE.** This section is effective August 1, 2024.

394.16 Sec. 5. Minnesota Statutes 2022, section 121A.15, subdivision 3, is amended to read:

394.17 Subd. 3. **Exemptions from immunizations.** (a) If a person is at least seven years old
394.18 and has not been immunized against pertussis, the person must not be required to be
394.19 immunized against pertussis.

394.20 (b) If a person is at least 18 years old and has not completed a series of immunizations
394.21 against poliomyelitis, the person must not be required to be immunized against poliomyelitis.

394.22 (c) If a statement, signed by a physician, is submitted to the administrator or other person
394.23 having general control and supervision of the school or child care facility stating that an
394.24 immunization is contraindicated for medical reasons or that laboratory confirmation of the
394.25 presence of adequate immunity exists, the immunization specified in the statement need
394.26 not be required.

394.27 (d) If a notarized statement signed by the minor child's parent or guardian or by the
394.28 emancipated person is submitted to the administrator or other person having general control
394.29 and supervision of the school or child care facility stating that the person has not been
394.30 immunized as prescribed in subdivision 1 because of the conscientiously held beliefs of the
394.31 parent or guardian of the minor child or of the emancipated person, the immunizations
394.32 specified in the statement shall not be required. This statement must also be forwarded to

395.1 the commissioner of the Department of Health. This paragraph does not apply to a child
395.2 enrolling or enrolled in a child care center or family child care program that adopts a policy
395.3 under subdivision 3b.

395.4 (e) If the person is under 15 months, the person is not required to be immunized against
395.5 measles, rubella, or mumps.

395.6 (f) If a person is at least five years old and has not been immunized against haemophilus
395.7 influenzae type b, the person is not required to be immunized against haemophilus influenzae
395.8 type b.

395.9 (g) If a person who is not a Minnesota resident enrolls in a Minnesota school online
395.10 learning course or program that delivers instruction to the person only by computer and
395.11 does not provide any teacher or instructor contact time or require classroom attendance, the
395.12 person is not subject to the immunization, statement, and other requirements of this section.

395.13 Sec. 6. Minnesota Statutes 2022, section 121A.15, is amended by adding a subdivision to
395.14 read:

395.15 Subd. 3b. **Child care programs.** A child care center licensed under chapter 245A and
395.16 Minnesota Rules, chapter 9503, and a family child care provider licensed under chapter
395.17 245A and Minnesota Rules, chapter 9502, may adopt a policy prohibiting a child over two
395.18 months of age from enrolling or remaining enrolled in the child care center or family child
395.19 care program if the child:

395.20 (1) has not been immunized in accordance with subdivision 1 or 2 and in accordance
395.21 with Minnesota Rules, chapter 4604; and

395.22 (2) is not exempt from immunizations under subdivision 3, paragraph (a), (c), (e), or (f).

395.23 Sec. 7. Minnesota Statutes 2023 Supplement, section 124D.142, subdivision 2, as amended
395.24 by Laws 2024, chapter 80, article 4, section 10, is amended to read:

395.25 Subd. 2. **System components.** (a) The standards-based voluntary quality rating and
395.26 improvement system includes:

395.27 (1) effective July 1, 2026, at least a one-star rating for all programs licensed under
395.28 Minnesota Rules, chapter 9502 or 9503, or Tribally licensed that do not opt out of the system
395.29 under paragraph (b) and that are not:

395.30 (i) the subject of a finding of fraud for which the program or individual is currently
395.31 serving a penalty or exclusion;

396.1 (ii) prohibited from receiving public funds under section 245.095, regardless of whether
396.2 the action is under appeal;

396.3 (iii) under revocation, suspension, temporary immediate suspension, or decertification,
396.4 or is operating under a conditional license, regardless of whether the action is under appeal;
396.5 or

396.6 (iv) the subject of suspended, denied, or terminated payments to a provider under section
396.7 119B.13, subdivision 6, paragraph (d), clause (1) or (2); 245E.02, subdivision 4, paragraph
396.8 (c), clause (4); or 256.98, subdivision 1, regardless of whether the action is under appeal;

396.9 (2) quality opportunities in order to improve the educational outcomes of children so
396.10 that they are ready for school;

396.11 (3) a framework based on the Minnesota quality rating system rating tool and a common
396.12 set of child outcome and program standards informed by evaluation results;

396.13 (4) a tool to increase the number of publicly funded and regulated early learning and
396.14 care services in both public and private market programs that are high quality;

396.15 (5) voluntary participation ensuring that if a program or provider chooses to participate,
396.16 the program or provider will be rated and may receive public funding associated with the
396.17 rating; and

396.18 (6) tracking progress toward statewide access to high-quality early learning and care
396.19 programs, progress toward the number of low-income children whose parents can access
396.20 quality programs, and progress toward increasing the number of children who are fully
396.21 prepared to enter kindergarten.

396.22 (b) By July 1, 2026, the commissioner of children, youth, and families shall establish a
396.23 process by which a program may opt out of the rating under paragraph (a), clause (1). The
396.24 commissioner shall consult with Tribes to develop a process for rating Tribally licensed
396.25 programs that is consistent with the goal outlined in paragraph (a), clause (1).

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

396.27 Sec. 8. Minnesota Statutes 2023 Supplement, section 144.2252, subdivision 2, is amended
396.28 to read:

396.29 Subd. 2. **Release of original birth record.** (a) The state registrar must provide to an
396.30 adopted person who is 18 years of age or older or a person related to the adopted person a
396.31 copy of the adopted person's original birth record and any evidence of the adoption previously
396.32 filed with the state registrar. To receive a copy of an original birth record under this

397.1 subdivision, the adopted person or person related to the adopted person must make the
397.2 request to the state registrar in writing. The copy of the original birth record must clearly
397.3 indicate that it may not be used for identification purposes. All procedures, fees, and waiting
397.4 periods applicable to a nonadopted person's request for a copy of a birth record apply in the
397.5 same manner as requests made under this section.

397.6 (b) If a contact preference form is attached to the original birth record as authorized
397.7 under section 144.2253, the state registrar must provide a copy of the contact preference
397.8 form along with the copy of the adopted person's original birth record.

397.9 (c) The state registrar shall provide a transcript of an adopted person's original birth
397.10 record to an authorized representative of a federally recognized American Indian Tribe for
397.11 the sole purpose of determining the adopted person's eligibility for enrollment or membership.
397.12 Information contained in the birth record may not be used to provide the adopted person
397.13 information about the person's birth parents, except as provided in this section or section
397.14 259.83.

397.15 (d) For a replacement birth record issued under section 144.218, the adopted person or
397.16 a person related to the adopted person may obtain from the state registrar copies of the order
397.17 or decree of adoption, certificate of adoption, or decree issued under section 259.60, as filed
397.18 with the state registrar.

397.19 (e) The state registrar may request assistance from the commissioner of human services
397.20 if needed to discharge duties under this section, as authorized under section 259.79.

397.21 **EFFECTIVE DATE.** This section is effective July 1, 2024.

397.22 Sec. 9. Minnesota Statutes 2023 Supplement, section 144.2253, is amended to read:

397.23 **144.2253 BIRTH PARENT CONTACT PREFERENCE FORM.**

397.24 (a) The commissioner must make available to the public a contact preference form as
397.25 described in paragraph (b).

397.26 (b) The contact preference form must provide the following information to be completed
397.27 at the option of a birth parent:

397.28 (1) "I would like to be contacted."

397.29 (2) "I would prefer to be contacted only through an intermediary."

397.30 (3) "I prefer not to be contacted at this time. If I decide later that I would like to be
397.31 contacted, I will submit an updated contact preference form to the Minnesota Department
397.32 of Health."

398.1 (c) A contact preference form must include space where the birth parent may include
398.2 information that the birth parent feels is important for the adopted person to know.

398.3 (d) If a birth parent of an adopted person submits a completed contact preference form
398.4 to the commissioner, the commissioner must:

398.5 (1) match the contact preference form to the adopted person's original birth record. The
398.6 commissioner may request assistance from the commissioner of human services if needed
398.7 to discharge duties under this clause, as authorized under section 259.79; and

398.8 (2) attach the contact preference form to the original birth record as required under
398.9 section 144.2252.

398.10 (e) A contact preference form submitted to the commissioner under this section is private
398.11 data on an individual as defined in section 13.02, subdivision 12, except that the contact
398.12 preference form may be released as provided under section 144.2252, subdivision 2.

398.13 **EFFECTIVE DATE.** This section is effective July 1, 2024.

398.14 Sec. 10. Minnesota Statutes 2022, section 243.166, subdivision 7, as amended by Laws
398.15 2024, chapter 79, article 9, section 5, is amended to read:

398.16 Subd. 7. **Use of data.** (a) Except as otherwise provided in subdivision 4b or 7a or sections
398.17 244.052 and 299C.093, the data provided under this section is private data on individuals
398.18 under section 13.02, subdivision 12.

398.19 (b) The data may be used only by law enforcement and corrections agencies for law
398.20 enforcement and corrections purposes. Law enforcement or a corrections agent may disclose
398.21 the status of an individual as a predatory offender to a child protection worker with a local
398.22 welfare agency for purposes of doing a family assessment or investigation under chapter
398.23 260E. A corrections agent may also disclose the status of an individual as a predatory
398.24 offender to comply with section 244.057.

398.25 (c) The commissioner of human services is authorized to have access to the data for
398.26 purposes of completing background studies under chapter 245C.

398.27 (d) The direct care and treatment executive board is authorized to have access to data
398.28 for any service, program, or facility owned or operated by the state of Minnesota and under
398.29 the programmatic direction and fiscal control of the executive board for purposes described
398.30 in section 246.13, subdivision 2, paragraph (b).

399.1 Sec. 11. Minnesota Statutes 2023 Supplement, section 245A.03, subdivision 7, as amended
399.2 by Laws 2024, chapter 85, section 53, and Laws 2024, chapter 80, article 2, section 37, is
399.3 amended to read:

399.4 Subd. 7. **Licensing moratorium.** (a) The commissioner shall not issue an initial license
399.5 for child foster care licensed under Minnesota Rules, parts 2960.3000 to 2960.3340, which
399.6 does not include child foster residence settings with residential program certifications for
399.7 compliance with the Family First Prevention Services Act under section 245A.25, subdivision
399.8 1, paragraph (a), or adult foster care licensed under Minnesota Rules, parts 9555.5105 to
399.9 9555.6265, under this chapter for a physical location that will not be the primary residence
399.10 of the license holder for the entire period of licensure. If a child foster residence setting that
399.11 was previously exempt from the licensing moratorium under this paragraph has its Family
399.12 First Prevention Services Act certification rescinded under section 245A.25, subdivision 9,
399.13 or if a family adult foster care home license is issued during this moratorium, and the license
399.14 holder changes the license holder's primary residence away from the physical location of
399.15 the foster care license, the commissioner shall revoke the license according to section
399.16 245A.07. The commissioner shall not issue an initial license for a community residential
399.17 setting licensed under chapter 245D. When approving an exception under this paragraph,
399.18 the commissioner shall consider the resource need determination process in paragraph (h),
399.19 the availability of foster care licensed beds in the geographic area in which the licensee
399.20 seeks to operate, the results of a person's choices during their annual assessment and service
399.21 plan review, and the recommendation of the local county board. The determination by the
399.22 commissioner is final and not subject to appeal. Exceptions to the moratorium include:

399.23 (1) a license for a person in a foster care setting that is not the primary residence of the
399.24 license holder and where at least 80 percent of the residents are 55 years of age or older;

399.25 (2) foster care licenses replacing foster care licenses in existence on May 15, 2009, or
399.26 community residential setting licenses replacing adult foster care licenses in existence on
399.27 December 31, 2013, and determined to be needed by the commissioner under paragraph
399.28 (b);

399.29 (3) new foster care licenses or community residential setting licenses determined to be
399.30 needed by the commissioner under paragraph (b) for the closure of a nursing facility, ICF/DD,
399.31 or regional treatment center; restructuring of state-operated services that limits the capacity
399.32 of state-operated facilities; or allowing movement to the community for people who no
399.33 longer require the level of care provided in state-operated facilities as provided under section
399.34 256B.092, subdivision 13, or 256B.49, subdivision 24;

400.1 (4) new foster care licenses or community residential setting licenses determined to be
400.2 needed by the commissioner under paragraph (b) for persons requiring hospital-level care;
400.3 or

400.4 (5) new foster care licenses or community residential setting licenses for people receiving
400.5 customized living or 24-hour customized living services under the brain injury or community
400.6 access for disability inclusion waiver plans under section 256B.49 or elderly waiver plan
400.7 under chapter 256S and residing in the customized living setting for which a license is
400.8 required. A customized living service provider subject to this exception may rebut the
400.9 presumption that a license is required by seeking a reconsideration of the commissioner's
400.10 determination. The commissioner's disposition of a request for reconsideration is final and
400.11 not subject to appeal under chapter 14. The exception is available until December 31, 2023.
400.12 This exception is available when:

400.13 (i) the person's customized living services are provided in a customized living service
400.14 setting serving four or fewer people in a single-family home operational on or before June
400.15 30, 2021. Operational is defined in section 256B.49, subdivision 28;

400.16 (ii) the person's case manager provided the person with information about the choice of
400.17 service, service provider, and location of service, including in the person's home, to help
400.18 the person make an informed choice; and

400.19 (iii) the person's services provided in the licensed foster care or community residential
400.20 setting are less than or equal to the cost of the person's services delivered in the customized
400.21 living setting as determined by the lead agency.

400.22 (b) The commissioner shall determine the need for newly licensed foster care homes or
400.23 community residential settings as defined under this subdivision. As part of the determination,
400.24 the commissioner shall consider the availability of foster care capacity in the area in which
400.25 the licensee seeks to operate, and the recommendation of the local county board. The
400.26 determination by the commissioner must be final. A determination of need is not required
400.27 for a change in ownership at the same address.

400.28 (c) When an adult resident served by the program moves out of a foster home that is not
400.29 the primary residence of the license holder according to section 256B.49, subdivision 15,
400.30 paragraph (f), or the adult community residential setting, the county shall immediately
400.31 inform the Department of Human Services Licensing Division. The department may decrease
400.32 the statewide licensed capacity for adult foster care settings.

400.33 (d) Residential settings that would otherwise be subject to the decreased license capacity
400.34 established in paragraph (c) ~~shall~~ <u>must</u> be exempt if the license holder's beds are occupied

401.1 by residents whose primary diagnosis is mental illness and the license holder is certified
401.2 under the requirements in subdivision 6a or section 245D.33.

401.3 (e) A resource need determination process, managed at the state level, using the available
401.4 data required by section 144A.351, and other data and information shall be used to determine
401.5 where the reduced capacity determined under section 256B.493 will be implemented. The
401.6 commissioner shall consult with the stakeholders described in section 144A.351, and employ
401.7 a variety of methods to improve the state's capacity to meet the informed decisions of those
401.8 people who want to move out of corporate foster care or community residential settings,
401.9 long-term service needs within budgetary limits, including seeking proposals from service
401.10 providers or lead agencies to change service type, capacity, or location to improve services,
401.11 increase the independence of residents, and better meet needs identified by the long-term
401.12 services and supports reports and statewide data and information.

401.13 (f) At the time of application and reapplication for licensure, the applicant and the license
401.14 holder that are subject to the moratorium or an exclusion established in paragraph (a) are
401.15 required to inform the commissioner whether the physical location where the foster care
401.16 will be provided is or will be the primary residence of the license holder for the entire period
401.17 of licensure. If the primary residence of the applicant or license holder changes, the applicant
401.18 or license holder must notify the commissioner immediately. The commissioner shall print
401.19 on the foster care license certificate whether or not the physical location is the primary
401.20 residence of the license holder.

401.21 (g) License holders of foster care homes identified under paragraph (f) that are not the
401.22 primary residence of the license holder and that also provide services in the foster care home
401.23 that are covered by a federally approved home and community-based services waiver, as
401.24 authorized under chapter 256S or section 256B.092 or 256B.49, must inform the human
401.25 services licensing division that the license holder provides or intends to provide these
401.26 waiver-funded services.

401.27 (h) The commissioner may adjust capacity to address needs identified in section
401.28 144A.351. Under this authority, the commissioner may approve new licensed settings or
401.29 delicense existing settings. Delicensing of settings will be accomplished through a process
401.30 identified in section 256B.493.

401.31 (i) The commissioner must notify a license holder when its corporate foster care or
401.32 community residential setting licensed beds are reduced under this section. The notice of
401.33 reduction of licensed beds must be in writing and delivered to the license holder by certified
401.34 mail or personal service. The notice must state why the licensed beds are reduced and must

402.1 inform the license holder of its right to request reconsideration by the commissioner. The
402.2 license holder's request for reconsideration must be in writing. If mailed, the request for
402.3 reconsideration must be postmarked and sent to the commissioner within 20 calendar days
402.4 after the license holder's receipt of the notice of reduction of licensed beds. If a request for
402.5 reconsideration is made by personal service, it must be received by the commissioner within
402.6 20 calendar days after the license holder's receipt of the notice of reduction of licensed beds.

402.7 (j) The commissioner shall not issue an initial license for children's residential treatment
402.8 services licensed under Minnesota Rules, parts 2960.0580 to 2960.0700, under this chapter
402.9 for a program that Centers for Medicare and Medicaid Services would consider an institution
402.10 for mental diseases. Facilities that serve only private pay clients are exempt from the
402.11 moratorium described in this paragraph. The commissioner has the authority to manage
402.12 existing statewide capacity for children's residential treatment services subject to the
402.13 moratorium under this paragraph and may issue an initial license for such facilities if the
402.14 initial license would not increase the statewide capacity for children's residential treatment
402.15 services subject to the moratorium under this paragraph.

402.16 Sec. 12. Minnesota Statutes 2023 Supplement, section 256.046, subdivision 3, is amended
402.17 to read:

402.18 Subd. 3. **Administrative disqualification of child care providers caring for children**
402.19 **receiving child care assistance.** (a) The department shall pursue an administrative
402.20 disqualification, if the child care provider is accused of committing an intentional program
402.21 violation, in lieu of a criminal action when it has not been pursued. Intentional program
402.22 violations include intentionally making false or misleading statements; intentionally
402.23 misrepresenting, concealing, or withholding facts; and repeatedly and intentionally violating
402.24 program regulations under chapters 119B and 245E. Intent may be proven by demonstrating
402.25 a pattern of conduct that violates program rules under chapters 119B and 245E.

402.26 (b) To initiate an administrative disqualification, the commissioner must ~~mail~~ send
402.27 written notice ~~by certified mail~~ using a signature-verified confirmed delivery method to the
402.28 provider against whom the action is being taken. Unless otherwise specified under chapter
402.29 119B or 245E or Minnesota Rules, chapter 3400, the commissioner must ~~mail~~ send the
402.30 written notice at least 15 calendar days before the adverse action's effective date. The notice
402.31 shall state (1) the factual basis for the agency's determination, (2) the action the agency
402.32 intends to take, (3) the dollar amount of the monetary recovery or recoupment, if known,
402.33 and (4) the provider's right to appeal the agency's proposed action.

403.1 (c) The provider may appeal an administrative disqualification by submitting a written
403.2 request to the ~~Department of Human Services, Appeals Division~~ state agency. A provider's
403.3 request must be received by the ~~Appeals Division~~ state agency no later than 30 days after
403.4 the date the commissioner mails the notice.

403.5 (d) The provider's appeal request must contain the following:

403.6 (1) each disputed item, the reason for the dispute, and, if applicable, an estimate of the
403.7 dollar amount involved for each disputed item;

403.8 (2) the computation the provider believes to be correct, if applicable;

403.9 (3) the statute or rule relied on for each disputed item; and

403.10 (4) the name, address, and telephone number of the person at the provider's place of
403.11 business with whom contact may be made regarding the appeal.

403.12 (e) On appeal, the issuing agency bears the burden of proof to demonstrate by a
403.13 preponderance of the evidence that the provider committed an intentional program violation.

403.14 (f) The hearing is subject to the requirements of sections 256.045 and 256.0451. The
403.15 human services judge may combine a fair hearing and administrative disqualification hearing
403.16 into a single hearing if the factual issues arise out of the same or related circumstances and
403.17 the provider receives prior notice that the hearings will be combined.

403.18 (g) A provider found to have committed an intentional program violation and is
403.19 administratively disqualified ~~shall~~ must be disqualified, for a period of three years for the
403.20 first offense and permanently for any subsequent offense, from receiving any payments
403.21 from any child care program under chapter 119B.

403.22 (h) Unless a timely and proper appeal made under this section is received by the
403.23 department, the administrative determination of the department is final and binding.

403.24 **EFFECTIVE DATE.** This section is effective August 1, 2024.

403.25 Sec. 13. Minnesota Statutes 2022, section 256J.08, subdivision 34a, is amended to read:

403.26 Subd. 34a. **Family violence.** (a) "Family violence" means the following, if committed
403.27 against a family or household member by a family or household member:

403.28 (1) physical harm, bodily injury, or assault;

403.29 (2) the infliction of fear of ~~imminent~~ physical harm, bodily injury, or assault; or

403.30 (3) terroristic threats, within the meaning of section 609.713, subdivision 1; criminal
403.31 sexual conduct, within the meaning of section 609.342, 609.343, 609.344, 609.345, or

404.1 609.3451; or interference with an emergency call within the meaning of section 609.78,
404.2 subdivision 2.

404.3 (b) For the purposes of family violence, "family or household member" means:

404.4 (1) spouses and former spouses;

404.5 (2) parents and children;

404.6 (3) persons related by blood;

404.7 (4) persons who are residing together or who have resided together in the past;

404.8 (5) persons who have a child in common regardless of whether they have been married
404.9 or have lived together at any time;

404.10 (6) a man and woman if the woman is pregnant and the man is alleged to be the father,
404.11 regardless of whether they have been married or have lived together at anytime; and

404.12 (7) persons involved in a current or past significant romantic or sexual relationship.

404.13 Sec. 14. Minnesota Statutes 2022, section 256J.28, subdivision 1, is amended to read:

404.14 Subdivision 1. **Expedited issuance of the Supplemental Nutrition Assistance Program**
404.15 **(SNAP) benefits.** ~~The following households are entitled to expedited issuance of SNAP~~
404.16 ~~benefits assistance:~~

404.17 ~~(1) households with less than $150 in monthly gross income provided their liquid assets~~
404.18 ~~do not exceed $100;~~

404.19 ~~(2) migrant or seasonal farm worker households who are destitute as defined in Code~~
404.20 ~~of Federal Regulations, title 7, subtitle B, chapter 2, subchapter C, part 273, section 273.10,~~
404.21 ~~paragraph (e)(3), provided their liquid assets do not exceed $100; and~~

404.22 ~~(3) eligible households whose combined monthly gross income and liquid resources are~~
404.23 ~~less than the household's monthly rent or mortgage and utilities.~~

404.24 For any month an individual receives expedited SNAP benefits, the individual is not
404.25 eligible for the MFIP food portion of assistance.

404.26 Sec. 15. Minnesota Statutes 2022, section 256N.22, subdivision 10, is amended to read:

404.27 Subd. 10. **Assigning a successor relative custodian for a child's Northstar kinship**
404.28 **assistance.** (a) In the event of the death or incapacity of the relative custodian, eligibility
404.29 for Northstar kinship assistance and title IV-E assistance, if applicable, is not affected if the
404.30 relative custodian is replaced by a successor named in the Northstar kinship assistance

405.1 benefit agreement. Northstar kinship assistance ~~shall~~ must be paid to a named successor
405.2 who is not the child's legal parent, biological parent or stepparent, or other adult living in
405.3 the home of the legal parent, biological parent, or stepparent.

405.4 (b) In order to receive Northstar kinship assistance, a named successor must:

405.5 (1) meet the background study requirements in subdivision 4;

405.6 (2) renegotiate the agreement consistent with section 256N.25, subdivision 2, including
405.7 cooperating with an assessment under section 256N.24;

405.8 (3) be ordered by the court to be the child's legal relative custodian in a modification
405.9 proceeding under section 260C.521, subdivision 2; and

405.10 (4) satisfy the requirements in this paragraph within one year of the relative custodian's
405.11 death or incapacity unless the commissioner certifies that the named successor made
405.12 reasonable attempts to satisfy the requirements within one year and failure to satisfy the
405.13 requirements was not the responsibility of the named successor.

405.14 (c) Payment of Northstar kinship assistance to the successor guardian may be temporarily
405.15 approved through the policies, procedures, requirements, and deadlines under section
405.16 256N.28, subdivision 2. Ongoing payment shall begin in the month when all the requirements
405.17 in paragraph (b) are satisfied.

405.18 (d) Continued payment of Northstar kinship assistance may occur in the event of the
405.19 death or incapacity of the relative custodian when:

405.20 (1) no successor has been named in the benefit agreement ~~when~~ or a named successor
405.21 is not able or willing to accept custody or guardianship of the child; and

405.22 (2) the commissioner gives written consent to an individual who is a guardian or custodian
405.23 appointed by a court for the child upon the death of both relative custodians in the case of
405.24 assignment of custody to two individuals, or the sole relative custodian in the case of
405.25 assignment of custody to one individual, unless the child is under the custody of a county,
405.26 tribal, or child-placing agency.

405.27 (e) Temporary assignment of Northstar kinship assistance may be approved for a
405.28 maximum of six consecutive months from the death or incapacity of the relative custodian
405.29 or custodians as provided in paragraph (a) and must adhere to the policies, procedures,
405.30 requirements, and deadlines under section 256N.28, subdivision 2, that are prescribed by
405.31 the commissioner. If a court has not appointed a permanent legal guardian or custodian
405.32 within six months, the Northstar kinship assistance must terminate and must not be resumed.

(f) Upon assignment of assistance payments under paragraphs (d) and (e), assistance must be provided from funds other than title IV-E.

Sec. 16. Minnesota Statutes 2022, section 256N.24, subdivision 10, is amended to read:

Subd. 10. **Caregiver requests for reassessments.** (a) A caregiver may initiate a reassessment request for an eligible child in writing to the financially responsible agency or, if there is no financially responsible agency, the agency designated by the commissioner. The written request must include the reason for the request and the name, address, and contact information of the caregivers. The caregiver may request a reassessment if at least six months have elapsed since any previous assessment or reassessment. For an eligible foster child, a foster parent may request reassessment in less than six months with written documentation that there have been significant changes in the child's needs that necessitate an earlier reassessment.

(b) A caregiver may request a reassessment of an at-risk child for whom an adoption assistance agreement has been executed if the caregiver has satisfied the commissioner with written documentation from a qualified expert that the potential disability upon which eligibility for the agreement was based has manifested itself, consistent with section 256N.25, subdivision 3, paragraph (b).

(c) If the reassessment cannot be completed within 30 days of the caregiver's request, the agency responsible for reassessment must notify the caregiver of the reason for the delay and a reasonable estimate of when the reassessment can be completed.

(d) Notwithstanding any provision to the contrary in paragraph (a) or subdivision 9, when a Northstar kinship assistance agreement or adoption assistance agreement under section 256N.25 has been signed by all parties, no reassessment may be requested or conducted until the court finalizes the transfer of permanent legal and physical custody or finalizes the adoption~~, or the assistance agreement expires according to section 256N.25, subdivision 1~~.

Sec. 17. Minnesota Statutes 2022, section 256N.26, subdivision 15, is amended to read:

Subd. 15. **Payments.** (a) Payments to caregivers <u>or youth</u> under Northstar Care for Children must be made monthly. Consistent with section 256N.24, subdivision 13, the financially responsible agency must send the caregiver <u>or youth</u> the required written notice within 15 days of a completed assessment or reassessment.

407.1 (b) Unless paragraph (c) ~~or~~, (d), or (e) applies, the financially responsible agency shall
407.2 pay foster parents directly for eligible children in foster care.

407.3 (c) When the legally responsible agency is different than the financially responsible
407.4 agency, the legally responsible agency may make the payments to the caregiver or youth,
407.5 provided payments are made on a timely basis. The financially responsible agency must
407.6 pay the legally responsible agency on a timely basis. Caregivers must have access to the
407.7 financially and legally responsible agencies' records of the transaction, consistent with the
407.8 retention schedule for the payments.

407.9 (d) For eligible children in foster care, the financially responsible agency may pay the
407.10 foster parent's payment for a licensed child-placing agency instead of paying the foster
407.11 parents directly. The licensed child-placing agency must timely pay the foster parents and
407.12 maintain records of the transaction. Caregivers must have access to the financially responsible
407.13 agency's records of the transaction and the child-placing agency's records of the transaction,
407.14 consistent with the retention schedule for the payments.

407.15 (e) If a foster youth aged 18 to 21 years old is placed in an unlicensed supervised
407.16 independent living setting, payments must be made directly to the youth or to a vendor if
407.17 the legally responsible agency determines it to be in the youth's best interests. If the legally
407.18 responsible agency has reason to believe that the youth is being financially exploited or at
407.19 risk of being financially exploited in the approved unlicensed supervised independent living
407.20 setting, the legally responsible agency shall advise the financially responsible agency to
407.21 make the payments to a vendor.

407.22 Sec. 18. Minnesota Statutes 2022, section 256N.26, subdivision 16, is amended to read:

407.23 Subd. 16. **Effect of benefit on other aid.** Payments received under this section must
407.24 not be considered as income for child care assistance under chapter 119B or any other
407.25 financial benefit. Consistent with section 256J.24, a child or youth receiving a maintenance
407.26 payment under Northstar Care for Children is excluded from any Minnesota family
407.27 investment program assistance unit.

407.28 Sec. 19. Minnesota Statutes 2022, section 256N.26, subdivision 18, is amended to read:

407.29 Subd. 18. **Overpayments.** The commissioner has the authority to collect any amount
407.30 of foster care payment, adoption assistance, or Northstar kinship assistance paid to a caregiver
407.31 or youth in excess of the payment due. Payments covered by this subdivision include basic
407.32 maintenance needs payments, supplemental difficulty of care payments, and reimbursement
407.33 of home and vehicle modifications under subdivision 10. Prior to any collection, the

408.1 commissioner or the commissioner's designee shall notify the caregiver or youth in writing,
408.2 including:

408.3 (1) the amount of the overpayment and an explanation of the cause of overpayment;

408.4 (2) clarification of the corrected amount;

408.5 (3) a statement of the legal authority for the decision;

408.6 (4) information about how the caregiver can correct the overpayment;

408.7 (5) if repayment is required, when the payment is due and a person to contact to review
408.8 a repayment plan;

408.9 (6) a statement that the caregiver or youth has a right to a fair hearing review by the
408.10 department; and

408.11 (7) the procedure for seeking a fair hearing review by the department.

408.12 Sec. 20. Minnesota Statutes 2022, section 256N.26, subdivision 21, is amended to read:

408.13 Subd. 21. **Correct and true information.** The caregiver or youth must be investigated
408.14 for fraud if the caregiver or youth reports information the caregiver or youth knows is untrue,
408.15 the caregiver or youth fails to notify the commissioner of changes that may affect eligibility,
408.16 or the agency administering the program receives relevant information that the caregiver
408.17 or youth did not report.

408.18 Sec. 21. Minnesota Statutes 2022, section 256N.26, subdivision 22, is amended to read:

408.19 Subd. 22. **Termination notice for caregiver or youth.** The agency that issues the
408.20 maintenance payment shall provide the child's caregiver or the youth with written notice of
408.21 termination of payment. Termination notices must be sent at least 15 days before the final
408.22 payment or, in the case of an unplanned termination, the notice is sent within three days of
408.23 the end of the payment. The written notice must minimally include the following:

408.24 (1) the date payment will end;

408.25 (2) the reason payments will end and the event that is the basis to terminate payment;

408.26 (3) a statement that the ~~provider~~ caregiver or youth has a right to a fair hearing review
408.27 by the department consistent with section 256.045, subdivision 3;

408.28 (4) the procedure to request a fair hearing; and

408.29 (5) the name, telephone number, and email address of a contact person at the agency.

409.1 Sec. 22. Minnesota Statutes 2022, section 256P.05, is amended by adding a subdivision
409.2 to read:

409.3 Subd. 4. **Rental income.** Rental income is subject to the requirements of this section.

409.4 Sec. 23. Minnesota Statutes 2023 Supplement, section 256P.06, subdivision 3, is amended
409.5 to read:

409.6 Subd. 3. **Income inclusions.** The following must be included in determining the income
409.7 of an assistance unit:

409.8 (1) earned income; and

409.9 (2) unearned income, which includes:

409.10 (i) interest and dividends from investments and savings;

409.11 (ii) capital gains as defined by the Internal Revenue Service from any sale of real property;

409.12 (iii) ~~proceeds from rent and~~ contract for deed payments in excess of the principal and
409.13 interest portion owed on property;

409.14 (iv) income from trusts, excluding special needs and supplemental needs trusts;

409.15 (v) interest income from loans made by the participant or household;

409.16 (vi) cash prizes and winnings;

409.17 (vii) unemployment insurance income that is received by an adult member of the
409.18 assistance unit unless the individual receiving unemployment insurance income is:

409.19 (A) 18 years of age and enrolled in a secondary school; or

409.20 (B) 18 or 19 years of age, a caregiver, and is enrolled in school at least half-time;

409.21 (viii) for the purposes of programs under chapters 256D and 256I, retirement, survivors,
409.22 and disability insurance payments;

409.23 (ix) retirement benefits;

409.24 (x) cash assistance benefits, as defined by each program in chapters 119B, 256D, 256I,
409.25 and 256J;

409.26 (xi) income from members of the United States armed forces unless excluded from
409.27 income taxes according to federal or state law;

409.28 (xii) for the purposes of programs under chapters 119B, 256D, and 256I, all child support
409.29 payments;

410.1 (xiii) for the purposes of programs under chapter 256J, the amount of child support
410.2 received that exceeds $100 for assistance units with one child and $200 for assistance units
410.3 with two or more children;

410.4 (xiv) spousal support;

410.5 (xv) workers' compensation; and

410.6 (xvi) for the purposes of programs under chapters 119B and 256J, the amount of
410.7 retirement, survivors, and disability insurance payments that exceeds the applicable monthly
410.8 federal maximum Supplemental Security Income payments.

410.9 Sec. 24. Minnesota Statutes 2022, section 259.37, subdivision 2, is amended to read:

410.10 Subd. 2. **Disclosure to birth parents and adoptive parents.** An agency shall provide
410.11 a disclosure statement written in clear, plain language to be signed by the prospective
410.12 adoptive parents and birth parents, except that in intercountry adoptions, the signatures of
410.13 birth parents are not required. The disclosure statement must contain the following
410.14 information:

410.15 (1) fees charged to the adoptive parent, including any policy on sliding scale fees or fee
410.16 waivers and an itemization of the amount that will be charged for the adoption study,
410.17 counseling, postplacement services, family of origin searches, birth parent expenses
410.18 authorized under section 259.55, or any other services;

410.19 (2) timeline for the adoptive parent to make fee payments;

410.20 (3) likelihood, given the circumstances of the prospective adoptive parent and any specific
410.21 program to which the prospective adoptive parent is applying, that an adoptive placement
410.22 may be made and the estimated length of time for making an adoptive placement. These
410.23 estimates must be based on adoptive placements made with prospective parents in similar
410.24 circumstances applying to a similar program with the agency during the immediately
410.25 preceding three to five years. If an agency has not been in operation for at least three years,
410.26 it must provide summary data based on whatever adoptive placements it has made and may
410.27 include a statement about the kind of efforts it will make to achieve an adoptive placement,
410.28 including a timetable it will follow in seeking a child. The estimates must include a statement
410.29 that the agency cannot guarantee placement of a child or a time by which a child will be
410.30 placed;

410.31 (4) a statement of the services the agency will provide the birth and adoptive parents;

411.1 (5) a statement prepared by the commissioner under section 259.39 that explains the
411.2 child placement and adoption process and the respective legal rights and responsibilities of
411.3 the birth parent and prospective adoptive parent during the process including a statement
411.4 that the prospective adoptive parent is responsible for filing an adoption petition not later
411.5 than 12 months after the child is placed in the prospective adoptive home;

411.6 (6) a statement regarding any information the agency may have about attorney referral
411.7 services, or about obtaining assistance with completing legal requirements for an adoption;
411.8 ~~and~~

411.9 (7) a statement regarding the right of an adopted person to request and obtain a copy of
411.10 the adopted person's original birth record at the age and circumstances specified in section
411.11 144.2253 and the right of the birth parent named on the adopted person's original birth
411.12 record to file a contact preference form with the state registrar pursuant to section 144.2253;
411.13 and

411.14 ~~(7)~~ (8) an acknowledgment to be signed by the birth parent and prospective adoptive
411.15 parent that they have received, read, and had the opportunity to ask questions of the agency
411.16 about the contents of the disclosure statement.

411.17 **EFFECTIVE DATE.** This section is effective July 1, 2024.

411.18 Sec. 25. Minnesota Statutes 2022, section 259.53, is amended by adding a subdivision to
411.19 read:

411.20 Subd. 7. **Supportive parenting services for parents with disabilities.** (a) A court or
411.21 agency shall not deny a prospective parent the ability to proceed with an adoption due to
411.22 the prospective parent's disability. A person who raises a prospective parent's disability as
411.23 a basis for denying an adoption has the burden to prove by clear and convincing evidence
411.24 that specific behaviors of the prospective parent would endanger the health or safety of the
411.25 child. If the person meets the burden, the prospective parent with a disability shall have the
411.26 opportunity to demonstrate how implementing supportive services would alleviate any
411.27 concerns.

411.28 (b) The court may require the agency that conducted the postplacement assessment and
411.29 filed the report with the court under subdivision 2 to provide the opportunity to use supportive
411.30 parenting services to a prospective parent, conduct a new postplacement assessment that is
411.31 inclusive of the prospective parent's use of supportive parenting services, and file a revised
411.32 report with the court under subdivision 2. This paragraph does not confer additional
411.33 responsibility to the agency to provide supportive parenting services directly to the

412.1 prospective parent. Within a reasonable period of time, the prospective parent has the right
412.2 to a court hearing to review the need for continuing services.

412.3 (c) If a court denies or limits the ability of a prospective parent with a disability to adopt
412.4 a child, the court shall make specific written findings stating the basis for the determination
412.5 and why providing supportive parenting services is not a reasonable accommodation that
412.6 could prevent the denial or limitation.

412.7 (d) For purposes of this subdivision, "disability" and "supportive parenting services"
412.8 have the meanings given in section 260C.141, subdivision 1a.

412.9 **EFFECTIVE DATE.** This section is effective August 1, 2024, and applies to pleadings
412.10 and motions pending on or after that date.

412.11 Sec. 26. Minnesota Statutes 2022, section 259.79, subdivision 1, is amended to read:

412.12 Subdivision 1. **Content.** (a) The adoption records of the commissioner's agents and
412.13 licensed child-placing agencies shall contain copies of all relevant legal documents,
412.14 responsibly collected genetic, medical and social history of the child and the child's birth
412.15 parents, the child's placement record, copies of all pertinent agreements, contracts, and
412.16 correspondence relevant to the adoption, and copies of all reports and recommendations
412.17 made to the court.

412.18 (b) The commissioner of human services shall maintain a permanent record of all
412.19 adoptions granted in district court in Minnesota regarding children who are:

412.20 (1) under guardianship of the commissioner or a licensed child-placing agency according
412.21 to section 260C.317 or 260C.515, subdivision 3;

412.22 (2) placed by the commissioner, commissioner's agent, or licensed child-placing agency
412.23 after a consent to adopt according to section 259.24 or under an agreement conferring
412.24 authority to place for adoption according to section 259.25; or

412.25 (3) adopted after a direct adoptive placement approved by the district court under section
412.26 259.47.

412.27 Each record shall contain identifying information about the child, the birth or legal
412.28 parents, and adoptive parents, including race where such data is available. The record must
412.29 also contain: (1) the date the child was legally freed for adoption; (2) the date of the adoptive
412.30 placement; (3) the name of the placing agency; (4) the county where the adoptive placement
412.31 occurred; (5) the date that the petition to adopt was filed; (6) the county where the petition
412.32 to adopt was filed; and (7) the date and county where the adoption decree was granted.

(c) Identifying information contained in the adoption record ~~shall~~ must be confidential and ~~shall~~ must be disclosed only pursuant to section 259.61 or, for adoption records maintained by the commissioner of human services, upon request from the commissioner of health or state registrar pursuant to sections 144.2252 and 144.2253.

Sec. 27. Minnesota Statutes 2023 Supplement, section 259.83, subdivision 1, is amended to read:

Subdivision 1. **Services provided.** (a) Agencies shall provide assistance and counseling services upon receiving a request for current information from adoptive parents, birth parents, ~~or~~ adopted persons aged 18 years of age and older, or adult siblings of adopted persons. The agency shall contact the other adult persons or the adoptive parents of a minor child in a personal and confidential manner to determine whether there is a desire to receive or share information or to have contact. If there is such a desire, the agency shall provide the services requested. The agency shall ~~provide services to adult genetic siblings if there is no known violation of the confidentiality of a birth parent or if the birth parent gives written consent~~ complete the search request within six months of the request being made. If the agency is unable to complete the search request within the specified time frame, the agency shall inform the requester of the status of the request and include a reasonable estimate of when the request can be completed.

(b) Upon a request for assistance or services from an adoptive parent of a minor child, birth parent, or an adopted person 18 years of age or older, the agency must inform the person:

(1) about the right of an adopted person to request and obtain a copy of the adopted person's original birth record at the age and circumstances specified in section 144.2253; and

(2) about the right of the birth parent named on the adopted person's original birth record to file a contact preference form with the state registrar pursuant to section 144.2253.

~~In~~ When making or supervising an adoptive ~~placements~~ placement, the agency must provide in writing to the birth parents listed on the original birth record the information required under this ~~section~~ paragraph and section 259.37, subdivision 2, clause (7).

Sec. 28. Minnesota Statutes 2023 Supplement, section 259.83, subdivision 1b, is amended to read:

Subd. 1b. ~~**Genetic**~~ **Siblings.** (a) A person who is at least 18 years of age who was adopted or~~, because of a termination of parental rights,~~ who was committed to the guardianship of the commissioner of human services~~, whether adopted or~~ and not~~,~~ adopted must upon request be advised of other siblings who were adopted or who were committed to the guardianship of the commissioner of human services and not adopted.

(b) The agency must provide assistance ~~must be provided by the county or placing agency of~~ to the person requesting information to the extent that information is available in the ~~existing~~ records ~~at the Department of Human Services~~ required to be kept under section 259.79. If the sibling received services from another agency, the agencies must share necessary information in order to locate the other siblings and to offer services, as requested. ~~Upon the determination that parental rights with respect to another sibling were terminated, identifying information and contact must be provided only upon mutual consent.~~ A reasonable fee may be imposed by the ~~county or placing~~ agency.

Sec. 29. Minnesota Statutes 2023 Supplement, section 259.83, subdivision 3a, is amended to read:

Subd. 3a. **Birth parent identifying information.** (a) This subdivision applies to adoptive placements where an adopted person does not have a record of live birth registered in this state. Upon written request by an adopted person 18 years of age or older, the agency responsible for or supervising the placement must provide to the requester the following identifying information related to the birth parents listed on that adopted person's original birth record, to the extent the information is available:

(1) each of the birth parent's names; and

(2) each of the birth parent's birthdate and birthplace.

(b) The agency may charge a reasonable fee to the requester for providing the required information under paragraph (a).

(c) The agency, acting in good faith and in a lawful manner in disclosing the identifying information under this subdivision, is not civilly liable for such disclosure.

Sec. 30. Minnesota Statutes 2022, section 259.83, subdivision 4, is amended to read:

Subd. 4. **Confidentiality.** Agencies shall provide adoptive parents, birth parents and adult siblings, and adopted persons aged ~~19~~ 18 years and over reasonable assistance in a

415.1 manner consistent with state and federal laws, rules, and regulations regarding the
415.2 confidentiality and privacy of child welfare and adoption records.

415.3 Sec. 31. Minnesota Statutes 2022, section 260C.007, subdivision 6, is amended to read:

415.4 Subd. 6. **Child in need of protection or services.** "Child in need of protection or
415.5 services" means a child who is in need of protection or services because the child:

415.6 (1) is abandoned or without parent, guardian, or custodian;

415.7 (2)(i) has been a victim of physical or sexual abuse as defined in section 260E.03,
415.8 subdivision 18 or 20, (ii) resides with or has resided with a victim of child abuse as defined
415.9 in subdivision 5 or domestic child abuse as defined in subdivision 13, (iii) resides with or
415.10 would reside with a perpetrator of domestic child abuse as defined in subdivision 13 or child
415.11 abuse as defined in subdivision 5 or 13, or (iv) is a victim of emotional maltreatment as
415.12 defined in subdivision 15;

415.13 (3) is without necessary food, clothing, shelter, education, or other required care for the
415.14 child's physical or mental health or morals because the child's parent, guardian, or custodian
415.15 is unable or unwilling to provide that care;

415.16 (4) is without the special care made necessary by a physical, mental, or emotional
415.17 condition because the child's parent, guardian, or custodian is unable or unwilling to provide
415.18 that care;

415.19 (5) is medically neglected, which includes, but is not limited to, the withholding of
415.20 medically indicated treatment from an infant with a disability with a life-threatening
415.21 condition. The term "withholding of medically indicated treatment" means the failure to
415.22 respond to the infant's life-threatening conditions by providing treatment, including
415.23 appropriate nutrition, hydration, and medication which, in the treating physician's, advanced
415.24 practice registered nurse's, or physician assistant's reasonable medical judgment, will be
415.25 most likely to be effective in ameliorating or correcting all conditions, except that the term
415.26 does not include the failure to provide treatment other than appropriate nutrition, hydration,
415.27 or medication to an infant when, in the treating physician's, advanced practice registered
415.28 nurse's, or physician assistant's reasonable medical judgment:

415.29 (i) the infant is chronically and irreversibly comatose;

415.30 (ii) the provision of the treatment would merely prolong dying, not be effective in
415.31 ameliorating or correcting all of the infant's life-threatening conditions, or otherwise be
415.32 futile in terms of the survival of the infant; or

416.1 (iii) the provision of the treatment would be virtually futile in terms of the survival of
416.2 the infant and the treatment itself under the circumstances would be inhumane;

416.3 (6) is one whose parent, guardian, or other custodian for good cause desires to be relieved
416.4 of the child's care and custody, including a child who entered foster care under a voluntary
416.5 placement agreement between the parent and the responsible social services agency under
416.6 section 260C.227;

416.7 (7) has been placed for adoption or care in violation of law;

416.8 (8) is without proper parental care because of the emotional, mental, or physical disability,
416.9 or state of immaturity of the child's parent, guardian, or other custodian. A child is not
416.10 considered to be without proper parental care based solely on the disability of the child's
416.11 parent, guardian, or custodian;

416.12 (9) is one whose behavior, condition, or environment is such as to be injurious or
416.13 dangerous to the child or others. An injurious or dangerous environment may include, but
416.14 is not limited to, the exposure of a child to criminal activity in the child's home;

416.15 (10) is experiencing growth delays, which may be referred to as failure to thrive, that
416.16 have been diagnosed by a physician and are due to parental neglect;

416.17 (11) is a sexually exploited youth;

416.18 (12) has committed a delinquent act or a juvenile petty offense before becoming ten
416.19 years old;

416.20 (13) is a runaway;

416.21 (14) is a habitual truant;

416.22 (15) has been found incompetent to proceed or has been found not guilty by reason of
416.23 mental illness or mental deficiency in connection with a delinquency proceeding, a
416.24 certification under section 260B.125, an extended jurisdiction juvenile prosecution, or a
416.25 proceeding involving a juvenile petty offense; or

416.26 (16) has a parent whose parental rights to one or more other children were involuntarily
416.27 terminated or whose custodial rights to another child have been involuntarily transferred to
416.28 a relative and there is a case plan prepared by the responsible social services agency
416.29 documenting a compelling reason why filing the termination of parental rights petition under
416.30 section 260C.503, subdivision 2, is not in the best interests of the child.

417.1 Sec. 32. Minnesota Statutes 2022, section 260C.141, is amended by adding a subdivision
417.2 to read:

417.3 Subd. 1a. **Supportive parenting services.** (a) A person or agency shall not file a petition
417.4 alleging that a child is in need of protection or services on the basis of a parent's disability.
417.5 To make a prima facie showing that a child protection matter exists, the petitioner must
417.6 demonstrate in the petition that the child is in need of protection or services due to specific
417.7 behaviors of a parent or household member. The local agency or court must offer a parent
417.8 with a disability the opportunity to use supportive parenting services to assist the parent if
417.9 the petitioner makes a prima facie showing that through specific behaviors, a parent with a
417.10 disability cannot provide for the child's safety, health, or welfare. If a court removes a child
417.11 from a parent's home, the court shall make specific written findings stating the basis for
417.12 removing the child and why providing supportive parenting services is not a reasonable
417.13 accommodation that could prevent the child's out-of-home placement.

417.14 (b) For purposes of this subdivision, "supportive parenting services" means services that
417.15 may assist a parent with a disability in the effective use of techniques and methods to enable
417.16 the parent to discharge the parent's responsibilities to a child as successfully as a parent who
417.17 does not have a disability, including nonvisual techniques for a parent who is blind.

417.18 (c) For purposes of this subdivision, "disability" means:

417.19 (1) physical or mental impairment that substantially limits one or more of a parent's
417.20 major life activities;

417.21 (2) a record of having a physical or mental impairment that substantially limits one or
417.22 more of a parent's major life activities; or

417.23 (3) being regarded as having a physical or mental impairment that substantially limits
417.24 one or more of a parent's major life activities.

417.25 (d) The term "disability" must be construed in accordance with the ADA Amendments
417.26 Act of 2008, Public Law 110-325.

417.27 **EFFECTIVE DATE.** This section is effective August 1, 2024, and applies to pleadings
417.28 and motions pending on or after that date.

417.29 Sec. 33. Minnesota Statutes 2022, section 260C.178, subdivision 7, is amended to read:

417.30 Subd. 7. ~~**Out-of-home placement**~~ **Case plan.** (a) When the court has ordered the child
417.31 into the care of a parent under subdivision 1, paragraph (c), clause (1), the child protective

418.1 services plan under section 260E.26 must be filed within 30 days of the filing of the juvenile
418.2 protection petition under section 260C.141, subdivision 1.

418.3 ~~(a)~~ (b) When the court orders the child into foster care under subdivision 1, paragraph
418.4 (c), clause (2), and not into the care of a parent, an out-of-home placement plan required
418.5 under section 260C.212 ~~shall~~ must be filed with the court within 30 days of the filing of a
418.6 juvenile protection petition under section 260C.141, subdivision 1, when the court orders
418.7 emergency removal of the child under this section, or filed with the petition if the petition
418.8 is a review of a voluntary placement under section 260C.141, subdivision 2.

418.9 ~~(b)~~ (c) Upon the filing of the child protective services plan under section 260E.26 or
418.10 out-of-home placement plan ~~which~~ that has been developed jointly with the parent and in
418.11 consultation with others as required under section 260C.212, subdivision 1, the court may
418.12 approve implementation of the plan by the responsible social services agency based on the
418.13 allegations contained in the petition and any evaluations, examinations, or assessments
418.14 conducted under subdivision 1, paragraph ~~(l)~~ (m). The court shall send written notice of the
418.15 approval of the child protective services plan or out-of-home placement plan to all parties
418.16 and the county attorney or may state such approval on the record at a hearing. A parent may
418.17 agree to comply with the terms of the plan filed with the court.

418.18 ~~(c)~~ (d) The responsible social services agency shall make reasonable efforts to engage
418.19 both parents of the child in case planning. The responsible social service agency shall report
418.20 the results of its efforts to engage the child's parents in the child protective services plan or
418.21 out-of-home placement plan filed with the court. The agency shall notify the court of the
418.22 services it will provide or efforts it will attempt under the plan notwithstanding the parent's
418.23 refusal to cooperate or disagreement with the services. The parent may ask the court to
418.24 modify the plan to require different or additional services requested by the parent, but which
418.25 the agency refused to provide. The court may approve the plan as presented by the agency
418.26 or may modify the plan to require services requested by the parent. The court's approval
418.27 ~~shall~~ must be based on the content of the petition.

418.28 ~~(d)~~ (e) Unless the parent agrees to comply with the terms of the child protective services
418.29 plan or out-of-home placement plan, the court may not order a parent to comply with the
418.30 provisions of the plan until the court finds the child is in need of protection or services and
418.31 orders disposition under section 260C.201, subdivision 1. However, the court may find that
418.32 the responsible social services agency has made reasonable efforts for reunification if the
418.33 agency makes efforts to implement the terms of ~~an~~ the child protective services plan or
418.34 out-of-home placement plan approved under this section.

419.1 Sec. 34. Minnesota Statutes 2022, section 260C.202, is amended to read:

419.2 **260C.202 COURT REVIEW OF ~~FOSTER CARE~~ DISPOSITION.**

419.3 Subdivision 1. **Court review for a child in the home of a parent under protective**
419.4 **supervision.** If the court orders a child into the home of a parent under the protective
419.5 supervision of the responsible social services agency or child-placing agency under section
419.6 260C.201, subdivision 1, paragraph (a), clause (1), the court shall review the child protective
419.7 services plan under section 260E.26 at least every 90 days. The court shall notify the parents
419.8 of the provisions of sections 260C.503 to 260C.521, as required under juvenile court rules.

419.9 Subd. 2. **Court review for a child placed in foster care.** (a) If the court orders a child
419.10 placed in foster care, the court shall review the out-of-home placement plan and the child's
419.11 placement at least every 90 days as required in juvenile court rules to determine whether
419.12 continued out-of-home placement is necessary and appropriate or whether the child should
419.13 be returned home.

419.14 (b) This review is not required if the court has returned the child home, ordered the child
419.15 permanently placed away from the parent under sections 260C.503 to 260C.521, or
419.16 terminated rights under section 260C.301. Court review for a child permanently placed
419.17 away from a parent, including where the child is under guardianship of the commissioner,
419.18 ~~shall be~~ is governed by section 260C.607.

419.19 (c) When a child is placed in a qualified residential treatment program setting as defined
419.20 in section 260C.007, subdivision 26d, the responsible social services agency must submit
419.21 evidence to the court as specified in section 260C.712.

419.22 ~~(b)~~ (d) No later than three months after the child's placement in foster care, the court
419.23 shall review agency efforts to search for and notify relatives pursuant to section 260C.221,
419.24 and order that the agency's efforts begin immediately, or continue, if the agency has failed
419.25 to perform, or has not adequately performed, the duties under that section. The court must
419.26 order the agency to continue to appropriately engage relatives who responded to the notice
419.27 under section 260C.221 in placement and case planning decisions and to consider relatives
419.28 for foster care placement consistent with section 260C.221. Notwithstanding a court's finding
419.29 that the agency has made reasonable efforts to search for and notify relatives under section
419.30 260C.221, the court may order the agency to continue making reasonable efforts to search
419.31 for, notify, engage, and consider relatives who came to the agency's attention after sending
419.32 the initial notice under section 260C.221.

419.33 ~~(c)~~ (e) The court shall review the out-of-home placement plan and may modify the plan
419.34 as provided under section 260C.201, subdivisions 6 and 7.

420.1 ~~(d)~~ (f) When the court transfers the custody of a child to a responsible social services
420.2 agency resulting in foster care or protective supervision with a noncustodial parent under
420.3 subdivision 1, the court shall notify the parents of the provisions of sections 260C.204 and
420.4 260C.503 to 260C.521, as required under juvenile court rules.

420.5 ~~(e)~~ (g) When a child remains in or returns to foster care pursuant to section 260C.451
420.6 and the court has jurisdiction pursuant to section 260C.193, subdivision 6, paragraph (c),
420.7 the court shall at least annually conduct the review required under section 260C.203.

420.8 Sec. 35. Minnesota Statutes 2022, section 260C.209, subdivision 1, is amended to read:

420.9 Subdivision 1. **Subjects.** The responsible social services agency may have access to the
420.10 criminal history and history of child and adult maltreatment on the following individuals:

420.11 (1) a noncustodial parent or nonadjudicated parent who is being assessed for purposes
420.12 of providing day-to-day care of a child temporarily or permanently under section 260C.219
420.13 and any member of the parent's household who is over the age of 13 when there is a
420.14 reasonable cause to believe that the parent or household member over age 13 has a criminal
420.15 history or a history of maltreatment of a child or vulnerable adult ~~which~~ that would endanger
420.16 the child's health, safety, or welfare;

420.17 (2) an individual ~~whose suitability for relative placement under section 260C.221 is~~
420.18 ~~being determined~~ and any member of the ~~relative's~~ individual's household who is over the
420.19 age of 13 when:

420.20 ~~(i) the relative must be licensed for foster care; or~~

420.21 (i) the individual is being considered for relative placement under section 260C.221;

420.22 (ii) the background study is required under section 259.53, subdivision 2; or

420.23 (iii) ~~the agency or the commissioner has reasonable cause to believe the relative or~~
420.24 ~~household member over the age of 13 has a criminal history which would not make~~ a petition
420.25 to transfer ~~of~~ permanent legal and physical custody to the ~~relative under~~ individual has been
420.26 filed according to section 260C.515, subdivision 4, ~~in the child's best interest~~ paragraph (d),
420.27 and the individual is not pursuing Northstar kinship assistance eligibility for the child under
420.28 chapter 256N; and

420.29 (3) a parent, following an out-of-home placement, when the responsible social services
420.30 agency has reasonable cause to believe that the parent has been convicted of a crime directly
420.31 related to the parent's capacity to maintain the child's health, safety, or welfare or the parent

421.1 is the subject of an open investigation of, or has been the subject of a substantiated allegation
421.2 of, child or vulnerable-adult maltreatment within the past ten years.

421.3 "Reasonable cause" means that the agency has received information or a report from the
421.4 subject or a third person that creates an articulable suspicion that the individual has a history
421.5 that may pose a risk to the health, safety, or welfare of the child. The information or report
421.6 must be specific to the potential subject of the background check and ~~shall~~ must not be
421.7 based on the race, religion, ethnic background, age, class, or lifestyle of the potential subject.

421.8 Sec. 36. Minnesota Statutes 2022, section 260C.212, subdivision 1, is amended to read:

421.9 Subdivision 1. **Out-of-home placement; plan.** (a) An out-of-home placement plan shall
421.10 be prepared within 30 days after any child is placed in foster care by court order or a
421.11 voluntary placement agreement between the responsible social services agency and the
421.12 child's parent pursuant to section 260C.227 or chapter 260D.

421.13 (b) An out-of-home placement plan means a written document individualized to the
421.14 needs of the child and the child's parents or guardians that is prepared by the responsible
421.15 social services agency jointly with the child's parents or guardians and in consultation with
421.16 the child's guardian ad litem; the child's tribe, if the child is an Indian child; the child's foster
421.17 parent or representative of the foster care facility; and, when appropriate, the child. When
421.18 a child is age 14 or older, the child may include two other individuals on the team preparing
421.19 the child's out-of-home placement plan. The child may select one member of the case
421.20 planning team to be designated as the child's advisor and to advocate with respect to the
421.21 application of the reasonable and prudent parenting standards. The responsible social services
421.22 agency may reject an individual selected by the child if the agency has good cause to believe
421.23 that the individual would not act in the best interest of the child. For a child in voluntary
421.24 foster care for treatment under chapter 260D, preparation of the out-of-home placement
421.25 plan shall additionally include the child's mental health treatment provider. For a child 18
421.26 years of age or older, the responsible social services agency shall involve the child and the
421.27 child's parents as appropriate. As appropriate, the plan shall be:

421.28 (1) submitted to the court for approval under section 260C.178, subdivision 7;

421.29 (2) ordered by the court, either as presented or modified after hearing, under section
421.30 260C.178, subdivision 7, or 260C.201, subdivision 6; and

421.31 (3) signed by the parent or parents or guardian of the child, the child's guardian ad litem,
421.32 a representative of the child's tribe, the responsible social services agency, and, if possible,
421.33 the child.

422.1 (c) The out-of-home placement plan shall be explained by the responsible social services
422.2 agency to all persons involved in the plan's implementation, including the child who has
422.3 signed the plan, and shall set forth:

422.4 (1) a description of the foster care home or facility selected, including how the
422.5 out-of-home placement plan is designed to achieve a safe placement for the child in the
422.6 least restrictive, most family-like setting available that is in close proximity to the home of
422.7 the child's parents or guardians when the case plan goal is reunification; and how the
422.8 placement is consistent with the best interests and special needs of the child according to
422.9 the factors under subdivision 2, paragraph (b);

422.10 (2) the specific reasons for the placement of the child in foster care, and when
422.11 reunification is the plan, a description of the problems or conditions in the home of the
422.12 parent or parents that necessitated removal of the child from home and the changes the
422.13 parent or parents must make for the child to safely return home;

422.14 (3) a description of the services offered and provided to prevent removal of the child
422.15 from the home and to reunify the family including:

422.16 (i) the specific actions to be taken by the parent or parents of the child to eliminate or
422.17 correct the problems or conditions identified in clause (2), and the time period during which
422.18 the actions are to be taken; and

422.19 (ii) the reasonable efforts, or in the case of an Indian child, active efforts to be made to
422.20 achieve a safe and stable home for the child including social and other supportive services
422.21 to be provided or offered to the parent or parents or guardian of the child, the child, and the
422.22 residential facility during the period the child is in the residential facility;

422.23 (4) a description of any services or resources that were requested by the child or the
422.24 child's parent, guardian, foster parent, or custodian since the date of the child's placement
422.25 in the residential facility, and whether those services or resources were provided and if not,
422.26 the basis for the denial of the services or resources;

422.27 (5) the visitation plan for the parent or parents or guardian, other relatives as defined in
422.28 section 260C.007, subdivision 26b or 27, and siblings of the child if the siblings are not
422.29 placed together in foster care, and whether visitation is consistent with the best interest of
422.30 the child, during the period the child is in foster care;

422.31 (6) when a child cannot return to or be in the care of either parent, documentation of
422.32 steps to finalize adoption as the permanency plan for the child through reasonable efforts
422.33 to place the child for adoption pursuant to section 260C.605. At a minimum, the

423.1 documentation must include consideration of whether adoption is in the best interests of
423.2 the child and child-specific recruitment efforts such as a relative search, consideration of
423.3 relatives for adoptive placement, and the use of state, regional, and national adoption
423.4 exchanges to facilitate orderly and timely placements in and outside of the state. A copy of
423.5 this documentation shall be provided to the court in the review required under section
423.6 260C.317, subdivision 3, paragraph (b);

423.7 (7) when a child cannot return to or be in the care of either parent, documentation of
423.8 steps to finalize the transfer of permanent legal and physical custody to a relative as the
423.9 permanency plan for the child. This documentation must support the requirements of the
423.10 kinship placement agreement under section 256N.22 and must include the reasonable efforts
423.11 used to determine that it is not appropriate for the child to return home or be adopted, and
423.12 reasons why permanent placement with a relative through a Northstar kinship assistance
423.13 arrangement is in the child's best interest; how the child meets the eligibility requirements
423.14 for Northstar kinship assistance payments; agency efforts to discuss adoption with the child's
423.15 relative foster parent and reasons why the relative foster parent chose not to pursue adoption,
423.16 if applicable; and agency efforts to discuss with the child's parent or parents the permanent
423.17 transfer of permanent legal and physical custody or the reasons why these efforts were not
423.18 made;

423.19 (8) efforts to ensure the child's educational stability while in foster care for a child who
423.20 attained the minimum age for compulsory school attendance under state law and is enrolled
423.21 full time in elementary or secondary school, or instructed in elementary or secondary
423.22 education at home, or instructed in an independent study elementary or secondary program,
423.23 or incapable of attending school on a full-time basis due to a medical condition that is
423.24 documented and supported by regularly updated information in the child's case plan.
423.25 Educational stability efforts include:

423.26 (i) efforts to ensure that the child remains in the same school in which the child was
423.27 enrolled prior to placement or upon the child's move from one placement to another, including
423.28 efforts to work with the local education authorities to ensure the child's educational stability
423.29 and attendance; or

423.30 (ii) if it is not in the child's best interest to remain in the same school that the child was
423.31 enrolled in prior to placement or move from one placement to another, efforts to ensure
423.32 immediate and appropriate enrollment for the child in a new school;

423.33 (9) the educational records of the child including the most recent information available
423.34 regarding:

424.1 (i) the names and addresses of the child's educational providers;

424.2 (ii) the child's grade level performance;

424.3 (iii) the child's school record;

424.4 (iv) a statement about how the child's placement in foster care takes into account
424.5 proximity to the school in which the child is enrolled at the time of placement; and

424.6 (v) any other relevant educational information;

424.7 (10) the efforts by the responsible social services agency to ensure the oversight and
424.8 continuity of health care services for the foster child, including:

424.9 (i) the plan to schedule the child's initial health screens;

424.10 (ii) how the child's known medical problems and identified needs from the screens,
424.11 including any known communicable diseases, as defined in section 144.4172, subdivision
424.12 2, shall be monitored and treated while the child is in foster care;

424.13 (iii) how the child's medical information shall be updated and shared, including the
424.14 child's immunizations;

424.15 (iv) who is responsible to coordinate and respond to the child's health care needs,
424.16 including the role of the parent, the agency, and the foster parent;

424.17 (v) who is responsible for oversight of the child's prescription medications;

424.18 (vi) how physicians or other appropriate medical and nonmedical professionals shall be
424.19 consulted and involved in assessing the health and well-being of the child and determine
424.20 the appropriate medical treatment for the child; and

424.21 (vii) the responsibility to ensure that the child has access to medical care through either
424.22 medical insurance or medical assistance;

424.23 (11) the health records of the child including information available regarding:

424.24 (i) the names and addresses of the child's health care and dental care providers;

424.25 (ii) a record of the child's immunizations;

424.26 (iii) the child's known medical problems, including any known communicable diseases
424.27 as defined in section 144.4172, subdivision 2;

424.28 (iv) the child's medications; and

424.29 (v) any other relevant health care information such as the child's eligibility for medical
424.30 insurance or medical assistance;

425.1 (12) an independent living plan for a child 14 years of age or older, developed in
425.2 consultation with the child. The child may select one member of the case planning team to
425.3 be designated as the child's advisor and to advocate with respect to the application of the
425.4 reasonable and prudent parenting standards in subdivision 14. The plan should include, but
425.5 not be limited to, the following objectives:

425.6 (i) educational, vocational, or employment planning;

425.7 (ii) health care planning and medical coverage;

425.8 (iii) transportation including, where appropriate, assisting the child in obtaining a driver's
425.9 license;

425.10 (iv) money management, including the responsibility of the responsible social services
425.11 agency to ensure that the child annually receives, at no cost to the child, a consumer report
425.12 as defined under section 13C.001 and assistance in interpreting and resolving any inaccuracies
425.13 in the report;

425.14 (v) planning for housing;

425.15 (vi) social and recreational skills;

425.16 (vii) establishing and maintaining connections with the child's family and community;
425.17 and

425.18 (viii) regular opportunities to engage in age-appropriate or developmentally appropriate
425.19 activities typical for the child's age group, taking into consideration the capacities of the
425.20 individual child;

425.21 (13) for a child in voluntary foster care for treatment under chapter 260D, diagnostic
425.22 and assessment information, specific services relating to meeting the mental health care
425.23 needs of the child, and treatment outcomes;

425.24 (14) for a child 14 years of age or older, a signed acknowledgment that describes the
425.25 child's rights regarding education, health care, visitation, safety and protection from
425.26 exploitation, and court participation; receipt of the documents identified in section 260C.452;
425.27 and receipt of an annual credit report. The acknowledgment shall state that the rights were
425.28 explained in an age-appropriate manner to the child; and

425.29 (15) for a child placed in a qualified residential treatment program, the plan must include
425.30 the requirements in section 260C.708.

425.31 (d) The parent or parents or guardian and the child each shall have the right to legal
425.32 counsel in the preparation of the case plan and shall be informed of the right at the time of

placement of the child. The child shall also have the right to a guardian ad litem. If unable to employ counsel from their own resources, the court shall appoint counsel upon the request of the parent or parents or the child or the child's legal guardian. The parent or parents may also receive assistance from any person or social services agency in preparation of the case plan.

(e) Before an out-of-home placement plan is signed by the parent or parents or guardian of the child, the responsible social services agency must provide the parent or parents or guardian with a one- to two-page summary of the plan using a form developed by the commissioner. The out-of-home placement plan summary must clearly summarize the plan's contents under paragraph (c) and list the requirements and responsibilities for the parent or parents or guardian using plain language. The summary must be updated and provided to the parent or parents or guardian when the out-of-home placement plan is updated under subdivision 1a.

~~(e)~~ (f) After the plan has been agreed upon by the parties involved or approved or ordered by the court, the foster parents shall be fully informed of the provisions of the case plan and shall be provided a copy of the plan.

~~(f)~~ (g) Upon the child's discharge from foster care, the responsible social services agency must provide the child's parent, adoptive parent, or permanent legal and physical custodian, and the child, if the child is 14 years of age or older, with a current copy of the child's health and education record. If a child meets the conditions in subdivision 15, paragraph (b), the agency must also provide the child with the child's social and medical history. The responsible social services agency may give a copy of the child's health and education record and social and medical history to a child who is younger than 14 years of age, if it is appropriate and if subdivision 15, paragraph (b), applies.

Sec. 37. Minnesota Statutes 2022, section 260C.212, subdivision 2, is amended to read:

Subd. 2. **Placement decisions based on best interests of the child.** (a) The policy of the state of Minnesota is to ensure that the child's best interests are met by requiring an individualized determination of the needs of the child in consideration of paragraphs (a) to (f), and of how the selected placement will serve the current and future needs of the child being placed. The authorized child-placing agency shall place a child, released by court order or by voluntary release by the parent or parents, in a family foster home selected by considering placement with relatives in the following order:

(1) with an individual who is related to the child by blood, marriage, or adoption, including the legal parent, guardian, or custodian of the child's sibling; or

427.1 (2) with an individual who is an important friend of the child or of the child's parent or
427.2 custodian, including an individual with whom the child has resided or had significant contact
427.3 or who has a significant relationship to the child or the child's parent or custodian.

427.4 For an Indian child, the agency shall follow the order of placement preferences in the Indian
427.5 Child Welfare Act of 1978, United States Code, title 25, section 1915.

427.6 (b) Among the factors the agency shall consider in determining the current and future
427.7 needs of the child are the following:

427.8 (1) the child's current functioning and behaviors;

427.9 (2) the medical needs of the child;

427.10 (3) the educational needs of the child;

427.11 (4) the developmental needs of the child;

427.12 (5) the child's history and past experience;

427.13 (6) the child's religious and cultural needs;

427.14 (7) the child's connection with a community, school, and faith community;

427.15 (8) the child's interests and talents;

427.16 (9) the child's current and long-term needs regarding relationships with parents, siblings,
427.17 relatives, and other caretakers;

427.18 (10) the reasonable preference of the child, if the court, or the child-placing agency in
427.19 the case of a voluntary placement, deems the child to be of sufficient age to express
427.20 preferences; and

427.21 (11) for an Indian child, the best interests of an Indian child as defined in section 260.755,
427.22 subdivision 2a.

427.23 When placing a child in foster care or in a permanent placement based on an individualized
427.24 determination of the child's needs, the agency must not use one factor in this paragraph to
427.25 the exclusion of all others, and the agency shall consider that the factors in paragraph (b)
427.26 may be interrelated.

427.27 (c) Placement of a child cannot be delayed or denied based on race, color, or national
427.28 origin of the foster parent or the child.

427.29 (d) Siblings should be placed together for foster care and adoption at the earliest possible
427.30 time unless it is documented that a joint placement would be contrary to the safety or
427.31 well-being of any of the siblings or unless it is not possible after reasonable efforts by the

responsible social services agency. In cases where siblings cannot be placed together, the agency is required to provide frequent visitation or other ongoing interaction between siblings unless the agency documents that the interaction would be contrary to the safety or well-being of any of the siblings.

(e) ~~Except for emergency placement as provided for in section 245A.035,~~ The following requirements must be satisfied before the approval of a foster ~~or adoptive~~ placement in a related or unrelated home: (1) a completed background study under section 245C.08; and (2) a completed review of the written home study required under section 260C.215, subdivision 4, clause (5), ~~or 260C.611,~~ to assess the capacity of the prospective foster ~~or adoptive~~ parent to ensure the placement will meet the needs of the individual child. For adoptive placements in a related or unrelated home, the home must meet the requirements of section 260C.611.

(f) The agency must determine whether colocation with a parent who is receiving services in a licensed residential family-based substance use disorder treatment program is in the child's best interests according to paragraph (b) and include that determination in the child's case plan under subdivision 1. The agency may consider additional factors not identified in paragraph (b). The agency's determination must be documented in the child's case plan before the child is colocated with a parent.

(g) The agency must establish a juvenile treatment screening team under section 260C.157 to determine whether it is necessary and appropriate to recommend placing a child in a qualified residential treatment program, as defined in section 260C.007, subdivision 26d.

(h) A child in foster care must not be placed in an unlicensed emergency relative placement under section 245A.035 or licensed family foster home when the responsible social services agency is aware that a prospective foster parent, license applicant, license holder, or adult household member has a permanent disqualification under section 245C.15, subdivision 4a, paragraphs (a) and (b).

Sec. 38. Minnesota Statutes 2022, section 260C.301, subdivision 1, as amended by Laws 2024, chapter 80, article 8, section 27, is amended to read:

Subdivision 1. **Voluntary and involuntary.** The juvenile court may upon petition, terminate all rights of a parent to a child:

(a) with the written consent of a parent who for good cause desires to terminate parental rights; or

(b) if it finds that one or more of the following conditions exist:

429.1 (1) that the parent has abandoned the child;

429.2 (2) that the parent has substantially, continuously, or repeatedly refused or neglected to
429.3 comply with the duties imposed upon that parent by the parent and child relationship,
429.4 including but not limited to providing the child with necessary food, clothing, shelter,
429.5 education, and other care and control necessary for the child's physical, mental, or emotional
429.6 health and development, if the parent is physically and financially able, and either reasonable
429.7 efforts by the social services agency have failed to correct the conditions that formed the
429.8 basis of the petition or reasonable efforts would be futile and therefore unreasonable;

429.9 ~~(3) that a parent has been ordered to contribute to the support of the child or financially~~
429.10 ~~aid in the child's birth and has continuously failed to do so without good cause. This clause~~
429.11 ~~shall not be construed to state a grounds for termination of parental rights of a noncustodial~~
429.12 ~~parent if that parent has not been ordered to or cannot financially contribute to the support~~
429.13 ~~of the child or aid in the child's birth;~~

429.14 ~~(4)~~ (3) that a parent is palpably unfit to be a party to the parent and child relationship
429.15 because of a consistent pattern of specific conduct before the child or of specific conditions
429.16 directly relating to the parent and child relationship either of which are determined by the
429.17 court to be of a duration or nature that renders the parent unable, for the reasonably
429.18 foreseeable future, to care appropriately for the ongoing physical, mental, or emotional
429.19 needs of the child. It is presumed that a parent is palpably unfit to be a party to the parent
429.20 and child relationship upon a showing that the parent's parental rights to one or more other
429.21 children were involuntarily terminated or that the parent's custodial rights to another child
429.22 have been involuntarily transferred to a relative under a juvenile protection proceeding or
429.23 a similar process of another jurisdiction;

429.24 ~~(5)~~ (4) that following the child's placement out of the home, reasonable efforts, under
429.25 the direction of the court, have failed to correct the conditions leading to the child's
429.26 placement. It is presumed that reasonable efforts under this clause have failed upon a showing
429.27 that:

429.28 (i) a child has resided out of the parental home under court order for a cumulative period
429.29 of 12 months within the preceding 22 months. In the case of a child under age eight at the
429.30 time the petition was filed alleging the child to be in need of protection or services, the
429.31 presumption arises when the child has resided out of the parental home under court order
429.32 for six months unless the parent has maintained regular contact with the child and the parent
429.33 is complying with the out-of-home placement plan;

(ii) the court has approved the out-of-home placement plan required under section 260C.212 and filed with the court under section 260C.178;

(iii) conditions leading to the out-of-home placement have not been corrected. It is presumed that conditions leading to a child's out-of-home placement have not been corrected upon a showing that the parent or parents have not substantially complied with the court's orders and a reasonable case plan; and

(iv) reasonable efforts have been made by the social services agency to rehabilitate the parent and reunite the family.

This clause does not prohibit the termination of parental rights prior to one year, or in the case of a child under age eight, prior to six months after a child has been placed out of the home.

It is also presumed that reasonable efforts have failed under this clause upon a showing that:

(A) the parent has been diagnosed as chemically dependent by a professional certified to make the diagnosis;

(B) the parent has been required by a case plan to participate in a chemical dependency treatment program;

(C) the treatment programs offered to the parent were culturally, linguistically, and clinically appropriate;

(D) the parent has either failed two or more times to successfully complete a treatment program or has refused at two or more separate meetings with a caseworker to participate in a treatment program; and

(E) the parent continues to abuse chemicals.

~~(6)~~ (5) that a child has experienced egregious harm in the parent's care ~~which~~ that is of a nature, duration, or chronicity that indicates a lack of regard for the child's well-being, such that a reasonable person would believe it contrary to the best interest of the child or of any child to be in the parent's care;

~~(7)~~ (6) that in the case of a child born to a mother who was not married to the child's father when the child was conceived nor when the child was born the person is not entitled to notice of an adoption hearing under section 259.49 and the person has not registered with the fathers' adoption registry under section 259.52;

~~(8)~~ (7) that the child is neglected and in foster care; or

431.1 (9) (8) that the parent has been convicted of a crime listed in section 260.012, paragraph
431.2 (g), clauses (1) to (5).

431.3 In an action involving an American Indian child, sections 260.751 to 260.835 and the
431.4 Indian Child Welfare Act, United States Code, title 25, sections 1901 to 1923, control to
431.5 the extent that the provisions of this section are inconsistent with those laws.

431.6 Sec. 39. Minnesota Statutes 2022, section 260C.515, subdivision 4, is amended to read:

431.7 Subd. 4. **Transfer of permanent legal and physical custody to relative.** (a) The court
431.8 may order a transfer of permanent legal and physical custody to:

431.9 (1) a parent. The court must find that the parent understands a transfer of permanent
431.10 legal and physical custody includes permanent, ongoing responsibility for the protection,
431.11 education, care, and control of the child and decision making on behalf of the child until
431.12 adulthood; or

431.13 (2) a fit and willing relative in the best interests of the child according to the following
431.14 requirements: in paragraph (b).

431.15 (1) (b) An order for transfer of permanent legal and physical custody to a relative shall
431.16 must only be made after the court has reviewed the suitability of the prospective legal and
431.17 physical custodian;, including a summary of information obtained from required background
431.18 studies under section 245C.33 or 260C.209, if the court finds the permanency disposition
431.19 to be in the child's best interests.

431.20 (2) In transferring permanent legal and physical custody to a relative, the juvenile court
431.21 shall follow the standards applicable under this chapter and chapter 260, and the procedures
431.22 in the Minnesota Rules of Juvenile Protection Procedure;. The court must issue written
431.23 findings that include the following:

431.24 (1) the prospective legal and physical custodian understands that:

431.25 (3) (i) a transfer of permanent legal and physical custody includes permanent, ongoing
431.26 responsibility for the protection, education, care, and control of the child and decision
431.27 making on behalf of the child until adulthood; and

431.28 (4) (ii) a permanent legal and physical custodian may shall not return a child to the
431.29 permanent care of a parent from whom the court removed custody without the court's
431.30 approval and without notice to the responsible social services agency;

(2) transfer of permanent legal and physical custody and receipt of Northstar kinship assistance under chapter 256N, when requested and the child is eligible, are in the child's best interests;

(3) when the agency files the petition under paragraph (c) or supports the petition filed under paragraph (d), adoption is not in the child's best interests based on the determinations in the kinship placement agreement required under section 256N.22, subdivision 2;

(4) the agency made efforts to discuss adoption with the child's parent or parents, or the agency did not make efforts to discuss adoption and the reasons why efforts were not made; and

(5) there are reasons to separate siblings during placement, if applicable.

~~(5)~~ (c) The responsible social services agency may file a petition naming a fit and willing relative as a proposed permanent legal and physical custodian. A petition for transfer of permanent legal and physical custody to a relative ~~who is not a parent~~ shall include facts upon which the court can determine suitability of the proposed custodian, including a summary of results from required background studies completed under section 245C.33. The petition must be accompanied by a kinship placement agreement under section 256N.22, subdivision 2, between the agency and proposed permanent legal and physical custodian~~;~~.

~~(6)~~ (d) Another party to the permanency proceeding regarding the child may file a petition to transfer permanent legal and physical custody to a relative. The petition must include facts upon which the court can make the ~~determination~~ determinations required under ~~clause (7) and~~ paragraph (b), including suitability of the proposed custodian and, if completed, a summary of results from required background studies completed under section 245C.33 or 260C.209. If background studies have not been completed at the time of filing the petition, they must be completed and a summary of results provided to the court prior to the court granting the petition or finalizing the order according to paragraph (e). The petition must be filed ~~not~~ no later than the date for the required admit-deny hearing under section 260C.507; or if the agency's petition is filed under section 260C.503, subdivision 2, the petition must be filed not later than 30 days prior to the trial required under section 260C.509~~;~~.

~~(7) where a petition is for transfer of permanent legal and physical custody to a relative who is not a parent, the court must find that:~~

~~(i) transfer of permanent legal and physical custody and receipt of Northstar kinship assistance under chapter 256N, when requested and the child is eligible, are in the child's best interests;~~

433.1 ~~(ii) adoption is not in the child's best interests based on the determinations in the kinship~~
433.2 ~~placement agreement required under section 256N.22, subdivision 2;~~

433.3 ~~(iii) the agency made efforts to discuss adoption with the child's parent or parents, or~~
433.4 ~~the agency did not make efforts to discuss adoption and the reasons why efforts were not~~
433.5 ~~made; and~~

433.6 ~~(iv) there are reasons to separate siblings during placement, if applicable;~~

433.7 ~~(8)~~ (e) The court may:

433.8 (1) defer finalization of an order transferring permanent legal and physical custody to a
433.9 relative when deferring finalization is necessary to determine eligibility for Northstar kinship
433.10 assistance under chapter 256N;

433.11 ~~(9) the court may~~ (2) finalize a ~~permanent~~ transfer of permanent legal and physical ~~and~~
433.12 ~~legal~~ custody to a relative regardless of eligibility for Northstar kinship assistance under
433.13 chapter 256N, provided that the court has reviewed the suitability of the proposed custodian,
433.14 including the summary of background study results, consistent with paragraph (b); and

433.15 ~~(10) the juvenile court may~~ (3) following a transfer of permanent legal and physical
433.16 custody to a relative, maintain jurisdiction over the responsible social services agency, the
433.17 parents or guardian of the child, the child, and the permanent legal and physical custodian
433.18 for purposes of ensuring appropriate services are delivered to the child and permanent legal
433.19 custodian for the purpose of ensuring conditions ordered by the court related to the care and
433.20 custody of the child are met.

433.21 Sec. 40. Minnesota Statutes 2022, section 260C.607, subdivision 1, is amended to read:

433.22 Subdivision 1. **Review hearings.** (a) The court shall conduct a review of the responsible
433.23 social services agency's reasonable efforts to finalize adoption for any child under the
433.24 guardianship of the commissioner and of the progress of the case toward adoption at least
433.25 every 90 days after the court issues an order that the commissioner is the guardian of the
433.26 child.

433.27 (b) The review of progress toward adoption shall continue notwithstanding that an appeal
433.28 is made of the order for guardianship or termination of parental rights.

433.29 (c) The agency's reasonable efforts to finalize the adoption must continue during the
433.30 pendency of the appeal under paragraph (b) or subdivision 6, paragraph (h), and all progress
433.31 toward adoption shall continue except that the court may not finalize an adoption while the
433.32 appeal is pending.

Sec. 41. Minnesota Statutes 2022, section 260C.607, subdivision 6, is amended to read:

Subd. 6. **Motion and hearing to order adoptive placement.** (a) At any time after the district court orders the child under the guardianship of the commissioner of human services, but not later than 30 days after receiving notice required under section 260C.613, subdivision 1, paragraph (c), that the agency has made an adoptive placement, a relative or the child's foster parent may file a motion for an order for adoptive placement of a child who is under the guardianship of the commissioner if the relative or the child's foster parent:

(1) has an adoption home study under section 259.41 or 260C.611 approving the relative or foster parent for adoption. If the relative or foster parent does not have an adoption home study, an affidavit attesting to efforts to complete an adoption home study may be filed with the motion instead. The affidavit must be signed by the relative or foster parent and the responsible social services agency or licensed child-placing agency completing the adoption home study. The relative or foster parent must also have been a resident of Minnesota for at least six months before filing the motion; the court may waive the residency requirement for the moving party if there is a reasonable basis to do so; or

(2) is not a resident of Minnesota, but has an approved adoption home study by an agency licensed or approved to complete an adoption home study in the state of the individual's residence and the study is filed with the motion for adoptive placement. If the relative or foster parent does not have an adoption home study in the relative or foster parent's state of residence, an affidavit attesting to efforts to complete an adoption home study may be filed with the motion instead. The affidavit must be signed by the relative or foster parent and the agency completing the adoption home study.

(b) The motion ~~shall~~ must be filed with the court conducting reviews of the child's progress toward adoption under this section. The motion and supporting documents must make a prima facie showing that the agency has been unreasonable in failing to make the requested adoptive placement. The motion must be served according to the requirements for motions under the Minnesota Rules of Juvenile Protection Procedure and ~~shall~~ must be made on all individuals and entities listed in subdivision 2.

(c) If the motion and supporting documents do not make a prima facie showing for the court to determine whether the agency has been unreasonable in failing to make the requested adoptive placement, the court shall dismiss the motion. If the court determines a prima facie basis is made, the court shall set the matter for evidentiary hearing.

(d) At the evidentiary hearing, the responsible social services agency shall proceed first with evidence about the reason for not making the adoptive placement proposed by the

435.1 moving party. When the agency presents evidence regarding the child's current relationship
435.2 with the identified adoptive placement resource, the court must consider the agency's efforts
435.3 to support the child's relationship with the moving party consistent with section 260C.221.
435.4 The moving party then has the burden of proving by a preponderance of the evidence that
435.5 the agency has been unreasonable in failing to make the adoptive placement.

435.6 (e) The court shall review and enter findings regarding whether the agency, in making
435.7 an adoptive placement decision for the child:

435.8 (1) considered relatives for adoptive placement in the order specified under section
435.9 260C.212, subdivision 2, paragraph (a); and

435.10 (2) assessed how the identified adoptive placement resource and the moving party are
435.11 each able to meet the child's current and future needs, based on an individualized
435.12 determination of the child's needs, as required under sections 260C.212, subdivision 2, and
435.13 260C.613, subdivision 1, paragraph (b).

435.14 (f) At the conclusion of the evidentiary hearing, if the court finds that the agency has
435.15 been unreasonable in failing to make the adoptive placement and that the moving party is
435.16 the most suitable adoptive home to meet the child's needs using the factors in section
435.17 260C.212, subdivision 2, paragraph (b), the court may:

435.18 (1) order the responsible social services agency to make an adoptive placement in the
435.19 home of the moving party if the moving party has an approved adoption home study; or

435.20 (2) order the responsible social services agency to place the child in the home of the
435.21 moving party upon approval of an adoption home study. The agency must promote and
435.22 support the child's ongoing visitation and contact with the moving party until the child is
435.23 placed in the moving party's home. The agency must provide an update to the court after
435.24 90 days, including progress and any barriers encountered. If the moving party does not have
435.25 an approved adoption home study within 180 days, the moving party and the agency must
435.26 inform the court of any barriers to obtaining the approved adoption home study during a
435.27 review hearing under this section. If the court finds that the moving party is unable to obtain
435.28 an approved adoption home study, the court must dismiss the order for adoptive placement
435.29 under this subdivision and order the agency to continue making reasonable efforts to finalize
435.30 the adoption of the child as required under section 260C.605.

435.31 (g) If, in order to ensure that a timely adoption may occur, the court orders the responsible
435.32 social services agency to make an adoptive placement under this subdivision, the agency
435.33 shall:

436.1 (1) make reasonable efforts to obtain a fully executed adoption placement agreement,
436.2 including assisting the moving party with the adoption home study process;

436.3 (2) work with the moving party regarding eligibility for adoption assistance as required
436.4 under chapter 256N; and

436.5 (3) if the moving party is not a resident of Minnesota, timely refer the matter for approval
436.6 of the adoptive placement through the Interstate Compact on the Placement of Children.

436.7 (h) Denial or granting of a motion for an order for adoptive placement after an evidentiary
436.8 hearing is an order ~~which~~ that may be appealed by the responsible social services agency,
436.9 the moving party, the child, when age ten or over, the child's guardian ad litem, and any
436.10 individual who had a fully executed adoption placement agreement regarding the child at
436.11 the time the motion was filed if the court's order has the effect of terminating the adoption
436.12 placement agreement. An appeal ~~shall~~ must be conducted according to the requirements of
436.13 the Rules of Juvenile Protection Procedure. Pursuant to subdivision 1, paragraph (c), the
436.14 court shall not finalize an adoption while an appeal is pending.

436.15 Sec. 42. Minnesota Statutes 2022, section 260C.611, is amended to read:

436.16 **260C.611 ADOPTION STUDY REQUIRED.**

436.17 (a) An adoption study under section 259.41 approving placement of the child in the
436.18 home of the prospective adoptive parent ~~shall~~ must be completed before placing any child
436.19 under the guardianship of the commissioner in a home for adoption. If a prospective adoptive
436.20 parent has a current child foster care license under chapter 245A and is seeking to adopt a
436.21 foster child who is placed in the prospective adoptive parent's home and is under the
436.22 guardianship of the commissioner according to section 260C.325, subdivision 1, the child
436.23 foster care home study meets the requirements of this section for an approved adoption
436.24 home study if:

436.25 (1) the written home study on which the foster care license was based is completed in
436.26 the commissioner's designated format, consistent with the requirements in sections 259.41,
436.27 subdivision 2; and 260C.215, subdivision 4, clause (5); and Minnesota Rules, part 2960.3060,
436.28 subpart 4;

436.29 (2) the background studies on each prospective adoptive parent and all required household
436.30 members were completed according to section 245C.33;

436.31 (3) the commissioner has not issued~~, within the last three years,~~ a sanction on the license
436.32 under section 245A.07 or an order of a conditional license under section 245A.06 within
436.33 the last three years, or the commissioner has determined it to be in the child's best interests

437.1 to allow the child foster care home study to meet requirements of an approved adoption
437.2 home study upon review of the legally responsible agency's adoptive placement decision;
437.3 and

437.4 (4) the legally responsible agency determines that the individual needs of the child are
437.5 being met by the prospective adoptive parent through an assessment under section 256N.24,
437.6 subdivision 2, or a documented placement decision consistent with section 260C.212,
437.7 subdivision 2.

437.8 (b) If a prospective adoptive parent has previously held a foster care license or adoptive
437.9 home study, any update necessary to the foster care license, or updated or new adoptive
437.10 home study, if not completed by the licensing authority responsible for the previous license
437.11 or home study, shall include collateral information from the previous licensing or approving
437.12 agency, if available.

437.13 Sec. 43. Minnesota Statutes 2022, section 260C.613, subdivision 1, is amended to read:

437.14 Subdivision 1. **Adoptive placement decisions.** (a) The responsible social services agency
437.15 has exclusive authority to make an adoptive placement ~~of~~ decision for a child under the
437.16 guardianship of the commissioner. The child ~~shall be considered~~ is legally placed for adoption
437.17 when the adopting parent, the agency, and the commissioner have fully executed an adoption
437.18 placement agreement on the form prescribed by the commissioner.

437.19 (b) The responsible social services agency shall use an individualized determination of
437.20 the child's current and future needs, pursuant to section 260C.212, subdivision 2, paragraph
437.21 (b), to determine the most suitable adopting parent for the child in the child's best interests.
437.22 The responsible social services agency must consider adoptive placement of the child with
437.23 relatives in the order specified in section 260C.212, subdivision 2, paragraph (a).

437.24 (c) The responsible social services agency shall notify the court and parties entitled to
437.25 notice under section 260C.607, subdivision 2, when there is a fully executed adoption
437.26 placement agreement for the child.

437.27 (d) Pursuant to section 260C.615, subdivision 1, paragraph (b), clause (4), the responsible
437.28 social services agency shall immediately notify the commissioner if the agency learns of
437.29 any new or previously undisclosed criminal or maltreatment information involving an
437.30 adoptive placement of a child under guardianship of the commissioner.

437.31 ~~(d)~~ (e) In the event a party to an adoption placement agreement terminates the agreement,
437.32 the responsible social services agency shall notify the court, the parties entitled to notice

under section 260C.607, subdivision 2, and the commissioner that the agreement and the adoptive placement have terminated.

Sec. 44. Minnesota Statutes 2022, section 260C.615, subdivision 1, is amended to read:

Subdivision 1. **Duties.** (a) For any child who is under the guardianship of the commissioner, the commissioner has the exclusive rights to consent to:

(1) the medical care plan for the treatment of a child who is at imminent risk of death or who has a chronic disease that, in a physician's judgment, will result in the child's death in the near future including a physician's order not to resuscitate or intubate the child; and

(2) the child donating a part of the child's body to another person while the child is living; the decision to donate a body part under this clause shall take into consideration the child's wishes and the child's culture.

(b) In addition to the exclusive rights under paragraph (a), the commissioner has a duty to:

(1) process any complete and accurate request for home study and placement through the Interstate Compact on the Placement of Children under section 260.851;

(2) process any complete and accurate application for adoption assistance forwarded by the responsible social services agency according to chapter 256N;

(3) review and process an adoption placement agreement forwarded to the commissioner by the responsible social services agency and return it to the agency in a timely fashion; ~~and~~

(4) review new or previously undisclosed information received from the agency or other individuals or entities that may impact the health, safety, or well-being of a child who is the subject of a fully executed adoption placement agreement; and

~~(4)~~ (5) maintain records as required in chapter 259.

Sec. 45. Minnesota Statutes 2022, section 260E.03, subdivision 23, as amended by Laws 2024, chapter 80, article 8, section 33, is amended to read:

Subd. 23. **Threatened injury.** (a) "Threatened injury" means a statement, overt act, condition, or status that represents a substantial risk of physical or sexual abuse or mental injury.

(b) Threatened injury includes, but is not limited to, exposing a child to a person responsible for the child's care, as defined in subdivision 17, who has:

439.1 (1) subjected a child to, or failed to protect a child from, an overt act or condition that
439.2 constitutes egregious harm under subdivision 5 or a similar law of another jurisdiction;

439.3 (2) been found to be palpably unfit under section 260C.301, subdivision 1, paragraph
439.4 (b), clause (4), or a similar law of another jurisdiction;

439.5 (3) committed an act that resulted in an involuntary termination of parental rights under
439.6 section 260C.301, or a similar law of another jurisdiction; or

439.7 (4) committed an act that resulted in the involuntary transfer of permanent legal and
439.8 physical custody of a child to a relative or parent under section 260C.515, subdivision 4,
439.9 or a similar law of another jurisdiction.

439.10 (c) A child is the subject of a report of threatened injury when the local welfare agency
439.11 receives birth match data under section 260E.14, subdivision 4, from the Department of
439.12 Human Services.

439.13 Sec. 46. Minnesota Statutes 2022, section 393.07, subdivision 10a, is amended to read:

439.14 Subd. 10a. **Expedited issuance of SNAP benefits.** The commissioner of human services
439.15 shall continually monitor the expedited issuance of SNAP benefits to ensure that each county
439.16 complies with federal regulations and that households eligible for expedited issuance of
439.17 SNAP benefits are identified, processed, and certified within the time frames prescribed in
439.18 federal regulations.

439.19 ~~County SNAP benefits offices shall screen applicants on the day of application.~~
439.20 ~~Applicants who meet the federal criteria for expedited issuance and have an immediate need~~
439.21 ~~for food assistance shall receive within five working days the issuance of SNAP benefits.~~

439.22 ~~The local SNAP agency shall conspicuously post in each SNAP office a notice of the~~
439.23 ~~availability of and the procedure for applying for expedited issuance and verbally advise~~
439.24 ~~each applicant of the availability of the expedited process.~~

439.25 Sec. 47. Minnesota Statutes 2022, section 518.17, is amended by adding a subdivision to
439.26 read:

439.27 Subd. 2a. **Parents with disabilities.** (a) A court shall not deny nor restrict a parent's
439.28 parenting time or custody due to the parent's disability. A party raising disability as a basis
439.29 for denying or restricting parenting time has the burden to prove by clear and convincing
439.30 evidence that a parent's specific behaviors during parenting time would endanger the health
439.31 or safety of the child. If the party meets the burden, a parent with a disability shall have the
439.32 opportunity to demonstrate how implementing supportive services can alleviate any concerns.

440.1 The court may require a parent with a disability to use supportive parenting services to
440.2 facilitate parenting time.

440.3 (b) If a court denies or limits the right of a parent with a disability to custody of a child
440.4 or visitation with a child, the court shall make specific written findings stating the basis for
440.5 the denial or limitation and why providing supportive parenting services is not a reasonable
440.6 accommodation that could prevent denying or limiting the parent's custody or parenting
440.7 time.

440.8 (c) For purposes of this subdivision, "disability" and "supportive parenting services"
440.9 have the meanings given in section 260C.141, subdivision 1a.

440.10 **EFFECTIVE DATE.** This section is effective August 1, 2024, and applies to pleadings
440.11 and motions pending on or after that date.

440.12 **ARTICLE 18**

440.13 **DEPARTMENT OF HUMAN SERVICES POLICY**

440.14 Section 1. Minnesota Statutes 2023 Supplement, section 13.46, subdivision 4, as amended
440.15 by Laws 2024, chapter 80, article 8, section 4, is amended to read:

440.16 Subd. 4. **Licensing data.** (a) As used in this subdivision:

440.17 (1) "licensing data" are all data collected, maintained, used, or disseminated by the
440.18 welfare system pertaining to persons licensed or registered or who apply for licensure or
440.19 registration or who formerly were licensed or registered under the authority of the
440.20 commissioner of human services;

440.21 (2) "client" means a person who is receiving services from a licensee or from an applicant
440.22 for licensure; and

440.23 (3) "personal and personal financial data" are Social Security numbers, identity of and
440.24 letters of reference, insurance information, reports from the Bureau of Criminal
440.25 Apprehension, health examination reports, and social/home studies.

440.26 (b)(1)(i) Except as provided in paragraph (c), the following data on applicants, license
440.27 holders, certification holders, and former licensees are public: name, address, telephone
440.28 number of licensees, email addresses except for family child foster care, date of receipt of
440.29 a completed application, dates of licensure, licensed capacity, type of client preferred,
440.30 variances granted, record of training and education in child care and child development,
440.31 type of dwelling, name and relationship of other family members, previous license history,
440.32 class of license, the existence and status of complaints, and the number of serious injuries

441.1 to or deaths of individuals in the licensed program as reported to the commissioner of human
441.2 services; the commissioner of children, youth, and families; the local social services agency;
441.3 or any other county welfare agency. For purposes of this clause, a serious injury is one that
441.4 is treated by a physician.

441.5 (ii) Except as provided in item (v), when a correction order, an order to forfeit a fine,
441.6 an order of license suspension, an order of temporary immediate suspension, an order of
441.7 license revocation, an order of license denial, or an order of conditional license has been
441.8 issued, or a complaint is resolved, the following data on current and former licensees and
441.9 applicants are public: the general nature of the complaint or allegations leading to the
441.10 temporary immediate suspension; the substance and investigative findings of the licensing
441.11 or maltreatment complaint, licensing violation, or substantiated maltreatment; the existence
441.12 of settlement negotiations; the record of informal resolution of a licensing violation; orders
441.13 of hearing; findings of fact; conclusions of law; specifications of the final correction order,
441.14 fine, suspension, temporary immediate suspension, revocation, denial, or conditional license
441.15 contained in the record of licensing action; whether a fine has been paid; and the status of
441.16 any appeal of these actions.

441.17 (iii) When a license denial under section 142A.15 or 245A.05 or a sanction under section
441.18 142B.18 or 245A.07 is based on a determination that a license holder, applicant, or controlling
441.19 individual is responsible for maltreatment under section 626.557 or chapter 260E, the identity
441.20 of the applicant, license holder, or controlling individual as the individual responsible for
441.21 maltreatment is public data at the time of the issuance of the license denial or sanction.

441.22 (iv) When a license denial under section 142A.15 or 245A.05 or a sanction under section
441.23 142B.18 or 245A.07 is based on a determination that a license holder, applicant, or controlling
441.24 individual is disqualified under chapter 245C, the identity of the license holder, applicant,
441.25 or controlling individual as the disqualified individual is public data at the time of the
441.26 issuance of the licensing sanction or denial. If the applicant, license holder, or controlling
441.27 individual requests reconsideration of the disqualification and the disqualification is affirmed,
441.28 the reason for the disqualification and the reason to not set aside the disqualification are
441.29 private data.

441.30 (v) A correction order or fine issued to a child care provider for a licensing violation is
441.31 private data on individuals under section 13.02, subdivision 12, or nonpublic data under
441.32 section 13.02, subdivision 9, if the correction order or fine is seven years old or older.

441.33 (2) For applicants who withdraw their application prior to licensure or denial of a license,
441.34 the following data are public: the name of the applicant, the city and county in which the

442.1 applicant was seeking licensure, the dates of the commissioner's receipt of the initial
442.2 application and completed application, the type of license sought, and the date of withdrawal
442.3 of the application.

442.4 (3) For applicants who are denied a license, the following data are public: the name and
442.5 address of the applicant, the city and county in which the applicant was seeking licensure,
442.6 the dates of the commissioner's receipt of the initial application and completed application,
442.7 the type of license sought, the date of denial of the application, the nature of the basis for
442.8 the denial, the existence of settlement negotiations, the record of informal resolution of a
442.9 denial, orders of hearings, findings of fact, conclusions of law, specifications of the final
442.10 order of denial, and the status of any appeal of the denial.

442.11 (4) When maltreatment is substantiated under section 626.557 or chapter 260E and the
442.12 victim and the substantiated perpetrator are affiliated with a program licensed under chapter
442.13 142B or 245A; the commissioner of human services; commissioner of children, youth, and
442.14 families; local social services agency; or county welfare agency may inform the license
442.15 holder where the maltreatment occurred of the identity of the substantiated perpetrator and
442.16 the victim.

442.17 (5) Notwithstanding clause (1), for child foster care, only the name of the license holder
442.18 and the status of the license are public if the county attorney has requested that data otherwise
442.19 classified as public data under clause (1) be considered private data based on the best interests
442.20 of a child in placement in a licensed program.

442.21 (c) The following are private data on individuals under section 13.02, subdivision 12,
442.22 or nonpublic data under section 13.02, subdivision 9: personal and personal financial data
442.23 on family day care program and family foster care program applicants and licensees and
442.24 their family members who provide services under the license.

442.25 (d) The following are private data on individuals: the identity of persons who have made
442.26 reports concerning licensees or applicants that appear in inactive investigative data, and the
442.27 records of clients or employees of the licensee or applicant for licensure whose records are
442.28 received by the licensing agency for purposes of review or in anticipation of a contested
442.29 matter. The names of reporters of complaints or alleged violations of licensing standards
442.30 under chapters 142B, 245A, 245B, 245C, and 245D, and applicable rules and alleged
442.31 maltreatment under section 626.557 and chapter 260E, are confidential data and may be
442.32 disclosed only as provided in section 260E.21, subdivision 4; 260E.35; or 626.557,
442.33 subdivision 12b.

443.1 (e) Data classified as private, confidential, nonpublic, or protected nonpublic under this
443.2 subdivision become public data if submitted to a court or administrative law judge as part
443.3 of a disciplinary proceeding in which there is a public hearing concerning a license which
443.4 has been suspended, immediately suspended, revoked, or denied.

443.5 (f) Data generated in the course of licensing investigations that relate to an alleged
443.6 violation of law are investigative data under subdivision 3.

443.7 (g) Data that are not public data collected, maintained, used, or disseminated under this
443.8 subdivision that relate to or are derived from a report as defined in section 260E.03, or
443.9 626.5572, subdivision 18, are subject to the destruction provisions of sections 260E.35,
443.10 subdivision 6, and 626.557, subdivision 12b.

443.11 (h) Upon request, not public data collected, maintained, used, or disseminated under
443.12 this subdivision that relate to or are derived from a report of substantiated maltreatment as
443.13 defined in section 626.557 or chapter 260E may be exchanged with the Department of
443.14 Health for purposes of completing background studies pursuant to section 144.057 and with
443.15 the Department of Corrections for purposes of completing background studies pursuant to
443.16 section 241.021.

443.17 (i) Data on individuals collected according to licensing activities under chapters 142B,
443.18 245A, and 245C, data on individuals collected by the commissioner of human services
443.19 according to investigations under section 626.557 and chapters 142B, 245A, 245B, 245C,
443.20 245D, and 260E may be shared with the Department of Human Rights, the Department of
443.21 Health, the Department of Corrections, the ombudsman for mental health and developmental
443.22 disabilities, and the individual's professional regulatory board when there is reason to believe
443.23 that laws or standards under the jurisdiction of those agencies may have been violated or
443.24 the information may otherwise be relevant to the board's regulatory jurisdiction. Background
443.25 study data on an individual who is the subject of a background study under chapter 245C
443.26 for a licensed service for which the commissioner of human services or children, youth,
443.27 and families is the license holder may be shared with the commissioner and the
443.28 commissioner's delegate by the licensing division. Unless otherwise specified in this chapter,
443.29 the identity of a reporter of alleged maltreatment or licensing violations may not be disclosed.

443.30 (j) In addition to the notice of determinations required under sections 260E.24,
443.31 subdivisions 5 and 7, and 260E.30, subdivision 6, paragraphs (b), (c), (d), (e), and (f), if the
443.32 commissioner of children, youth, and families or the local social services agency has
443.33 determined that an individual is a substantiated perpetrator of maltreatment of a child based
443.34 on sexual abuse, as defined in section 260E.03, and the commissioner or local social services

444.1 agency knows that the individual is a person responsible for a child's care in another facility,
444.2 the commissioner or local social services agency shall notify the head of that facility of this
444.3 determination. The notification must include an explanation of the individual's available
444.4 appeal rights and the status of any appeal. If a notice is given under this paragraph, the
444.5 government entity making the notification shall provide a copy of the notice to the individual
444.6 who is the subject of the notice.

444.7 (k) All not public data collected, maintained, used, or disseminated under this subdivision
444.8 and subdivision 3 may be exchanged between the Department of Human Services, Licensing
444.9 Division, and the Department of Corrections for purposes of regulating services for which
444.10 the Department of Human Services and the Department of Corrections have regulatory
444.11 authority.

444.12 **EFFECTIVE DATE.** This section is effective January 1, 2025.

444.13 Sec. 2. Minnesota Statutes 2023 Supplement, section 245A.02, subdivision 2c, is amended
444.14 to read:

444.15 Subd. 2c. **Annual or annually; family child care and family child foster care.** For
444.16 the purposes of family child care under sections 245A.50 to 245A.53 and family child foster
444.17 care training, "annual" or "annually" means each calendar year.

444.18 **EFFECTIVE DATE.** This section is effective January 1, 2025.

444.19 Sec. 3. Minnesota Statutes 2023 Supplement, section 245A.03, subdivision 2, as amended
444.20 by Laws 2024, chapter 85, section 52, and Laws 2024, chapter 80, article 2, section 35, is
444.21 amended to read:

444.22 Subd. 2. **Exclusion from licensure.** (a) This chapter does not apply to:

444.23 (1) residential or nonresidential programs that are provided to a person by an individual
444.24 who is related;

444.25 (2) nonresidential programs that are provided by an unrelated individual to persons from
444.26 a single related family;

444.27 (3) residential or nonresidential programs that are provided to adults who do not misuse
444.28 substances or have a substance use disorder, a mental illness, a developmental disability, a
444.29 functional impairment, or a physical disability;

444.30 (4) sheltered workshops or work activity programs that are certified by the commissioner
444.31 of employment and economic development;

445.1 (5) programs operated by a public school for children 33 months or older;

445.2 (6) nonresidential programs primarily for children that provide care or supervision for
445.3 periods of less than three hours a day while the child's parent or legal guardian is in the
445.4 same building as the nonresidential program or present within another building that is
445.5 directly contiguous to the building in which the nonresidential program is located;

445.6 (7) nursing homes or hospitals licensed by the commissioner of health except as specified
445.7 under section 245A.02;

445.8 (8) board and lodge facilities licensed by the commissioner of health that do not provide
445.9 children's residential services under Minnesota Rules, chapter 2960, mental health or
445.10 substance use disorder treatment;

445.11 (9) programs licensed by the commissioner of corrections;

445.12 (10) recreation programs for children or adults that are operated or approved by a park
445.13 and recreation board whose primary purpose is to provide social and recreational activities;

445.14 (11) noncertified boarding care homes unless they provide services for five or more
445.15 persons whose primary diagnosis is mental illness or a developmental disability;

445.16 (12) programs for children such as scouting, boys clubs, girls clubs, and sports and art
445.17 programs, and nonresidential programs for children provided for a cumulative total of less
445.18 than 30 days in any 12-month period;

445.19 (13) residential programs for persons with mental illness, that are located in hospitals;

445.20 (14) camps licensed by the commissioner of health under Minnesota Rules, chapter
445.21 4630;

445.22 (15) mental health outpatient services for adults with mental illness or children with
445.23 emotional disturbance;

445.24 (16) residential programs serving school-age children whose sole purpose is cultural or
445.25 educational exchange, until the commissioner adopts appropriate rules;

445.26 (17) community support services programs as defined in section 245.462, subdivision
445.27 6, and family community support services as defined in section 245.4871, subdivision 17;

445.28 (18) ~~settings registered under chapter 144D which provide home care services licensed~~
445.29 ~~by the commissioner of health to fewer than seven adults~~ <u>assisted living facilities licensed</u>
445.30 <u>by the commissioner of health under chapter 144G</u>;

446.1 (19) substance use disorder treatment activities of licensed professionals in private
446.2 practice as defined in section 245G.01, subdivision 17;

446.3 (20) consumer-directed community support service funded under the Medicaid waiver
446.4 for persons with developmental disabilities when the individual who provided the service
446.5 is:

446.6 (i) the same individual who is the direct payee of these specific waiver funds or paid by
446.7 a fiscal agent, fiscal intermediary, or employer of record; and

446.8 (ii) not otherwise under the control of a residential or nonresidential program that is
446.9 required to be licensed under this chapter when providing the service;

446.10 (21) a county that is an eligible vendor under section 254B.05 to provide care coordination
446.11 and comprehensive assessment services;

446.12 (22) a recovery community organization that is an eligible vendor under section 254B.05
446.13 to provide peer recovery support services; or

446.14 (23) programs licensed by the commissioner of children, youth, and families in chapter
446.15 142B.

446.16 (b) For purposes of paragraph (a), clause (6), a building is directly contiguous to a
446.17 building in which a nonresidential program is located if it shares a common wall with the
446.18 building in which the nonresidential program is located or is attached to that building by
446.19 skyway, tunnel, atrium, or common roof.

446.20 ~~(b)~~ (c) Except for the home and community-based services identified in section 245D.03,
446.21 subdivision 1, nothing in this chapter shall be construed to require licensure for any services
446.22 provided and funded according to an approved federal waiver plan where licensure is
446.23 specifically identified as not being a condition for the services and funding.

446.24 Sec. 4. Minnesota Statutes 2022, section 245A.04, is amended by adding a subdivision to
446.25 read:

446.26 Subd. 7b. **Notification to commissioner of changes in key staff positions; children's**
446.27 **residential facilities and detoxification programs.** (a) A license holder must notify the
446.28 commissioner within five business days of a change or vacancy in a key staff position under
446.29 paragraphs (b) or (c). The license holder must notify the commissioner of the staffing change
446.30 on a form approved by the commissioner and include the name of the staff person now
446.31 assigned to the key staff position and the staff person's qualifications for the position. The

447.1 license holder must notify the licensor for the program of a vacancy to discuss how the
447.2 duties of the key position will be fulfilled during the vacancy.

447.3 (b) The key staff position for a children's residential facility licensed according to
447.4 Minnesota Rules, parts 2960.0130 to 2960.0220, is a program director; and

447.5 (c) The key staff positions for a detoxification program licensed according to Minnesota
447.6 Rules, parts 9530.6510 to 9530.6590, are:

447.7 (1) a program director as required by Minnesota Rules, part 9530.6560, subpart 1;

447.8 (2) a registered nurse as required by Minnesota Rules, part 9530.6560, subpart 4; and

447.9 (3) a medical director as required by Minnesota Rules, part 9530.6560, subpart 5.

447.10 **EFFECTIVE DATE.** This section is effective January 1, 2025.

447.11 Sec. 5. Minnesota Statutes 2022, section 245A.04, subdivision 10, is amended to read:

447.12 Subd. 10. **Adoption agency; additional requirements.** In addition to the other
447.13 requirements of this section, an individual or organization applying for a license to place
447.14 children for adoption must:

447.15 (1) incorporate as a nonprofit corporation under chapter 317A;

447.16 (2) file with the application for licensure a copy of the disclosure form required under
447.17 section 259.37, subdivision 2;

447.18 (3) provide evidence that a bond has been obtained and will be continuously maintained
447.19 throughout the entire operating period of the agency, to cover the cost of transfer of records
447.20 to and storage of records by the agency which has agreed, according to rule established by
447.21 the commissioner, to receive the applicant agency's records if the applicant agency voluntarily
447.22 or involuntarily ceases operation and fails to provide for proper transfer of the records. The
447.23 bond must be made in favor of the agency which has agreed to receive the records; and

447.24 (4) submit a ~~certified audit~~ financial review completed by an accountant to the
447.25 commissioner each year the license is renewed as required under section 245A.03, subdivision
447.26 1.

447.27 **EFFECTIVE DATE.** This section is effective January 1, 2025.

447.28 Sec. 6. Minnesota Statutes 2022, section 245A.043, subdivision 2, is amended to read:

447.29 Subd. 2. **Change in ownership.** (a) If the commissioner determines that there is a change
447.30 in ownership, the commissioner shall require submission of a new license application. This

subdivision does not apply to a licensed program or service located in a home where the license holder resides. A change in ownership occurs when:

(1) except as provided in paragraph (b), the license holder sells or transfers 100 percent of the property, stock, or assets;

(2) the license holder merges with another organization;

(3) the license holder consolidates with two or more organizations, resulting in the creation of a new organization;

(4) there is a change to the federal tax identification number associated with the license holder; or

(5) except as provided in paragraph (b), all controlling individuals ~~associated with~~ for the original ~~application~~ license have changed.

(b) ~~Notwithstanding~~ For changes under paragraph (a), clauses (1) ~~and~~ or (5), no change in ownership has occurred and a new license application is not required if at least one controlling individual has been ~~listed~~ affiliated as a controlling individual for the license for at least the previous 12 months immediately preceding the change.

Sec. 7. Minnesota Statutes 2023 Supplement, section 245A.043, subdivision 3, is amended to read:

Subd. 3. **Standard change of ownership process.** (a) When a change in ownership is proposed and the party intends to assume operation without an interruption in service longer than 60 days after acquiring the program or service, the license holder must provide the commissioner with written notice of the proposed change on a form provided by the commissioner at least ~~60~~ 90 days before the anticipated date of the change in ownership. For purposes of this ~~subdivision and subdivision 4~~ section, "party" means the party that intends to operate the service or program.

(b) The party must submit a license application under this chapter on the form and in the manner prescribed by the commissioner at least ~~30~~ 90 days before the change in ownership is anticipated to be complete~~,~~ and must include documentation to support the upcoming change. The party must comply with background study requirements under chapter 245C and shall pay the application fee required under section 245A.10.

(c) A party that intends to assume operation without an interruption in service longer than 60 days after acquiring the program or service is exempt from the requirements of

449.1 sections 245G.03, subdivision 2, paragraph (b), and 254B.03, subdivision 2, paragraphs (c)
449.2 and (d).

449.3 ~~(c)~~ (d) The commissioner may streamline application procedures when the party is an
449.4 existing license holder under this chapter and is acquiring a program licensed under this
449.5 chapter or service in the same service class as one or more licensed programs or services
449.6 the party operates and those licenses are in substantial compliance. For purposes of this
449.7 subdivision, "substantial compliance" means within the previous 12 months the commissioner
449.8 did not (1) issue a sanction under section 245A.07 against a license held by the party, or
449.9 (2) make a license held by the party conditional according to section 245A.06.

449.10 ~~(d) Except when a temporary change in ownership license is issued pursuant to~~
449.11 ~~subdivision 4~~ (e) While the standard change of ownership process is pending, the existing
449.12 license holder ~~is solely~~ remains responsible for operating the program according to applicable
449.13 laws and rules until a license under this chapter is issued to the party.

449.14 ~~(e)~~ (f) If a licensing inspection of the program or service was conducted within the
449.15 previous 12 months and the existing license holder's license record demonstrates substantial
449.16 compliance with the applicable licensing requirements, the commissioner may waive the
449.17 party's inspection required by section 245A.04, subdivision 4. The party must submit to the
449.18 commissioner (1) proof that the premises was inspected by a fire marshal or that the fire
449.19 marshal deemed that an inspection was not warranted, and (2) proof that the premises was
449.20 inspected for compliance with the building code or that no inspection was deemed warranted.

449.21 ~~(f)~~ (g) If the party is seeking a license for a program or service that has an outstanding
449.22 action under section 245A.06 or 245A.07, the party must submit a ~~letter~~ written plan as part
449.23 of the application process identifying how the party has or will come into full compliance
449.24 with the licensing requirements.

449.25 ~~(g)~~ (h) The commissioner shall evaluate the party's application according to section
449.26 245A.04, subdivision 6. If the commissioner determines that the party has remedied or
449.27 demonstrates the ability to remedy the outstanding actions under section 245A.06 or 245A.07
449.28 and has determined that the program otherwise complies with all applicable laws and rules,
449.29 the commissioner shall issue a license or conditional license under this chapter. A conditional
449.30 license issued under this section is final and not subject to reconsideration under section
449.31 245A.06, subdivision 4. The conditional license remains in effect until the commissioner
449.32 determines that the grounds for the action are corrected or no longer exist.

450.1 ~~(h)~~ (i) The commissioner may deny an application as provided in section 245A.05. An
450.2 applicant whose application was denied by the commissioner may appeal the denial according
450.3 to section 245A.05.

450.4 ~~(i)~~ (j) This subdivision does not apply to a licensed program or service located in a home
450.5 where the license holder resides.

450.6 **EFFECTIVE DATE.** This section is effective January 1, 2025.

450.7 Sec. 8. Minnesota Statutes 2022, section 245A.043, is amended by adding a subdivision
450.8 to read:

450.9 Subd. 3a. **Emergency change in ownership process.** (a) In the event of a death of a
450.10 license holder or sole controlling individual or a court order or other event that results in
450.11 the license holder being inaccessible or unable to operate the program or service, a party
450.12 may submit a request to the commissioner to allow the party to assume operation of the
450.13 program or service under an emergency change in ownership process to ensure persons
450.14 continue to receive services while the commissioner evaluates the party's license application.

450.15 (b) To request the emergency change of ownership process, the party must immediately:

450.16 (1) notify the commissioner of the event resulting in the inability of the license holder
450.17 to operate the program and of the party's intent to assume operations; and

450.18 (2) provide the commissioner with documentation that demonstrates the party has a legal
450.19 or legitimate ownership interest in the program or service if applicable and is able to operate
450.20 the program or service.

450.21 (c) If the commissioner approves the party to continue operating the program or service
450.22 under an emergency change in ownership process, the party must:

450.23 (1) request to be added as a controlling individual or license holder to the existing license;

450.24 (2) notify persons receiving services of the emergency change in ownership in a manner
450.25 approved by the commissioner;

450.26 (3) submit an application for a new license within 30 days of approval;

450.27 (4) comply with the background study requirements under chapter 245C; and

450.28 (5) pay the application fee required under section 245A.10.

450.29 (d) While the emergency change of ownership process is pending, a party approved
450.30 under this subdivision is responsible for operating the program under the existing license
450.31 according to applicable laws and rules until a new license under this chapter is issued.

451.1 (e) The provisions in subdivision 3, paragraphs (c), (d), and (f) to (i) apply to this
451.2 subdivision.

451.3 (f) Once a party is issued a new license or has decided not to seek a new license, the
451.4 commissioner must close the existing license.

451.5 (g) This subdivision applies to any program or service licensed under this chapter.

451.6 **EFFECTIVE DATE.** This section is effective January 1, 2025.

451.7 Sec. 9. Minnesota Statutes 2022, section 245A.043, subdivision 4, is amended to read:

451.8 Subd. 4. **Temporary ~~change in ownership~~ transitional license.** ~~(a) After receiving the~~
451.9 ~~party's application pursuant to subdivision 3, upon the written request of the existing license~~
451.10 ~~holder and the party, the commissioner may issue a temporary change in ownership license~~
451.11 ~~to the party while the commissioner evaluates the party's application. Until a decision is~~
451.12 ~~made to grant or deny a license under this chapter, the existing license holder and the party~~
451.13 ~~shall both be responsible for operating the program or service according to applicable laws~~
451.14 ~~and rules, and the sale or transfer of the existing license holder's ownership interest in the~~
451.15 ~~licensed program or service does not terminate the existing license.~~

451.16 ~~(b) The commissioner may issue a temporary change in ownership license when a license~~
451.17 ~~holder's death, divorce, or other event affects the ownership of the program and an applicant~~
451.18 ~~seeks to assume operation of the program or service to ensure continuity of the program or~~
451.19 ~~service while a license application is evaluated.~~

451.20 ~~(c) This subdivision applies to any program or service licensed under this chapter.~~

451.21 If a party's application under subdivision 2 is for a satellite license for a community
451.22 residential setting under section 245D.23 or day services facility under 245D.27 and if the
451.23 party already holds an active license to provide services under chapter 245D, the
451.24 commissioner may issue a temporary transitional license to the party for the community
451.25 residential setting or day services facility while the commissioner evaluates the party's
451.26 application. Until a decision is made to grant or deny a community residential setting or
451.27 day services facility satellite license, the party must be solely responsible for operating the
451.28 program according to applicable laws and rules, and the existing license must be closed.
451.29 The temporary transitional license expires after 12 months from the date it was issued or
451.30 upon issuance of the community residential setting or day services facility satellite license,
451.31 whichever occurs first.

451.32 **EFFECTIVE DATE.** This section is effective January 1, 2025.

452.1 Sec. 10. Minnesota Statutes 2022, section 245A.043, is amended by adding a subdivision
452.2 to read:

452.3 Subd. 5. **Failure to comply.** If the commissioner finds that the applicant or license holder
452.4 has not fully complied with this section, the commissioner may impose a licensing sanction
452.5 under section 245A.05, 245A.06, or 245A.07.

452.6 **EFFECTIVE DATE.** This section is effective January 1, 2025.

452.7 Sec. 11. Minnesota Statutes 2023 Supplement, section 245A.07, subdivision 1, as amended
452.8 by Laws 2024, chapter 80, article 2, section 44, is amended to read:

452.9 Subdivision 1. **Sanctions; appeals; license.** (a) In addition to making a license conditional
452.10 under section 245A.06, the commissioner may suspend or revoke the license, impose a fine,
452.11 or secure an injunction against the continuing operation of the program of a license holder
452.12 who does not comply with applicable law or rule.

452.13 When applying sanctions authorized under this section, the commissioner shall consider
452.14 the nature, chronicity, or severity of the violation of law or rule and the effect of the violation
452.15 on the health, safety, or rights of persons served by the program.

452.16 (b) If a license holder appeals the suspension or revocation of a license and the license
452.17 holder continues to operate the program pending a final order on the appeal, the commissioner
452.18 shall issue the license holder a temporary provisional license. The commissioner may include
452.19 terms the license holder must follow pending a final order on the appeal. Unless otherwise
452.20 specified by the commissioner, variances in effect on the date of the license sanction under
452.21 appeal continue under the temporary provisional license. If a license holder fails to comply
452.22 with applicable law or rule while operating under a temporary provisional license, the
452.23 commissioner may impose additional sanctions under this section and section 245A.06, and
452.24 may terminate any prior variance. If a temporary provisional license is set to expire, a new
452.25 temporary provisional license shall be issued to the license holder upon payment of any fee
452.26 required under section 245A.10. The temporary provisional license shall expire on the date
452.27 the final order is issued. If the license holder prevails on the appeal, a new nonprovisional
452.28 license shall be issued for the remainder of the current license period.

452.29 (c) If a license holder is under investigation and the license issued under this chapter is
452.30 due to expire before completion of the investigation, the program shall be issued a new
452.31 license upon completion of the reapplication requirements and payment of any applicable
452.32 license fee. Upon completion of the investigation, a licensing sanction may be imposed
452.33 against the new license under this section, section 245A.06, or 245A.08.

453.1 (d) Failure to reapply or closure of a license issued under this chapter by the license
453.2 holder prior to the completion of any investigation shall not preclude the commissioner
453.3 from issuing a licensing sanction under this section or section 245A.06 at the conclusion
453.4 of the investigation.

453.5 **EFFECTIVE DATE.** This section is effective January 1, 2025.

453.6 Sec. 12. Minnesota Statutes 2022, section 245A.07, subdivision 6, is amended to read:

453.7 Subd. 6. **Appeal of multiple sanctions.** (a) When the license holder appeals more than
453.8 one licensing action or sanction that were simultaneously issued by the commissioner, the
453.9 license holder shall specify the actions or sanctions that are being appealed.

453.10 (b) If there are different timelines prescribed in statutes for the licensing actions or
453.11 sanctions being appealed, the license holder must submit the appeal within the longest of
453.12 those timelines specified in statutes.

453.13 (c) The appeal must be made in writing by certified mail ~~or~~, by personal service, or
453.14 through the provider licensing and reporting hub. If mailed, the appeal must be postmarked
453.15 and sent to the commissioner within the prescribed timeline with the first day beginning
453.16 the day after the license holder receives the certified letter. If a request is made by personal
453.17 service, it must be received by the commissioner within the prescribed timeline with the
453.18 first day beginning the day after the license holder receives the certified letter. If the appeal
453.19 is made through the provider licensing and reporting hub, it must be received by the
453.20 commissioner within the prescribed timeline with the first day beginning the day after the
453.21 commissioner issued the order through the hub.

453.22 (d) When there are different timelines prescribed in statutes for the appeal of licensing
453.23 actions or sanctions simultaneously issued by the commissioner, the commissioner shall
453.24 specify in the notice to the license holder the timeline for appeal as specified under paragraph
453.25 (b).

453.26 Sec. 13. Minnesota Statutes 2023 Supplement, section 245A.11, subdivision 7, is amended
453.27 to read:

453.28 Subd. 7. **Adult foster care and community residential setting; variance for alternate**
453.29 **overnight supervision.** (a) The commissioner may grant a variance under section 245A.04,
453.30 subdivision 9, to statute or rule parts requiring a caregiver to be present in an adult foster
453.31 care home or a community residential setting during normal sleeping hours to allow for
453.32 alternative methods of overnight supervision. The commissioner may grant the variance if

the local county licensing agency recommends the variance and the county recommendation includes documentation verifying that:

(1) the county has approved the license holder's plan for alternative methods of providing overnight supervision and determined the plan protects the residents' health, safety, and rights;

(2) the license holder has obtained written and signed informed consent from each resident or each resident's legal representative documenting the resident's or legal representative's agreement with the alternative method of overnight supervision; and

(3) the alternative method of providing overnight supervision, which may include the use of technology, is specified for each resident in the resident's: (i) individualized plan of care; (ii) ~~individual service~~ support plan under section 256B.092, subdivision 1b, if required; or (iii) individual resident placement agreement under Minnesota Rules, part 9555.5105, subpart 19, if required.

(b) To be eligible for a variance under paragraph (a), the adult foster care or community residential setting license holder must not have had a conditional license issued under section 245A.06, or any other licensing sanction issued under section 245A.07 during the prior 24 months based on failure to provide adequate supervision, health care services, or resident safety in the adult foster care home or a community residential setting.

(c) A license holder requesting a variance under this subdivision to utilize technology as a component of a plan for alternative overnight supervision may request the commissioner's review in the absence of a county recommendation. Upon receipt of such a request from a license holder, the commissioner shall review the variance request with the county.

~~(d) The variance requirements under this subdivision for alternative overnight supervision do not apply to community residential settings licensed under chapter 245D.~~

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

Sec. 14. Minnesota Statutes 2022, section 245A.14, subdivision 17, is amended to read:

Subd. 17. **Reusable water bottles or cups.** Notwithstanding any law to the contrary, a licensed child care center may provide drinking water to a child in a reusable water bottle or reusable cup if the center develops and ensures implementation of a written policy that at a minimum includes the following procedures:

(1) each day the water bottle or cup is used, the child care center cleans and sanitizes the water bottle or cup using procedures that comply with the Food Code under Minnesota

455.1 Rules, chapter 4626, or allows the child's parent or legal guardian to bring the water bottle
455.2 or cup home each day the water bottle or cup is used to be cleaned and sanitized;

455.3 (2) a water bottle or cup is assigned to a specific child and labeled with the child's first
455.4 and last name;

455.5 (3) water bottles and cups are stored in a manner that reduces the risk of a child using
455.6 the wrong water bottle or cup; and

455.7 (4) a water bottle or cup is used only for water.

455.8 Sec. 15. Minnesota Statutes 2023 Supplement, section 245A.16, subdivision 1, as amended
455.9 by Laws 2024, chapter 80, article 2, section 65, is amended to read:

455.10 Subdivision 1. **Delegation of authority to agencies.** (a) County agencies that have been
455.11 designated by the commissioner to perform licensing functions and activities under section
455.12 245A.04; to recommend denial of applicants under section 245A.05; to issue correction
455.13 orders, to issue variances, and recommend a conditional license under section 245A.06; or
455.14 to recommend suspending or revoking a license or issuing a fine under section 245A.07,
455.15 shall comply with rules and directives of the commissioner governing those functions and
455.16 with this section. The following variances are excluded from the delegation of variance
455.17 authority and may be issued only by the commissioner:

455.18 (1) dual licensure of family child foster care and family adult foster care, dual licensure
455.19 of child foster residence setting and community residential setting, and dual licensure of
455.20 family adult foster care and family child care;

455.21 (2) adult foster care or community residential setting maximum capacity;

455.22 (3) adult foster care or community residential setting minimum age requirement;

455.23 (4) child foster care maximum age requirement;

455.24 (5) variances regarding disqualified individuals;

455.25 (6) the required presence of a caregiver in the adult foster care residence during normal
455.26 sleeping hours;

455.27 (7) variances to requirements relating to chemical use problems of a license holder or a
455.28 household member of a license holder; and

455.29 (8) variances to section 142B.46 for the use of a cradleboard for a cultural
455.30 accommodation.

(b) For family adult day services programs, the commissioner may authorize licensing reviews every two years after a licensee has had at least one annual review.

(c) A license issued under this section may be issued for up to two years.

(d) During implementation of chapter 245D, the commissioner shall consider:

(1) the role of counties in quality assurance;

(2) the duties of county licensing staff; and

(3) the possible use of joint powers agreements, according to section 471.59, with counties through which some licensing duties under chapter 245D may be delegated by the commissioner to the counties.

Any consideration related to this paragraph must meet all of the requirements of the corrective action plan ordered by the federal Centers for Medicare and Medicaid Services.

(e) Licensing authority specific to section 245D.06, subdivisions 5, 6, 7, and 8, or successor provisions; and section 245D.061 or successor provisions, for family child foster care programs providing out-of-home respite, as identified in section 245D.03, subdivision 1, paragraph (b), clause (1), is excluded from the delegation of authority to county agencies.

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

Sec. 16. Minnesota Statutes 2023 Supplement, section 245A.16, subdivision 11, is amended to read:

Subd. 11. **Electronic checklist use ~~by family child care licensors~~.** County and private agency staff who perform ~~family child care~~ delegated licensing functions must use the commissioner's electronic licensing checklist in the manner prescribed by the commissioner.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 17. Minnesota Statutes 2023 Supplement, section 245A.211, subdivision 4, is amended to read:

Subd. 4. **Contraindicated physical restraints.** A license or certification holder must not implement a restraint on a person receiving services in a program in a way that is contraindicated for any of the person's known medical or psychological conditions. Prior to using restraints on a person~~, the license or certification holder must assess and document a determination of any~~ with a known medical or psychological conditions that restraints are contraindicated for, the license or certification holder must document the contraindication and the type of restraints that will not be used on the person based on this determination.

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

457.2 Sec. 18. Minnesota Statutes 2023 Supplement, section 245A.242, subdivision 2, is amended
457.3 to read:

457.4 Subd. 2. **Emergency overdose treatment.** (a) A license holder must maintain a supply
457.5 of opiate antagonists as defined in section 604A.04, subdivision 1, available for emergency
457.6 treatment of opioid overdose and must have a written standing order protocol by a physician
457.7 who is licensed under chapter 147, advanced practice registered nurse who is licensed under
457.8 chapter 148, or physician assistant who is licensed under chapter 147A, that permits the
457.9 license holder to maintain a supply of opiate antagonists on site. A license holder must
457.10 require staff to undergo training in the specific mode of administration used at the program,
457.11 which may include intranasal administration, intramuscular injection, or both.

457.12 (b) Notwithstanding any requirements to the contrary in Minnesota Rules, chapters 2960
457.13 and 9530, and Minnesota Statutes, chapters 245F, 245G, and 245I:

457.14 (1) emergency opiate antagonist medications are not required to be stored in a locked
457.15 area and staff and adult clients may carry this medication on them and store it in an unlocked
457.16 location;

457.17 (2) staff persons who only administer emergency opiate antagonist medications only
457.18 require the training required by paragraph (a), which any knowledgeable trainer may provide.
457.19 The trainer is not required to be a registered nurse or part of an accredited educational
457.20 institution; and

457.21 (3) nonresidential substance use disorder treatment programs that do not administer
457.22 client medications beyond emergency opiate antagonist medications are not required to
457.23 have the policies and procedures required in section 245G.08, subdivisions 5 and 6, and
457.24 must instead describe the program's procedures for administering opiate antagonist
457.25 medications in the license holder's description of health care services under section 245G.08,
457.26 subdivision 1.

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

457.28 Sec. 19. Minnesota Statutes 2022, section 245A.52, subdivision 2, is amended to read:

457.29 Subd. 2. **Door to attached garage.** ~~Notwithstanding Minnesota Rules, part 9502.0425,~~
457.30 ~~subpart 5, day care residences with an attached garage are not required to have a self-closing~~
457.31 ~~door to the residence. The door to the residence may be~~ (a) If there is an opening between
457.32 an attached garage and a day care residence, there must be a door that is:

458.1 (1) a solid wood bonded-core door at least 1-3/8 inches thick;

458.2 (2) a steel insulated door ~~if the door is~~ at least 1-3/8 inches thick~~.~~; or

458.3 (3) a door with a fire protection rating of 20 minutes.

458.4 (b) The separation wall on the garage side between the residence and garage must consist
458.5 of 1/2-inch-thick gypsum wallboard or its equivalent.

458.6 Sec. 20. Minnesota Statutes 2022, section 245A.52, is amended by adding a subdivision
458.7 to read:

458.8 Subd. 8. **Stairways.** (a) All stairways must meet the requirements in this subdivision.

458.9 (b) Stairways of four or more steps must have handrails on at least one side.

458.10 (c) Any open area between the handrail and stair tread must be enclosed with a protective
458.11 guardrail as specified in the State Building Code. At open risers, openings located more
458.12 than 30 inches or 762 millimeters as measured vertically to the floor or grade below must
458.13 not permit the passage of a sphere four inches or 102 millimeters in diameter.

458.14 (d) Gates or barriers must be used when children aged six to 18 months are in care.

458.15 (e) Stairways must be well lit, in good repair, and free of clutter and obstructions.

458.16 Sec. 21. Minnesota Statutes 2022, section 245A.66, subdivision 2, is amended to read:

458.17 Subd. 2. **Child care centers; risk reduction plan.** (a) Child care centers licensed under
458.18 this chapter and Minnesota Rules, chapter 9503, must develop a risk reduction plan that
458.19 identifies the general risks to children served by the child care center. The license holder
458.20 must establish procedures to minimize identified risks, train staff on the procedures, and
458.21 annually review the procedures.

458.22 (b) The risk reduction plan must include an assessment of risk to children the center
458.23 serves or intends to serve and identify specific risks based on the outcome of the assessment.
458.24 The assessment of risk must be based on the following:

458.25 (1) an assessment of the risks presented by the physical plant where the licensed services
458.26 are provided, including an evaluation of the following factors: the condition and design of
458.27 the facility and its outdoor space, bathrooms, storage areas, and accessibility of medications
458.28 and cleaning products that are harmful to children when children are not supervised and the
458.29 existence of areas that are difficult to supervise; and

459.1 (2) an assessment of the risks presented by the environment for each facility and for
459.2 each site, including an evaluation of the following factors: the type of grounds and terrain
459.3 surrounding the building and the proximity to hazards, busy roads, and publicly accessed
459.4 businesses.

459.5 (c) The risk reduction plan must include a statement of measures that will be taken to
459.6 minimize the risk of harm presented to children for each risk identified in the assessment
459.7 required under paragraph (b) related to the physical plant and environment. At a minimum,
459.8 the stated measures must include the development and implementation of specific policies
459.9 and procedures or reference to existing policies and procedures that minimize the risks
459.10 identified.

459.11 (d) In addition to any program-specific risks identified in paragraph (b), the plan must
459.12 include development and implementation of specific policies and procedures or refer to
459.13 existing policies and procedures that minimize the risk of harm or injury to children,
459.14 including:

459.15 (1) closing children's fingers in doors, including cabinet doors;

459.16 (2) leaving children in the community without supervision;

459.17 (3) children leaving the facility without supervision;

459.18 (4) caregiver dislocation of children's elbows;

459.19 (5) burns from hot food or beverages, whether served to children or being consumed by
459.20 caregivers, and the devices used to warm food and beverages;

459.21 (6) injuries from equipment, such as scissors and glue guns;

459.22 (7) sunburn;

459.23 (8) feeding children foods to which they are allergic;

459.24 (9) children falling from changing tables; and

459.25 (10) children accessing dangerous items or chemicals or coming into contact with residue
459.26 from harmful cleaning products.

459.27 (e) The plan shall prohibit the accessibility of hazardous items to children.

459.28 (f) The plan must include specific policies and procedures to ensure adequate supervision
459.29 of children at all times as defined under section 245A.02, subdivision 18, with particular
459.30 emphasis on:

459.31 (1) times when children are transitioned from one area within the facility to another;

460.1 (2) nap-time supervision, including infant crib rooms as specified under section 245A.02,
460.2 subdivision 18, which requires that when an infant is placed in a crib to sleep, supervision
460.3 occurs when a staff person is within sight or hearing of the infant. When supervision of a
460.4 crib room is provided by sight or hearing, the center must have a plan to address the other
460.5 supervision components;

460.6 (3) child drop-off and pick-up times;

460.7 (4) supervision during outdoor play and on community activities, including but not
460.8 limited to field trips and neighborhood walks;

460.9 (5) supervision of children in hallways; ~~and~~

460.10 (6) supervision of school-age children when using the restroom and visiting the child's
460.11 personal storage space~~.~~; and

460.12 (7) supervision of preschool children when using an individual, private restroom within
460.13 the classroom.

460.14 **EFFECTIVE DATE.** This section is effective August 1, 2024.

460.15 Sec. 22. Minnesota Statutes 2023 Supplement, section 245C.02, subdivision 6a, is amended
460.16 to read:

460.17 Subd. 6a. **Child care background study subject.** (a) "Child care background study
460.18 subject" means an individual who is affiliated with a licensed child care center, certified
460.19 license-exempt child care center, licensed family child care program, or legal nonlicensed
460.20 child care provider authorized under chapter 119B, and who is:

460.21 (1) employed by a child care provider for compensation;

460.22 (2) assisting in the care of a child for a child care provider;

460.23 (3) a person applying for licensure, certification, or enrollment;

460.24 (4) a controlling individual as defined in section 245A.02, subdivision 5a;

460.25 (5) an individual 13 years of age or older who lives in the household where the licensed
460.26 program will be provided and who is not receiving licensed services from the program;

460.27 (6) an individual ten to 12 years of age who lives in the household where the licensed
460.28 services will be provided when the commissioner has reasonable cause as defined in section
460.29 245C.02, subdivision 15;

460.30 (7) an individual who, without providing direct contact services at a licensed program,
460.31 certified program, or program authorized under chapter 119B, may have unsupervised access

461.1 to a child receiving services from a program when the commissioner has reasonable cause
461.2 as defined in section 245C.02, subdivision 15; or

461.3 (8) a volunteer, contractor providing services for hire in the program, prospective
461.4 employee, or other individual who has unsupervised physical access to a child served by a
461.5 program and who is not under supervision by an individual listed in clause (1) or (5),
461.6 regardless of whether the individual provides program services.; or

461.7 (9) an authorized agent in a license-exempt certified child care center as defined in
461.8 section 245H.01, subdivision 2a.

461.9 (b) Notwithstanding paragraph (a), an individual who is providing services that are not
461.10 part of the child care program is not required to have a background study if:

461.11 (1) the child receiving services is signed out of the child care program for the duration
461.12 that the services are provided;

461.13 (2) the licensed child care center, certified license-exempt child care center, licensed
461.14 family child care program, or legal nonlicensed child care provider authorized under chapter
461.15 119B has obtained advanced written permission from the parent authorizing the child to
461.16 receive the services, which is maintained in the child's record;

461.17 (3) the licensed child care center, certified license-exempt child care center, licensed
461.18 family child care program, or legal nonlicensed child care provider authorized under chapter
461.19 119B maintains documentation on site that identifies the individual service provider and
461.20 the services being provided; and

461.21 (4) the licensed child care center, certified license-exempt child care center, licensed
461.22 family child care program, or legal nonlicensed child care provider authorized under chapter
461.23 119B ensures that the service provider does not have unsupervised access to a child not
461.24 receiving the provider's services.

461.25 **EFFECTIVE DATE.** This section is effective October 1, 2024.

461.26 Sec. 23. Minnesota Statutes 2023 Supplement, section 245C.02, subdivision 13e, is
461.27 amended to read:

461.28 Subd. 13e. **NETStudy 2.0.** (a) "NETStudy 2.0" means the commissioner's system that
461.29 replaces both NETStudy and the department's internal background study processing system.
461.30 NETStudy 2.0 is designed to enhance protection of children and vulnerable adults by
461.31 improving the accuracy of background studies through fingerprint-based criminal record
461.32 checks and expanding the background studies to include a review of information from the

462.1 Minnesota Court Information System and the national crime information database. NETStudy
462.2 2.0 is also designed to increase efficiencies in and the speed of the hiring process by:

462.3 (1) providing access to and updates from public web-based data related to employment
462.4 eligibility;

462.5 (2) decreasing the need for repeat studies through electronic updates of background
462.6 study subjects' criminal records;

462.7 (3) supporting identity verification using subjects' Social Security numbers and
462.8 photographs;

462.9 (4) using electronic employer notifications;

462.10 (5) issuing immediate verification of subjects' eligibility to provide services as more
462.11 studies are completed under the NETStudy 2.0 system; and

462.12 (6) providing electronic access to certain notices for entities and background study
462.13 subjects.

462.14 (b) Information obtained by entities from public web-based data through NETStudy 2.0
462.15 under paragraph (a), clause (1), or any other source that is not direct correspondence from
462.16 the commissioner is not a notice of disqualification from the commissioner under this
462.17 chapter.

462.18 Sec. 24. Minnesota Statutes 2023 Supplement, section 245C.033, subdivision 3, is amended
462.19 to read:

462.20 Subd. 3. **Procedure; maltreatment and state licensing agency data.** (a) For requests
462.21 paid directly by the guardian or conservator, requests for maltreatment and state licensing
462.22 agency data checks must be submitted by the guardian or conservator to the commissioner
462.23 on the form or in the manner prescribed by the commissioner. Upon receipt of a signed
462.24 informed consent and payment under section 245C.10, the commissioner shall complete
462.25 the maltreatment and state licensing agency checks. Upon completion of the checks, the
462.26 commissioner shall provide the requested information to the courts on the form or in the
462.27 manner prescribed by the commissioner.

462.28 (b) For requests paid by the court based on the in forma pauperis status of the guardian
462.29 or conservator, requests for maltreatment and state licensing agency data checks must be
462.30 submitted by the court to the commissioner on the form or in the manner prescribed by the
462.31 commissioner. The form will serve as certification that the individual has been granted in
462.32 forma pauperis status. Upon receipt of a signed data request consent form from the court,

463.1 the commissioner shall initiate the maltreatment and state licensing agency checks. Upon
463.2 completion of the checks, the commissioner shall provide the requested information to the
463.3 courts on the form or in the manner prescribed by the commissioner.

463.4 Sec. 25. **[245C.041] EMERGENCY WAIVER TO TEMPORARILY MODIFY**
463.5 **BACKGROUND STUDY REQUIREMENTS.**

463.6 (a) In the event of an emergency identified by the commissioner, the commissioner may
463.7 temporarily waive or modify provisions in this chapter, except that the commissioner shall
463.8 not waive or modify:

463.9 (1) disqualification standards in section 245C.14 or 245C.15; or

463.10 (2) any provision regarding the scope of individuals required to be subject to a background
463.11 study conducted under this chapter.

463.12 (b) For the purposes of this section, an emergency may include, but is not limited to a
463.13 public health emergency, environmental emergency, natural disaster, or other unplanned
463.14 event that the commissioner has determined prevents the requirements in this chapter from
463.15 being met. This authority shall not exceed the amount of time needed to respond to the
463.16 emergency and reinstate the requirements of this chapter. The commissioner has the authority
463.17 to establish the process and time frame for returning to full compliance with this chapter.
463.18 The commissioner shall determine the length of time an emergency study is valid.

463.19 (c) At the conclusion of the emergency, entities must submit a new, compliant background
463.20 study application and fee for each individual who was the subject of background study
463.21 affected by the powers created in this section, referred to as an "emergency study" to have
463.22 a new study that fully complies with this chapter within a time frame and notice period
463.23 established by the commissioner.

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

463.25 Sec. 26. Minnesota Statutes 2022, section 245C.05, subdivision 5, is amended to read:

463.26 Subd. 5. **Fingerprints and photograph.** (a) Notwithstanding paragraph ~~(b)~~ (c), for
463.27 background studies conducted by the commissioner for child foster care, children's residential
463.28 facilities, adoptions, or a transfer of permanent legal and physical custody of a child, the
463.29 subject of the background study, who is 18 years of age or older, shall provide the
463.30 commissioner with a set of classifiable fingerprints obtained from an authorized agency for
463.31 a national criminal history record check.

464.1 <u>(b) Notwithstanding paragraph (c), for background studies conducted by the commissioner</u>
464.2 <u>for Head Start programs, the subject of the background study shall provide the commissioner</u>
464.3 <u>with a set of classifiable fingerprints obtained from an authorized agency for a national</u>
464.4 <u>criminal history record check.</u>

464.5 ~~(b)~~ <u>(c)</u> For background studies initiated on or after the implementation of NETStudy
464.6 2.0, except as provided under subdivision 5a, every subject of a background study must
464.7 provide the commissioner with a set of the background study subject's classifiable fingerprints
464.8 and photograph. The photograph and fingerprints must be recorded at the same time by the
464.9 authorized fingerprint collection vendor or vendors and sent to the commissioner through
464.10 the commissioner's secure data system described in section 245C.32, subdivision 1a,
464.11 paragraph (b).

464.12 ~~(c)~~ <u>(d)</u> The fingerprints shall be submitted by the commissioner to the Bureau of Criminal
464.13 Apprehension and, when specifically required by law, submitted to the Federal Bureau of
464.14 Investigation for a national criminal history record check.

464.15 ~~(d)~~ <u>(e)</u> The fingerprints must not be retained by the Department of Public Safety, Bureau
464.16 of Criminal Apprehension, or the commissioner. The Federal Bureau of Investigation will
464.17 not retain background study subjects' fingerprints.

464.18 ~~(e)~~ <u>(f)</u> The authorized fingerprint collection vendor or vendors shall, for purposes of
464.19 verifying the identity of the background study subject, be able to view the identifying
464.20 information entered into NETStudy 2.0 by the entity that initiated the background study,
464.21 but shall not retain the subject's fingerprints, photograph, or information from NETStudy
464.22 2.0. The authorized fingerprint collection vendor or vendors shall retain no more than the
464.23 name and date and time the subject's fingerprints were recorded and sent, only as necessary
464.24 for auditing and billing activities.

464.25 ~~(f)~~ <u>(g)</u> For any background study conducted under this chapter, the subject shall provide
464.26 the commissioner with a set of classifiable fingerprints when the commissioner has reasonable
464.27 cause to require a national criminal history record check as defined in section 245C.02,
464.28 subdivision 15a.

464.29 Sec. 27. Minnesota Statutes 2023 Supplement, section 245C.08, subdivision 1, is amended
464.30 to read:

464.31 Subdivision 1. **Background studies conducted by Department of Human Services.** (a)
464.32 For a background study conducted by the Department of Human Services, the commissioner
464.33 shall review:

465.1 (1) information related to names of substantiated perpetrators of maltreatment of
465.2 vulnerable adults that has been received by the commissioner as required under section
465.3 626.557, subdivision 9c, paragraph (j);

465.4 (2) the commissioner's records relating to the maltreatment of minors in licensed
465.5 programs, and from findings of maltreatment of minors as indicated through the social
465.6 service information system;

465.7 (3) information from juvenile courts as required ~~in subdivision 4 for individuals listed~~
465.8 ~~in section 245C.03, subdivision 1, paragraph (a),~~ for studies under this chapter when there
465.9 is reasonable cause;

465.10 (4) information from the Bureau of Criminal Apprehension, including information
465.11 regarding a background study subject's registration in Minnesota as a predatory offender
465.12 under section 243.166;

465.13 (5) except as provided in clause (6), information received as a result of submission of
465.14 fingerprints for a national criminal history record check, as defined in section 245C.02,
465.15 subdivision 13c, when the commissioner has reasonable cause for a national criminal history
465.16 record check as defined under section 245C.02, subdivision 15a, or as required under section
465.17 144.057, subdivision 1, clause (2);

465.18 (6) for a background study related to a child foster family setting application for licensure,
465.19 foster residence settings, children's residential facilities, a transfer of permanent legal and
465.20 physical custody of a child under sections 260C.503 to 260C.515, or adoptions, and for a
465.21 background study required for family child care, certified license-exempt child care, child
465.22 care centers, and legal nonlicensed child care authorized under chapter 119B, the
465.23 commissioner shall also review:

465.24 (i) information from the child abuse and neglect registry for any state in which the
465.25 background study subject has resided for the past five years;

465.26 (ii) when the background study subject is 18 years of age or older, or a minor under
465.27 section 245C.05, subdivision 5a, paragraph (c), information received following submission
465.28 of fingerprints for a national criminal history record check; and

465.29 (iii) when the background study subject is 18 years of age or older or a minor under
465.30 section 245C.05, subdivision 5a, paragraph (d), for licensed family child care, certified
465.31 license-exempt child care, licensed child care centers, and legal nonlicensed child care
465.32 authorized under chapter 119B, information obtained using non-fingerprint-based data
465.33 including information from the criminal and sex offender registries for any state in which

466.1 the background study subject resided for the past five years and information from the national
466.2 crime information database and the national sex offender registry;

466.3 (7) for a background study required for family child care, certified license-exempt child
466.4 care centers, licensed child care centers, and legal nonlicensed child care authorized under
466.5 chapter 119B, the background study shall also include, to the extent practicable, a name
466.6 and date-of-birth search of the National Sex Offender Public website; and

466.7 (8) for a background study required for treatment programs for sexual psychopathic
466.8 personalities or sexually dangerous persons, the background study shall only include a
466.9 review of the information required under paragraph (a), clauses (1) to (4).

466.10 (b) Except as otherwise provided in this paragraph, notwithstanding expungement by a
466.11 court, the commissioner may consider information obtained under paragraph (a), clauses
466.12 (3) and (4), unless:

466.13 (1) the commissioner received notice of the petition for expungement and the court order
466.14 for expungement is directed specifically to the commissioner; or

466.15 (2) the commissioner received notice of the expungement order issued pursuant to section
466.16 609A.017, 609A.025, or 609A.035, and the order for expungement is directed specifically
466.17 to the commissioner.

466.18 The commissioner may not consider information obtained under paragraph (a), clauses (3)
466.19 and (4), or from any other source that identifies a violation of chapter 152 without
466.20 determining if the offense involved the possession of marijuana or tetrahydrocannabinol
466.21 and, if so, whether the person received a grant of expungement or order of expungement,
466.22 or the person was resentenced to a lesser offense. If the person received a grant of
466.23 expungement or order of expungement, the commissioner may not consider information
466.24 related to that violation but may consider any other relevant information arising out of the
466.25 same incident.

466.26 (c) The commissioner shall also review criminal case information received according
466.27 to section 245C.04, subdivision 4a, from the Minnesota court information system that relates
466.28 to individuals who have already been studied under this chapter and who remain affiliated
466.29 with the agency that initiated the background study.

466.30 (d) When the commissioner has reasonable cause to believe that the identity of a
466.31 background study subject is uncertain, the commissioner may require the subject to provide
466.32 a set of classifiable fingerprints for purposes of completing a fingerprint-based record check
466.33 with the Bureau of Criminal Apprehension. Fingerprints collected under this paragraph

467.1 shall not be saved by the commissioner after they have been used to verify the identity of
467.2 the background study subject against the particular criminal record in question.

467.3 (e) The commissioner may inform the entity that initiated a background study under
467.4 NETStudy 2.0 of the status of processing of the subject's fingerprints.

467.5 Sec. 28. Minnesota Statutes 2022, section 245C.08, subdivision 4, is amended to read:

467.6 Subd. 4. **Juvenile court records.** (a) For a background study conducted by the
467.7 Department of Human Services, the commissioner shall review records from the juvenile
467.8 courts for an individual studied under ~~section 245C.03, subdivision 1, paragraph (a),~~ this
467.9 chapter when the commissioner has reasonable cause.

467.10 ~~(b) For a background study conducted by a county agency for family child care before~~
467.11 ~~the implementation of NETStudy 2.0, the commissioner shall review records from the~~
467.12 ~~juvenile courts for individuals listed in section 245C.03, subdivision 1, who are ages 13~~
467.13 ~~through 23 living in the household where the licensed services will be provided. The~~
467.14 ~~commissioner shall also review records from juvenile courts for any other individual listed~~
467.15 ~~under section 245C.03, subdivision 1, when the commissioner has reasonable cause.~~

467.16 ~~(c)~~ (b) The juvenile courts shall help with the study by giving the commissioner existing
467.17 juvenile court records relating to delinquency proceedings held on individuals ~~described in~~
467.18 ~~section 245C.03, subdivision 1, paragraph (a),~~ who are subjects of studies under this chapter
467.19 when requested pursuant to this subdivision.

467.20 ~~(d)~~ (c) For purposes of this chapter, a finding that a delinquency petition is proven in
467.21 juvenile court shall be considered a conviction in state district court.

467.22 ~~(e)~~ (d) Juvenile courts shall provide orders of involuntary and voluntary termination of
467.23 parental rights under section 260C.301 to the commissioner upon request for purposes of
467.24 conducting a background study under this chapter.

467.25 Sec. 29. Minnesota Statutes 2023 Supplement, section 245C.10, subdivision 15, is amended
467.26 to read:

467.27 Subd. 15. **Guardians and conservators.** (a) The commissioner shall recover the cost
467.28 of conducting maltreatment and state licensing agency checks for guardians and conservators
467.29 under section 245C.033 through a fee of no more than $50. The fees collected under this
467.30 subdivision are appropriated to the commissioner for the purpose of conducting maltreatment
467.31 and state licensing agency checks.

468.1 (b) The fee must be paid directly to and in the manner prescribed by the commissioner
468.2 before any maltreatment and state licensing agency checks under section 245C.033 may be
468.3 conducted.

468.4 (c) Notwithstanding paragraph (b), the court shall pay the fee for an applicant who has
468.5 been granted in forma pauperis status upon receipt of the invoice from the commissioner.

468.6 Sec. 30. Minnesota Statutes 2022, section 245C.10, subdivision 18, is amended to read:

468.7 Subd. 18. **Applicants, licensees, and other occupations regulated by commissioner**
468.8 **of health.** The applicant or license holder is responsible for paying to the Department of
468.9 Human Services all fees associated with the preparation of the fingerprints, the criminal
468.10 records check consent form, and, through a fee of no more than $44 per study, the criminal
468.11 background check.

468.12 Sec. 31. Minnesota Statutes 2022, section 245C.14, subdivision 1, is amended to read:

468.13 Subdivision 1. **Disqualification from direct contact.** (a) The commissioner shall
468.14 disqualify an individual who is the subject of a background study from any position allowing
468.15 direct contact with persons receiving services from the license holder or entity identified in
468.16 section 245C.03, upon receipt of information showing, or when a background study
468.17 completed under this chapter shows any of the following:

468.18 (1) a conviction of, admission to, or Alford plea to one or more crimes listed in section
468.19 245C.15, regardless of whether the conviction or admission is a felony, gross misdemeanor,
468.20 or misdemeanor level crime;

468.21 (2) a preponderance of the evidence indicates the individual has committed an act or
468.22 acts that meet the definition of any of the crimes listed in section 245C.15, regardless of
468.23 whether the preponderance of the evidence is for a felony, gross misdemeanor, or
468.24 misdemeanor level crime; ~~or~~

468.25 (3) an investigation results in an administrative determination listed under section
468.26 245C.15, subdivision 4, paragraph (b)~~.~~; or

468.27 (4) the individual's parental rights have been terminated under section 260C.301,
468.28 subdivision 1, paragraph (b), or section 260C.301, subdivision 3.

468.29 (b) No individual who is disqualified following a background study under section
468.30 245C.03, subdivisions 1 and 2, may be retained in a position involving direct contact with
468.31 persons served by a program or entity identified in section 245C.03, unless the commissioner
468.32 has provided written notice under section 245C.17 stating that:

469.1 (1) the individual may remain in direct contact during the period in which the individual
469.2 may request reconsideration as provided in section 245C.21, subdivision 2;

469.3 (2) the commissioner has set aside the individual's disqualification for that program or
469.4 entity identified in section 245C.03, as provided in section 245C.22, subdivision 4; or

469.5 (3) the license holder has been granted a variance for the disqualified individual under
469.6 section 245C.30.

469.7 (c) Notwithstanding paragraph (a), for the purposes of a background study affiliated
469.8 with a licensed family foster setting, the commissioner shall disqualify an individual who
469.9 is the subject of a background study from any position allowing direct contact with persons
469.10 receiving services from the license holder or entity identified in section 245C.03, upon
469.11 receipt of information showing or when a background study completed under this chapter
469.12 shows reason for disqualification under section 245C.15, subdivision 4a.

469.13 Sec. 32. Minnesota Statutes 2022, section 245C.14, is amended by adding a subdivision
469.14 to read:

469.15 Subd. 5. **Basis for disqualification.** Information obtained by entities from public
469.16 web-based data through NETStudy 2.0 or any other source that is not direct correspondence
469.17 from the commissioner is not a notice of disqualification from the commissioner under this
469.18 chapter.

469.19 Sec. 33. Minnesota Statutes 2023 Supplement, section 245C.15, subdivision 2, is amended
469.20 to read:

469.21 Subd. 2. **15-year disqualification.** (a) An individual is disqualified under section 245C.14
469.22 if: (1) less than 15 years have passed since the discharge of the sentence imposed, if any,
469.23 for the offense; and (2) the individual has committed a felony-level violation of any of the
469.24 following offenses: sections 152.021, subdivision 1 or 2b, (aggravated controlled substance
469.25 crime in the first degree; sale crimes); 152.022, subdivision 1 (controlled substance crime
469.26 in the second degree; sale crimes); 152.023, subdivision 1 (controlled substance crime in
469.27 the third degree; sale crimes); 152.024, subdivision 1 (controlled substance crime in the
469.28 fourth degree; sale crimes); 152.0263, subdivision 1 (possession of cannabis in the first
469.29 degree); 152.0264, subdivision 1 (sale of cannabis in the first degree); 152.0265, subdivision
469.30 1 (cultivation of cannabis in the first degree); 169A.24 (first-degree driving while impaired);
469.31 256.98 (wrongfully obtaining assistance); 268.182 (fraud); 393.07, subdivision 10, paragraph
469.32 (c) (federal SNAP fraud); 518B.01, subdivision 14 (violation of an order for protection);
469.33 609.165 (felon ineligible to possess firearm); 609.2112, 609.2113, or 609.2114 (criminal

470.1 vehicular homicide or injury); 609.215 (suicide); 609.223 or 609.2231 (assault in the third
470.2 or fourth degree); repeat offenses under 609.224 (assault in the fifth degree); 609.229 (crimes
470.3 committed for benefit of a gang); 609.2325 (criminal abuse of a vulnerable adult); 609.2335
470.4 (financial exploitation of a vulnerable adult); 609.235 (use of drugs to injure or facilitate
470.5 crime); 609.24 (simple robbery); 609.247, subdivision 4 (carjacking in the third degree);
470.6 609.255 (false imprisonment); 609.2664 (manslaughter of an unborn child in the first degree);
470.7 609.2665 (manslaughter of an unborn child in the second degree); 609.267 (assault of an
470.8 unborn child in the first degree); 609.2671 (assault of an unborn child in the second degree);
470.9 609.268 (injury or death of an unborn child in the commission of a crime); 609.27 (coercion);
470.10 609.275 (attempt to coerce); 609.466 (medical assistance fraud); 609.495 (aiding an offender);
470.11 609.498, subdivision 1 or 1b (aggravated first-degree or first-degree tampering with a
470.12 witness); 609.52 (theft); 609.521 (possession of shoplifting gear); 609.522 (organized retail
470.13 theft); 609.525 (bringing stolen goods into Minnesota); 609.527 (identity theft); 609.53
470.14 (receiving stolen property); 609.535 (issuance of dishonored checks); 609.562 (arson in the
470.15 second degree); 609.563 (arson in the third degree); 609.582 (burglary); 609.59 (possession
470.16 of burglary tools); 609.611 (insurance fraud); 609.625 (aggravated forgery); 609.63 (forgery);
470.17 609.631 (check forgery; offering a forged check); 609.635 (obtaining signature by false
470.18 pretense); 609.66 (dangerous weapons); 609.67 (machine guns and short-barreled shotguns);
470.19 609.687 (adulteration); 609.71 (riot); 609.713 (terroristic threats); 609.746 (interference
470.20 with privacy); 609.82 (fraud in obtaining credit); 609.821 (financial transaction card fraud);
470.21 617.23 (indecent exposure), not involving a minor; repeat offenses under 617.241 (obscene
470.22 materials and performances; distribution and exhibition prohibited; penalty); or 624.713
470.23 (certain persons not to possess firearms).

470.24 (b) An individual is disqualified under section 245C.14 if less than 15 years has passed
470.25 since the individual's aiding and abetting, attempt, or conspiracy to commit any of the
470.26 offenses listed in paragraph (a), as each of these offenses is defined in Minnesota Statutes.

470.27 (c) An individual is disqualified under section 245C.14 if less than 15 years has passed
470.28 since the termination of the individual's parental rights under section 260C.301, subdivision
470.29 1, paragraph (b), or subdivision 3.

470.30 (d) An individual is disqualified under section 245C.14 if less than 15 years has passed
470.31 since the discharge of the sentence imposed for an offense in any other state or country, the
470.32 elements of which are substantially similar to the elements of the offenses listed in paragraph
470.33 (a) or since the termination of parental rights in any other state or country, the elements of
470.34 which are substantially similar to the elements listed in paragraph (c).

471.1 (e) If the individual studied commits one of the offenses listed in paragraph (a), but the
471.2 sentence or level of offense is a gross misdemeanor or misdemeanor, the individual is
471.3 disqualified but the disqualification look-back period for the offense is the period applicable
471.4 to the gross misdemeanor or misdemeanor disposition.

471.5 (f) When a disqualification is based on a judicial determination other than a conviction,
471.6 the disqualification period begins from the date of the court order. When a disqualification
471.7 is based on an admission, the disqualification period begins from the date of an admission
471.8 in court. When a disqualification is based on an Alford Plea, the disqualification period
471.9 begins from the date the Alford Plea is entered in court. When a disqualification is based
471.10 on a preponderance of evidence of a disqualifying act, the disqualification date begins from
471.11 the date of the dismissal, the date of discharge of the sentence imposed for a conviction for
471.12 a disqualifying crime of similar elements, or the date of the incident, whichever occurs last.

471.13 Sec. 34. Minnesota Statutes 2022, section 245C.15, subdivision 3, is amended to read:

471.14 Subd. 3. **Ten-year disqualification.** (a) An individual is disqualified under section
471.15 245C.14 if: (1) less than ten years have passed since the discharge of the sentence imposed,
471.16 if any, for the offense; and (2) the individual has committed a gross misdemeanor-level
471.17 violation of any of the following offenses: sections 256.98 (wrongfully obtaining assistance);
471.18 260B.425 (criminal jurisdiction for contributing to status as a juvenile petty offender or
471.19 delinquency); 260C.425 (criminal jurisdiction for contributing to need for protection or
471.20 services); 268.182 (fraud); 393.07, subdivision 10, paragraph (c) (federal SNAP fraud);
471.21 609.2112, 609.2113, or 609.2114 (criminal vehicular homicide or injury); 609.221 or 609.222
471.22 (assault in the first or second degree); 609.223 or 609.2231 (assault in the third or fourth
471.23 degree); 609.224 (assault in the fifth degree); 609.224, subdivision 2, paragraph (c) (assault
471.24 in the fifth degree by a caregiver against a vulnerable adult); 609.2242 and 609.2243
471.25 (domestic assault); 609.23 (mistreatment of persons confined); 609.231 (mistreatment of
471.26 residents or patients); 609.2325 (criminal abuse of a vulnerable adult); 609.233 (criminal
471.27 neglect of a vulnerable adult); 609.2335 (financial exploitation of a vulnerable adult);
471.28 609.234 (failure to report maltreatment of a vulnerable adult); 609.265 (abduction); 609.275
471.29 (attempt to coerce); 609.324, subdivision 1a (other prohibited acts; minor engaged in
471.30 prostitution); 609.33 (disorderly house); 609.377 (malicious punishment of a child); 609.378
471.31 (neglect or endangerment of a child); 609.466 (medical assistance fraud); 609.52 (theft);
471.32 609.522 (organized retail theft); 609.525 (bringing stolen goods into Minnesota); 609.527
471.33 (identity theft); 609.53 (receiving stolen property); 609.535 (issuance of dishonored checks);
471.34 609.582 (burglary); 609.59 (possession of burglary tools); 609.611 (insurance fraud); 609.631
471.35 (check forgery; offering a forged check); 609.66 (dangerous weapons); 609.71 (riot); 609.72,

subdivision 3 (disorderly conduct against a vulnerable adult); ~~repeat offenses under 609.746 (interference with privacy);~~ 609.749, subdivision 2 (harassment); 609.82 (fraud in obtaining credit); 609.821 (financial transaction card fraud); 617.23 (indecent exposure), not involving a minor; 617.241 (obscene materials and performances); 617.243 (indecent literature, distribution); 617.293 (harmful materials; dissemination and display to minors prohibited); or Minnesota Statutes 2012, section 609.21; or violation of an order for protection under section 518B.01, subdivision 14.

(b) An individual is disqualified under section 245C.14 if less than ten years has passed since the individual's aiding and abetting, attempt, or conspiracy to commit any of the offenses listed in paragraph (a), as each of these offenses is defined in Minnesota Statutes.

(c) An individual is disqualified under section 245C.14 if less than ten years has passed since the discharge of the sentence imposed for an offense in any other state or country, the elements of which are substantially similar to the elements of any of the offenses listed in paragraph (a).

(d) If the individual studied commits one of the offenses listed in paragraph (a), but the sentence or level of offense is a misdemeanor disposition, the individual is disqualified but the disqualification lookback period for the offense is the period applicable to misdemeanors.

(e) When a disqualification is based on a judicial determination other than a conviction, the disqualification period begins from the date of the court order. When a disqualification is based on an admission, the disqualification period begins from the date of an admission in court. When a disqualification is based on an Alford Plea, the disqualification period begins from the date the Alford Plea is entered in court. When a disqualification is based on a preponderance of evidence of a disqualifying act, the disqualification date begins from the date of the dismissal, the date of discharge of the sentence imposed for a conviction for a disqualifying crime of similar elements, or the date of the incident, whichever occurs last.

Sec. 35. Minnesota Statutes 2022, section 245C.15, subdivision 4, is amended to read:

Subd. 4. **Seven-year disqualification.** (a) An individual is disqualified under section 245C.14 if: (1) less than seven years has passed since the discharge of the sentence imposed, if any, for the offense; and (2) the individual has committed a misdemeanor-level violation of any of the following offenses: sections 256.98 (wrongfully obtaining assistance); 260B.425 (criminal jurisdiction for contributing to status as a juvenile petty offender or delinquency); 260C.425 (criminal jurisdiction for contributing to need for protection or services); 268.182 (fraud); 393.07, subdivision 10, paragraph (c) (federal SNAP fraud); 609.2112, 609.2113, or 609.2114 (criminal vehicular homicide or injury); 609.221 (assault in the first degree);

473.1 609.222 (assault in the second degree); 609.223 (assault in the third degree); 609.2231
473.2 (assault in the fourth degree); 609.224 (assault in the fifth degree); 609.2242 (domestic
473.3 assault); 609.2335 (financial exploitation of a vulnerable adult); 609.234 (failure to report
473.4 maltreatment of a vulnerable adult); 609.2672 (assault of an unborn child in the third degree);
473.5 609.27 (coercion); violation of an order for protection under 609.3232 (protective order
473.6 authorized; procedures; penalties); 609.466 (medical assistance fraud); 609.52 (theft);
473.7 609.522 (organized retail theft); 609.525 (bringing stolen goods into Minnesota); 609.527
473.8 (identity theft); 609.53 (receiving stolen property); 609.535 (issuance of dishonored checks);
473.9 609.611 (insurance fraud); 609.66 (dangerous weapons); 609.665 (spring guns); 609.746
473.10 (interference with privacy); 609.79 (obscene or harassing telephone calls); 609.795 (letter,
473.11 telegram, or package; opening; harassment); 609.82 (fraud in obtaining credit); 609.821
473.12 (financial transaction card fraud); 617.23 (indecent exposure), not involving a minor; 617.293
473.13 (harmful materials; dissemination and display to minors prohibited); or Minnesota Statutes
473.14 2012, section 609.21; or violation of an order for protection under section 518B.01 (Domestic
473.15 Abuse Act).

473.16 (b) An individual is disqualified under section 245C.14 if less than seven years has
473.17 passed since a determination or disposition of the individual's:

473.18 (1) failure to make required reports under section 260E.06 or 626.557, subdivision 3,
473.19 for incidents in which: (i) the final disposition under section 626.557 or chapter 260E was
473.20 substantiated maltreatment, and (ii) the maltreatment was recurring or serious; or

473.21 (2) substantiated serious or recurring maltreatment of a minor under chapter 260E, a
473.22 vulnerable adult under section 626.557, or serious or recurring maltreatment in any other
473.23 state, the elements of which are substantially similar to the elements of maltreatment under
473.24 section 626.557 or chapter 260E for which: (i) there is a preponderance of evidence that
473.25 the maltreatment occurred, and (ii) the subject was responsible for the maltreatment.

473.26 (c) An individual is disqualified under section 245C.14 if less than seven years has
473.27 passed since the individual's aiding and abetting, attempt, or conspiracy to commit any of
473.28 the offenses listed in paragraphs (a) and (b), as each of these offenses is defined in Minnesota
473.29 Statutes.

473.30 (d) An individual is disqualified under section 245C.14 if less than seven years has
473.31 passed since the discharge of the sentence imposed for an offense in any other state or
473.32 country, the elements of which are substantially similar to the elements of any of the offenses
473.33 listed in paragraphs (a) and (b).

474.1 (e) When a disqualification is based on a judicial determination other than a conviction,
474.2 the disqualification period begins from the date of the court order. When a disqualification
474.3 is based on an admission, the disqualification period begins from the date of an admission
474.4 in court. When a disqualification is based on an Alford Plea, the disqualification period
474.5 begins from the date the Alford Plea is entered in court. When a disqualification is based
474.6 on a preponderance of evidence of a disqualifying act, the disqualification date begins from
474.7 the date of the dismissal, the date of discharge of the sentence imposed for a conviction for
474.8 a disqualifying crime of similar elements, or the date of the incident, whichever occurs last.

474.9 (f) An individual is disqualified under section 245C.14 if less than seven years has passed
474.10 since the individual was disqualified under section 256.98, subdivision 8.

474.11 Sec. 36. Minnesota Statutes 2023 Supplement, section 245C.15, subdivision 4a, is amended
474.12 to read:

474.13 Subd. 4a. **Licensed family foster setting disqualifications.** (a) Notwithstanding
474.14 subdivisions 1 to 4, for a background study affiliated with a licensed family foster setting,
474.15 regardless of how much time has passed, an individual is disqualified under section 245C.14
474.16 if the individual committed an act that resulted in a felony-level conviction for sections:
474.17 609.185 (murder in the first degree); 609.19 (murder in the second degree); 609.195 (murder
474.18 in the third degree); 609.20 (manslaughter in the first degree); 609.205 (manslaughter in
474.19 the second degree); 609.2112 (criminal vehicular homicide); 609.221 (assault in the first
474.20 degree); 609.223, subdivision 2 (assault in the third degree, past pattern of child abuse);
474.21 609.223, subdivision 3 (assault in the third degree, victim under four); a felony offense
474.22 under sections 609.2242 and 609.2243 (domestic assault, spousal abuse, child abuse or
474.23 neglect, or a crime against children); 609.2247 (domestic assault by strangulation); 609.2325
474.24 (criminal abuse of a vulnerable adult resulting in the death of a vulnerable adult); 609.245
474.25 (aggravated robbery); 609.247, subdivision 2 or 3 (carjacking in the first or second degree);
474.26 609.25 (kidnapping); 609.255 (false imprisonment); 609.2661 (murder of an unborn child
474.27 in the first degree); 609.2662 (murder of an unborn child in the second degree); 609.2663
474.28 (murder of an unborn child in the third degree); 609.2664 (manslaughter of an unborn child
474.29 in the first degree); 609.2665 (manslaughter of an unborn child in the second degree);
474.30 609.267 (assault of an unborn child in the first degree); 609.2671 (assault of an unborn child
474.31 in the second degree); 609.268 (injury or death of an unborn child in the commission of a
474.32 crime); 609.322, subdivision 1 (solicitation, inducement, and promotion of prostitution; sex
474.33 trafficking in the first degree); 609.324, subdivision 1 (other prohibited acts; engaging in,
474.34 hiring, or agreeing to hire minor to engage in prostitution); 609.342 (criminal sexual conduct
474.35 in the first degree); 609.343 (criminal sexual conduct in the second degree); 609.344 (criminal

475.1 sexual conduct in the third degree); 609.345 (criminal sexual conduct in the fourth degree);
475.2 609.3451 (criminal sexual conduct in the fifth degree); 609.3453 (criminal sexual predatory
475.3 conduct); 609.3458 (sexual extortion); 609.352 (solicitation of children to engage in sexual
475.4 conduct); 609.377 (malicious punishment of a child); 609.378 (neglect or endangerment of
475.5 a child); 609.561 (arson in the first degree); 609.582, subdivision 1 (burglary in the first
475.6 degree); 609.746 (interference with privacy); 617.23 (indecent exposure); 617.246 (use of
475.7 minors in sexual performance prohibited); or 617.247 (possession of pictorial representations
475.8 of minors).

475.9 (b) Notwithstanding subdivisions 1 to 4, for the purposes of a background study affiliated
475.10 with a licensed family foster setting, an individual is disqualified under section 245C.14,
475.11 regardless of how much time has passed, if the individual:

475.12 (1) committed an action under paragraph (e) that resulted in death or involved sexual
475.13 abuse, as defined in section 260E.03, subdivision 20;

475.14 (2) committed an act that resulted in a gross misdemeanor-level conviction for section
475.15 609.3451 (criminal sexual conduct in the fifth degree);

475.16 (3) committed an act against or involving a minor that resulted in a felony-level conviction
475.17 for: section 609.222 (assault in the second degree); 609.223, subdivision 1 (assault in the
475.18 third degree); 609.2231 (assault in the fourth degree); or 609.224 (assault in the fifth degree);
475.19 or

475.20 (4) committed an act that resulted in a misdemeanor or gross misdemeanor-level
475.21 conviction for section 617.293 (dissemination and display of harmful materials to minors).

475.22 (c) Notwithstanding subdivisions 1 to 4, for a background study affiliated with a licensed
475.23 family foster setting, an individual is disqualified under section 245C.14 if fewer than 20
475.24 years have passed since the termination of the individual's parental rights under section
475.25 260C.301, subdivision 1, paragraph (b), or if the individual consented to a termination of
475.26 parental rights under section 260C.301, subdivision 1, paragraph (a), to settle a petition to
475.27 involuntarily terminate parental rights. An individual is disqualified under section 245C.14
475.28 if fewer than 20 years have passed since the termination of the individual's parental rights
475.29 in any other state or country, where the conditions for the individual's termination of parental
475.30 rights are substantially similar to the conditions in section 260C.301, subdivision 1, paragraph
475.31 (b).

475.32 (d) Notwithstanding subdivisions 1 to 4, for a background study affiliated with a licensed
475.33 family foster setting, an individual is disqualified under section 245C.14 if fewer than five
475.34 years have passed since a felony-level violation for sections: 152.021 (controlled substance

476.1 crime in the first degree); 152.022 (controlled substance crime in the second degree); 152.023
476.2 (controlled substance crime in the third degree); 152.024 (controlled substance crime in the
476.3 fourth degree); 152.025 (controlled substance crime in the fifth degree); 152.0261 (importing
476.4 controlled substances across state borders); 152.0262, subdivision 1, paragraph (b)
476.5 (possession of substance with intent to manufacture methamphetamine); 152.0263,
476.6 subdivision 1 (possession of cannabis in the first degree); 152.0264, subdivision 1 (sale of
476.7 cannabis in the first degree); 152.0265, subdivision 1 (cultivation of cannabis in the first
476.8 degree); 152.027, subdivision 6, paragraph (c) (sale or possession of synthetic cannabinoids);
476.9 152.096 (conspiracies prohibited); 152.097 (simulated controlled substances); 152.136
476.10 (anhydrous ammonia; prohibited conduct; criminal penalties; civil liabilities); 152.137
476.11 (methamphetamine-related crimes involving children or vulnerable adults); 169A.24 (felony
476.12 first-degree driving while impaired); 243.166 (violation of predatory offender registration
476.13 requirements); 609.2113 (criminal vehicular operation; bodily harm); 609.2114 (criminal
476.14 vehicular operation; unborn child); 609.228 (great bodily harm caused by distribution of
476.15 drugs); 609.2325 (criminal abuse of a vulnerable adult not resulting in the death of a
476.16 vulnerable adult); 609.233 (criminal neglect); 609.235 (use of drugs to injure or facilitate
476.17 a crime); 609.24 (simple robbery); 609.247, subdivision 4 (carjacking in the third degree);
476.18 609.322, subdivision 1a (solicitation, inducement, and promotion of prostitution; sex
476.19 trafficking in the second degree); 609.498, subdivision 1 (tampering with a witness in the
476.20 first degree); 609.498, subdivision 1b (aggravated first-degree witness tampering); 609.562
476.21 (arson in the second degree); 609.563 (arson in the third degree); 609.582, subdivision 2
476.22 (burglary in the second degree); 609.66 (felony dangerous weapons); 609.687 (adulteration);
476.23 609.713 (terroristic threats); 609.749, subdivision 3, 4, or 5 (felony-level harassment or
476.24 stalking); 609.855, subdivision 5 (shooting at or in a public transit vehicle or facility); or
476.25 624.713 (certain people not to possess firearms).

476.26 (e) Notwithstanding subdivisions 1 to 4, except as provided in paragraph (a), for a
476.27 background study affiliated with a licensed family child foster care license, an individual
476.28 is disqualified under section 245C.14 if fewer than five years have passed since:

476.29 (1) a felony-level violation for an act not against or involving a minor that constitutes:
476.30 section 609.222 (assault in the second degree); 609.223, subdivision 1 (assault in the third
476.31 degree); 609.2231 (assault in the fourth degree); or 609.224, subdivision 4 (assault in the
476.32 fifth degree);

476.33 (2) a violation of an order for protection under section 518B.01, subdivision 14;

476.34 (3) a determination or disposition of the individual's failure to make required reports
476.35 under section 260E.06 or 626.557, subdivision 3, for incidents in which the final disposition

477.1 under chapter 260E or section 626.557 was substantiated maltreatment and the maltreatment
477.2 was recurring or serious;

477.3 (4) a determination or disposition of the individual's substantiated serious or recurring
477.4 maltreatment of a minor under chapter 260E, a vulnerable adult under section 626.557, or
477.5 serious or recurring maltreatment in any other state, the elements of which are substantially
477.6 similar to the elements of maltreatment under chapter 260E or section 626.557 and meet
477.7 the definition of serious maltreatment or recurring maltreatment;

477.8 (5) a gross misdemeanor-level violation for sections: 609.224, subdivision 2 (assault in
477.9 the fifth degree); 609.2242 and 609.2243 (domestic assault); 609.233 (criminal neglect);
477.10 609.377 (malicious punishment of a child); 609.378 (neglect or endangerment of a child);
477.11 609.746 (interference with privacy); 609.749 (stalking); or 617.23 (indecent exposure); or

477.12 (6) committing an act against or involving a minor that resulted in a misdemeanor-level
477.13 violation of section 609.224, subdivision 1 (assault in the fifth degree).

477.14 (f) For purposes of this subdivision, the disqualification begins from:

477.15 (1) the date of the alleged violation, if the individual was not convicted;

477.16 (2) the date of conviction, if the individual was convicted of the violation but not
477.17 committed to the custody of the commissioner of corrections; or

477.18 (3) the date of release from prison, if the individual was convicted of the violation and
477.19 committed to the custody of the commissioner of corrections.

477.20 Notwithstanding clause (3), if the individual is subsequently reincarcerated for a violation
477.21 of the individual's supervised release, the disqualification begins from the date of release
477.22 from the subsequent incarceration.

477.23 (g) An individual's aiding and abetting, attempt, or conspiracy to commit any of the
477.24 offenses listed in paragraphs (a) and (b), as each of these offenses is defined in Minnesota
477.25 Statutes, permanently disqualifies the individual under section 245C.14. An individual is
477.26 disqualified under section 245C.14 if fewer than five years have passed since the individual's
477.27 aiding and abetting, attempt, or conspiracy to commit any of the offenses listed in paragraphs
477.28 (d) and (e).

477.29 (h) An individual's offense in any other state or country, where the elements of the
477.30 offense are substantially similar to any of the offenses listed in paragraphs (a) and (b),
477.31 permanently disqualifies the individual under section 245C.14. An individual is disqualified
477.32 under section 245C.14 if fewer than five years have passed since an offense in any other

478.1 state or country, the elements of which are substantially similar to the elements of any
478.2 offense listed in paragraphs (d) and (e).

478.3 Sec. 37. Minnesota Statutes 2022, section 245C.22, subdivision 4, is amended to read:

478.4 Subd. 4. **Risk of harm; set aside.** (a) The commissioner may set aside the disqualification
478.5 if the commissioner finds that the individual has submitted sufficient information to
478.6 demonstrate that the individual does not pose a risk of harm to any person served by the
478.7 applicant, license holder, or other entities as provided in this chapter.

478.8 (b) In determining whether the individual has met the burden of proof by demonstrating
478.9 the individual does not pose a risk of harm, the commissioner shall consider:

478.10 (1) the nature, severity, and consequences of the event or events that led to the
478.11 disqualification;

478.12 (2) whether there is more than one disqualifying event;

478.13 (3) the age and vulnerability of the victim at the time of the event;

478.14 (4) the harm suffered by the victim;

478.15 (5) vulnerability of persons served by the program;

478.16 (6) the similarity between the victim and persons served by the program;

478.17 (7) the time elapsed without a repeat of the same or similar event;

478.18 (8) documentation of successful completion by the individual studied of training or
478.19 rehabilitation pertinent to the event; and

478.20 (9) any other information relevant to reconsideration.

478.21 (c) For an individual seeking a child foster care license who is a relative of the child,
478.22 the commissioner shall consider the importance of maintaining the child's relationship with
478.23 relatives as an additional significant factor in determining whether a background study
478.24 disqualification should be set aside.

478.25 ~~(c)~~ (d) If the individual requested reconsideration on the basis that the information relied
478.26 upon to disqualify the individual was incorrect or inaccurate and the commissioner determines
478.27 that the information relied upon to disqualify the individual is correct, the commissioner
478.28 must also determine if the individual poses a risk of harm to persons receiving services in
478.29 accordance with paragraph (b).

478.30 ~~(d)~~ (e) For an individual seeking employment in the substance use disorder treatment
478.31 field, the commissioner shall set aside the disqualification if the following criteria are met:

479.1 (1) the individual is not disqualified for a crime of violence as listed under section
479.2 624.712, subdivision 5, except for the following crimes: crimes listed under section 152.021,
479.3 subdivision 2 or 2a; 152.022, subdivision 2; 152.023, subdivision 2; 152.024; or 152.025;

479.4 (2) the individual is not disqualified under section 245C.15, subdivision 1;

479.5 (3) the individual is not disqualified under section 245C.15, subdivision 4, paragraph
479.6 (b);

479.7 (4) the individual provided documentation of successful completion of treatment, at least
479.8 one year prior to the date of the request for reconsideration, at a program licensed under
479.9 chapter 245G, and has had no disqualifying crimes or conduct under section 245C.15 after
479.10 the successful completion of treatment;

479.11 (5) the individual provided documentation demonstrating abstinence from controlled
479.12 substances, as defined in section 152.01, subdivision 4, for the period of one year prior to
479.13 the date of the request for reconsideration; and

479.14 (6) the individual is seeking employment in the substance use disorder treatment field.

479.15 Sec. 38. Minnesota Statutes 2022, section 245C.24, subdivision 2, is amended to read:

479.16 Subd. 2. **Permanent bar to set aside a disqualification.** (a) Except as provided in
479.17 paragraphs (b) to ~~(f)~~ (g), the commissioner may not set aside the disqualification of any
479.18 individual disqualified pursuant to this chapter, regardless of how much time has passed,
479.19 if the individual was disqualified for a crime or conduct listed in section 245C.15, subdivision
479.20 1.

479.21 (b) For an individual in the substance use disorder or corrections field who was
479.22 disqualified for a crime or conduct listed under section 245C.15, subdivision 1, and whose
479.23 disqualification was set aside prior to July 1, 2005, the commissioner must consider granting
479.24 a variance pursuant to section 245C.30 for the license holder for a program dealing primarily
479.25 with adults. A request for reconsideration evaluated under this paragraph must include a
479.26 letter of recommendation from the license holder that was subject to the prior set-aside
479.27 decision addressing the individual's quality of care to children or vulnerable adults and the
479.28 circumstances of the individual's departure from that service.

479.29 (c) If an individual who requires a background study for nonemergency medical
479.30 transportation services under section 245C.03, subdivision 12, was disqualified for a crime
479.31 or conduct listed under section 245C.15, subdivision 1, and if more than 40 years have
479.32 passed since the discharge of the sentence imposed, the commissioner may consider granting
479.33 a set-aside pursuant to section 245C.22. A request for reconsideration evaluated under this

480.1 paragraph must include a letter of recommendation from the employer. This paragraph does
480.2 not apply to a person disqualified based on a violation of sections 243.166; 609.185 to
480.3 609.205; 609.25; 609.342 to 609.3453; 609.352; 617.23, subdivision 2, clause (1), or 3,
480.4 clause (1); 617.246; or 617.247.

480.5 (d) When a licensed foster care provider adopts an individual who had received foster
480.6 care services from the provider for over six months, and the adopted individual is required
480.7 to receive a background study under section 245C.03, subdivision 1, paragraph (a), clause
480.8 (2) or (6), the commissioner may grant a variance to the license holder under section 245C.30
480.9 to permit the adopted individual with a permanent disqualification to remain affiliated with
480.10 the license holder under the conditions of the variance when the variance is recommended
480.11 by the county of responsibility for each of the remaining individuals in placement in the
480.12 home and the licensing agency for the home.

480.13 (e) For an individual 18 years of age or older affiliated with a licensed family foster
480.14 setting, the commissioner must not set aside or grant a variance for the disqualification of
480.15 any individual disqualified pursuant to this chapter, regardless of how much time has passed,
480.16 if the individual was disqualified for a crime or conduct listed in section 245C.15, subdivision
480.17 4a, paragraphs (a) and (b).

480.18 (f) In connection with a family foster setting license, the commissioner may grant a
480.19 variance to the disqualification for an individual who is under 18 years of age at the time
480.20 the background study is submitted.

480.21 (g) In connection with foster residence settings and children's residential facilities, the
480.22 commissioner must not set aside or grant a variance for the disqualification of any individual
480.23 disqualified pursuant to this chapter, regardless of how much time has passed, if the individual
480.24 was disqualified for a crime or conduct listed in section 245C.15, subdivision 4a, paragraph
480.25 (a) or (b).

480.26 Sec. 39. Minnesota Statutes 2022, section 245C.24, subdivision 5, is amended to read:

480.27 Subd. 5. **Five-year bar to set aside or variance disqualification; children's residential**
480.28 **facilities, foster residence settings.** The commissioner shall not set aside or grant a variance
480.29 for the disqualification of an individual in connection with a license for a children's residential
480.30 facility or foster residence setting who was convicted of a felony within the past five years
480.31 for: (1) physical assault or battery; or (2) a drug-related offense.

481.1 Sec. 40. Minnesota Statutes 2022, section 245C.30, is amended by adding a subdivision
481.2 to read:

481.3 Subd. 1b. **Child foster care variances.** For an individual seeking a child foster care
481.4 license who is a relative of the child, the commissioner shall consider the importance of
481.5 maintaining the child's relationship with relatives as an additional significant factor in
481.6 determining whether the individual should be granted a variance.

481.7 Sec. 41. Minnesota Statutes 2022, section 245E.08, is amended to read:

481.8 **245E.08 REPORTING OF SUSPECTED FRAUDULENT ACTIVITY.**

481.9 (a) A person who, in good faith, makes a report of or testifies in any action or proceeding
481.10 in which financial misconduct is alleged, and who is not involved in, has not participated
481.11 in, or has not aided and abetted, conspired, or colluded in the financial misconduct, shall
481.12 have immunity from any liability, civil or criminal, that results by reason of the person's
481.13 report or testimony. For the purpose of any proceeding, the good faith of any person reporting
481.14 or testifying under this provision shall be presumed.

481.15 (b) If a person that is or has been involved in, participated in, aided and abetted, conspired,
481.16 or colluded in the financial misconduct reports the financial misconduct, the department
481.17 may consider that person's report and assistance in investigating the misconduct as a
481.18 mitigating factor in the department's pursuit of civil, criminal, or administrative remedies.

481.19 (c) After an investigation is complete, the reporter's name must be kept confidential.
481.20 The subject of the report may compel disclosure of the reporter's name only with the consent
481.21 of the reporter or upon a written finding by a district court that the report was false and there
481.22 is evidence that the report was made in bad faith. This paragraph does not alter disclosure
481.23 responsibilities or obligations under the Rules of Criminal Procedure, except that when the
481.24 identity of the reporter is relevant to a criminal prosecution the district court shall conduct
481.25 an in-camera review before determining whether to order disclosure of the reporter's identity.

481.26 Sec. 42. Minnesota Statutes 2022, section 245F.09, subdivision 2, is amended to read:

481.27 Subd. 2. **Protective procedures plan.** A license holder must have a written policy and
481.28 procedure that establishes the protective procedures that program staff must follow when
481.29 a patient is in imminent danger of harming self or others. The policy must be appropriate
481.30 to the type of facility and the level of staff training. The protective procedures policy must
481.31 include:

482.1 (1) an approval signed and dated by the program director and medical director prior to
482.2 implementation. Any changes to the policy must also be approved, signed, and dated by the
482.3 current program director and the medical director prior to implementation;

482.4 (2) which protective procedures the license holder will use to prevent patients from
482.5 imminent danger of harming self or others;

482.6 (3) the emergency conditions under which the protective procedures are permitted to be
482.7 used, if any;

482.8 (4) the patient's health conditions that limit the specific procedures that may be used and
482.9 alternative means of ensuring safety;

482.10 (5) emergency resources the program staff must contact when a patient's behavior cannot
482.11 be controlled by the procedures established in the policy;

482.12 (6) the training that staff must have before using any protective procedure;

482.13 (7) documentation of approved therapeutic holds;

482.14 (8) the use of law enforcement personnel as described in subdivision 4;

482.15 (9) standards governing emergency use of seclusion. Seclusion must be used only when
482.16 less restrictive measures are ineffective or not feasible. The standards in items (i) to (vii)
482.17 must be met when seclusion is used with a patient:

482.18 (i) seclusion must be employed solely for the purpose of preventing a patient from
482.19 imminent danger of harming self or others;

482.20 (ii) seclusion rooms must be equipped in a manner that prevents patients from self-harm
482.21 using projections, windows, electrical fixtures, or hard objects, and must allow the patient
482.22 to be readily observed without being interrupted;

482.23 (iii) seclusion must be authorized by the program director, a licensed physician, a
482.24 registered nurse, or a licensed physician assistant. If one of these individuals is not present
482.25 in the facility, the program director or a licensed physician, registered nurse, or physician
482.26 assistant must be contacted and authorization must be obtained within 30 minutes of initiating
482.27 seclusion, according to written policies;

482.28 (iv) patients must not be placed in seclusion for more than 12 hours at any one time;

482.29 (v) once the condition of a patient in seclusion has been determined to be safe enough
482.30 to end continuous observation, a patient in seclusion must be observed at a minimum of
482.31 every 15 minutes for the duration of seclusion and must always be within hearing range of
482.32 program staff;

483.1 (vi) a process for program staff to use to remove a patient to other resources available
483.2 to the facility if seclusion does not sufficiently assure patient safety; and

483.3 (vii) a seclusion area may be used for other purposes, such as intensive observation, if
483.4 the room meets normal standards of care for the purpose and if the room is not locked; and

483.5 (10) physical holds may only be used when less restrictive measures are not feasible.
483.6 The standards in items (i) to (iv) must be met when physical holds are used with a patient:

483.7 (i) physical holds must be employed solely for preventing a patient from imminent
483.8 danger of harming self or others;

483.9 (ii) physical holds must be authorized by the program director, a licensed physician, a
483.10 registered nurse, or a physician assistant. If one of these individuals is not present in the
483.11 facility, the program director or a licensed physician, registered nurse, or physician assistant
483.12 must be contacted and authorization must be obtained within 30 minutes of initiating a
483.13 physical hold, according to written policies;

483.14 (iii) the patient's health concerns must be considered in deciding whether to use physical
483.15 holds and which holds are appropriate for the patient; and

483.16 (iv) only approved holds may be utilized. Prone and contraindicated holds are not allowed
483.17 according to section 245A.211 and must not be authorized.

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

483.19 Sec. 43. Minnesota Statutes 2022, section 245F.14, is amended by adding a subdivision
483.20 to read:

483.21 Subd. 8. **Notification to commissioner of changes in key staff positions.** A license
483.22 holder must notify the commissioner within five business days of a change or vacancy in a
483.23 key staff position. The key positions are a program director as required by subdivision 1, a
483.24 registered nurse as required by subdivision 4, and a medical director as required by
483.25 subdivision 5. The license holder must notify the commissioner of the staffing change on
483.26 a form approved by the commissioner and include the name of the staff person now assigned
483.27 to the key staff position and the staff person's qualifications for the position. The license
483.28 holder must notify the licensor for the program of a vacancy to discuss how the duties of
483.29 the key position will be fulfilled during the vacancy.

483.30 **EFFECTIVE DATE.** This section is effective January 1, 2025.

484.1 Sec. 44. Minnesota Statutes 2022, section 245F.17, is amended to read:

484.2 **245F.17 PERSONNEL FILES.**

484.3 A license holder must maintain a separate personnel file for each staff member. At a
484.4 minimum, the file must contain:

484.5 (1) a completed application for employment signed by the staff member that contains
484.6 the staff member's qualifications for employment and documentation related to the applicant's
484.7 background study data, as defined in chapter 245C;

484.8 (2) documentation of the staff member's current professional license or registration, if
484.9 relevant;

484.10 (3) documentation of orientation and subsequent training; and

484.11 (4) ~~documentation of a statement of freedom from substance use problems; and~~

484.12 ~~(5)~~ an annual job performance evaluation.

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

484.14 Sec. 45. Minnesota Statutes 2022, section 245G.07, subdivision 4, is amended to read:

484.15 Subd. 4. **Location of service provision.** ~~The license holder may provide services at any~~
484.16 ~~of the license holder's licensed locations or at another suitable location including a school,~~
484.17 ~~government building, medical or behavioral health facility, or social service organization,~~
484.18 ~~upon notification and approval of the commissioner. If services are provided off site from~~
484.19 ~~the licensed site, the reason for the provision of services remotely must be documented.~~
484.20 ~~The license holder may provide additional services under subdivision 2, clauses (2) to (5),~~
484.21 ~~off-site if the license holder includes a policy and procedure detailing the off-site location~~
484.22 ~~as a part of the treatment service description and the program abuse prevention plan.~~

484.23 (a) The license holder must provide all treatment services a client receives at one of the
484.24 license holder's substance use disorder treatment licensed locations or at a location allowed
484.25 under paragraphs (b) to (f). If the services are provided at the locations in paragraphs (b) to
484.26 (d), the license holder must document in the client record the location services were provided.

484.27 (b) The license holder may provide nonresidential individual treatment services at a
484.28 client's home or place of residence.

484.29 (c) If the license holder provides treatment services by telehealth, the services must be
484.30 provided according to this paragraph:

485.1 (1) the license holder must maintain a licensed physical location in Minnesota where
485.2 the license holder must offer all treatment services in subdivision 1, paragraph (a), clauses
485.3 (1) to (4), physically in person to each client;

485.4 (2) the license holder must meet all requirements for the provision of telehealth in sections
485.5 254B.05, subdivision 5, paragraph (f), and 256B.0625, subdivision 3b. The license holder
485.6 must document all items in section 256B.0625, subdivision 3b, paragraph (c), for each client
485.7 receiving services by telehealth, regardless of payment type or whether the client is a medical
485.8 assistance enrollee;

485.9 (3) the license holder may provide treatment services by telehealth to clients individually;

485.10 (4) the license holder may provide treatment services by telehealth to a group of clients
485.11 that are each in a separate physical location;

485.12 (5) the license holder must not provide treatment services remotely by telehealth to a
485.13 group of clients meeting together in person, unless allowed under clause (7);

485.14 (6) clients and staff may join an in-person group by telehealth if a staff qualified to
485.15 provide the treatment service is physically present with the group of clients meeting together
485.16 in person; and

485.17 (7) the qualified professional providing a residential group treatment service by telehealth
485.18 must be physically present on-site at the licensed residential location while the service is
485.19 being provided. If weather conditions prohibit a qualified professional from traveling to the
485.20 residential program and another qualified professional is not available to provide the service,
485.21 a qualified professional may provide a residential group treatment service by telehealth
485.22 from a location away from the licensed residential location.

485.23 (d) The license holder may provide the additional treatment services under subdivision
485.24 2, clauses (2) to (6) and (8), away from the licensed location at a suitable location appropriate
485.25 to the treatment service.

485.26 (e) Upon written approval from the commissioner for each satellite location, the license
485.27 holder may provide nonresidential treatment services at satellite locations that are in a
485.28 school, jail, or nursing home. A satellite location may only provide services to students of
485.29 the school, inmates of the jail, or residents of the nursing home. Schools, jails, and nursing
485.30 homes are exempt from the licensing requirements in section 245A.04, subdivision 2a, to
485.31 document compliance with building codes, fire and safety codes, health rules, and zoning
485.32 ordinances.

486.1 (f) The commissioner may approve other suitable locations as satellite locations for
486.2 nonresidential treatment services. The commissioner may require satellite locations under
486.3 this paragraph to meet all applicable licensing requirements. The license holder may not
486.4 have more than two satellite locations per license under this paragraph.

486.5 (g) The license holder must provide the commissioner access to all files, documentation,
486.6 staff persons, and any other information the commissioner requires at the main licensed
486.7 location for all clients served at any location under paragraphs (b) to (f).

486.8 (h) Notwithstanding sections 245A.65, subdivision 2, and 626.557, subdivision 14, a
486.9 program abuse prevention plan is not required for satellite or other locations under paragraphs
486.10 (b) to (e). An individual abuse prevention plan is still required for any client that is a
486.11 vulnerable adult as defined in section 626.5572, subdivision 21.

486.12 **EFFECTIVE DATE.** This section is effective January 1, 2025.

486.13 Sec. 46. Minnesota Statutes 2022, section 245G.08, subdivision 5, is amended to read:

486.14 Subd. 5. **Administration of medication and assistance with self-medication.** (a) A
486.15 license holder must meet the requirements in this subdivision if a service provided includes
486.16 the administration of medication.

486.17 (b) A staff member, other than a licensed practitioner or nurse, who is delegated by a
486.18 licensed practitioner or a registered nurse the task of administration of medication or assisting
486.19 with self-medication, must:

486.20 (1) successfully complete a medication administration training program for unlicensed
486.21 personnel through an accredited Minnesota postsecondary educational institution. A staff
486.22 member's completion of the course must be documented in writing and placed in the staff
486.23 member's personnel file;

486.24 (2) be trained according to a formalized training program that is taught by a registered
486.25 nurse and offered by the license holder. ~~The training must include the process for~~
486.26 ~~administration of naloxone, if naloxone is kept on site.~~ A staff member's completion of the
486.27 training must be documented in writing and placed in the staff member's personnel records;
486.28 or

486.29 (3) demonstrate to a registered nurse competency to perform the delegated activity. A
486.30 registered nurse must be employed or contracted to develop the policies and procedures for
486.31 administration of medication or assisting with self-administration of medication, or both.

(c) A registered nurse must provide supervision as defined in section 148.171, subdivision 23. The registered nurse's supervision must include, at a minimum, monthly on-site supervision or more often if warranted by a client's health needs. The policies and procedures must include:

(1) a provision that a delegation of administration of medication is limited to a method a staff member has been trained to administer and limited to:

(i) a medication that is administered orally, topically, or as a suppository, an eye drop, an ear drop, an inhalant, or an intranasal; and

(ii) an intramuscular injection of ~~naloxone~~ an opiate antagonist as defined in section 604A.04, subdivision 1, or epinephrine;

(2) a provision that each client's file must include documentation indicating whether staff must conduct the administration of medication or the client must self-administer medication, or both;

(3) a provision that a client may carry emergency medication such as nitroglycerin as instructed by the client's physician, advanced practice registered nurse, or physician assistant;

(4) a provision for the client to self-administer medication when a client is scheduled to be away from the facility;

(5) a provision that if a client self-administers medication when the client is present in the facility, the client must self-administer medication under the observation of a trained staff member;

(6) a provision that when a license holder serves a client who is a parent with a child, the parent may only administer medication to the child under a staff member's supervision;

(7) requirements for recording the client's use of medication, including staff signatures with date and time;

(8) guidelines for when to inform a nurse of problems with self-administration of medication, including a client's failure to administer, refusal of a medication, adverse reaction, or error; and

(9) procedures for acceptance, documentation, and implementation of a prescription, whether written, verbal, telephonic, or electronic.

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

488.1 Sec. 47. Minnesota Statutes 2022, section 245G.08, subdivision 6, is amended to read:

488.2 Subd. 6. **Control of drugs.** A license holder must have and implement written policies
488.3 and procedures developed by a registered nurse that contain:

488.4 (1) a requirement that each drug must be stored in a locked compartment. A Schedule
488.5 II drug, as defined by section 152.02, subdivision 3, must be stored in a separately locked
488.6 compartment, permanently affixed to the physical plant or medication cart;

488.7 (2) a system which accounts for all scheduled drugs each shift;

488.8 (3) a procedure for recording the client's use of medication, including the signature of
488.9 the staff member who completed the administration of the medication with the time and
488.10 date;

488.11 (4) a procedure to destroy a discontinued, outdated, or deteriorated medication;

488.12 (5) a statement that only authorized personnel are permitted access to the keys to a locked
488.13 compartment;

488.14 (6) a statement that no legend drug supply for one client shall be given to another client;
488.15 and

488.16 (7) a procedure for monitoring the available supply of ~~naloxone~~ an opiate antagonist as
488.17 defined in section 604A.04, subdivision 1, on site~~,~~ and replenishing the ~~naloxone~~ supply
488.18 when needed~~, and destroying naloxone according to clause (4)~~.

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

488.20 Sec. 48. Minnesota Statutes 2022, section 245G.10, is amended by adding a subdivision
488.21 to read:

488.22 Subd. 6. **Notification to commissioner of changes in key staff positions.** A license
488.23 holder must notify the commissioner within five business days of a change or vacancy in a
488.24 key staff position. The key positions are a treatment director as required by subdivision 1,
488.25 an alcohol and drug counselor supervisor as required by subdivision 2, and a registered
488.26 nurse as required by section 245G.08, subdivision 5, paragraph (c). The license holder must
488.27 notify the commissioner of the staffing change on a form approved by the commissioner
488.28 and include the name of the staff person now assigned to the key staff position and the staff
488.29 person's qualifications for the position. The license holder must notify the licensor for the
488.30 program of a vacancy to discuss how the duties of the key position will be fulfilled during
488.31 the vacancy.

488.32 **EFFECTIVE DATE.** This section is effective January 1, 2025.

489.1 Sec. 49. Minnesota Statutes 2023 Supplement, section 245G.22, subdivision 2, is amended
489.2 to read:

489.3 Subd. 2. **Definitions.** (a) For purposes of this section, the terms defined in this subdivision
489.4 have the meanings given them.

489.5 (b) "Diversion" means the use of a medication for the treatment of opioid addiction being
489.6 diverted from intended use of the medication.

489.7 (c) "Guest dose" means administration of a medication used for the treatment of opioid
489.8 addiction to a person who is not a client of the program that is administering or dispensing
489.9 the medication.

489.10 (d) "Medical director" means a practitioner licensed to practice medicine in the
489.11 jurisdiction that the opioid treatment program is located who assumes responsibility for
489.12 administering all medical services performed by the program, either by performing the
489.13 services directly or by delegating specific responsibility to a practitioner of the opioid
489.14 treatment program.

489.15 (e) "Medication used for the treatment of opioid use disorder" means a medication
489.16 approved by the Food and Drug Administration for the treatment of opioid use disorder.

489.17 (f) "Minnesota health care programs" has the meaning given in section 256B.0636.

489.18 (g) "Opioid treatment program" has the meaning given in Code of Federal Regulations,
489.19 title 42, section 8.12, and includes programs licensed under this chapter.

489.20 (h) "Practitioner" means a staff member holding a current, unrestricted license to practice
489.21 medicine issued by the Board of Medical Practice or nursing issued by the Board of Nursing
489.22 and is currently registered with the Drug Enforcement Administration to order or dispense
489.23 controlled substances in Schedules II to V under the Controlled Substances Act, United
489.24 States Code, title 21, part B, section 821. ~~Practitioner includes an advanced practice registered~~
489.25 ~~nurse and physician assistant if the staff member receives a variance by the state opioid~~
489.26 ~~treatment authority under section 254A.03 and the federal Substance Abuse and Mental~~
489.27 ~~Health Services Administration.~~

489.28 (i) "Unsupervised use" or "take-home" means the use of a medication for the treatment
489.29 of opioid use disorder dispensed for use by a client outside of the program setting.

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

Sec. 50. Minnesota Statutes 2022, section 245G.22, subdivision 6, is amended to read:

Subd. 6. **Criteria for unsupervised use.** (a) To limit the potential for diversion of medication used for the treatment of opioid use disorder to the illicit market, medication dispensed to a client for unsupervised use shall be subject to the requirements of this subdivision. Any client in an opioid treatment program may receive ~~a single unsupervised use dose for a day that the clinic is closed for business, including Sundays and state and federal holidays~~ their individualized take-home doses as ordered for days that the clinic is closed for business, on one weekend day (e.g., Sunday) and state and federal holidays, no matter their length of time in treatment, as allowed under Code of Federal Regulations, title 42, part 8.12 (i)(1).

(b) For take-home doses beyond those allowed by paragraph (a), a practitioner ~~with authority to prescribe~~ must review and document the criteria in ~~this paragraph and paragraph (c)~~ the Code of Federal Regulations, title 42, part 8.12 (i)(2), when determining whether dispensing medication for a client's unsupervised use is safe and it is appropriate to implement, increase, or extend the amount of time between visits to the program. ~~The criteria are:~~

~~(1) absence of recent abuse of drugs including but not limited to opioids, non-narcotics, and alcohol;~~

~~(2) regularity of program attendance;~~

~~(3) absence of serious behavioral problems at the program;~~

~~(4) absence of known recent criminal activity such as drug dealing;~~

~~(5) stability of the client's home environment and social relationships;~~

~~(6) length of time in comprehensive maintenance treatment;~~

~~(7) reasonable assurance that unsupervised use medication will be safely stored within the client's home; and~~

~~(8) whether the rehabilitative benefit the client derived from decreasing the frequency of program attendance outweighs the potential risks of diversion or unsupervised use.~~

(c) The determination, including the basis of the determination must be documented by a practitioner in the client's medical record.

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

491.1 Sec. 51. Minnesota Statutes 2022, section 245G.22, subdivision 7, is amended to read:

491.2 Subd. 7. **Restrictions for unsupervised use of methadone hydrochloride.** (a) If a
491.3 ~~medical director or prescribing~~ practitioner assesses ~~and~~, determines, and documents that
491.4 a client meets the criteria in subdivision 6 ~~and may be dispensed a medication used for the~~
491.5 ~~treatment of opioid addiction, the restrictions in this subdivision must be followed when~~
491.6 ~~the medication to be dispensed is methadone hydrochloride. The results of the assessment~~
491.7 ~~must be contained in the client file. The number of unsupervised use medication doses per~~
491.8 ~~week in paragraphs (b) to (d) is in addition to the number of unsupervised use medication~~
491.9 ~~doses a client may receive for days the clinic is closed for business as allowed by subdivision~~
491.10 ~~6, paragraph (a)~~ and that a patient is safely able to manage unsupervised doses of methadone,
491.11 the number of take-home doses the client receives must be limited by the number allowed
491.12 by the Code of Federal Regulations, title 42, part 8.12 (i)(3).

491.13 ~~(b) During the first 90 days of treatment, the unsupervised use medication supply must~~
491.14 ~~be limited to a maximum of a single dose each week and the client shall ingest all other~~
491.15 ~~doses under direct supervision.~~

491.16 ~~(c) In the second 90 days of treatment, the unsupervised use medication supply must be~~
491.17 ~~limited to two doses per week.~~

491.18 ~~(d) In the third 90 days of treatment, the unsupervised use medication supply must not~~
491.19 ~~exceed three doses per week.~~

491.20 ~~(e) In the remaining months of the first year, a client may be given a maximum six-day~~
491.21 ~~unsupervised use medication supply.~~

491.22 ~~(f) After one year of continuous treatment, a client may be given a maximum two-week~~
491.23 ~~unsupervised use medication supply.~~

491.24 ~~(g) After two years of continuous treatment, a client may be given a maximum one-month~~
491.25 ~~unsupervised use medication supply, but must make monthly visits to the program.~~

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

491.27 Sec. 52. Minnesota Statutes 2023 Supplement, section 245G.22, subdivision 17, is amended
491.28 to read:

491.29 Subd. 17. **Policies and procedures.** (a) A license holder must develop and maintain the
491.30 policies and procedures required in this subdivision.

491.31 (b) For a program that is not open every day of the year, the license holder must maintain
491.32 a policy and procedure that covers requirements under section 245G.22, subdivisions 6 and

492.1 7. Unsupervised use of medication used for the treatment of opioid use disorder for days
492.2 that the program is closed for business~~, including but not limited to Sundays~~ on one weekend
492.3 day and state and federal holidays, must meet the requirements under section 245G.22,
492.4 subdivisions 6 and 7.

492.5 (c) The license holder must maintain a policy and procedure that includes specific
492.6 measures to reduce the possibility of diversion. The policy and procedure must:

492.7 (1) specifically identify and define the responsibilities of the medical and administrative
492.8 staff for performing diversion control measures; and

492.9 (2) include a process for contacting no less than five percent of clients who have
492.10 unsupervised use of medication, excluding clients approved solely under subdivision 6,
492.11 paragraph (a), to require clients to physically return to the program each month. The system
492.12 must require clients to return to the program within a stipulated time frame and turn in all
492.13 unused medication containers related to opioid use disorder treatment. The license holder
492.14 must document all related contacts on a central log and the outcome of the contact for each
492.15 client in the client's record. The medical director must be informed of each outcome that
492.16 results in a situation in which a possible diversion issue was identified.

492.17 (d) Medication used for the treatment of opioid use disorder must be ordered,
492.18 administered, and dispensed according to applicable state and federal regulations and the
492.19 standards set by applicable accreditation entities. If a medication order requires assessment
492.20 by the person administering or dispensing the medication to determine the amount to be
492.21 administered or dispensed, the assessment must be completed by an individual whose
492.22 professional scope of practice permits an assessment. For the purposes of enforcement of
492.23 this paragraph, the commissioner has the authority to monitor the person administering or
492.24 dispensing the medication for compliance with state and federal regulations and the relevant
492.25 standards of the license holder's accreditation agency and may issue licensing actions
492.26 according to sections 245A.05, 245A.06, and 245A.07, based on the commissioner's
492.27 determination of noncompliance.

492.28 (e) A counselor in an opioid treatment program must not supervise more than 50 clients.

492.29 (f) Notwithstanding paragraph (e), from July 1, 2023, to June 30, 2024, a counselor in
492.30 an opioid treatment program may supervise up to 60 clients. The license holder may continue
492.31 to serve a client who was receiving services at the program on June 30, 2024, at a counselor
492.32 to client ratio of up to one to 60 and is not required to discharge any clients in order to return
492.33 to the counselor to client ratio of one to 50. The license holder may not, however, serve a

493.1 new client after June 30, 2024, unless the counselor who would supervise the new client is
493.2 supervising fewer than 50 existing clients.

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

493.4 Sec. 53. Minnesota Statutes 2022, section 245H.01, is amended by adding a subdivision
493.5 to read:

493.6 Subd. 6a. **Infant.** "Infant" means a child who is at least six weeks old but less than 16
493.7 months old.

493.8 **EFFECTIVE DATE.** This section is effective October 1, 2024.

493.9 Sec. 54. Minnesota Statutes 2022, section 245H.01, is amended by adding a subdivision
493.10 to read:

493.11 Subd. 6b. **Preschooler.** "Preschooler" means a child who is at least 33 months old but
493.12 who has not yet attended the first day of kindergarten.

493.13 **EFFECTIVE DATE.** This section is effective October 1, 2024.

493.14 Sec. 55. Minnesota Statutes 2022, section 245H.01, is amended by adding a subdivision
493.15 to read:

493.16 Subd. 6c. **School-age child.** "School-age child" means a child who is of sufficient age
493.17 to have attended the first day of kindergarten or is eligible to enter kindergarten within four
493.18 months and:

493.19 (1) is no more than 13 years old;

493.20 (2) remains eligible for child care assistance under section 119B.09, subdivision 1,
493.21 paragraph (e); or

493.22 (3) attends a certified center that serves only school-age children in a setting that has
493.23 students enrolled in no grade higher than grade 8.

493.24 **EFFECTIVE DATE.** This section is effective October 1, 2024.

493.25 Sec. 56. Minnesota Statutes 2022, section 245H.01, is amended by adding a subdivision
493.26 to read:

493.27 Subd. 8a. **Toddler.** "Toddler" means a child who is at least 16 months old but less than
493.28 33 months old.

493.29 **EFFECTIVE DATE.** This section is effective October 1, 2024.

494.1 Sec. 57. Minnesota Statutes 2023 Supplement, section 245H.06, subdivision 1, is amended
494.2 to read:

494.3 Subdivision 1. **Correction order and conditional certification requirements.** (a) If
494.4 the applicant or certification holder ~~failed~~ fails to comply with a law or rule, the commissioner
494.5 may issue a correction order. The correction order must state:

494.6 (1) the condition that constitutes a violation of the law or rule;

494.7 (2) the specific law or rule violated; and

494.8 (3) the time allowed to correct each violation.

494.9 (b) ~~The commissioner may issue a correction order to the applicant or certification holder~~
494.10 ~~through the provider licensing and reporting hub.~~ If the certification holder fails to comply
494.11 with a law or rule, the commissioner may issue a conditional certification. When issuing a
494.12 conditional certification, the commissioner shall consider the nature, chronicity, or severity
494.13 of the violation of law or rule and the effect of the violation on the health, safety, or rights
494.14 of persons served by the program. The conditional order must state:

494.15 (1) the conditions that constitute a violation of the law or rule;

494.16 (2) the specific law or rule violated;

494.17 (3) the time allowed to correct each violation; and

494.18 (4) the length and terms of the conditional certification, and the reasons for making the
494.19 certification conditional.

494.20 (c) Nothing in this section prohibits the commissioner from decertifying a center under
494.21 section 245H.07 before issuing a correction order or conditional certification.

494.22 (d) The commissioner may issue a correction order or conditional certification to the
494.23 applicant or certification holder through the provider licensing and reporting hub.

494.24 **EFFECTIVE DATE.** This section is effective October 1, 2024.

494.25 Sec. 58. Minnesota Statutes 2023 Supplement, section 245H.06, subdivision 2, is amended
494.26 to read:

494.27 Subd. 2. **Reconsideration request.** (a) If the applicant or certification holder believes
494.28 that the commissioner's correction order or conditional certification is erroneous, the applicant
494.29 or certification holder may ask the commissioner to reconsider the part of the correction
494.30 order or conditional certification that is allegedly erroneous. A request for reconsideration
494.31 must be made in writing and postmarked or submitted through the provider licensing and

495.1 reporting hub and sent to the commissioner within 20 calendar days after the applicant or
495.2 certification holder received the correction order or conditional certification, and must:

495.3 (1) specify the part of the correction order or conditional certification that is allegedly
495.4 erroneous;

495.5 (2) explain why the specified part is erroneous; and

495.6 (3) include documentation to support the allegation of error.

495.7 (b) A request for reconsideration of a correction order does not stay any provision or
495.8 requirement of the correction order. The commissioner's disposition of a request for
495.9 reconsideration is final and not subject to appeal.

495.10 (c) A timely request for reconsideration of a conditional certification shall stay imposition
495.11 of the terms of the conditional certification until the commissioner issues a decision on the
495.12 request for reconsideration.

495.13 ~~(c)~~ (d) Upon implementation of the provider licensing and reporting hub, the provider
495.14 must use the hub to request reconsideration. If the order is issued through the provider hub,
495.15 the request must be received by the commissioner within 20 calendar days from the date
495.16 the commissioner issued the order through the hub.

495.17 **EFFECTIVE DATE.** This section is effective October 1, 2024.

495.18 Sec. 59. Minnesota Statutes 2022, section 245H.08, subdivision 1, is amended to read:

495.19 Subdivision 1. **Staffing requirements.** (a) Except as provided in paragraph (b), during
495.20 hours of operation, a certified center must have a director ~~or designee~~ on site who is
495.21 responsible for overseeing implementation of written policies relating to the management
495.22 and control of the daily activities of the program, ensuring the health and safety of program
495.23 participants, and supervising staff and volunteers.

495.24 (b) When the director is absent, a certified center must designate a staff person who is
495.25 at least 18 years old to fulfill the director's responsibilities under this subdivision to ensure
495.26 continuity of program oversight. The designee does not have to meet the director
495.27 qualifications in subdivision 2 but must be aware of their designation and responsibilities
495.28 under this subdivision.

495.29 **EFFECTIVE DATE.** This section is effective October 1, 2024.

Sec. 60. Minnesota Statutes 2023 Supplement, section 245H.08, subdivision 4, is amended to read:

Subd. 4. **Maximum group size.** (a) For ~~a child six weeks old through 16 months old~~ an infant, the maximum group size shall be no more than eight children.

(b) For a ~~child 16 months old through 33 months old~~ toddler, the maximum group size shall be no more than 14 children.

(c) For a ~~child 33 months old through prekindergarten~~ preschooler, ~~a~~ the maximum group size shall be no more than 20 children.

(d) For a ~~child in kindergarten through 13 years old~~ school-age child, ~~a~~ the maximum group size shall be no more than 30 children.

(e) The maximum group size applies at all times except during group activity coordination time not exceeding 15 minutes, during a meal, outdoor activity, field trip, nap and rest, and special activity including a film, guest speaker, indoor large muscle activity, or holiday program.

~~(f) Notwithstanding paragraph (d), a certified center may continue to serve a child 14 years of age or older if one of the following conditions is true:~~

~~(1) the child remains eligible for child care assistance under section 119B.09, subdivision 1, paragraph (e); or~~

~~(2) the certified center serves only school-age children in a setting that has students enrolled in no grade higher than 8th grade.~~

EFFECTIVE DATE. This section is effective October 1, 2024.

Sec. 61. Minnesota Statutes 2023 Supplement, section 245H.08, subdivision 5, is amended to read:

Subd. 5. **Ratios.** (a) The minimally acceptable staff-to-child ratios are:

~~six weeks old through 16 months old~~ infants	1:4
~~16 months old through 33 months old~~ toddlers	1:7
~~33 months old through prekindergarten~~ preschoolers	1:10
~~kindergarten through 13 years old~~ school-age children	1:15

~~(b) Kindergarten includes a child of sufficient age to have attended the first day of kindergarten or who is eligible to enter kindergarten within the next four months.~~

497.1 (c) (b) For mixed mixed-age groups, the ratio for the age group of the youngest child
497.2 applies.

497.3 (d) Notwithstanding paragraph (a), a certified center may continue to serve a child 14
497.4 years of age or older if one of the following conditions is true:

497.5 (1) the child remains eligible for child care assistance under section 119B.09, subdivision
497.6 1, paragraph (e); or

497.7 (2) the certified center serves only school-age children in a setting that has students
497.8 enrolled in no grade higher than 8th grade.

497.9 **EFFECTIVE DATE.** This section is effective October 1, 2024.

497.10 Sec. 62. Minnesota Statutes 2022, section 245H.14, subdivision 1, is amended to read:

497.11 Subdivision 1. **First aid and cardiopulmonary resuscitation.** (a) Before having
497.12 unsupervised direct contact with a child, but within the first 90 days of employment for
497.13 after the first date of direct contact with a child, the director and, all staff persons, and within
497.14 90 days after the first date of direct contact with a child for substitutes, and unsupervised
497.15 volunteers, each person must successfully complete pediatric first aid and pediatric
497.16 cardiopulmonary resuscitation (CPR) training, unless the training has been completed within
497.17 the previous two calendar years. Staff must complete the pediatric first aid and pediatric
497.18 CPR training at least every other calendar year and the center must document the training
497.19 in the staff person's personnel record.

497.20 (b) Training completed under this subdivision may be used to meet the in-service training
497.21 requirements under subdivision 6.

497.22 **EFFECTIVE DATE.** This section is effective October 1, 2024.

497.23 Sec. 63. Minnesota Statutes 2022, section 245H.14, subdivision 4, is amended to read:

497.24 Subd. 4. **Child development.** The certified center must ensure that the director and all
497.25 staff persons complete child development and learning training within 90 days of employment
497.26 and every second calendar year thereafter. Substitutes and unsupervised volunteers must
497.27 complete child development and learning training within 90 days after the first date of direct
497.28 contact with a child and every second calendar year thereafter. Before having unsupervised
497.29 direct contact with a child, but within 90 days after the first date of direct contact with a
497.30 child, the director, all staff persons, substitutes, and unsupervised volunteers must complete
497.31 child development and learning training. Child development and learning training must be
497.32 repeated every second calendar year thereafter. The director and staff persons not including

498.1 substitutes must complete at least two hours of training on child development. The training
498.2 for substitutes and unsupervised volunteers is not required to be of a minimum length. For
498.3 purposes of this subdivision, "child development and learning training" means how a child
498.4 develops physically, cognitively, emotionally, and socially and learns as part of the child's
498.5 family, culture, and community.

498.6 **EFFECTIVE DATE.** This section is effective October 1, 2024.

498.7 Sec. 64. **[245H.19] CHILDREN'S RECORDS.**

498.8 (a) A certification holder must maintain a record for each child enrolled in the certification
498.9 holder's program. The record must contain:

498.10 (1) the child's full name, birth date, and home address;

498.11 (2) the name and telephone number of the child's parents or legal guardians;

498.12 (3) the name and telephone number of at least one emergency contact person other than
498.13 the child's parents who can be reached in an emergency or when there is an injury requiring
498.14 medical attention and who is authorized to pick up the child; and

498.15 (4) the names and telephone numbers of any additional persons authorized by the parents
498.16 or legal guardians to pick up the child from the center.

498.17 (b) The certification holder must maintain in the child's record and ensure that during
498.18 all hours of operation staff can access the following information:

498.19 (1) immunization information as required under section 245H.13, subdivision 2;

498.20 (2) medication administration documentation as required under section 245H.13,
498.21 subdivision 3; and

498.22 (3) documentation of any known allergy as required under section 245H.13, subdivision
498.23 4.

498.24 **EFFECTIVE DATE.** This section is effective October 1, 2024.

498.25 Sec. 65. Minnesota Statutes 2023 Supplement, section 256B.064, subdivision 4, is amended
498.26 to read:

498.27 Subd. 4. **Notice.** (a) The department shall serve the notice required under subdivision 2
498.28 ~~by certified mail at~~ using a signature-verified confirmed delivery method to the address
498.29 submitted to the department by the individual or entity. Service is complete upon mailing.

499.1 (b) The department shall give notice in writing to a recipient placed in the Minnesota
499.2 restricted recipient program under section 256B.0646 and Minnesota Rules, part 9505.2200.
499.3 The department shall send the notice by first class mail to the recipient's current address on
499.4 file with the department. A recipient placed in the Minnesota restricted recipient program
499.5 may contest the placement by submitting a written request for a hearing to the department
499.6 within 90 days of the notice being mailed.

499.7 Sec. 66. Minnesota Statutes 2022, section 256B.0757, subdivision 4a, is amended to read:

499.8 Subd. 4a. **Behavioral health home services provider requirements.** A behavioral
499.9 health home services provider must:

499.10 (1) be an enrolled Minnesota Health Care Programs provider;

499.11 (2) provide a medical assistance covered primary care or behavioral health service;

499.12 (3) utilize an electronic health record;

499.13 (4) utilize an electronic patient registry that contains data elements required by the
499.14 commissioner;

499.15 (5) demonstrate the organization's capacity to administer screenings approved by the
499.16 commissioner for substance use disorder or alcohol and tobacco use;

499.17 (6) demonstrate the organization's capacity to refer an individual to resources appropriate
499.18 to the individual's screening results;

499.19 (7) have policies and procedures to track referrals to ensure that the referral met the
499.20 individual's needs;

499.21 (8) conduct a brief needs assessment when an individual begins receiving behavioral
499.22 health home services. The brief needs assessment must be completed with input from the
499.23 individual and the individual's identified supports. The brief needs assessment must address
499.24 the individual's immediate safety and transportation needs and potential barriers to
499.25 participating in behavioral health home services;

499.26 (9) conduct a health wellness assessment within 60 days after intake that contains all
499.27 required elements identified by the commissioner;

499.28 (10) conduct a health action plan that contains all required elements identified by the
499.29 commissioner. The plan must be completed within 90 days after intake and must be updated
499.30 at least once every six months, or more frequently if significant changes to an individual's
499.31 needs or goals occur;

500.1 (11) agree to cooperate with and participate in the state's monitoring and evaluation of
500.2 behavioral health home services; and

500.3 (12) obtain the individual's ~~written~~ consent to begin receiving behavioral health home
500.4 services using a form approved by the commissioner.

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

500.6 Sec. 67. Minnesota Statutes 2022, section 256B.0757, subdivision 4d, is amended to read:

500.7 Subd. 4d. **Behavioral health home services delivery standards.** (a) A behavioral health
500.8 home services provider must meet the following service delivery standards:

500.9 (1) establish and maintain processes to support the coordination of an individual's primary
500.10 care, behavioral health, and dental care;

500.11 (2) maintain a team-based model of care, including regular coordination and
500.12 communication between behavioral health home services team members;

500.13 (3) use evidence-based practices that recognize and are tailored to the medical, social,
500.14 economic, behavioral health, functional impairment, cultural, and environmental factors
500.15 affecting the individual's health and health care choices;

500.16 (4) use person-centered planning practices to ensure the individual's health action plan
500.17 accurately reflects the individual's preferences, goals, resources, and optimal outcomes for
500.18 the individual and the individual's identified supports;

500.19 (5) use the patient registry to identify individuals and population subgroups requiring
500.20 specific levels or types of care and provide or refer the individual to needed treatment,
500.21 intervention, or services;

500.22 (6) ~~utilize the Department of Human Services Partner Portal to~~ identify past and current
500.23 treatment or services and identify potential gaps in care using a tool approved by the
500.24 commissioner;

500.25 (7) deliver services consistent with the standards for frequency and face-to-face contact
500.26 required by the commissioner;

500.27 (8) ensure that a diagnostic assessment is completed for each individual receiving
500.28 behavioral health home services within six months of the start of behavioral health home
500.29 services;

500.30 (9) deliver services in locations and settings that meet the needs of the individual;

501.1 (10) provide a central point of contact to ensure that individuals and the individual's
501.2 identified supports can successfully navigate the array of services that impact the individual's
501.3 health and well-being;

501.4 (11) have capacity to assess an individual's readiness for change and the individual's
501.5 capacity to integrate new health care or community supports into the individual's life;

501.6 (12) offer or facilitate the provision of wellness and prevention education on
501.7 evidenced-based curriculums specific to the prevention and management of common chronic
501.8 conditions;

501.9 (13) help an individual set up and prepare for medical, behavioral health, social service,
501.10 or community support appointments, including accompanying the individual to appointments
501.11 as appropriate, and providing follow-up with the individual after these appointments;

501.12 (14) offer or facilitate the provision of health coaching related to chronic disease
501.13 management and how to navigate complex systems of care to the individual, the individual's
501.14 family, and identified supports;

501.15 (15) connect an individual, the individual's family, and identified supports to appropriate
501.16 support services that help the individual overcome access or service barriers, increase
501.17 self-sufficiency skills, and improve overall health;

501.18 (16) provide effective referrals and timely access to services; and

501.19 (17) establish a continuous quality improvement process for providing behavioral health
501.20 home services.

501.21 (b) The behavioral health home services provider must also create a plan, in partnership
501.22 with the individual and the individual's identified supports, to support the individual after
501.23 discharge from a hospital, residential treatment program, or other setting. The plan must
501.24 include protocols for:

501.25 (1) maintaining contact between the behavioral health home services team member, the
501.26 individual, and the individual's identified supports during and after discharge;

501.27 (2) linking the individual to new resources as needed;

501.28 (3) reestablishing the individual's existing services and community and social supports;
501.29 and

501.30 (4) following up with appropriate entities to transfer or obtain the individual's service
501.31 records as necessary for continued care.

(c) If the individual is enrolled in a managed care plan, a behavioral health home services provider must:

(1) notify the behavioral health home services contact designated by the managed care plan within 30 days of when the individual begins behavioral health home services; and

(2) adhere to the managed care plan communication and coordination requirements described in the behavioral health home services manual.

(d) Before terminating behavioral health home services, the behavioral health home services provider must:

(1) provide a 60-day notice of termination of behavioral health home services to all individuals receiving behavioral health home services, the commissioner, and managed care plans, if applicable; and

(2) refer individuals receiving behavioral health home services to a new behavioral health home services provider.

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

Sec. 68. Minnesota Statutes 2023 Supplement, section 256D.01, subdivision 1a, is amended to read:

Subd. 1a. **Standards.** (a) A principal objective in providing general assistance is to provide for single adults, childless couples, or children as defined in section 256D.02, subdivision 2b, ineligible for federal programs who are unable to provide for themselves. The minimum standard of assistance determines the total amount of the general assistance grant without separate standards for shelter, utilities, or other needs.

(b) The standard of assistance for an assistance unit consisting of a recipient who is childless and unmarried or living apart from children and spouse and who does not live with a parent or parents or a legal custodian, or consisting of a childless couple, is $350 per month effective October 1, 2024, and must be adjusted by a percentage equal to the change in the consumer price index as of January 1 every year, beginning October 1, 2025.

(c) For an assistance unit consisting of a single adult who lives with a parent or parents, the general assistance standard of assistance is $350 per month effective October 1, ~~2023~~ 2024, and must be adjusted by a percentage equal to the change in the consumer price index as of January 1 every year, beginning October 1, 2025. Benefits received by a responsible relative of the assistance unit under the Supplemental Security Income program, a workers' compensation program, the Minnesota supplemental aid program, or any other program

503.1 based on the responsible relative's disability, and any benefits received by a responsible
503.2 relative of the assistance unit under the Social Security retirement program, may not be
503.3 counted in the determination of eligibility or benefit level for the assistance unit. Except as
503.4 provided below, the assistance unit is ineligible for general assistance if the available
503.5 resources or the countable income of the assistance unit and the parent or parents with whom
503.6 the assistance unit lives are such that a family consisting of the assistance unit's parent or
503.7 parents, the parent or parents' other family members and the assistance unit as the only or
503.8 additional minor child would be financially ineligible for general assistance. For the purposes
503.9 of calculating the countable income of the assistance unit's parent or parents, the calculation
503.10 methods must follow the provisions under section 256P.06.

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

503.12 Sec. 69. Minnesota Statutes 2022, section 256I.04, subdivision 2f, is amended to read:

503.13 Subd. 2f. **Required services.** (a) In ~~licensed and registered~~ authorized settings under
503.14 subdivision 2a, providers shall ensure that participants have at a minimum:

503.15 (1) food preparation and service for three nutritional meals a day on site;

503.16 (2) a bed, clothing storage, linen, bedding, laundering, and laundry supplies or service;

503.17 (3) housekeeping, including cleaning and lavatory supplies or service; and

503.18 (4) maintenance and operation of the building and grounds, including heat, water, garbage
503.19 removal, electricity, telephone for the site, cooling, supplies, and parts and tools to repair
503.20 and maintain equipment and facilities.

503.21 (b) In addition, when providers serve participants described in subdivision 1, paragraph
503.22 (c), the providers are required to assist the participants in applying for continuing housing
503.23 support payments before the end of the eligibility period.

503.24 Sec. 70. Minnesota Statutes 2023 Supplement, section 256I.05, subdivision 1a, is amended
503.25 to read:

503.26 Subd. 1a. **Supplementary service rates.** (a) Subject to the provisions of section 256I.04,
503.27 subdivision 3, the agency may negotiate a payment not to exceed $494.91 for other services
503.28 necessary to provide room and board if the residence is licensed by or registered by the
503.29 Department of Health, or licensed by the Department of Human Services to provide services
503.30 in addition to room and board, and if the provider of services is not also concurrently
503.31 receiving funding for services for a recipient in the residence under the following programs
503.32 or funding sources: (1) home and community-based waiver services under chapter 256S or

504.1 section 256B.0913, 256B.092, or 256B.49; (2) personal care assistance under section
504.2 256B.0659; (3) community first services and supports under section 256B.85; or (4) services
504.3 for adults with mental illness grants under section 245.73. If funding is available for other
504.4 necessary services through a home and community-based waiver under chapter 256S, or
504.5 section 256B.0913, 256B.092, or 256B.49; personal care assistance services under section
504.6 256B.0659; community first services and supports under section 256B.85; or services for
504.7 adults with mental illness grants under section 245.73, then the housing support rate is
504.8 limited to the rate set in subdivision 1. Unless otherwise provided in law, in no case may
504.9 the supplementary service rate exceed $494.91. The registration and licensure requirement
504.10 does not apply to establishments which are exempt from state licensure because they are
504.11 located on Indian reservations and for which the tribe has prescribed health and safety
504.12 requirements. Service payments under this section may be prohibited under rules to prevent
504.13 the supplanting of federal funds with state funds.

504.14 ~~(b) The commissioner is authorized to make cost-neutral transfers from the housing~~
504.15 ~~support fund for beds under this section to other funding programs administered by the~~
504.16 ~~department after consultation with the agency in which the affected beds are located. The~~
504.17 ~~commissioner may also make cost-neutral transfers from the housing support fund to agencies~~
504.18 ~~for beds permanently removed from the housing support census under a plan submitted by~~
504.19 ~~the agency and approved by the commissioner. The commissioner shall report the amount~~
504.20 ~~of any transfers under this provision annually to the legislature.~~

504.21 ~~(c)~~ <u>(b)</u> Agencies must not negotiate supplementary service rates with providers of housing
504.22 support that are licensed as board and lodging with special services and that do not encourage
504.23 a policy of sobriety on their premises and make referrals to available community services
504.24 for volunteer and employment opportunities for residents.

504.25 Sec. 71. Minnesota Statutes 2023 Supplement, section 256I.05, subdivision 11, is amended
504.26 to read:

504.27 Subd. 11. **~~Transfer of emergency shelter funds~~** **<u>Cost-neutral transfers from the</u>**
504.28 **<u>housing support fund.</u>** <u>(a) The commissioner is authorized to make cost-neutral transfers</u>
504.29 <u>from the housing support fund for beds under this section to other funding programs</u>
504.30 <u>administered by the department after consultation with the agency in which the affected</u>
504.31 <u>beds are located.</u>

504.32 <u>(b) The commissioner may also make cost-neutral transfers from the housing support</u>
504.33 <u>fund to agencies for beds removed from the housing support census under a plan submitted</u>
504.34 <u>by the agency and approved by the commissioner.</u>

505.1 ~~(a)~~ (c) The commissioner shall make a cost-neutral transfer of funding from the housing
505.2 support fund to the agency for emergency shelter beds removed from the housing support
505.3 census under a ~~biennial~~ plan submitted by the agency and approved by the commissioner.
505.4 Plans submitted under this paragraph must include anticipated and actual outcomes for
505.5 persons experiencing homelessness in emergency shelters.

505.6 ~~The plan~~ (d) Plans submitted under paragraph (b) or (c) must describe: (1) ~~anticipated~~
505.7 ~~and actual outcomes for persons experiencing homelessness in emergency shelters; (2)~~
505.8 improved efficiencies in administration; ~~(3)~~ (2) requirements for individual eligibility; and
505.9 ~~(4)~~ (3) plans for quality assurance monitoring and quality assurance outcomes. The
505.10 commissioner shall review ~~the~~ agency ~~plan~~ plans to monitor implementation and outcomes
505.11 at least biennially, and more frequently if the commissioner deems necessary.

505.12 ~~(b) The~~ (e) Funding under paragraph ~~(a)~~ (b), (c), or (d) may be used for the provision
505.13 of room and board or supplemental services according to section 256I.03, subdivisions 14a
505.14 and 14b. Providers must meet the requirements of section 256I.04, subdivisions 2a to 2f.
505.15 Funding must be allocated annually, and the room and board portion of the allocation shall
505.16 be adjusted according to the percentage change in the housing support room and board rate.
505.17 ~~The room and board portion of the allocation shall be determined at the time of transfer.~~
505.18 The commissioner or agency may return beds to the housing support fund with 180 days'
505.19 notice, including financial reconciliation.

505.20 Sec. 72. Minnesota Statutes 2022, section 260E.30, subdivision 3, as amended by Laws
505.21 2024, chapter 80, article 8, section 41, is amended to read:

505.22 Subd. 3. **Nonmaltreatment mistake.** (a) If paragraph (b) applies, rather than making a
505.23 determination of substantiated maltreatment by the individual, the commissioner of children,
505.24 youth, and families shall determine that the individual made a nonmaltreatment mistake.

505.25 (b) A nonmaltreatment mistake occurs when:

505.26 ~~(1) at the time of the incident, the individual was performing duties identified in the~~
505.27 ~~facility's child care program plan required under Minnesota Rules, part 9503.0045;~~

505.28 ~~(2)~~ (1) the individual has not been determined responsible for a similar incident that
505.29 resulted in a finding of maltreatment for at least seven years;

505.30 ~~(3)~~ (2) the individual has not been determined to have committed a similar
505.31 nonmaltreatment mistake under this paragraph for at least four years;

506.1 ~~(4)~~ (3) any injury to a child resulting from the incident, if treated, is treated only with
506.2 remedies that are available over the counter, whether ordered by a medical professional or
506.3 not; and

506.4 ~~(5)~~ (4) except for the period when the incident occurred, the facility and the individual
506.5 providing services were both in compliance with all licensing and certification requirements
506.6 relevant to the incident.

506.7 (c) This subdivision only applies to child care centers certified under chapter 245H and
506.8 licensed under Minnesota Rules, chapter 9503.

506.9 **EFFECTIVE DATE.** This section is effective October 1, 2024.

506.10 Sec. 73. Minnesota Statutes 2022, section 260E.33, subdivision 2, as amended by Laws
506.11 2024, chapter 80, article 8, section 44, is amended to read:

506.12 Subd. 2. **Request for reconsideration.** (a) Except as provided under subdivision 5, an
506.13 individual or facility that the commissioner of human services; commissioner of children,
506.14 youth, and families; a local welfare agency; or the commissioner of education determines
506.15 has maltreated a child, an interested person acting on behalf of the child, regardless of the
506.16 determination, who contests the investigating agency's final determination regarding
506.17 maltreatment may request the investigating agency to reconsider its final determination
506.18 regarding maltreatment. The request for reconsideration must be submitted in writing or
506.19 submitted in the provider licensing and reporting hub to the investigating agency within 15
506.20 calendar days after receipt of notice of the final determination regarding maltreatment or,
506.21 if the request is made by an interested person who is not entitled to notice, within 15 days
506.22 after receipt of the notice by the parent or guardian of the child. If mailed, the request for
506.23 reconsideration must be postmarked and sent to the investigating agency within 15 calendar
506.24 days of the individual's or facility's receipt of the final determination. If the request for
506.25 reconsideration is made by personal service, it must be received by the investigating agency
506.26 within 15 calendar days after the individual's or facility's receipt of the final determination.
506.27 Upon implementation of the provider licensing and reporting hub, the individual or facility
506.28 must use the hub to request reconsideration. The reconsideration must be received by the
506.29 commissioner within 15 calendar days of the individual's receipt of the notice of
506.30 disqualification.

506.31 (b) An individual who was determined to have maltreated a child under this chapter and
506.32 who was disqualified on the basis of serious or recurring maltreatment under sections
506.33 245C.14 and 245C.15 may request reconsideration of the maltreatment determination and
506.34 the disqualification. The request for reconsideration of the maltreatment determination and

the disqualification must be submitted within 30 calendar days of the individual's receipt of the notice of disqualification under sections 245C.16 and 245C.17. If mailed, the request for reconsideration of the maltreatment determination and the disqualification must be postmarked and sent to the investigating agency within 30 calendar days of the individual's receipt of the maltreatment determination and notice of disqualification. If the request for reconsideration is made by personal service, it must be received by the investigating agency within 30 calendar days after the individual's receipt of the notice of disqualification.

Sec. 74. Laws 2024, chapter 80, article 2, section 5, is amended by adding a subdivision to read:

Subd. 23. **Family child foster care annual program evaluation.** Upon implementation of a continuous license process for family child foster care, the annual program evaluation required under Minnesota Rules, part 2960.3100, subpart 1, item G, must be conducted utilizing the electronic licensing inspection checklist information and the provider licensing and reporting hub in a manner prescribed by the commissioner.

Sec. 75. Laws 2024, chapter 80, article 2, section 6, subdivision 2, is amended to read:

Subd. 2. **Change in ownership.** (a) If the commissioner determines that there is a change in ownership, the commissioner shall require submission of a new license application. This subdivision does not apply to a licensed program or service located in a home where the license holder resides. A change in ownership occurs when:

(1) except as provided in paragraph (b), the license holder sells or transfers 100 percent of the property, stock, or assets;

(2) the license holder merges with another organization;

(3) the license holder consolidates with two or more organizations, resulting in the creation of a new organization;

(4) there is a change to the federal tax identification number associated with the license holder; or

(5) except as provided in paragraph (b), all controlling individuals ~~associated with~~ for the original ~~application~~ license have changed.

(b) ~~Notwithstanding~~ For changes under paragraph (a), ~~clauses (1) and (5)~~ clause (1) or (5), no change in ownership has occurred and a new license application is not required if at least one controlling individual has been ~~listed~~ affiliated as a controlling individual for the license for at least the previous 12 months immediately preceding the change.

EFFECTIVE DATE. This section is effective January 1, 2025.

Sec. 76. Laws 2024, chapter 80, article 2, section 6, subdivision 3, is amended to read:

Subd. 3. **Standard change of ownership process.** (a) When a change in ownership is proposed and the party intends to assume operation without an interruption in service longer than 60 days after acquiring the program or service, the license holder must provide the commissioner with written notice of the proposed change on a form provided by the commissioner at least ~~60~~ 90 days before the anticipated date of the change in ownership. For purposes of this ~~subdivision and subdivision 4~~ section, "party" means the party that intends to operate the service or program.

(b) The party must submit a license application under this chapter on the form and in the manner prescribed by the commissioner at least ~~30~~ 90 days before the change in ownership is anticipated to be complete and must include documentation to support the upcoming change. The party must comply with background study requirements under chapter 245C and shall pay the application fee required under section 245A.10.

(c) The commissioner may streamline application procedures when the party is an existing license holder under this chapter and is acquiring a program licensed under this chapter or service in the same service class as one or more licensed programs or services the party operates and those licenses are in substantial compliance. For purposes of this subdivision, "substantial compliance" means within the previous 12 months the commissioner did not (1) issue a sanction under section 245A.07 against a license held by the party, or (2) make a license held by the party conditional according to section 245A.06.

(d) ~~Except when a temporary change in ownership license is issued pursuant to subdivision 4~~ While the standard change of ownership process is pending, the existing license holder ~~is solely~~ remains responsible for operating the program according to applicable laws and rules until a license under this chapter is issued to the party.

(e) If a licensing inspection of the program or service was conducted within the previous 12 months and the existing license holder's license record demonstrates substantial compliance with the applicable licensing requirements, the commissioner may waive the party's inspection required by section 245A.04, subdivision 4. The party must submit to the commissioner (1) proof that the premises was inspected by a fire marshal or that the fire marshal deemed that an inspection was not warranted, and (2) proof that the premises was inspected for compliance with the building code or that no inspection was deemed warranted.

509.1 (f) If the party is seeking a license for a program or service that has an outstanding action
509.2 under section 245A.06 or 245A.07, the party must submit a letter as part of the application
509.3 process identifying how the party has or will come into full compliance with the licensing
509.4 requirements.

509.5 (g) The commissioner shall evaluate the party's application according to section 245A.04,
509.6 subdivision 6. If the commissioner determines that the party has remedied or demonstrates
509.7 the ability to remedy the outstanding actions under section 245A.06 or 245A.07 and has
509.8 determined that the program otherwise complies with all applicable laws and rules, the
509.9 commissioner shall issue a license or conditional license under this chapter. A conditional
509.10 license issued under this section is final and not subject to reconsideration under section
509.11 142B.16, subdivision 4. The conditional license remains in effect until the commissioner
509.12 determines that the grounds for the action are corrected or no longer exist.

509.13 (h) The commissioner may deny an application as provided in section 245A.05. An
509.14 applicant whose application was denied by the commissioner may appeal the denial according
509.15 to section 245A.05.

509.16 (i) This subdivision does not apply to a licensed program or service located in a home
509.17 where the license holder resides.

509.18 **EFFECTIVE DATE.** This section is effective January 1, 2025.

509.19 Sec. 77. Laws 2024, chapter 80, article 2, section 6, is amended by adding a subdivision
509.20 to read:

509.21 Subd. 3a. **Emergency change in ownership process.** (a) In the event of a death of a
509.22 license holder or sole controlling individual or a court order or other event that results in
509.23 the license holder being inaccessible or unable to operate the program or service, a party
509.24 may submit a request to the commissioner to allow the party to assume operation of the
509.25 program or service under an emergency change in ownership process to ensure persons
509.26 continue to receive services while the commissioner evaluates the party's license application.

509.27 (b) To request the emergency change of ownership process, the party must immediately:

509.28 (1) notify the commissioner of the event resulting in the inability of the license holder
509.29 to operate the program and of the party's intent to assume operations; and

509.30 (2) provide the commissioner with documentation that demonstrates the party has a legal
509.31 or legitimate ownership interest in the program or service if applicable and is able to operate
509.32 the program or service.

510.1 (c) If the commissioner approves the party to continue operating the program or service
510.2 under an emergency change in ownership process, the party must:

510.3 (1) request to be added as a controlling individual or license holder to the existing license;

510.4 (2) notify persons receiving services of the emergency change in ownership in a manner
510.5 approved by the commissioner;

510.6 (3) submit an application for a new license within 30 days of approval;

510.7 (4) comply with the background study requirements under chapter 245C; and

510.8 (5) pay the application fee required under section 142B.12.

510.9 (d) While the emergency change of ownership process is pending, a party approved
510.10 under this subdivision is responsible for operating the program under the existing license
510.11 according to applicable laws and rules until a new license under this chapter is issued.

510.12 (e) The provisions in subdivision 3, paragraphs (c) and (g) to (h), apply to this subdivision.

510.13 (f) Once a party is issued a new license or has decided not to seek a new license, the
510.14 commissioner must close the existing license.

510.15 (g) This subdivision applies to any program or service licensed under this chapter.

510.16 **EFFECTIVE DATE.** This section is effective January 1, 2025.

510.17 Sec. 78. Laws 2024, chapter 80, article 2, section 6, is amended by adding a subdivision
510.18 to read:

510.19 Subd. 5. **Failure to comply.** If the commissioner finds that the applicant or license holder
510.20 has not fully complied with this section, the commissioner may impose a licensing sanction
510.21 under section 142B.15, 142B.16, or 142B.18.

510.22 **EFFECTIVE DATE.** This section is effective January 1, 2025.

510.23 Sec. 79. Laws 2024, chapter 80, article 2, section 10, subdivision 1, is amended to read:

510.24 Subdivision 1. **Sanctions; appeals; license.** (a) In addition to making a license conditional
510.25 under section 142B.16, the commissioner may suspend or revoke the license, impose a fine,
510.26 or secure an injunction against the continuing operation of the program of a license holder
510.27 who:

510.28 (1) does not comply with applicable law or rule;

511.1 (2) has nondisqualifying background study information, as described in section 245C.05,
511.2 subdivision 4, that reflects on the license holder's ability to safely provide care to foster
511.3 children; or

511.4 (3) has an individual living in the household where the licensed services are provided
511.5 or is otherwise subject to a background study, and the individual has nondisqualifying
511.6 background study information, as described in section 245C.05, subdivision 4, that reflects
511.7 on the license holder's ability to safely provide care to foster children.

511.8 When applying sanctions authorized under this section, the commissioner shall consider
511.9 the nature, chronicity, or severity of the violation of law or rule and the effect of the violation
511.10 on the health, safety, or rights of persons served by the program.

511.11 (b) If a license holder appeals the suspension or revocation of a license and the license
511.12 holder continues to operate the program pending a final order on the appeal, the commissioner
511.13 shall issue the license holder a temporary provisional license. Unless otherwise specified
511.14 by the commissioner, variances in effect on the date of the license sanction under appeal
511.15 continue under the temporary provisional license. The commissioner may include terms the
511.16 license holder must follow pending a final order on the appeal. If a license holder fails to
511.17 comply with applicable law or rule while operating under a temporary provisional license,
511.18 the commissioner may impose additional sanctions under this section and section 142B.16
511.19 and may terminate any prior variance. If a temporary provisional license is set to expire, a
511.20 new temporary provisional license shall be issued to the license holder upon payment of
511.21 any fee required under section 142B.12. The temporary provisional license shall expire on
511.22 the date the final order is issued. If the license holder prevails on the appeal, a new
511.23 nonprovisional license shall be issued for the remainder of the current license period.

511.24 (c) If a license holder is under investigation and the license issued under this chapter is
511.25 due to expire before completion of the investigation, the program shall be issued a new
511.26 license upon completion of the reapplication requirements and payment of any applicable
511.27 license fee. Upon completion of the investigation, a licensing sanction may be imposed
511.28 against the new license under this section or section 142B.16 or 142B.20.

511.29 (d) Failure to reapply or closure of a license issued under this chapter by the license
511.30 holder prior to the completion of any investigation shall not preclude the commissioner
511.31 from issuing a licensing sanction under this section or section 142B.16 at the conclusion of
511.32 the investigation.

511.33 **EFFECTIVE DATE.** This section is effective January 1, 2025.

512.1 Sec. 80. Laws 2024, chapter 80, article 2, section 16, is amended by adding a subdivision
512.2 to read:

512.3 Subd. 9. **Licensed child-placing agency personnel requirements.** (a) A licensed
512.4 child-placing agency must have an individual designated on staff or contract who supervises
512.5 the agency's casework. Supervising an agency's casework includes but is not limited to:

512.6 (1) reviewing and approving each written home study the agency completes on
512.7 prospective foster parents or applicants to adopt;

512.8 (2) ensuring ongoing compliance with licensing requirements; and

512.9 (3) overseeing staff and ensuring they have the training and resources needed to perform
512.10 their responsibilities.

512.11 (b) The individual who supervises the agency's casework must meet at least one of the
512.12 following qualifications:

512.13 (1) is a licensed social worker, licensed graduate social worker, licensed independent
512.14 social worker, or licensed independent clinical social worker;

512.15 (2) is a trained culturally competent professional with experience in a relevant field; or

512.16 (3) is a licensed clinician with experience in a related field, including a clinician licensed
512.17 by a health-related licensing board under section 214.01, subdivision 2.

512.18 (c) The commissioner may grant a variance under section 142B.10, subdivision 16, to
512.19 the requirements in this section.

512.20 Sec. 81. **DIRECTION TO COMMISSIONER OF HUMAN SERVICES; FAMILY**
512.21 **CHILD FOSTER CARE CONTINUOUS LICENSES.**

512.22 The commissioner of human services shall develop a continuous license process for
512.23 family child foster care licenses. The continuous license process shall be incorporated into
512.24 the development of the electronic licensing inspection checklist information and provider
512.25 licensing and reporting hub for family child foster care.

512.26 **EFFECTIVE DATE.** This section is effective July 1, 2024.

512.27 Sec. 82. **REVISOR INSTRUCTION.**

512.28 The revisor of statutes shall renumber Minnesota Statutes, section 256D.21, as Minnesota
512.29 Statutes, section 261.004.

513.1 Sec. 83. **REPEALER.**

513.2 (a) Minnesota Statutes 2022, sections 245C.125; 256D.19, subdivisions 1 and 2; 256D.20,
513.3 subdivisions 1, 2, 3, and 4; and 256D.23, subdivisions 1, 2, and 3, are repealed.

513.4 (b) Minnesota Statutes 2023 Supplement, section 245C.08, subdivision 2, is repealed.

513.5 (c) Minnesota Rules, parts 9502.0425, subparts 5 and 10; and 9545.0805, subpart 1, are
513.6 repealed.

513.7 (d) Laws 2024, chapter 80, article 2, section 6, subdivision 4, is repealed.

513.8 **EFFECTIVE DATE.** The repeal of Minnesota Rules, part 9545.0805, subpart 1, is
513.9 effective July 1, 2024. Except for the repeal of Minnesota Statutes 2022, section 245C.125,
513.10 paragraph (a) is effective the day following final enactment.

513.11 **ARTICLE 19**

513.12 **MISCELLANEOUS**

513.13 Section 1. Minnesota Statutes 2022, section 16A.055, subdivision 1a, is amended to read:

513.14 Subd. 1a. ~~**Additional duties**~~ **Program evaluation and organizational development**
513.15 **services.** The commissioner may assist state agencies by providing analytical, statistical,
513.16 program evaluation using experimental or quasi-experimental design, and organizational
513.17 development services to state agencies in order to assist the agency to achieve the agency's
513.18 mission and to operate efficiently and effectively. For purposes of this section, "experimental
513.19 design" means a method of evaluating the impact of a service that uses random assignment
513.20 to assign participants into groups that respectively receive the studied service and those that
513.21 receive service as usual, so that any difference in outcomes found at the end of the evaluation
513.22 can be attributed to the studied service; and "quasi-experimental design" means a method
513.23 of evaluating the impact of a service that uses strategies other than random assignment to
513.24 establish statistically similar groups that respectively receive the service and those that
513.25 receive service as usual, so that any difference in outcomes found at the end of the evaluation
513.26 can be attributed to the studied service.

513.27 Sec. 2. Minnesota Statutes 2022, section 16A.055, is amended by adding a subdivision to
513.28 read:

513.29 Subd. 1b. **Consultation to develop performance measures for grants.** (a) The
513.30 commissioner must, in consultation with the commissioners of health, human services, and
513.31 children, youth, and families, develop an ongoing consultation schedule to create, review,
513.32 and revise, as necessary, performance measures, data collection, and program evaluation

514.1 plans for all state-funded grants administered by the commissioners of health, human
514.2 services, and children, youth, and families that distribute at least $1,000,000 annually.

514.3 (b) Following the development of the ongoing consultation schedule under paragraph
514.4 (a), the commissioner and the commissioner of the administering agency must conduct a
514.5 grant program consultation in accordance with the ongoing consultation schedule. Each
514.6 grant program consultation must include a review of performance measures, data collection,
514.7 program evaluation plans, and reporting for each grant program. Following each consultation,
514.8 the commissioner and the commissioner of the administering agency may revise evaluation
514.9 metrics of a grant program. The commissioner may provide continuing support to the grant
514.10 program in accordance with subdivision 1a.

514.11 Sec. 3. Minnesota Statutes 2022, section 16A.103, is amended by adding a subdivision to
514.12 read:

514.13 Subd. 1j. **Federal reimbursement for administrative costs.** In preparing the forecast
514.14 of state revenues and expenditures under subdivision 1, the commissioner must include
514.15 estimates of the amount of federal reimbursement for administrative costs for the Department
514.16 of Human Services and the Department of Children, Youth, and Families in the forecast as
514.17 an expenditure reduction. The amount included under this subdivision must conform with
514.18 generally accepted accounting principles.

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

514.20 Sec. 4. **[137.095] EVIDENCE IN SUPPORT OF APPROPRIATION.**

514.21 Subdivision 1. **Written report.** Prior to the introduction of a bill proposing to appropriate
514.22 money to the Board of Regents of the University of Minnesota to benefit the University of
514.23 Minnesota's health sciences programs, the proponents of the bill must submit a written
514.24 report to the chairs and ranking minority members of the legislative committees with
514.25 jurisdiction over higher education and health and human services policy and finance setting
514.26 out the information required by this section. The University of Minnesota's health sciences
514.27 programs include the schools of medicine, nursing, public health, pharmacy, dentistry, and
514.28 veterinary medicine.

514.29 Subd. 2. **Contents of report.** The report required under this section must include the
514.30 following information as specifically as possible:

514.31 (1) the dollar amount requested;

514.32 (2) how the requested dollar amount was calculated;

515.1 (3) the necessity for the appropriation's purpose to be funded by public funds;

515.2 (4) a funds flow analysis supporting the necessity analysis required by clause (3);

515.3 (5) University of Minnesota budgeting considerations and decisions impacting the
515.4 necessity analysis required by clause (3);

515.5 (6) all goals, outcomes, and purposes of the appropriation;

515.6 (7) performance measures as defined by the University of Minnesota that the University
515.7 of Minnesota will utilize to ensure the funds are dedicated to the successful achievement
515.8 of the goals, outcomes, and purposes identified in clause (6); and

515.9 (8) the extent to which the appropriation advances recruitment from, and training for
515.10 and retention of, health professionals from and in greater Minnesota and from underserved
515.11 communities in metropolitan areas.

515.12 Subd. 3. **Certifications for academic health.** A report submitted under this section
515.13 must include, in addition to the information listed in subdivision 2, a certification, by the
515.14 University of Minnesota Vice President and Budget Director, that:

515.15 (1) the appropriation will not be used to cover academic health clinical revenue deficits;

515.16 (2) the goals, outcomes, and purposes of the appropriation are aligned with state goals
515.17 for population health improvement; and

515.18 (3) the appropriation is aligned with the University of Minnesota's strategic plan for its
515.19 health sciences programs, including but not limited to shared goals and strategies for the
515.20 health professional schools.

515.21 Subd. 4. **Right to request.** The chair of a standing committee in either house of the
515.22 legislature may request and obtain the reports required under this section from the chair of
515.23 a legislative committee with jurisdiction over higher education or health and human services
515.24 policy and finance.

515.25 **EFFECTIVE DATE.** This section is effective July 1, 2024.

515.26 Sec. 5. Minnesota Statutes 2023 Supplement, section 142A.03, is amended by adding a
515.27 subdivision to read:

515.28 Subd. 2a. **Grant consultation.** The commissioner must consult with the commissioner
515.29 of management and budget to create, review, and revise grant program performance measures
515.30 and to evaluate grant programs administered by the commissioner in accordance with section
515.31 16A.055, subdivisions 1a and 1b.

516.1 Sec. 6. Minnesota Statutes 2022, section 144.05, is amended by adding a subdivision to
516.2 read:

516.3 Subd. 8. **Grant consultation.** The commissioner must consult with the commissioner
516.4 of management and budget to create, review, and revise grant program performance measures
516.5 and to evaluate grant programs administered by the commissioner in accordance with section
516.6 16A.055, subdivisions 1a and 1b.

516.7 Sec. 7. Minnesota Statutes 2022, section 144.292, subdivision 6, is amended to read:

516.8 Subd. 6. **Cost.** (a) When a patient requests a copy of the patient's record for purposes of
516.9 reviewing current medical care, the provider must not charge a fee.

516.10 (b) When a provider or its representative makes copies of patient records upon a patient's
516.11 request under this section, the provider or its representative may charge the patient or the
516.12 patient's representative no more than ~~75 cents per page, plus $10 for time spent retrieving~~
516.13 ~~and copying the records, unless other law or a rule or contract provide for a lower maximum~~
516.14 ~~charge. This limitation does not apply to x-rays. The provider may charge a patient no more~~
516.15 ~~than the actual cost of reproducing x-rays, plus no more than $10 for the time spent retrieving~~
516.16 ~~and copying the x-rays~~ the following amount, unless other law or a rule or contract provide
516.17 for a lower maximum charge:

516.18 (1) for paper copies, $1 per page, plus $10 for time spent retrieving and copying the
516.19 records;

516.20 (2) for x-rays, a total of $30 for retrieving and reproducing x-rays; and

516.21 (3) for electronic copies, a total of $20 for retrieving the records.

516.22 (c) ~~The respective maximum charges of 75 cents per page and $10 for time provided in~~
516.23 ~~this subdivision are in effect for calendar year 1992 and may be adjusted annually each~~
516.24 ~~calendar year as provided in this subdivision. The permissible maximum charges shall~~
516.25 ~~change each year by an amount that reflects the change, as compared to the previous year,~~
516.26 ~~in the Consumer Price Index for all Urban Consumers, Minneapolis-St. Paul (CPI-U),~~
516.27 ~~published by the Department of Labor.~~ For any copies of paper records provided under
516.28 paragraph (b), clause (1), a provider or the provider's representative may not charge more
516.29 than a total of:

516.30 (1) $10 if there are no records available;

516.31 (2) $30 for copies of records of up to 25 pages;

516.32 (3) $50 for copies of records of up to 100 pages;

517.1 (4) $50, plus an additional 20 cents per page for pages 101 and above; or

517.2 (5) $500 for any request.

517.3 (d) A provider or its representative may charge ~~the~~ a $10 retrieval fee, but must not
517.4 charge a per page fee or x-ray fee to provide copies of records requested by a patient or the
517.5 patient's authorized representative if the request for copies of records is for purposes of
517.6 appealing a denial of Social Security disability income or Social Security disability benefits
517.7 under title II or title XVI of the Social Security Act~~; except that no fee shall be charged to~~
517.8 ~~a patient who is receiving public assistance, or to a patient who is represented by an attorney~~
517.9 ~~on behalf of a civil legal services program or a volunteer attorney program based on~~
517.10 ~~indigency~~. Notwithstanding the foregoing, a provider or its representative must not charge
517.11 a fee, including a retrieval fee, to provide copies of records requested by a patient or the
517.12 patient's authorized representative if the request for copies of records is for purposes of
517.13 appealing a denial of Social Security disability income or Social Security disability benefits
517.14 under title II or title XVI of the Social Security Act when the patient is receiving public
517.15 assistance, represented by an attorney on behalf of a civil legal services program, or
517.16 represented by a volunteer attorney program based on indigency. The patient or the patient's
517.17 representative must submit one of the following to show that they are entitled to receive
517.18 records without charge under this paragraph:

517.19 (1) a public assistance statement from the county or state administering assistance;

517.20 (2) a request for records on the letterhead of the civil legal services program or volunteer
517.21 attorney program based on indigency; or

517.22 (3) a benefits statement from the Social Security Administration.

517.23 For the purpose of further appeals, a patient may receive no more than two medical record
517.24 updates without charge, but only for medical record information previously not provided.

517.25 For purposes of this paragraph, a patient's authorized representative does not include units
517.26 of state government engaged in the adjudication of Social Security disability claims.

517.27 **EFFECTIVE DATE.** This section is effective January 1, 2025.

517.28 Sec. 8. **[144.2925] CONSTRUCTION.**

517.29 Sections 144.291 to 144.298 shall be construed to protect the privacy of a patient's health
517.30 records in a more stringent manner than provided in Code of Federal Regulations, title 45,
517.31 part 164. For purposes of this section, "more stringent" has the meaning given to that term
517.32 in Code of Federal Regulations, title 45, section 160.202, with respect to a use or disclosure

518.1 or the need for express legal permission from an individual to disclose individually
518.2 identifiable health information.

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

518.4 Sec. 9. Minnesota Statutes 2022, section 144.293, subdivision 2, is amended to read:

518.5 Subd. 2. **Patient consent to release of records.** A provider, or a person who receives
518.6 health records from a provider, may not release a patient's health records to a person without:

518.7 (1) a signed and dated consent from the patient or the patient's legally authorized
518.8 representative authorizing the release;

518.9 (2) specific authorization in Minnesota law; or

518.10 (3) a representation from a provider that holds a signed and dated consent from the
518.11 patient authorizing the release.

518.12 **EFFECTIVE DATE.** This section is effective the day following final enactment and
518.13 applies to health records released on or after that date.

518.14 Sec. 10. Minnesota Statutes 2022, section 144.293, subdivision 4, is amended to read:

518.15 Subd. 4. **Duration of consent.** Except as provided in this section, a consent is valid for
518.16 one year or for a period specified in the consent or for a different period provided by
518.17 Minnesota law.

518.18 **EFFECTIVE DATE.** This section is effective the day following final enactment and
518.19 applies to health records released on or after that date.

518.20 Sec. 11. Minnesota Statutes 2022, section 144.293, subdivision 9, is amended to read:

518.21 Subd. 9. **Documentation of release.** (a) In cases where a provider releases health records
518.22 without patient consent as authorized by Minnesota law, the release must be documented
518.23 in the patient's health record. In the case of a release under section 144.294, subdivision 2,
518.24 the documentation must include the date and circumstances under which the release was
518.25 made, the person or agency to whom the release was made, and the records that were released.

518.26 (b) When a health record is released using a representation from a provider that holds a
518.27 consent from the patient, the releasing provider shall document:

518.28 (1) the provider requesting the health records;

518.29 (2) the identity of the patient;

519.1 (3) the health records requested; and

519.2 (4) the date the health records were requested.

519.3 **EFFECTIVE DATE.** This section is effective the day following final enactment and
519.4 applies to health records released on or after that date.

519.5 Sec. 12. Minnesota Statutes 2022, section 144.293, subdivision 10, is amended to read:

519.6 Subd. 10. **Warranties regarding consents, requests, and disclosures.** (a) When
519.7 requesting health records using consent, a person warrants that the consent:

519.8 (1) contains no information known to the person to be false; and

519.9 (2) accurately states the patient's desire to have health records disclosed or that there is
519.10 specific authorization in Minnesota law.

519.11 (b) When requesting health records using consent, or a representation of holding a
519.12 consent, a provider warrants that the request:

519.13 (1) contains no information known to the provider to be false;

519.14 (2) accurately states the patient's desire to have health records disclosed or that there is
519.15 specific authorization in Minnesota law; and

519.16 (3) does not exceed any limits imposed by the patient in the consent.

519.17 (c) When disclosing health records, a person releasing health records warrants that the
519.18 person:

519.19 (1) has complied with the requirements of this section regarding disclosure of health
519.20 records;

519.21 (2) knows of no information related to the request that is false; and

519.22 (3) has complied with the limits set by the patient in the consent.

519.23 **EFFECTIVE DATE.** This section is effective the day following final enactment and
519.24 applies to health records released on or after that date.

519.25 Sec. 13. Minnesota Statutes 2022, section 152.22, subdivision 14, is amended to read:

519.26 Subd. 14. **Qualifying medical condition.** "Qualifying medical condition" means a
519.27 diagnosis of any of the following conditions:

519.28 (1) cancer, if the underlying condition or treatment produces one or more of the following:

519.29 (i) severe or chronic pain;

520.1 (ii) nausea or severe vomiting; or

520.2 (iii) cachexia or severe wasting;

520.3 (2) glaucoma;

520.4 (3) human immunodeficiency virus or acquired immune deficiency syndrome;

520.5 (4) Tourette's syndrome;

520.6 (5) amyotrophic lateral sclerosis;

520.7 (6) seizures, including those characteristic of epilepsy;

520.8 (7) severe and persistent muscle spasms, including those characteristic of multiple
520.9 sclerosis;

520.10 (8) inflammatory bowel disease, including Crohn's disease;

520.11 (9) terminal illness, with a probable life expectancy of under one year, if the illness or
520.12 its treatment produces one or more of the following:

520.13 (i) severe or chronic pain;

520.14 (ii) nausea or severe vomiting; or

520.15 (iii) cachexia or severe wasting; or

520.16 (10) any other medical condition ~~or its treatment approved by the commissioner~~ that is:

520.17 (i) approved by a patient's health care practitioner; or

520.18 (ii) if the patient is a veteran receiving care from the United States Department of Veterans
520.19 Affairs, certified under section 152.27, subdivision 3a.

520.20 **EFFECTIVE DATE.** This section is effective July 1, 2024.

520.21 Sec. 14. Minnesota Statutes 2022, section 152.27, subdivision 2, is amended to read:

520.22 Subd. 2. **Commissioner duties.** (a) The commissioner shall:

520.23 (1) give notice of the program to health care practitioners in the state who are eligible
520.24 to serve as health care practitioners and explain the purposes and requirements of the
520.25 program;

520.26 (2) allow each health care practitioner who meets or agrees to meet the program's
520.27 requirements and who requests to participate, to be included in the registry program to
520.28 collect data for the patient registry;

(3) provide explanatory information and assistance to each health care practitioner in understanding the nature of therapeutic use of medical cannabis within program requirements;

(4) create and provide a certification to be used by a health care practitioner for the practitioner to certify whether a patient has been diagnosed with a qualifying medical condition and include in the certification an option for the practitioner to certify whether the patient, in the health care practitioner's medical opinion, is developmentally or physically disabled and, as a result of that disability, the patient requires assistance in administering medical cannabis or obtaining medical cannabis from a distribution facility;

(5) supervise the participation of the health care practitioner in conducting patient treatment and health records reporting in a manner that ensures stringent security and record-keeping requirements and that prevents the unauthorized release of private data on individuals as defined by section 13.02;

(6) develop safety criteria for patients with a qualifying medical condition as a requirement of the patient's participation in the program, to prevent the patient from undertaking any task under the influence of medical cannabis that would constitute negligence or professional malpractice on the part of the patient; and

(7) conduct research and studies based on data from health records submitted to the registry program and submit reports on intermediate or final research results to the legislature and major scientific journals. The commissioner may contract with a third party to complete the requirements of this clause. Any reports submitted must comply with section 152.28, subdivision 2.

(b) The commissioner may add a delivery method under section 152.22, subdivision 6, ~~or add, remove, or modify a qualifying medical condition under section 152.22, subdivision 14,~~ upon a petition from a member of the public or the task force on medical cannabis therapeutic research or as directed by law. ~~The commissioner shall evaluate all petitions to add a qualifying medical condition or to remove or modify an existing qualifying medical condition submitted by the task force on medical cannabis therapeutic research or as directed by law and may make the addition, removal, or modification if the commissioner determines the addition, removal, or modification is warranted based on the best available evidence and research.~~ If the commissioner wishes to add a delivery method under section 152.22, subdivision 6, or add or remove a qualifying medical condition under section 152.22, subdivision 14, the commissioner must notify the chairs and ranking minority members of the legislative policy committees having jurisdiction over health and public safety of the addition or removal and the reasons for its addition or removal, including any written

522.1 comments received by the commissioner from the public and any guidance received from
522.2 the task force on medical cannabis research, by January 15 of the year in which the
522.3 commissioner wishes to make the change. The change shall be effective on August 1 of that
522.4 year, unless the legislature by law provides otherwise.

522.5 **EFFECTIVE DATE.** This section is effective July 1, 2024.

522.6 Sec. 15. Minnesota Statutes 2022, section 152.27, is amended by adding a subdivision to
522.7 read:

522.8 Subd. 3a. **Application procedure for veterans.** (a) Beginning July 1, 2024, the
522.9 commissioner shall establish an alternative certification procedure for veterans to enroll in
522.10 the patient registry program.

522.11 (b) A patient who is a veteran receiving care from the United States Department of
522.12 Veterans Affairs and is seeking to enroll in the registry program must submit a copy of the
522.13 patient's veteran health identification card issued by the United States Department of Veterans
522.14 Affairs and an application established by the commissioner to confirm that veteran has been
522.15 diagnosed with a condition that may benefit from the therapeutic use of medical cannabis.

522.16 **EFFECTIVE DATE.** This section is effective July 1, 2024.

522.17 Sec. 16. Minnesota Statutes 2022, section 152.27, subdivision 6, is amended to read:

522.18 Subd. 6. **Patient enrollment.** (a) After receipt of a patient's application, application fees,
522.19 and signed disclosure, the commissioner shall enroll the patient in the registry program and
522.20 issue the patient and patient's registered designated caregiver or parent, legal guardian, or
522.21 spouse, if applicable, a registry verification. The commissioner shall approve or deny a
522.22 patient's application for participation in the registry program within 30 days after the
522.23 commissioner receives the patient's application and application fee. The commissioner may
522.24 approve applications up to 60 days after the receipt of a patient's application and application
522.25 fees until January 1, 2016. A patient's enrollment in the registry program shall only be
522.26 denied if the patient:

522.27 (1) does not have certification from a health care practitioner or, if the patient is a veteran
522.28 receiving care from the United States Department of Veterans Affairs, the documentation
522.29 required under subdivision 3a that the patient has been diagnosed with a qualifying medical
522.30 condition;

522.31 (2) has not signed and returned the disclosure form required under subdivision 3,
522.32 paragraph (c), to the commissioner;

523.1 (3) does not provide the information required;

523.2 (4) has previously been removed from the registry program for violations of section
523.3 152.30 or 152.33; or

523.4 (5) provides false information.

523.5 (b) The commissioner shall give written notice to a patient of the reason for denying
523.6 enrollment in the registry program.

523.7 (c) Denial of enrollment into the registry program is considered a final decision of the
523.8 commissioner and is subject to judicial review under the Administrative Procedure Act
523.9 pursuant to chapter 14.

523.10 (d) A patient's enrollment in the registry program may only be revoked upon the death
523.11 of the patient or if a patient violates a requirement under section 152.30 or 152.33.

523.12 (e) The commissioner shall develop a registry verification to provide to the patient, the
523.13 health care practitioner identified in the patient's application, and to the manufacturer. The
523.14 registry verification shall include:

523.15 (1) the patient's name and date of birth;

523.16 (2) the patient registry number assigned to the patient; and

523.17 (3) the name and date of birth of the patient's registered designated caregiver, if any, or
523.18 the name of the patient's parent, legal guardian, or spouse if the parent, legal guardian, or
523.19 spouse will be acting as a caregiver.

523.20 **EFFECTIVE DATE.** This section is effective July 1, 2024.

523.21 Sec. 17. Minnesota Statutes 2022, section 245.096, is amended to read:

523.22 **245.096 CHANGES TO GRANT PROGRAMS.**

523.23 Prior to implementing any ~~substantial~~ changes to a grant funding formula disbursed
523.24 through allocations administered by the commissioner, the commissioner must provide a
523.25 report on the nature of the changes, the effect the changes will have, whether any funding
523.26 will change, and other relevant information, to the chairs and ranking minority members of
523.27 the legislative committees with jurisdiction over human services. The report must be provided
523.28 prior to the start of a regular session, and the proposed changes cannot be implemented until
523.29 after the adjournment of that regular session.

524.1 Sec. 18. Minnesota Statutes 2023 Supplement, section 245C.31, subdivision 1, is amended
524.2 to read:

524.3 Subdivision 1. **Board determines disciplinary or corrective action.** (a) The
524.4 commissioner shall notify a health-related licensing board as defined in section 214.01,
524.5 subdivision 2, if the commissioner determines that an individual who is licensed by the
524.6 health-related licensing board and who is included on the board's roster list provided in
524.7 accordance with subdivision 3a is responsible for substantiated maltreatment under section
524.8 626.557 or chapter 260E, in accordance with subdivision 2. ~~Upon receiving notification~~
524.9 Except as provided in paragraph (b), instead of the commissioner making a decision regarding
524.10 disqualification based on maltreatment for any study subject who is regulated by a
524.11 health-related licensing board, the health-related licensing board shall make a determination
524.12 as to whether to impose disciplinary or corrective action under chapter 214.

524.13 (b) The prohibition on disqualification in paragraph (a) does not apply to a background
524.14 study of an individual regulated by a health-related licensing board if the individual's study
524.15 is related to child foster care, adult foster care, or family child care licensure.

524.16 Sec. 19. Minnesota Statutes 2022, section 256.01, is amended by adding a subdivision to
524.17 read:

524.18 Subd. 2c. **Grant consultation.** The commissioner must consult with the commissioner
524.19 of management and budget to create, review, and revise grant program performance measures
524.20 and to evaluate grant programs administered by the commissioner in accordance with section
524.21 16A.055, subdivisions 1a and 1b.

524.22 Sec. 20. Minnesota Statutes 2022, section 256.01, subdivision 41, is amended to read:

524.23 Subd. 41. **Reports on interagency agreements and intra-agency transfers.** (a)
524.24 Beginning October 31, 2024, and annually thereafter, the commissioner of human services
524.25 shall provide ~~quarterly reports~~ a report to the chairs and ranking minority members of the
524.26 legislative committees with jurisdiction over health and human services policy and finance
524.27 on:

524.28 (1) interagency agreements or service-level agreements and any renewals or extensions
524.29 of existing interagency or service-level agreements with a state department under section
524.30 15.01, state agency under section 15.012, or the Department of Information Technology
524.31 Services, with a value of more than $100,000, or related agreements with the same department
524.32 or agency with a cumulative value of more than $100,000; and

525.1 (2) transfers of appropriations of more than $100,000 between accounts within or between
525.2 agencies.

525.3 The report must include the statutory citation authorizing the agreement, transfer or dollar
525.4 amount, purpose, and effective date of the agreement, the duration of the agreement, and a
525.5 copy of the agreement.

525.6 (b) This subdivision expires December 31, 2034.

525.7 Sec. 21. Minnesota Statutes 2022, section 256B.795, is amended to read:

525.8 **256B.795 MATERNAL AND INFANT HEALTH REPORT.**

525.9 (a) The commissioner of human services, in consultation with the commissioner of
525.10 health, shall submit a biennial report beginning April 15, 2022, to the chairs and ranking
525.11 minority members of the legislative committees with jurisdiction over health policy and
525.12 finance on the effectiveness of state maternal and infant health policies and programs
525.13 addressing health disparities in prenatal and postpartum health outcomes. For each reporting
525.14 period, the commissioner shall determine the number of women enrolled in the medical
525.15 assistance program who are pregnant or are in the 12-month postpartum period of eligibility
525.16 and the percentage of women in that group who, during each reporting period:

525.17 (1) received prenatal services;

525.18 (2) received doula services;

525.19 (3) gave birth by primary cesarean section;

525.20 (4) gave birth to an infant who received care in the neonatal intensive care unit;

525.21 (5) gave birth to an infant who was premature or who had a low birth weight;

525.22 (6) experienced postpartum hemorrhage;

525.23 (7) received postpartum care within six weeks of giving birth; and

525.24 (8) received a prenatal and postpartum follow-up home visit from a public health nurse.

525.25 (b) These measurements must be determined through an analysis of the utilization data
525.26 from claims submitted during each reporting period and by any other appropriate means.
525.27 The measurements for each metric must be determined in the aggregate stratified by race
525.28 and ethnicity.

525.29 (c) The commissioner shall establish a baseline for the metrics described in paragraph
525.30 (a) using calendar year 2017. The initial report due April 15, 2022, must contain the baseline

526.1 metrics and the metrics data for calendar years 2019 and 2020. The following reports due
526.2 biennially thereafter must contain the metrics for the preceding two calendar years.

526.3 (d) This section expires December 31, 2034.

526.4 Sec. 22. Minnesota Statutes 2022, section 256K.45, subdivision 2, is amended to read:

526.5 Subd. 2. **Homeless youth report.** (a) The commissioner shall prepare a biennial report,
526.6 beginning ~~in February 2015~~ January 1, 2025, which provides meaningful information to
526.7 the chairs and ranking minority members of the legislative committees ~~having~~ with
526.8 jurisdiction over ~~the issue of~~ homeless youth, that includes, but is not limited to: (1) a list
526.9 of the areas of the state with the greatest need for services and housing for homeless youth,
526.10 and the level and nature of the needs identified; (2) details about grants made, including
526.11 shelter-linked youth mental health grants under section 256K.46; (3) the distribution of
526.12 funds throughout the state based on population need; (4) follow-up information, if available,
526.13 on the status of homeless youth and whether they have stable housing two years after services
526.14 are provided; and (5) any other outcomes for populations served to determine the
526.15 effectiveness of the programs and use of funding.

526.16 (b) This subdivision expires December 31, 2034.

526.17 Sec. 23. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 63, is amended
526.18 to read:

526.19 Subd. 63. **Qualifying medical condition.** "Qualifying medical condition" means a
526.20 diagnosis of any of the following conditions:

526.21 (1) Alzheimer's disease;

526.22 (2) autism spectrum disorder that meets the requirements of the fifth edition of the
526.23 Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric
526.24 Association;

526.25 (3) cancer, if the underlying condition or treatment produces one or more of the following:

526.26 (i) severe or chronic pain;

526.27 (ii) nausea or severe vomiting; or

526.28 (iii) cachexia or severe wasting;

526.29 (4) chronic motor or vocal tic disorder;

526.30 (5) chronic pain;

527.1 (6) glaucoma;

527.2 (7) human immunodeficiency virus or acquired immune deficiency syndrome;

527.3 (8) intractable pain as defined in section 152.125, subdivision 1, paragraph (c);

527.4 (9) obstructive sleep apnea;

527.5 (10) post-traumatic stress disorder;

527.6 (11) Tourette's syndrome;

527.7 (12) amyotrophic lateral sclerosis;

527.8 (13) seizures, including those characteristic of epilepsy;

527.9 (14) severe and persistent muscle spasms, including those characteristic of multiple
527.10 sclerosis;

527.11 (15) inflammatory bowel disease, including Crohn's disease;

527.12 (16) irritable bowel syndrome;

527.13 (17) obsessive-compulsive disorder;

527.14 (18) sickle cell disease;

527.15 (19) terminal illness, with a probable life expectancy of under one year, if the illness or
527.16 its treatment produces one or more of the following:

527.17 (i) severe or chronic pain;

527.18 (ii) nausea or severe vomiting; or

527.19 (iii) cachexia or severe wasting; or

527.20 (20) any other medical condition ~~or its treatment approved by the office~~ that is:

527.21 (i) approved by a patient's health care practitioner; or

527.22 (ii) if the patient is a veteran receiving care from the United States Department of Veterans
527.23 Affairs, certified under section 342.52, subdivision 3.

527.24 **EFFECTIVE DATE.** This section is effective March 1, 2025.

527.25 Sec. 24. Minnesota Statutes 2023 Supplement, section 342.52, subdivision 3, is amended
527.26 to read:

527.27 Subd. 3. **Application procedure for veterans.** (a) The ~~Division of Medical Cannabis~~
527.28 office shall establish an alternative certification procedure for veterans who receive care

528.1 from the United States Department of Veterans Affairs to ~~confirm that the veteran has been~~
528.2 ~~diagnosed with a qualifying medical condition~~ enroll in the patient registry program.

528.3 (b) A patient who is ~~also~~ a veteran receiving care from the United States Department of
528.4 Veterans Affairs and is seeking to enroll in the registry program must submit to the ~~Division~~
528.5 ~~of Medical Cannabis~~ office a copy of the patient's veteran health identification card issued
528.6 by the United States Department of Veterans Affairs and an application established by the
528.7 ~~Division of Medical Cannabis that includes the information identified in subdivision 2,~~
528.8 ~~paragraph (a), and the additional information required by the Division of Medical Cannabis~~
528.9 ~~to certify that the patient has been diagnosed with a qualifying medical condition~~ office to
528.10 confirm that veteran has been diagnosed with a condition that may benefit from the
528.11 therapeutic use of medical cannabis.

528.12 **EFFECTIVE DATE.** This section is effective March 1, 2025.

528.13 Sec. 25. Minnesota Statutes 2023 Supplement, section 342.53, is amended to read:

528.14 **342.53 DUTIES OF OFFICE OF CANNABIS MANAGEMENT; REGISTRY**
528.15 **PROGRAM.**

528.16 The office may add an allowable form of medical cannabinoid product~~, and may add or~~
528.17 ~~modify a qualifying medical condition upon its own initiative,~~ upon a petition from a member
528.18 of the public or from the Cannabis Advisory Council or as directed by law. The office must
528.19 evaluate all petitions and must make the addition or modification if the office determines
528.20 that the addition or modification is warranted by the best available evidence and research.
528.21 If the office wishes to add an allowable form or add or modify a qualifying medical condition,
528.22 the office must notify the chairs and ranking minority members of the legislative committees
528.23 and divisions with jurisdiction over health finance and policy by January 15 of the year in
528.24 which the change becomes effective. In this notification, the office must specify the proposed
528.25 addition or modification, the reasons for the addition or modification, any written comments
528.26 received by the office from the public about the addition or modification, and any guidance
528.27 received from the Cannabis Advisory Council. An addition or modification by the office
528.28 under this subdivision becomes effective on August 1 of that year unless the legislature by
528.29 law provides otherwise.

528.30 **EFFECTIVE DATE.** This section is effective March 1, 2025.

528.31 Sec. 26. Laws 2023, chapter 70, article 11, section 13, subdivision 8, is amended to read:

528.32 Subd. 8. **Expiration.** This section expires June 30, ~~2027~~ 2028.

529.1 Sec. 27. **ANNUAL REPORT TO LEGISLATURE; USE OF APPROPRIATION**
529.2 **FUNDS.**

529.3 By December 15, 2025, and every year thereafter, the Board of Regents of the University
529.4 of Minnesota must submit a report to the chairs and ranking minority members of the
529.5 legislative committees with primary jurisdiction over higher education and health and human
529.6 services policy and finance on the use of all appropriations for the benefit of the University
529.7 of Minnesota's health sciences programs, including:

529.8 (1) material changes to the funds flow analysis required by Minnesota Statutes, section
529.9 137.095, subdivision 2, clause (4);

529.10 (2) changes to the University of Minnesota's anticipated uses of each appropriation;

529.11 (3) the results of the performance measures required by Minnesota Statutes, section
529.12 137.095, subdivision 2, clause (7); and

529.13 (4) current and anticipated achievement of the goals, outcomes, and purposes of each
529.14 appropriation.

529.15 **EFFECTIVE DATE.** This section is effective July 1, 2024.

529.16 Sec. 28. **DIRECTION TO COMMISSIONER OF HEALTH; HEALTH**
529.17 **PROFESSIONS WORKFORCE ADVISORY COUNCIL.**

529.18 Subdivision 1. **Health professions workforce advisory council.** The commissioner of
529.19 health, in consultation with the University of Minnesota and the Minnesota State HealthForce
529.20 Center of Excellence, shall provide recommendations to the legislature for the creation of
529.21 a health professions workforce advisory council to:

529.22 (1) research and advise the legislature and the Minnesota Office of Higher Education
529.23 on the status of the health workforce who are in training and on the need for additional or
529.24 different training opportunities;

529.25 (2) provide information and analysis on health workforce needs and trends, upon request,
529.26 to the legislature, any state department, or any other entity the advisory council deems
529.27 appropriate;

529.28 (3) review and comment on legislation relevant to Minnesota's health workforce; and

529.29 (4) study and provide recommendations regarding the following:

529.30 (i) health workforce supply, including:

529.31 (A) employment trends and demand;

530.1 (B) strategies that entities in Minnesota are using or may use to address health workforce
530.2 shortages, recruitment, and retention; and

530.3 (C) future investments to increase the supply of health care professionals, with particular
530.4 focus on critical areas of need within Minnesota;

530.5 (ii) options for training and educating the health workforce, including:

530.6 (A) increasing the diversity of health professions workers to reflect Minnesota's
530.7 communities;

530.8 (B) addressing the maldistribution of primary, mental health, nursing, and dental providers
530.9 in greater Minnesota and in underserved communities in metropolitan areas;

530.10 (C) increasing interprofessional training and clinical practice;

530.11 (D) addressing the need for increased quality faculty to train an increased workforce;
530.12 and

530.13 (E) developing advancement paths or career ladders for health care professionals;

530.14 (iii) increasing funding for strategies to diversify and address gaps in the health workforce,
530.15 including:

530.16 (A) increasing access to financing for graduate medical education;

530.17 (B) expanding pathway programs to increase awareness of the health care professions
530.18 among high school, undergraduate, and community college students and engaging the current
530.19 health workforce in those programs;

530.20 (C) reducing or eliminating tuition for entry-level health care positions that offer
530.21 opportunities for future advancement in high-demand settings and expanding other existing
530.22 financial support programs such as loan forgiveness and scholarship programs;

530.23 (D) incentivizing recruitment from greater Minnesota and recruitment and retention for
530.24 providers practicing in greater Minnesota and in underserved communities in metropolitan
530.25 areas; and

530.26 (E) expanding existing programs, or investing in new programs, that provide wraparound
530.27 support services to the existing health care workforce, especially people of color and
530.28 professionals from other underrepresented identities, to acquire training and advance within
530.29 the health care workforce; and

530.30 (iv) other Minnesota health workforce priorities as determined by the advisory council.

531.1 Subd. 2. **Report to the legislature.** On or before February 1, 2025, the commissioner
531.2 of health shall submit a report to the chairs and ranking minority members of the legislative
531.3 committees with jurisdiction over health and human services and higher education finance
531.4 and policy with recommendations for the creation of a health professions workforce advisory
531.5 council as described in subdivision 1. The report must include recommendations regarding:

531.6 (1) membership of the advisory council;

531.7 (2) funding sources and estimated costs for the advisory council;

531.8 (3) existing sources of workforce data for the advisory council to perform its duties;

531.9 (4) necessity for and options to obtain new data for the advisory council to perform its
531.10 duties;

531.11 (5) additional duties of the advisory council;

531.12 (6) proposed legislation to establish the advisory council;

531.13 (7) similar health workforce advisory councils in other states; and

531.14 (8) advisory council reporting requirements.

531.15 Sec. 29. **REQUEST FOR INFORMATION; EVALUATION OF STATEWIDE**
531.16 **HEALTH CARE NEEDS AND CAPACITY AND PROJECTIONS OF FUTURE**
531.17 **HEALTH CARE NEEDS.**

531.18 (a) By November 1, 2024, the commissioner of health must publish a request for
531.19 information to assist the commissioner in a future comprehensive evaluation of current
531.20 health care needs and capacity in Minnesota and projections of future health care needs in
531.21 Minnesota based on population and provider characteristics. The request for information:

531.22 (1) must provide guidance on defining the scope of the study and assist in answering
531.23 methodological questions that will inform the development of a request for proposals to
531.24 contract for performance of the study; and

531.25 (2) may address topics that include but are not limited to how to define health care
531.26 capacity, expectations for capacity by geography or service type, how to consider health
531.27 centers that have areas of particular expertise or services that generally have a higher margin,
531.28 how hospital-based services should be considered as compared with evolving
531.29 nonhospital-based services, the role of technology in service delivery, health care workforce
531.30 supply issues, and other issues related to data or methods.

532.1 (b) By February 1, 2025, the commissioner must submit a report to the chairs and ranking
532.2 minority members of the legislative committees with jurisdiction over health care, with the
532.3 results of the request for information and recommendations regarding conducting a
532.4 comprehensive evaluation of current health care needs and capacity in Minnesota and
532.5 projections of future health care needs in the state.

532.6 Sec. 30. **REPEALER.**

532.7 Minnesota Statutes 2022, section 256B.79, subdivision 6, is repealed.

532.8 **ARTICLE 20**

532.9 **FORECAST ADJUSTMENTS**

532.10 Section 1. **HUMAN SERVICES FORECAST ADJUSTMENTS.**

532.11 The sums shown in the columns marked "Appropriations" are added to or, if shown in
532.12 parentheses, subtracted from the appropriations in Laws 2023, chapter 61, article 9, and
532.13 Laws 2023, chapter 70, article 20, to the commissioner of human services from the general
532.14 fund or other named fund for the purposes specified in section 2 and are available for the
532.15 fiscal years indicated for each purpose. The figures "2024" and "2025" used in this article
532.16 mean that the addition to or subtraction from the appropriation listed under them is available
532.17 for the fiscal year ending June 30, 2024, or June 30, 2025, respectively.

532.18 **APPROPRIATIONS**

532.19 **Available for the Year**

532.20 **Ending June 30**

		2024		2025
532.22 Sec. 2. **COMMISSIONER OF HUMAN** 532.23 **SERVICES**				
532.24 Subdivision 1. **Total Appropriation**	**$**	**137,604,000**	**$**	**329,432,000**

532.25 Appropriations by Fund

	2024	2025
532.26 General Fund	139,746,000	325,606,000
532.27 Health Care Access 532.28 Fund	10,542,000	6,224,000
532.29 Federal TANF	(12,684,000)	(2,398,000)

532.30 Subd. 2. **Forecasted Programs**

532.31 (a) **MFIP/DWP**

Appropriations by Fund				
General Fund	(5,990,000)	(2,793,000)		
Federal TANF	(12,684,000)	(2,398,000)		
(b) **MFIP Child Care Assistance**			(36,726,000)	(26,004,000)
(c) **General Assistance**			(567,000)	292,000
(d) **Minnesota Supplemental Aid**			1,424,000	1,500,000
(e) **Housing Support**			11,200,000	14,667,000
(f) **Northstar Care for Children**			(3,697,000)	(11,309,000)
(g) **MinnesotaCare**			10,542,000	6,224,000
These appropriations are from the health care access fund.				
(h) **Medical Assistance**			180,321,000	352,357,000
(i) **Behavioral Health Fund**			(6,219,000)	(3,104,000)

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

ARTICLE 21
APPROPRIATIONS

Section 1. **HEALTH AND HUMAN SERVICES APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are added to or, if shown in parentheses, subtracted from the appropriations in Laws 2023, chapter 61, article 9; Laws 2023, chapter 70, article 20; and Laws 2023, chapter 74, section 6, to the agencies and for the purposes specified in this article. The appropriations are from the general fund or other named fund and are available for the fiscal years indicated for each purpose. The figures "2024" and "2025" used in this article mean that the addition to or subtraction from the appropriation listed under them is available for the fiscal year ending June 30, 2024, or June 30, 2025, respectively. Base adjustments mean the addition to or subtraction from the base level adjustment set in Laws 2023, chapter 61, article 9; Laws 2023, chapter 70, article 20; and Laws 2023, chapter 74, section 6. Supplemental appropriations and reductions to appropriations for the fiscal year ending June 30, 2024, are effective the day following final enactment unless a different effective date is explicit.

	APPROPRIATIONS Available for the Year Ending June 30	
	2024	**2025**

534.1 Sec. 2. **COMMISSIONER OF HUMAN**
534.2 **SERVICES**

534.3 Subdivision 1. **Total Appropriation** **$ (10,412,000) $ 49,032,000**

534.4	Appropriations by Fund		
534.5		2024	2025
534.6	General	(7,912,000)	49,332,000
534.7	Health Care Access	(2,500,000)	300,000

534.8 The amounts that may be spent for each
534.9 purpose are specified in the following
534.10 subdivisions.

534.11 Subd. 2. **Central Office; Operations**

534.12	Appropriations by Fund		
534.13	General	2,369,000	8,985,000
534.14	Health Care Access	-0-	572,000
534.15	Federal TANF	(990,000)	(1,094,000)

534.16 (a) **Social Services Information System**
534.17 **(SSIS).** $10,854,000 in fiscal year 2025 is for
534.18 information technology improvements to the
534.19 SSIS. This is a onetime appropriation.

534.20 (b) **Extended Availability.** $136,000 of the
534.21 general fund appropriation in fiscal year 2025
534.22 is available until June 30, 2027.

534.23 (c) **Base Level Adjustment.** The general fund
534.24 base is increased by $4,603,000 in fiscal year
534.25 2026 and $4,545,000 in fiscal year 2027. The
534.26 health care access fund base is increased by
534.27 $115,000 in fiscal year 2026 and $115,000 in
534.28 fiscal year 2027. The federal TANF fund base
534.29 is decreased by $1,094,000 in fiscal year 2026
534.30 and $1,094,000 in fiscal year 2027.

534.31 Subd. 3. **Central Office; Children and Families**

534.32	Appropriations by Fund		
534.33	General	2,598,000	8,324,000
534.34	Federal TANF	990,000	1,094,000

535.1 (a) **Child Protection Advisory Council.**
535.2 $466,000 in fiscal year 2025 is from the
535.3 general fund for the Child Protection Advisory
535.4 Council under Minnesota Statutes, section
535.5 260E.021. This is a onetime appropriation and
535.6 is available through June 30, 2027.

535.7 (b) **Pregnant and Parenting Homeless**
535.8 **Youth Study.** $150,000 in fiscal year 2025 is
535.9 from the general fund for a grant to the Wilder
535.10 Foundation to study the statewide numbers
535.11 and unique needs of pregnant and parenting
535.12 youth experiencing homelessness and best
535.13 practices in supporting those youth within
535.14 programming, emergency shelter, and housing
535.15 settings. This is a onetime appropriation and
535.16 is available until June 30, 2026.

535.17 (c) **Minnesota African American Family**
535.18 **Preservation and Child Welfare**
535.19 **Disproportionality Act.** $1,791,000 in fiscal
535.20 year 2025 is from the general fund to
535.21 implement the African American Family
535.22 Preservation and Child Welfare
535.23 Disproportionality Act. The general fund base
535.24 for this appropriation is $3,451,000 in fiscal
535.25 year 2026 and $3,310,000 in fiscal year 2027.

535.26 (d) **Base Level Adjustment.** The general fund
535.27 base is increased by $9,525,000 in fiscal year
535.28 2026 and $9,384,000 in fiscal year 2027. The
535.29 federal TANF fund base is increased by
535.30 $1,094,000 in fiscal year 2026 and $1,094,000
535.31 in fiscal year 2027.

535.32 Subd. 4. **Central Office; Health Care**

535.33	Appropriations by Fund		
535.34	General	(3,216,000)	3,892,000
535.35	Health Care Access	(2,500,000)	-0-

536.1 **Base Level Adjustment.** The general fund
536.2 base is increased by $317,000 in fiscal year
536.3 2026 and $259,000 in fiscal year 2027.

536.4 Subd. 5. **Central Office; Behavioral Health, Deaf**
536.5 **and Hard-of-Hearing, and Housing Services** (136,000) 1,863,000

536.6 **Medical Assistance Mental Health Benefit**
536.7 **Development.** $1,727,000 in fiscal year 2025
536.8 is to: (1) conduct an analysis to identify
536.9 existing or pending Medicaid Clubhouse
536.10 benefits in other states, federal authorities
536.11 used, populations served, service and
536.12 reimbursement design, and accreditation
536.13 standards; (2) consult with providers,
536.14 advocates, Tribal Nations, counties, people
536.15 with lived experience as or with a child
536.16 experiencing mental health conditions, and
536.17 other interested community members to
536.18 develop a medical assistance state plan
536.19 covered benefit to provide intensive residential
536.20 mental health services for children and youth;
536.21 (3) consult with providers, advocates, Tribal
536.22 Nations, counties, people with lived
536.23 experience as or with a child in a mental health
536.24 crisis, and other interested community
536.25 members to develop a covered benefit under
536.26 medical assistance to provide residential
536.27 mental health crisis stabilization for children;
536.28 and (4) develop a First Episode Psychosis
536.29 Coordinated Specialty Care (FEP-CSC)
536.30 medical assistance benefit. This is a onetime
536.31 appropriation and is available until June 30,
536.32 2027.

536.33 Subd. 6. **Forecasted Programs; MinnesotaCare** -0- 144,000

536.34 (a) This appropriation is from the health care
536.35 access fund.

537.1 (b) **Base Level Adjustment.** The health care
537.2 access fund base is increased by $696,000 in
537.3 fiscal year 2026 and $1,189,000 in fiscal year
537.4 2027.

537.5 Subd. 7. **Forecasted Programs; Medical**
537.6 **Assistance**

537.7	Appropriations by Fund		
537.8	General	-0-	6,964,000
537.9	Health Care Access	-0-	(1,016,000)

537.10 (a) **Additional Payment for Behavioral**
537.11 **Health Services Provided by Hospitals.**
537.12 $3,724,000 in fiscal year 2025 is for
537.13 behavioral health services provided by
537.14 hospitals under Minnesota Statutes, section
537.15 256.969, subdivision 2b, paragraph (a), clause
537.16 (4). The increase in payments shall be made
537.17 by increasing the adjustment under Minnesota
537.18 Statutes, section 256.969, subdivision 2b,
537.19 paragraph (e), clause (2). The base for this
537.20 appropriation is $920,000 in fiscal year 2026
537.21 and $0 in fiscal year 2027.

537.22 (b) **Base Level Adjustment.** The health care
537.23 access fund base is decreased by $1,111,000
537.24 in fiscal year 2026 and $1,604,000 in fiscal
537.25 year 2027.

537.26 Subd. 8. **Forecasted Programs; Behavioral**
537.27 **Health Fund** -0- 127,000

537.28 Subd. 9. **Grant Programs; Child Care**
537.29 **Development Grants** -0- 1,000,000

537.30 (a) **Professional Development for Child**
537.31 **Care Provider Associate Credential**
537.32 **Coursework.** $500,000 in fiscal year 2025 is
537.33 for distribution to child care resource and
537.34 referral programs to coordinate professional
537.35 development opportunities for child care

538.1 providers under Minnesota Statutes, section
538.2 119B.19, subdivision 7, clause (5), for training
538.3 related to obtaining a child development
538.4 associate credential. This is a onetime
538.5 appropriation and is available through June
538.6 30, 2027. Notwithstanding Minnesota Statutes,
538.7 section 16B.98, subdivision 14, the amount
538.8 for administrative costs under this paragraph
538.9 is $0.

538.10 (b) **Child Care Improvement Grants.**
538.11 $500,000 in fiscal year 2025 is for the child
538.12 care improvement grant program under
538.13 Minnesota Statutes, section 119B.25,
538.14 subdivision 3, paragraph (a), clause (7). This
538.15 is a onetime appropriation. Notwithstanding
538.16 Minnesota Statutes, section 16B.98,
538.17 subdivision 14, the amount for administrative
538.18 costs under this paragraph is $0.

538.19 Subd. 10. **Grant Programs; Children's Services**
538.20 **Grants** -0- 550,000

538.21 **Preventing Nonrelative Foster Care**
538.22 **Placement Grants.** $550,000 in fiscal year
538.23 2025 is for the preventing nonrelative foster
538.24 care placement grant program. This is a
538.25 onetime appropriation. Notwithstanding
538.26 Minnesota Statutes, section 16B.98,
538.27 subdivision 14, the amount for administrative
538.28 costs under this paragraph is $0.

538.29 Subd. 11. **Grant Programs; Children and**
538.30 **Community Support Grants** -0- 3,296,000

538.31 (a) **Minnesota African American and**
538.32 **Disproportionately Represented Family**
538.33 **Preservation Grant Program.** $1,000,000
538.34 in fiscal year 2025 is for the African American
538.35 and disproportionately represented family

539.1 preservation grant program under Minnesota
539.2 Statutes, section 260.693. Notwithstanding
539.3 Minnesota Statutes, section 16B.98,
539.4 subdivision 14, the amount for administrative
539.5 costs under this paragraph is $0.

539.6 (b) **County Grants for Minnesota African**
539.7 **American Family Preservation and Child**
539.8 **Welfare Disproportionality Act.** $5,000,000
539.9 in fiscal year 2025 is for grants to Hennepin
539.10 and Ramsey Counties to implement the
539.11 Minnesota African American Family
539.12 Preservation and Child Welfare
539.13 Disproportionality Act pilot programs. This
539.14 is a onetime appropriation and is available
539.15 until June 30, 2026.

539.16 (c) **Base Level Adjustment.** The general fund
539.17 base is increased by $1,000,000 in fiscal year
539.18 2026 and $1,000,000 in fiscal year 2027.

539.19 Subd. 12. **Grant Programs; Children and**
539.20 **Economic Support Grants** -0- 7,111,000

539.21 (a) **American Indian Food Sovereignty**
539.22 **Funding Program.** $1,000,000 in fiscal year
539.23 2025 is for the American Indian food
539.24 sovereignty funding program under Minnesota
539.25 Statutes, section 256E.342. This is a onetime
539.26 appropriation and is available until June 30,
539.27 2026. Notwithstanding Minnesota Statutes,
539.28 section 16B.98, subdivision 14, the amount
539.29 for administrative costs under this paragraph
539.30 is $0.

539.31 (b) **Minnesota Food Bank Program.**
539.32 $4,000,000 in fiscal year 2025 is for the
539.33 Minnesota food bank program under
539.34 Minnesota Statutes, section 142F.16. This is
539.35 a onetime appropriation. Notwithstanding

540.1 Minnesota Statutes, section 16B.98,
540.2 subdivision 14, the amount for administrative
540.3 costs under this paragraph is $0.

540.4 (c) **Minnesota Food Shelf Program.**
540.5 $1,000,000 in fiscal year 2025 is for the
540.6 Minnesota food shelf program under
540.7 Minnesota Statutes, section 256E.34. This is
540.8 a onetime appropriation. Notwithstanding
540.9 Minnesota Statutes, section 16B.98,
540.10 subdivision 14, the amount for administrative
540.11 costs under this paragraph is $0.

540.12 (d) **Emergency Services Program.**
540.13 $1,000,000 in fiscal year 2025 is for
540.14 emergency services grants under Minnesota
540.15 Statutes, section 256E.36. The commissioner
540.16 must distribute grants under this paragraph to
540.17 eligible entities to meet emerging, critical, and
540.18 immediate homelessness response needs that
540.19 have arisen since receiving an emergency
540.20 services grant award for fiscal years 2024 and
540.21 2025, including: (1) supporting overnight
540.22 emergency shelter or daytime service capacity
540.23 with a demonstrated and significant increase
540.24 in the number of persons served in fiscal year
540.25 2024 compared to the prior fiscal year; or (2)
540.26 maintaining existing overnight emergency
540.27 shelter bed or daytime service capacity with
540.28 a demonstrated and significant risk of closure
540.29 before April 30, 2025. This is a onetime
540.30 appropriation and is available until June 30,
540.31 2027. Notwithstanding Minnesota Statutes,
540.32 section 16B.98, subdivision 14, the amount
540.33 for administrative costs under this paragraph
540.34 is $0.

541.1 (e) **Base Level Adjustment.** The general fund
541.2 base is decreased by $2,593,000 in fiscal year
541.3 2026 and $2,593,000 in fiscal year 2027.

541.4 Subd. 13. **Grant Programs; Fraud Prevention** 541.5 **Grants**	-0-	3,018,000

541.6 **Base Level Adjustment.** The general fund
541.7 base is increased by $3,018,000 in fiscal year
541.8 2026 and $3,018,000 in fiscal year 2027.

541.9 Subd. 14. **Grant Programs; Adult Mental Health** 541.10 **Grants**	(9,527,000)	1,811,000

541.11 (a) **Youable Emotional Health.** $311,000 in
541.12 fiscal year 2025 is for a grant to Youable
541.13 Emotional Health for day treatment
541.14 transportation costs on nonschool days, student
541.15 nutrition, and student learning experiences
541.16 such as technology, arts, and outdoor activity.
541.17 This is a onetime appropriation. In accordance
541.18 with Minnesota Statutes, section 16B.98,
541.19 subdivision 14, the commissioner may use
541.20 $11,000 of this appropriation for
541.21 administrative costs.

541.22 (b) **Comunidades Latinas Unidas En**
541.23 **Servercio Certified Community Behavioral**
541.24 **Health Clinic Services.** $1,500,000 in fiscal
541.25 year 2025 is for a payment to Comunidades
541.26 Latinas Unidas En Servercio (CLUES) to
541.27 provide comprehensive integrated health care
541.28 through the certified community behavioral
541.29 health clinic (CCBHC) model of service
541.30 delivery as required under Minnesota Statutes,
541.31 section 245.735. Funds must be used to
541.32 provide evidence-based services under the
541.33 CCBHC service model and must not be used
541.34 to supplant available medical assistance
541.35 funding. By June 30, 2026, CLUES must

542.1 report to the commissioner of human services
542.2 on:

542.3 (1) the number of people served;

542.4 (2) outcomes for people served; and

542.5 (3) whether the funding reduced behavioral
542.6 health racial and ethnic disparities.

542.7 This is a onetime appropriation and is
542.8 available until June 30, 2026. Notwithstanding
542.9 Minnesota Statutes, section 16B.98,
542.10 subdivision 14, the amount for administrative
542.11 costs under this paragraph is $0.

542.12 Subd. 15. **Grant Programs; Child Mental Health** 542.13 **Grants**	-0-	8,500,000

542.14 (a) **Ramsey County Youth Mental Health**
542.15 **Urgency Room.** $1,500,000 in fiscal year
542.16 2025 is for a grant to Ramsey County for the
542.17 ongoing operation of the youth mental health
542.18 urgency room established in Laws 2022,
542.19 chapter 99, article 1, section 44. This is a
542.20 onetime appropriation. Notwithstanding
542.21 Minnesota Statutes, section 16B.98,
542.22 subdivision 14, the amount for administrative
542.23 costs under this paragraph is $0.

542.24 (b) **School-Linked Behavioral Health**
542.25 **Grants.** $3,000,000 in fiscal year 2025 is for
542.26 school-linked behavioral health grants under
542.27 Minnesota Statutes, section 245.4901. This is
542.28 a onetime appropriation. Notwithstanding
542.29 Minnesota Statutes, section 16B.98,
542.30 subdivision 14, the amount for administrative
542.31 costs under this paragraph is $0.

542.32 (c) **Early Childhood Mental Health**
542.33 **Consultation Grants.** $1,000,000 in fiscal
542.34 year 2025 is for early childhood mental health

543.1 consultation grants under Minnesota Statutes,
543.2 section 245.4889, subdivision 1, paragraph
543.3 (b), clause (15). This is a onetime
543.4 appropriation. Notwithstanding Minnesota
543.5 Statutes, section 16B.98, subdivision 14, the
543.6 amount for administrative costs is $0.

543.7 (d) **Respite Care Services.** $3,000,000 in
543.8 fiscal year 2025 is for respite care services
543.9 under Minnesota Statutes, section 245.4889,
543.10 subdivision 1, paragraph (b), clause (3). This
543.11 is a onetime appropriation and is available
543.12 until June 30, 2027. Notwithstanding
543.13 Minnesota Statutes, section 16B.98,
543.14 subdivision 14, the amount for administrative
543.15 costs under this paragraph is $0.

543.16 Subd. 16. **Direct Care and Treatment; Mental**
543.17 **Health and Substance Abuse** -0- (6,109,000)

543.18 **Base Level Adjustments.** The general fund
543.19 base is decreased by $7,566,000 in fiscal year
543.20 2026 and $7,566,000 in fiscal year 2027.

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

543.22 Sec. 3. **COMMISSIONER OF HEALTH**

543.23 Subdivision 1. **Total Appropriation** **$** **(541,000)** **$** **(469,000)**

543.24 Appropriations by Fund

543.25	2024	2025
543.26 General	(545,000)	2,267,000
543.27 State Government 543.28 Special Revenue	4,000	(2,736,000)

543.29 The amount that may be spent for each
543.30 purpose is specified in the following
543.31 subdivision.

543.32 Subd. 2. **Health Improvement** (545,000) 1,415,000

543.33 (a) **Stillbirth Prevention Grant.** $210,000 in
543.34 fiscal year 2025 is for a grant to Healthy Birth

544.1 Day, Inc., to operate a stillbirth prevention
544.2 through tracking fetal movement pilot
544.3 program. This is a onetime appropriation and
544.4 is available until June 30, 2028. In accordance
544.5 with Minnesota Statutes, section 16B.98,
544.6 subdivision 14, the commissioner may use
544.7 $10,000 of this appropriation for
544.8 administrative costs.

544.9 (b) **Grant to Minnesota Medical Association**
544.10 **to Address Health Care Worker**
544.11 **Well-Being.** $526,000 in fiscal year 2025 is
544.12 for a grant to the Minnesota Medical
544.13 Association to: (1) create and conduct an
544.14 awareness and education campaign focused
544.15 on burnout and well-being of health care
544.16 workers, designed to reduce the stigma of
544.17 receiving mental health services; (2) encourage
544.18 health care workers who are experiencing
544.19 workplace-related fatigue to receive the care
544.20 they need; and (3) normalize the process for
544.21 seeking help. The Minnesota Medical
544.22 Association's campaign under this paragraph
544.23 must be targeted to health care professionals,
544.24 including physicians, nurses, and other
544.25 members of the health care team, and must
544.26 include resources for health care professionals
544.27 seeking to address burnout and well-being.
544.28 This is a onetime appropriation. In accordance
544.29 with Minnesota Statutes, section 16B.98,
544.30 subdivision 14, the commissioner may use
544.31 $26,000 of this appropriation for
544.32 administrative costs.

544.33 (c) **Grant to Chosen Vessels Midwifery**
544.34 **Services.** $263,000 in fiscal year 2025 is for
544.35 a grant to Chosen Vessels Midwifery Services

545.1 for a program to provide education, support,
545.2 and encouragement for African American
545.3 mothers to breastfeed their infants for the first
545.4 year of life or longer. Chosen Vessel
545.5 Midwifery Services must combine the midwife
545.6 model of care with the cultural tradition of
545.7 mutual aid to inspire African American
545.8 women to breastfeed their infants and to
545.9 provide support to those that do. This is a
545.10 onetime appropriation and is available until
545.11 June 30, 2026. In accordance with Minnesota
545.12 Statutes, section 16B.98, subdivision 14, the
545.13 commissioner may use $13,000 of this
545.14 appropriation for administrative costs.

545.15 (d) **American Indian Birth Center Planning**
545.16 **Grant.** $368,000 in fiscal year 2025 is for a
545.17 grant to the Birth Justice Collaborative to plan
545.18 for and engage the community in the
545.19 development of an American Indian-focused
545.20 birth center to improve access to culturally
545.21 centered prenatal and postpartum care with
545.22 the goal of improving maternal and child
545.23 health outcomes. The Birth Justice
545.24 Collaborative must report to the commissioner
545.25 on the plan to develop an American
545.26 Indian-focused birth center. This is a onetime
545.27 appropriation. In accordance with Minnesota
545.28 Statutes, section 16B.98, subdivision 14, the
545.29 commissioner may use $18,000 of this
545.30 appropriation for administrative costs.

545.31 (e) **Grant to Birth Justice Collaborative for**
545.32 **African American-Focused Homeplace**
545.33 **Model.** $263,000 in fiscal year 2025 is for a
545.34 grant to the Birth Justice Collaborative for
545.35 planning and community engagement to

546.1 develop a replicable African
546.2 American-focused Homeplace model. The
546.3 model's purpose must be to improve access to
546.4 culturally centered healing and care during
546.5 pregnancy and the postpartum period, with
546.6 the goal of improving maternal and child
546.7 health outcomes. The Birth Justice
546.8 Collaborative must report to the commissioner
546.9 on the needs of and plan to develop an African
546.10 American-focused Homeplace model in
546.11 Hennepin County. The report must outline
546.12 potential state and public partnerships and
546.13 financing strategies and must provide a
546.14 timeline for development. This is a onetime
546.15 appropriation. In accordance with Minnesota
546.16 Statutes, section 16B.98, subdivision 14, the
546.17 commissioner may use $13,000 of this
546.18 appropriation for administrative costs.

546.19 (f) **Hospital Nursing Loan Forgiveness.**
546.20 $5,317,000 in fiscal year 2025 is for the
546.21 hospital nursing educational loan forgiveness
546.22 program under Minnesota Statutes, section
546.23 144.1512.

546.24 (g) **Base Level Adjustment.** The general fund
546.25 base is decreased by $220,000 in fiscal year
546.26 2026 and $50,000 in fiscal year 2027.

546.27 Subd. 3. **Health Protection**

546.28	Appropriations by Fund		
546.29	General	-0-	852,000
546.30 546.31	State Government Special Revenue	4,000	(2,736,000)

546.32 (a) **Translation of Competency Evaluation**
546.33 **for Nursing Assistant Registry.** $20,000
546.34 from the general fund in fiscal year 2025 is
546.35 for translation of competency evaluation

547.1 materials for the nursing assistant registry.
547.2 This is a onetime appropriation.

547.3 (b) **Medication Training Program Review**
547.4 **for Graduates of Foreign Nursing Schools.**
547.5 $451,000 from the general fund in fiscal year
547.6 2025 is for medication training program
547.7 review for medication training programs and
547.8 graduates of foreign nursing schools. This
547.9 appropriation is available until June 30, 2027.
547.10 The general fund base for this appropriation
547.11 is $49,000 in fiscal year 2026 and $49,000 in
547.12 fiscal year 2027.

547.13 (c) **Base Level Adjustment.** The general fund
547.14 base is increased by $430,000 in fiscal year
547.15 2026 and $225,000 in fiscal year 2027. The
547.16 state government special revenue fund base is
547.17 decreased by $2,791,000 in fiscal year 2026
547.18 and $2,860,000 in fiscal year 2027.

547.19 Sec. 4. **BOARD OF PHARMACY**

547.20 Appropriations by Fund

547.21 General	600,000	-0-
547.22 State Government 547.23 Special Revenue	-0-	49,000

547.24 (a) **Legal Costs.** $600,000 in fiscal year 2024
547.25 is from the general fund for legal costs. This
547.26 is a onetime appropriation.

547.27 (b) **Base Level Adjustment.** The state
547.28 government special revenue fund base is
547.29 increased by $27,000 in fiscal year 2026 and
547.30 $27,000 in fiscal year 2027.

547.31 Sec. 5. **RARE DISEASE ADVISORY**
547.32 **COUNCIL** **$** **-0-** **$** **342,000**

547.33 This is a onetime appropriation and is
547.34 available until June 30, 2027.

548.1 Sec. 6. **COMMISSIONER OF EDUCATION** $ **1,882,000** $ **1,715,000**

548.2 (a) **Summer EBT.** $1,882,000 in fiscal year
548.3 2024 and $1,542,000 in fiscal year 2025 are
548.4 for administration of the summer electronic
548.5 benefits transfer program under Public Law
548.6 117-328. Any unexpended amount in fiscal
548.7 year 2024 does not cancel and is available in
548.8 fiscal year 2025. The base for this
548.9 appropriation is $572,000 in fiscal year 2026
548.10 and $572,000 in fiscal year 2027.

548.11 (b) **Base Level Adjustment.** The general fund
548.12 base is increased by $917,000 in fiscal year
548.13 2026 and $917,000 in fiscal year 2027.

548.14 Sec. 7. **COMMISSIONER OF MANAGEMENT**
548.15 **AND BUDGET**

548.16 Appropriations by Fund

548.17		2024	2025
548.18	General	-0-	(232,000)
548.19	Health Care Access	-0-	300,000

548.20 (a) **Insulin safety net program.** $300,000 in
548.21 fiscal year 2025 is from the health care access
548.22 fund for the insulin safety net program in
548.23 Minnesota Statutes, section 151.74.

548.24 (b) **Transfer.** The commissioner must transfer
548.25 from the health care access fund to the insulin
548.26 safety net program account in the special
548.27 revenue fund the amount certified by the
548.28 commissioner of administration under
548.29 Minnesota Statutes, section 151.741,
548.30 subdivision 5, paragraph (b), estimated to be
548.31 $300,000 in fiscal year 2025, for
548.32 reimbursement to manufacturers for insulin
548.33 dispensed under the insulin safety net program
548.34 in Minnesota Statutes, section 151.74. The
548.35 base for this transfer is estimated to be

549.1 $300,000 in fiscal year 2026 and $300,000 in
549.2 fiscal year 2027.

549.3 (c) **Base Level Adjustment.** The health care
549.4 access fund base is increased by $300,000 in
549.5 fiscal year 2026 and $300,000 in fiscal year
549.6 2027.

549.7 Sec. 8. **COMMISSIONER OF CHILDREN,** 549.8 **YOUTH, AND FAMILIES**	**$**	**-0-**	**$**	**3,279,000**

549.9 **Base Level Adjustment.** The general fund
549.10 base is increased by $7,183,000 in fiscal year
549.11 2026 and $6,833,000 in fiscal year 2027.

549.12 Sec. 9. **COMMISSIONER OF COMMERCE**

549.13 (a) **Defrayal of Costs for Mandated**
549.14 **Coverage of Prosthetic Devices.** The general
549.15 fund base is increased by $558,000 in fiscal
549.16 year 2026 and $539,000 in fiscal year 2027.
549.17 The base includes $520,000 in fiscal year 2026
549.18 and $540,000 in fiscal year 2027 for defrayal
549.19 costs for mandated coverage of prosthetic
549.20 devices and $38,000 in fiscal year 2026 and
549.21 $19,000 in fiscal year 2027 for administrative
549.22 costs to implement mandated coverage of
549.23 prosthetic devices.

549.24 (b) **Defrayal of Costs for Mandated**
549.25 **Coverage of Abortions and**
549.26 **Abortion-Related Services.** The general fund
549.27 base is increased by $338,000 in fiscal year
549.28 2026 and $319,000 in fiscal year 2027. The
549.29 base includes $300,000 in fiscal year 2026 and
549.30 $300,000 in fiscal year 2027 for defrayal costs
549.31 for mandated coverage of abortions and
549.32 abortion-related services and $38,000 in fiscal
549.33 year 2026 and $19,000 in fiscal year 2027 for
549.34 administrative costs to implement mandated

550.1 coverage of abortions and abortion-related
550.2 services.

550.3 Sec. 10. **OFFICE OF THE OMBUDSPERSON**
550.4 **FOR FAMILY CHILD CARE PROVIDERS**

550.5 **Child Care and Development Block Grant**
550.6 **Allocation.** The commissioner of human
550.7 services must allocate $350,000 in fiscal year
550.8 2025, and each fiscal year thereafter from the
550.9 child care and development block grant to the
550.10 Ombudsperson for Family Child Care
550.11 Providers under Minnesota Statutes, section
550.12 245.975.

550.13 Sec. 11. **CHILD PROTECTION ADVISORY** 550.14 **COUNCIL**	**$**	**-0-**	**$**	**464,000**

550.15 **Child Protection Advisory Council.**
550.16 $464,000 in fiscal year 2025 is for the Child
550.17 Protection Advisory Council under Minnesota
550.18 Statutes, section 260E.021. This is a onetime
550.19 appropriation and is available through June
550.20 30, 2027.

550.21 Sec. 12. **ATTORNEY GENERAL.**	**$**	**-0-**	**$**	**73,000**

550.22 (a) **Health Maintenance Organization**
550.23 **Regulatory Requirements.** $73,000 in fiscal
550.24 year 2025 is for transaction review and related
550.25 investigatory and enforcement actions for
550.26 filings required under Minnesota Statutes,
550.27 section 317A.811, subdivision 1.

550.28 (b) **Base Level Adjustment.** The general fund
550.29 base is increased by $73,000 in fiscal year
550.30 2026 and $73,000 in fiscal year 2027.

550.31 Sec. 13. Laws 1987, chapter 404, section 18, subdivision 1, is amended to read:

550.32 Subdivision 1. Total

550.33 Appropriation 8,009,500 7,585,900

551.1 Approved Complement - 124

551.2 General - 124 124

551.3 Rural Finance - 0 2

551.4 The amounts that may be spent from this
551.5 appropriation for each activity are specified
551.6 below.

551.7 $141,000 the first year to cover costs
551.8 associated with modifying the state's
551.9 personnel/payroll systems. Any unencumbered
551.10 balance remaining in the first year does not
551.11 cancel but is available for the second year of
551.12 the biennium.

551.13 ~~The department of finance shall reflect the~~
551.14 ~~reimbursement of statewide indirect costs and~~
551.15 ~~human services federal reimbursement costs~~
551.16 ~~as expenditure reductions in the general fund~~
551.17 ~~budgeted fund balance as they would be~~
551.18 ~~reported in conformity with generally accepted~~
551.19 ~~accounting principles.~~

551.20 Amounts paid to the department of finance
551.21 pursuant to Minnesota Statutes, section 13.03,
551.22 subdivision 3, for the costs of searching for
551.23 and retrieving government data and for
551.24 making, certifying and compiling the copies
551.25 of the data, are appropriated to the department
551.26 of finance to be added to the appropriations
551.27 from which the costs were paid.

551.28 The governor's budget recommendations
551.29 submitted to the legislature in January, 1989
551.30 must include as general fund revenue and
551.31 appropriations for fiscal years 1990 and 1991
551.32 all revenues and expenditures previously
551.33 accounted for in the statewide accounting
551.34 system in other operating funds. This

552.1 requirement does not apply (1) to revenues
552.2 and expenditures which, under the
552.3 constitution, must be accounted for in funds
552.4 other than the general fund; or (2) to revenues
552.5 and expenditures which are related to specific
552.6 user fees that provide a primary benefit to
552.7 individual fee payers, as opposed to the
552.8 general community.

552.9 Notwithstanding the provision of Minnesota
552.10 Statutes, section 16A.11, the commissioner of
552.11 finance shall consult with and seek the
552.12 recommendations of the chair of the House
552.13 Appropriations committee and the chair of the
552.14 Senate Finance committee as well as their
552.15 respective division and subcommittee chairs
552.16 prior to adopting a format for the 1989-1991
552.17 biennial budget document. The commissioner
552.18 of finance shall not adopt a format for the
552.19 1989-1991 biennial budget until the
552.20 commissioner has received the
552.21 recommendations of the chair of the house
552.22 appropriations committee and the chair of the
552.23 senate finance committee. Appropriations
552.24 provided to the department of finance to
552.25 upgrade the current biennial budget system
552.26 shall only be expended upon receipt of the
552.27 recommendations of the chair of the house
552.28 appropriations committee and the chair of the
552.29 senate finance committee. These
552.30 recommendations are advisory only.

552.31 Sec. 14. Laws 2023, chapter 22, section 4, subdivision 2, is amended to read:

552.32 Subd. 2. **Grants to navigators.**

552.33 (a) $1,936,000 in fiscal year 2024 is
552.34 appropriated from the health care access fund

553.1 to the commissioner of human services for
553.2 grants to organizations with a MNsure grant
553.3 services navigator assister contract in good
553.4 standing as of the date of enactment. The grant
553.5 payment to each organization must be in
553.6 proportion to the number of medical assistance
553.7 and MinnesotaCare enrollees each
553.8 organization assisted that resulted in a
553.9 successful enrollment in the second quarter of
553.10 fiscal years 2020 and 2023, as determined by
553.11 MNsure's navigator payment process. This is
553.12 a onetime appropriation and is available until
553.13 June 30, 2025.

553.14 (b) $3,000,000 in fiscal year 2024 is
553.15 appropriated from the health care access fund
553.16 to the commissioner of human services for
553.17 grants to organizations with a MNsure grant
553.18 services navigator assister contract for
553.19 successful enrollments in medical assistance
553.20 and MinnesotaCare. This is a onetime
553.21 appropriation <u>and is available until June 30,</u>
553.22 <u>2025</u>.

553.23 <u>**EFFECTIVE DATE.** This section is effective the day following final enactment.</u>

553.24 Sec. 15. Laws 2023, chapter 57, article 1, section 6, is amended to read:

553.25 Sec. 6. **PREMIUM SECURITY ACCOUNT TRANSFER; OUT.**

553.26 ~~$275,775,000~~ <u>$284,605,000</u> in fiscal year 2026 is transferred from the premium security
553.27 plan account under Minnesota Statutes, section 62E.25, subdivision 1, to the general fund.
553.28 This is a onetime transfer.

553.29 Sec. 16. Laws 2023, chapter 70, article 20, section 2, subdivision 5, is amended to read:

553.30 Subd. 5. **Central Office; Health Care**

Appropriations by Fund		
General	35,807,000	31,349,000
Health Care Access	30,668,000	50,168,000

(a) **Medical assistance and MinnesotaCare accessibility improvements.** ~~$4,000,000~~ $784,000 in fiscal year 2024 ~~is~~ and $3,216,000 in fiscal year 2025 are from the general fund for interactive voice response upgrades and translation services for medical assistance and MinnesotaCare enrollees with limited English proficiency. This appropriation is available until June 30, ~~2025~~ 2027.

(b) **Transforming service delivery.** $155,000 in fiscal year 2024 and $180,000 in fiscal year 2025 are from the general fund for transforming service delivery projects.

(c) **Improving the Minnesota eligibility technology system functionality.** $1,604,000 in fiscal year 2024 and $711,000 in fiscal year 2025 are from the general fund for improving the Minnesota eligibility technology system functionality. The base for this appropriation is $1,421,000 in fiscal year 2026 and $0 in fiscal year 2027.

~~(d) **Actuarial and economic analyses.**$2,500,000 is from the health care access fund for actuarial and economic analyses and to prepare and submit a state innovation waiver under section 1332 of the federal Affordable Care Act for a Minnesota public option health care plan. This is a onetime appropriation and is available until June 30, 2025.~~

~~(e) **Contingent appropriation for Minnesota public option health care plan.** $22,000,000~~

555.1 ~~in fiscal year 2025 is from the health care~~
555.2 ~~access fund to implement a Minnesota public~~
555.3 ~~option health care plan. This is a onetime~~
555.4 ~~appropriation and is available upon approval~~
555.5 ~~of a state innovation waiver under section~~
555.6 ~~1332 of the federal Affordable Care Act. This~~
555.7 ~~appropriation is available until June 30, 2027.~~

555.8 ~~(f)~~ <u>(d)</u> **Carryforward authority.**
555.9 Notwithstanding Minnesota Statutes, section
555.10 16A.28, subdivision 3, $2,367,000 of the
555.11 appropriation in fiscal year 2024 is available
555.12 until June 30, 2027.

555.13 ~~(g)~~ <u>(e)</u> **Base level adjustment.** The general
555.14 fund base is $32,315,000 in fiscal year 2026
555.15 and $27,536,000 in fiscal year 2027. The
555.16 health care access fund base is $28,168,000
555.17 in fiscal year 2026 and $28,168,000 in fiscal
555.18 year 2027.

555.19 Sec. 17. Laws 2023, chapter 70, article 20, section 2, subdivision 22, is amended to read:

555.20 Subd. 22. **Grant Programs; Children's Services**
555.21 **Grants**

555.22 Appropriations by Fund

555.23	General	86,212,000	85,063,000
555.24	Federal TANF	140,000	140,000

555.25 (a) **Title IV-E Adoption Assistance.** The
555.26 commissioner shall allocate funds from the
555.27 state's savings from the Fostering Connections
555.28 to Success and Increasing Adoptions Act's
555.29 expanded eligibility for Title IV-E adoption
555.30 assistance as required in Minnesota Statutes,
555.31 section 256N.261, and as allowable under
555.32 federal law. Additional savings to the state as
555.33 a result of the Fostering Connections to
555.34 Success and Increasing Adoptions Act's

556.1 expanded eligibility for Title IV-E adoption
556.2 assistance is for postadoption, foster care,
556.3 adoption, and kinship services, including a
556.4 parent-to-parent support network and as
556.5 allowable under federal law.

556.6 (b) **Mille Lacs Band of Ojibwe American**
556.7 **Indian child welfare initiative.** $3,337,000
556.8 in fiscal year 2024 and $5,294,000 in fiscal
556.9 year 2025 are from the general fund for the
556.10 Mille Lacs Band of Ojibwe to join the
556.11 American Indian child welfare initiative. The
556.12 base for this appropriation is $7,893,000 in
556.13 fiscal year 2026 and $7,893,000 in fiscal year
556.14 2027.

556.15 (c) **Leech Lake Band of Ojibwe American**
556.16 **Indian child welfare initiative.** $1,848,000
556.17 in fiscal year 2024 and $1,848,000 in fiscal
556.18 year 2025 are from the general fund for the
556.19 Leech Lake Band of Ojibwe to participate in
556.20 the American Indian child welfare initiative.

556.21 (d) **Red Lake Band of Chippewa American**
556.22 **Indian child welfare initiative.** $3,000,000
556.23 in fiscal year 2024 and $3,000,000 in fiscal
556.24 year 2025 are from the general fund for the
556.25 Red Lake Band of Chippewa to participate in
556.26 the American Indian child welfare initiative.

556.27 (e) **White Earth Nation American Indian**
556.28 **child welfare initiative.** $3,776,000 in fiscal
556.29 year 2024 and $3,776,000 in fiscal year 2025
556.30 are from the general fund for the White Earth
556.31 Nation to participate in the American Indian
556.32 child welfare initiative.

556.33 (f) **Indian Child welfare grants.** $4,405,000
556.34 in fiscal year 2024 and $4,405,000 in fiscal

557.1 year 2025 are from the general fund for Indian
557.2 child welfare grants under Minnesota Statutes,
557.3 section 260.785. The base for this
557.4 appropriation is $4,640,000 in fiscal year 2026
557.5 and $4,640,000 in fiscal year 2027.

557.6 (g) **Child welfare staff allocation for Tribes.**
557.7 $799,000 in fiscal year 2024 and $799,000 in
557.8 fiscal year 2025 are from the general fund for
557.9 grants to Tribes for child welfare staffing
557.10 under Minnesota Statutes, section 260.786.

557.11 (h) **Grants for kinship navigator services.**
557.12 $764,000 in fiscal year 2024 and $764,000 in
557.13 fiscal year 2025 are from the general fund for
557.14 grants for kinship navigator services and
557.15 grants to Tribal Nations for kinship navigator
557.16 services under Minnesota Statutes, section
557.17 256.4794. The base for this appropriation is
557.18 $506,000 in fiscal year 2026 and $507,000 in
557.19 fiscal year 2027.

557.20 (i) **Family first prevention and early**
557.21 **intervention assessment response grants.**
557.22 $4,000,000 in fiscal year 2024 and $6,112,000
557.23 in fiscal year 2025 are from the general fund
557.24 for family assessment response grants under
557.25 Minnesota Statutes, section 260.014. The base
557.26 for this appropriation is $6,000,000 in fiscal
557.27 year 2026 and $6,000,000 in fiscal year 2027.

557.28 (j) **Grants for evidence-based prevention**
557.29 **and early intervention services.** $4,329,000
557.30 in fiscal year 2024 and $4,100,000 in fiscal
557.31 year 2025 are from the general fund for grants
557.32 to support evidence-based prevention and early
557.33 intervention services under Minnesota
557.34 Statutes, section 256.4793.

(k) **Grant to administer pool of qualified individuals for assessments.** $250,000 in fiscal year 2024 and $250,000 in fiscal year 2025 are from the general fund for grants to establish and manage a pool of state-funded qualified individuals to conduct assessments for out-of-home placement of a child in a qualified residential treatment program.

(l) **Quality parenting initiative grant program.** $100,000 in fiscal year 2024 and $100,000 in fiscal year 2025 are from the general fund for a grant to Quality Parenting Initiative Minnesota under Minnesota Statutes, section 245.0962.

(m) **STAY in the community grants.** $1,579,000 in fiscal year 2024 and $2,247,000 in fiscal year 2025 are from the general fund for the STAY in the community program under Minnesota Statutes, section 260C.452. This is a onetime appropriation and is available until June 30, 2027.

(n) **Grants for community resource centers.** $5,657,000 in fiscal year 2024 is from the general fund for grants to establish a network of community resource centers. This is a onetime appropriation and is available until June 30, 2027.

~~(o) **Family assets for independence in Minnesota.** $1,405,000 in fiscal year 2024 and $1,391,000 in fiscal year 2025 are from the general fund for the family assets for independence in Minnesota program, under Minnesota Statutes, section 256E.35. This is a onetime appropriation and is available until June 30, 2027.~~

~~(p)~~ (o) **Base level adjustment.** The general fund base is $85,280,000 in fiscal year 2026 and $85,281,000 in fiscal year 2027.

Sec. 18. Laws 2023, chapter 70, article 20, section 2, subdivision 24, is amended to read:

Subd. 24. **Grant Programs; Children and Economic Support Grants**	212,877,000	78,333,000

(a) **Fraud prevention initiative start-up grants.** $400,000 in fiscal year 2024 is for start-up grants to the Red Lake Nation, White Earth Nation, and Mille Lacs Band of Ojibwe to develop a fraud prevention program. This is a onetime appropriation and is available until June 30, 2025.

(b) **American Indian food sovereignty funding program.** $3,000,000 in fiscal year 2024 and $3,000,000 in fiscal year 2025 are for Minnesota Statutes, section 256E.342. This appropriation is available until June 30, 2025. The base for this appropriation is $2,000,000 in fiscal year 2026 and $2,000,000 in fiscal year 2027.

(c) **Hennepin County grants to provide services to people experiencing homelessness.** $11,432,000 in fiscal year 2024 is for grants to maintain capacity for shelters and services provided to persons experiencing homelessness in Hennepin County. Of this amount:

(1) $4,500,000 is for a grant to Avivo Village;

(2) $2,000,000 is for a grant to the American Indian Community Development Corporation Homeward Bound shelter;

560.1 (3) $1,650,000 is for a grant to the Salvation
560.2 Army Harbor Lights shelter;

560.3 (4) $500,000 is for a grant to Agate Housing
560.4 and Services;

560.5 (5) $1,400,000 is for a grant to Catholic
560.6 Charities of St. Paul and Minneapolis;

560.7 (6) $450,000 is for a grant to Simpson
560.8 Housing; and

560.9 (7) $932,000 is for a grant to Hennepin
560.10 County.

560.11 Nothing shall preclude an eligible organization
560.12 receiving funding under this paragraph from
560.13 applying for and receiving funding under
560.14 Minnesota Statutes, section 256E.33, 256E.36,
560.15 256K.45, or 256K.47, nor does receiving
560.16 funding under this paragraph count against
560.17 any eligible organization in the competitive
560.18 processes related to those grant programs
560.19 under Minnesota Statutes, section 256E.33,
560.20 256E.36, 256K.45, or 256K.47.

560.21 (d) **Diaper distribution grant program.**
560.22 $545,000 in fiscal year 2024 and $553,000 in
560.23 fiscal year 2025 are for a grant to the Diaper
560.24 Bank of Minnesota under Minnesota Statutes,
560.25 section 256E.38.

560.26 (e) **Prepared meals food relief.** $1,654,000
560.27 in fiscal year 2024 and $1,638,000 in fiscal
560.28 year 2025 are for prepared meals food relief
560.29 grants. This is a onetime appropriation.

560.30 (f) **Emergency shelter facilities.** $98,456,000
560.31 in fiscal year 2024 is for grants to eligible
560.32 applicants for emergency shelter facilities.

561.1 This is a onetime appropriation and is
561.2 available until June 30, 2028.

561.3 (g) **Homeless youth cash stipend pilot**
561.4 **project.** $5,302,000 in fiscal year 2024 is for
561.5 a grant to Youthprise for the homeless youth
561.6 cash stipend pilot project. The grant must be
561.7 used to provide cash stipends to homeless
561.8 youth, provide cash incentives for stipend
561.9 recipients to participate in periodic surveys,
561.10 provide youth-designed optional services, and
561.11 complete a legislative report. This is a onetime
561.12 appropriation and is available until June 30,
561.13 2028.

561.14 (h) **Heading Home Ramsey County**
561.15 **continuum of care grants.** $11,432,000 in
561.16 fiscal year 2024 is for grants to maintain
561.17 capacity for shelters and services provided to
561.18 people experiencing homelessness in Ramsey
561.19 County. Of this amount:

561.20 (1) $2,286,000 is for a grant to Catholic
561.21 Charities of St. Paul and Minneapolis;

561.22 (2) $1,498,000 is for a grant to More Doors;

561.23 (3) $1,734,000 is for a grant to Interfaith
561.24 Action Project Home;

561.25 (4) $2,248,000 is for a grant to Ramsey
561.26 County;

561.27 (5) $689,000 is for a grant to Radias Health;

561.28 (6) $493,000 is for a grant to The Listening
561.29 House;

561.30 (7) $512,000 is for a grant to Face to Face;
561.31 and

561.32 (8) $1,972,000 is for a grant to the city of St.
561.33 Paul.

562.1 Nothing shall preclude an eligible organization
562.2 receiving funding under this paragraph from
562.3 applying for and receiving funding under
562.4 Minnesota Statutes, section 256E.33, 256E.36,
562.5 256K.45, or 256K.47, nor does receiving
562.6 funding under this paragraph count against
562.7 any eligible organization in the competitive
562.8 processes related to those grant programs
562.9 under Minnesota Statutes, section 256E.33,
562.10 256E.36, 256K.45, or 256K.47.

562.11 (i) **Capital for emergency food distribution**
562.12 **facilities.** $7,000,000 in fiscal year 2024 is for
562.13 improving and expanding the infrastructure
562.14 of food shelf facilities. Grant money must be
562.15 made available to nonprofit organizations,
562.16 federally recognized Tribes, and local units of
562.17 government. This is a onetime appropriation
562.18 and is available until June 30, 2027.

562.19 (j) **Emergency services program grants.**
562.20 $15,250,000 in fiscal year 2024 and
562.21 $14,750,000 in fiscal year 2025 are for
562.22 emergency services grants under Minnesota
562.23 Statutes, section 256E.36. Any unexpended
562.24 amount in the first year does not cancel and
562.25 is available in the second year. The base for
562.26 this appropriation is $25,000,000 in fiscal year
562.27 2026 and $30,000,000 in fiscal year 2027.

562.28 (k) **Homeless Youth Act grants.** $15,136,000
562.29 in fiscal year 2024 and $15,136,000 in fiscal
562.30 year 2025 are for grants under Minnesota
562.31 Statutes, section 256K.45, subdivision 1. Any
562.32 unexpended amount in the first year does not
562.33 cancel and is available in the second year.

562.34 (l) **Transitional housing programs.**
562.35 $3,000,000 in fiscal year 2024 and $3,000,000

563.1 in fiscal year 2025 are for transitional housing
563.2 programs under Minnesota Statutes, section
563.3 256E.33. Any unexpended amount in the first
563.4 year does not cancel and is available in the
563.5 second year.

563.6 (m) **Safe harbor shelter and housing grants.**
563.7 $2,125,000 in fiscal year 2024 and $2,125,000
563.8 in fiscal year 2025 are for grants under
563.9 Minnesota Statutes, section 256K.47. Any
563.10 unexpended amount in the first year does not
563.11 cancel and is available in the second year. The
563.12 base for this appropriation is $1,250,000 in
563.13 fiscal year 2026 and $1,250,000 in fiscal year
563.14 2027.

563.15 (n) **Supplemental nutrition assistance**
563.16 **program (SNAP) outreach.** $1,000,000 in
563.17 fiscal year 2024 and $1,000,000 in fiscal year
563.18 2025 are for the SNAP outreach program
563.19 under Minnesota Statutes, section 256D.65.
563.20 The base for this appropriation is $500,000 in
563.21 fiscal year 2026 and $500,000 in fiscal year
563.22 2027.

563.23 (o) **Family Assets for Independence in**
563.24 **Minnesota.** $1,405,000 in fiscal year 2024
563.25 and $1,391,000 in fiscal year 2025 are from
563.26 the general fund for the family assets for
563.27 independence in Minnesota program, under
563.28 Minnesota Statutes, section 256E.35. This is
563.29 a onetime appropriation and is available until
563.30 June 30, 2027.

563.31 (p) **Minnesota Food Assistance Program.**
563.32 Unexpended funds for the Minnesota food
563.33 assistance program for fiscal year 2024 are
563.34 available until June 30, 2025.

564.1 ~~(o)~~ (q) **Base level adjustment.** The general
564.2 fund base is $83,179,000 in fiscal year 2026
564.3 and $88,179,000 in fiscal year 2027.

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

564.5 Sec. 19. Laws 2023, chapter 70, article 20, section 2, subdivision 29, is amended to read:

564.6 Subd. 29. **Grant Programs; Adult Mental Health** 564.7 **Grants**	132,327,000	121,270,000

564.8 (a) **Mobile crisis grants to Tribal Nations.**
564.9 $1,000,000 in fiscal year 2024 and $1,000,000
564.10 in fiscal year 2025 are for mobile crisis grants
564.11 under Minnesota Statutes ~~section~~, sections
564.12 245.4661, subdivision 9, paragraph (b), clause
564.13 (15), and 245.4889, subdivision 1, paragraph
564.14 (b), clause (4), to Tribal Nations.

564.15 (b) **Mental health provider supervision**
564.16 **grant program.** $1,500,000 in fiscal year
564.17 2024 and $1,500,000 in fiscal year 2025 are
564.18 for the mental health provider supervision
564.19 grant program under Minnesota Statutes,
564.20 section 245.4663.

564.21 (c) **Minnesota State University, Mankato**
564.22 **community behavioral health center.**
564.23 $750,000 in fiscal year 2024 and $750,000 in
564.24 fiscal year 2025 are for a grant to the Center
564.25 for Rural Behavioral Health at Minnesota State
564.26 University, Mankato to establish a community
564.27 behavioral health center and training clinic.
564.28 The community behavioral health center must
564.29 provide comprehensive, culturally specific,
564.30 trauma-informed, practice- and
564.31 evidence-based, person- and family-centered
564.32 mental health and substance use disorder
564.33 treatment services in Blue Earth County and
564.34 the surrounding region to individuals of all

565.1 ages, regardless of an individual's ability to
565.2 pay or place of residence. The community
565.3 behavioral health center and training clinic
565.4 must also provide training and workforce
565.5 development opportunities to students enrolled
565.6 in the university's training programs in the
565.7 fields of social work, counseling and student
565.8 personnel, alcohol and drug studies,
565.9 psychology, and nursing. Upon request, the
565.10 commissioner must make information
565.11 regarding the use of this grant funding
565.12 available to the chairs and ranking minority
565.13 members of the legislative committees with
565.14 jurisdiction over behavioral health. This is a
565.15 onetime appropriation and is available until
565.16 June 30, 2027.

565.17 (d) **White Earth Nation; adult mental health**
565.18 **initiative.** $300,000 in fiscal year 2024 and
565.19 $300,000 in fiscal year 2025 are for adult
565.20 mental health initiative grants to the White
565.21 Earth Nation. This is a onetime appropriation.

565.22 (e) **Mobile crisis grants.** $8,472,000 in fiscal
565.23 year 2024 and $8,380,000 in fiscal year 2025
565.24 are for the mobile crisis grants under
565.25 Minnesota Statutes, ~~section~~ sections 245.4661,
565.26 subdivision 9, paragraph (b), clause (15), and
565.27 245.4889, subdivision 1, paragraph (b), clause
565.28 (4). This is a onetime appropriation and is
565.29 available until June 30, 2027.

565.30 (f) **Base level adjustment.** The general fund
565.31 base is $121,980,000 in fiscal year 2026 and
565.32 $121,980,000 in fiscal year 2027.

Sec. 20. Laws 2023, chapter 70, article 20, section 2, subdivision 31, as amended by Laws 2023, chapter 75, section 12, is amended to read:

Subd. 31. **Direct Care and Treatment - Mental Health and Substance Abuse**	-0-	6,109,000

~~(a) **Keeping Nurses at the Bedside Act; contingent appropriation.** The appropriation in this subdivision is contingent upon legislative enactment by the 93rd Legislature of provisions substantially similar to 2023 S.F. No. 1561, the second engrossment, article 2.~~

~~(b)~~ **Base level adjustment.** The general fund base is increased by $7,566,000 in fiscal year 2026 and increased by $7,566,000 in fiscal year 2027.

Sec. 21. Laws 2023, chapter 70, article 20, section 3, subdivision 2, is amended to read:

Subd. 2. **Health Improvement**

Appropriations by Fund		
General	229,600,000	210,030,000
State Government Special Revenue	12,392,000	12,682,000
Health Care Access	49,051,000	53,290,000
Federal TANF	11,713,000	11,713,000

(a) **Studies of telehealth expansion and payment parity.** $1,200,000 in fiscal year 2024 is from the general fund for studies of telehealth expansion and payment parity. This is a onetime appropriation and is available until June 30, 2025.

(b) **Advancing equity through capacity building and resource allocation grant program.** $916,000 in fiscal year 2024 and $916,000 in fiscal year 2025 are from the general fund for grants under Minnesota

567.1 Statutes, section 144.9821. This is a onetime
567.2 appropriation.

567.3 (c) **Grant to Minnesota Community Health**
567.4 **Worker Alliance.** $971,000 in fiscal year
567.5 2024 and $971,000 in fiscal year 2025 are
567.6 from the general fund for Minnesota Statutes,
567.7 section 144.1462.

567.8 (d) **Community solutions for healthy child**
567.9 **development grants.** $2,730,000 in fiscal year
567.10 2024 and $2,730,000 in fiscal year 2025 are
567.11 from the general fund for grants under
567.12 Minnesota Statutes, section 145.9257. The
567.13 base for this appropriation is $2,415,000 in
567.14 fiscal year 2026 and $2,415,000 in fiscal year
567.15 2027.

567.16 (e) **Comprehensive Overdose and Morbidity**
567.17 **Prevention Act.** $9,794,000 in fiscal year
567.18 2024 and $10,458,000 in fiscal year 2025 are
567.19 from the general fund for comprehensive
567.20 overdose and morbidity prevention strategies
567.21 under Minnesota Statutes, section 144.0528.
567.22 The base for this appropriation is $10,476,000
567.23 in fiscal year 2026 and $10,476,000 in fiscal
567.24 year 2027.

567.25 (f) **Emergency preparedness and response.**
567.26 $10,486,000 in fiscal year 2024 and
567.27 $14,314,000 in fiscal year 2025 are from the
567.28 general fund for public health emergency
567.29 preparedness and response, the sustainability
567.30 of the strategic stockpile, and COVID-19
567.31 pandemic response transition. The base for
567.32 this appropriation is $11,438,000 in fiscal year
567.33 2026 and $11,362,000 in fiscal year 2027.

568.1 (g) **Healthy Beginnings, Healthy Families.**
568.2 (1) $8,440,000 in fiscal year 2024 and
568.3 $7,305,000 in fiscal year 2025 are from the
568.4 general fund for grants under Minnesota
568.5 Statutes, sections 145.9571 to 145.9576. The
568.6 base for this appropriation is $1,500,000 in
568.7 fiscal year 2026 and $1,500,000 in fiscal year
568.8 2027. (2) Of the amount in clause (1),
568.9 $400,000 in fiscal year 2024 is to support the
568.10 transition from implementation of activities
568.11 under Minnesota Statutes, section 145.4235,
568.12 to implementation of activities under
568.13 Minnesota Statutes, sections 145.9571 to
568.14 145.9576. The commissioner shall award four
568.15 sole-source grants of $100,000 each to Face
568.16 to Face, Cradle of Hope, Division of Indian
568.17 Work, and Minnesota Prison Doula Project.
568.18 The amount in this clause is a onetime
568.19 appropriation.

568.20 (h) **Help Me Connect.** $463,000 in fiscal year
568.21 2024 and $921,000 in fiscal year 2025 are
568.22 from the general fund for the Help Me
568.23 Connect program under Minnesota Statutes,
568.24 section 145.988.

568.25 (i) **Home visiting.** $2,000,000 in fiscal year
568.26 2024 and $2,000,000 in fiscal year 2025 are
568.27 from the general fund for home visiting under
568.28 Minnesota Statutes, section 145.87, to provide
568.29 home visiting to priority populations under
568.30 Minnesota Statutes, section 145.87,
568.31 subdivision 1, paragraph (e).

568.32 (j) **No Surprises Act enforcement.**
568.33 $1,210,000 in fiscal year 2024 and $1,090,000
568.34 in fiscal year 2025 are from the general fund
568.35 for implementation of the federal No Surprises

569.1 Act under Minnesota Statutes, section
569.2 62Q.021, and an assessment of the feasibility
569.3 of a statewide provider directory. The general
569.4 fund base for this appropriation is $855,000
569.5 in fiscal year 2026 and $855,000 in fiscal year
569.6 2027.

569.7 (k) **Office of African American Health.**
569.8 $1,000,000 in fiscal year 2024 and $1,000,000
569.9 in fiscal year 2025 are from the general fund
569.10 for grants under the authority of the Office of
569.11 African American Health under Minnesota
569.12 Statutes, section 144.0756.

569.13 (l) **Office of American Indian Health.**
569.14 $1,000,000 in fiscal year 2024 and $1,000,000
569.15 in fiscal year 2025 are from the general fund
569.16 for grants under the authority of the Office of
569.17 American Indian Health under Minnesota
569.18 Statutes, section 144.0757.

569.19 (m) **Public health system transformation**
569.20 **grants.** (1) $9,844,000 in fiscal year 2024 and
569.21 $9,844,000 in fiscal year 2025 are from the
569.22 general fund for grants under Minnesota
569.23 Statutes, section 145A.131, subdivision 1,
569.24 paragraph (f).

569.25 (2) $535,000 in fiscal year 2024 and $535,000
569.26 in fiscal year 2025 are from the general fund
569.27 for grants under Minnesota Statutes, section
569.28 145A.14, subdivision 2b.

569.29 (3) $321,000 in fiscal year 2024 and $321,000
569.30 in fiscal year 2025 are from the general fund
569.31 for grants under Minnesota Statutes, section
569.32 144.0759.

569.33 (n) **Health care workforce.** (1) $1,010,000
569.34 in fiscal year 2024 and $2,550,000 in fiscal

570.1 year 2025 are from the health care access fund
570.2 for rural training tracks and rural clinicals
570.3 grants under Minnesota Statutes, sections
570.4 144.1505 and 144.1507. The base for this
570.5 appropriation is $4,060,000 in fiscal year 2026
570.6 and $3,600,000 in fiscal year 2027.

570.7 (2) $420,000 in fiscal year 2024 and $420,000
570.8 in fiscal year 2025 are from the health care
570.9 access fund for immigrant international
570.10 medical graduate training grants under
570.11 Minnesota Statutes, section 144.1911.

570.12 (3) $5,654,000 in fiscal year 2024 and
570.13 $5,550,000 in fiscal year 2025 are from the
570.14 health care access fund for site-based clinical
570.15 training grants under Minnesota Statutes,
570.16 section 144.1508. The base for this
570.17 appropriation is $4,657,000 in fiscal year 2026
570.18 and $3,451,000 in fiscal year 2027.

570.19 (4) $1,000,000 in fiscal year 2024 and
570.20 $1,000,000 in fiscal year 2025 are from the
570.21 health care access fund for mental health for
570.22 health care professional grants. This is a
570.23 onetime appropriation and is available until
570.24 June 30, 2027.

570.25 (5) $502,000 in fiscal year 2024 and $502,000
570.26 in fiscal year 2025 are from the health care
570.27 access fund for workforce research and data
570.28 analysis of shortages, maldistribution of health
570.29 care providers in Minnesota, and the factors
570.30 that influence decisions of health care
570.31 providers to practice in rural areas of
570.32 Minnesota.

570.33 (o) **School health.** $800,000 in fiscal year
570.34 2024 and $1,300,000 in fiscal year 2025 are

571.1 from the general fund for grants under
571.2 Minnesota Statutes, section 145.903. The base
571.3 for this appropriation is $2,300,000 in fiscal
571.4 year 2026 and $2,300,000 in fiscal year 2027.

571.5 (p) **Long COVID.** $3,146,000 in fiscal year
571.6 2024 and $3,146,000 in fiscal year 2025 are
571.7 from the general fund for grants and to
571.8 implement Minnesota Statutes, section
571.9 145.361.

571.10 (q) **Workplace safety grants.** $4,400,000 in
571.11 fiscal year 2024 is from the general fund for
571.12 grants to health care entities to improve
571.13 employee safety or security. This is a onetime
571.14 appropriation and is available until June 30,
571.15 2027. The commissioner may use up to ten
571.16 percent of this appropriation for
571.17 administration.

571.18 (r) **Clinical dental education innovation**
571.19 **grants.** $1,122,000 in fiscal year 2024 and
571.20 $1,122,000 in fiscal year 2025 are from the
571.21 general fund for clinical dental education
571.22 innovation grants under Minnesota Statutes,
571.23 section 144.1913.

571.24 (s) **Emmett Louis Till Victims Recovery**
571.25 **Program.** $500,000 in fiscal year 2024 is from
571.26 the general fund for a grant to the Emmett
571.27 Louis Till Victims Recovery Program. The
571.28 commissioner must not use any of this
571.29 appropriation for administration. This is a
571.30 onetime appropriation and is available until
571.31 June 30, 2025.

571.32 (t) **Center for health care affordability.**
571.33 $2,752,000 in fiscal year 2024 and $3,989,000
571.34 in fiscal year 2025 are from the general fund

572.1 to establish a center for health care
572.2 affordability and to implement Minnesota
572.3 Statutes, section 62J.312. The general fund
572.4 base for this appropriation is $3,988,000 in
572.5 fiscal year 2026 and $3,988,000 in fiscal year
572.6 2027.

572.7 (u) **Federally qualified health centers**
572.8 **apprenticeship program.** $690,000 in fiscal
572.9 year 2024 and $690,000 in fiscal year 2025
572.10 are from the general fund for grants under
572.11 Minnesota Statutes, section 145.9272.

572.12 (v) **Alzheimer's public information**
572.13 **program.** $80,000 in fiscal year 2024 and
572.14 $80,000 in fiscal year 2025 are from the
572.15 general fund for grants to community-based
572.16 organizations to co-create culturally specific
572.17 messages to targeted communities and to
572.18 promote public awareness materials online
572.19 through diverse media channels.

572.20 (w) ~~**Keeping Nurses at the Bedside Act;**~~
572.21 ~~**contingent appropriation**~~ **Nurse and Patient**
572.22 **Safety Act.** ~~The appropriations in this~~
572.23 ~~paragraph are contingent upon legislative~~
572.24 ~~enactment of 2023 Senate File 1384 by the~~
572.25 ~~93rd Legislature.~~ The appropriations in this
572.26 paragraph are available until June 30, 2027.

572.27 (1) $5,317,000 in fiscal year 2024 ~~and~~
572.28 ~~$5,317,000 in fiscal year 2025 are~~ is from the
572.29 general fund for loan forgiveness under
572.30 Minnesota Statutes, section 144.1501, for
572.31 eligible nurses who have agreed to work as
572.32 hospital nurses in accordance with Minnesota
572.33 Statutes, section 144.1501, subdivision 2,
572.34 paragraph (a), clause (7).

573.1 (2) $66,000 in fiscal year 2024 and $66,000
573.2 in fiscal year 2025 are from the general fund
573.3 for loan forgiveness under Minnesota Statutes,
573.4 section 144.1501, for eligible nurses who have
573.5 agreed to teach in accordance with Minnesota
573.6 Statutes, section 144.1501, subdivision 2,
573.7 paragraph (a), clause (3).

573.8 ~~(3) $545,000 in fiscal year 2024 and $879,000~~
573.9 ~~in fiscal year 2025 are from the general fund~~
573.10 ~~to administer Minnesota Statutes, section~~
573.11 ~~144.7057; to perform the evaluation duties~~
573.12 ~~described in Minnesota Statutes, section~~
573.13 ~~144.7058; to continue prevention of violence~~
573.14 ~~in health care program activities; to analyze~~
573.15 ~~potential links between adverse events and~~
573.16 ~~understaffing; to convene stakeholder groups~~
573.17 ~~and create a best practices toolkit; and for a~~
573.18 ~~report on the current status of the state's~~
573.19 ~~nursing workforce employed by hospitals. The~~
573.20 ~~base for this appropriation is $624,000 in fiscal~~
573.21 ~~year 2026 and $454,000 in fiscal year 2027.~~

573.22 (x) **Supporting healthy development of**
573.23 **babies.** $260,000 in fiscal year 2024 and
573.24 $260,000 in fiscal year 2025 are from the
573.25 general fund for a grant to the Amherst H.
573.26 Wilder Foundation for the African American
573.27 Babies Coalition initiative. The base for this
573.28 appropriation is $520,000 in fiscal year 2026
573.29 and $0 in fiscal year 2027. Any appropriation
573.30 in fiscal year 2026 is available until June 30,
573.31 2027. This paragraph expires on June 30,
573.32 2027.

573.33 (y) **Health professional education loan**
573.34 **forgiveness.** $2,780,000 in fiscal year 2024
573.35 is from the general fund for eligible mental

574.1 health professional loan forgiveness under
574.2 Minnesota Statutes, section 144.1501. This is
574.3 a onetime appropriation. The commissioner
574.4 may use up to ten percent of this appropriation
574.5 for administration.

574.6 (z) **Primary care residency expansion grant**
574.7 **program.** $400,000 in fiscal year 2024 and
574.8 $400,000 in fiscal year 2025 are from the
574.9 general fund for a psychiatry resident under
574.10 Minnesota Statutes, section 144.1506.

574.11 (aa) **Pediatric primary care mental health**
574.12 **training grant program.** $1,000,000 in fiscal
574.13 year 2024 and $1,000,000 in fiscal year 2025
574.14 are from the general fund for grants under
574.15 Minnesota Statutes, section 144.1509. The
574.16 commissioner may use up to ten percent of
574.17 this appropriation for administration.

574.18 (bb) **Mental health cultural community**
574.19 **continuing education grant program.**
574.20 $500,000 in fiscal year 2024 and $500,000 in
574.21 fiscal year 2025 are from the general fund for
574.22 grants under Minnesota Statutes, section
574.23 144.1511. The commissioner may use up to
574.24 ten percent of this appropriation for
574.25 administration.

574.26 (cc) **Labor trafficking services grant**
574.27 **program.** $500,000 in fiscal year 2024 and
574.28 $500,000 in fiscal year 2025 are from the
574.29 general fund for grants under Minnesota
574.30 Statutes, section 144.3885.

574.31 (dd) **Palliative Care Advisory Council.**
574.32 ~~$40,000~~ <u>$44,000</u> in fiscal year 2024 and
574.33 ~~$40,000~~ <u>$44,000</u> in fiscal year 2025 are from

575.1 the general fund for ~~grants under~~ Minnesota
575.2 Statutes, section 144.059.

575.3 (ee) **Analysis of a universal health care**
575.4 **financing system.** $1,815,000 in fiscal year
575.5 2024 and $580,000 in fiscal year 2025 are
575.6 from the general fund to the commissioner to
575.7 contract for an analysis of the benefits and
575.8 costs of a legislative proposal for a universal
575.9 health care financing system and a similar
575.10 analysis of the current health care financing
575.11 system. The base for this appropriation is
575.12 $580,000 in fiscal year 2026 and $0 in fiscal
575.13 year 2027. This appropriation is available until
575.14 June 30, 2027.

575.15 (ff) **Charitable assets public interest review.**
575.16 (1) The appropriations under this paragraph
575.17 are contingent upon legislative enactment of
575.18 2023 House File 402 by the 93rd Legislature.

575.19 (2) $1,584,000 in fiscal year 2024 and
575.20 $769,000 in fiscal year 2025 are from the
575.21 general fund to review certain health care
575.22 entity transactions; to conduct analyses of the
575.23 impacts of health care transactions on health
575.24 care cost, quality, and competition; and to
575.25 issue public reports on health care transactions
575.26 in Minnesota and their impacts. The base for
575.27 this appropriation is $710,000 in fiscal year
575.28 2026 and $710,000 in fiscal year 2027.

575.29 (gg) **Study of the development of a statewide**
575.30 **registry for provider orders for**
575.31 **life-sustaining treatment.** $365,000 in fiscal
575.32 year 2024 ~~and $365,000 in fiscal year 2025~~
575.33 ~~are~~ is from the general fund for a study of the
575.34 development of a statewide registry for

576.1 provider orders for life-sustaining treatment.
576.2 This is a onetime appropriation.

576.3 (hh) **Task Force on Pregnancy Health and**
576.4 **Substance Use Disorders.** $199,000 in fiscal
576.5 year 2024 and $100,000 in fiscal year 2025
576.6 are from the general fund for the Task Force
576.7 on Pregnancy Health and Substance Use
576.8 Disorders. This is a onetime appropriation and
576.9 is available until June 30, 2025.

576.10 (ii) **988 Suicide and crisis lifeline.** $4,000,000
576.11 in fiscal year 2024 is from the general fund
576.12 for 988 national suicide prevention lifeline
576.13 grants under Minnesota Statutes, section
576.14 145.561. This is a onetime appropriation.

576.15 (jj) **Equitable Health Care Task Force.**
576.16 $779,000 in fiscal year 2024 and $749,000 in
576.17 fiscal year 2025 are from the general fund for
576.18 the Equitable Health Care Task Force. This is
576.19 a onetime appropriation.

576.20 (kk) **Psychedelic Medicine Task Force.**
576.21 $338,000 in fiscal year 2024 and $171,000 in
576.22 fiscal year 2025 are from the general fund for
576.23 the Psychedelic Medicine Task Force. This is
576.24 a onetime appropriation.

576.25 (ll) **Medical education and research costs.**
576.26 $300,000 in fiscal year 2024 and $300,000 in
576.27 fiscal year 2025 are from the general fund for
576.28 the medical education and research costs
576.29 program under Minnesota Statutes, section
576.30 62J.692.

576.31 (mm) **Special Guerilla Unit Veterans grant**
576.32 **program.** $250,000 in fiscal year 2024 and
576.33 $250,000 in fiscal year 2025 are from the
576.34 general fund for a grant to the Special

577.1 Guerrilla Units Veterans and Families of the
577.2 United States of America to offer
577.3 programming and culturally specific and
577.4 specialized assistance to support the health
577.5 and well-being of Special Guerilla Unit
577.6 Veterans. The base for this appropriation is
577.7 $500,000 in fiscal year 2026 and $0 in fiscal
577.8 year 2027. Any amount appropriated in fiscal
577.9 year 2026 is available until June 30, 2027.
577.10 This paragraph expires June 30, 2027.

577.11 (nn) **Safe harbor regional navigator.**
577.12 $300,000 in fiscal year 2024 and $300,000 in
577.13 fiscal year 2025 are for a regional navigator
577.14 in northwestern Minnesota. The commissioner
577.15 may use up to ten percent of this appropriation
577.16 for administration.

577.17 (oo) **Network adequacy.** $798,000 in fiscal
577.18 year 2024 and $491,000 in fiscal year 2025
577.19 are from the general fund for reviews of
577.20 provider networks under Minnesota Statutes,
577.21 section 62K.10, to determine network
577.22 adequacy.

577.23 (pp) **Grant to Minnesota Alliance for**
577.24 **Volunteer Advancement.** $278,000 in fiscal
577.25 year 2024 is from the general fund for a grant
577.26 to the Minnesota Alliance for Volunteer
577.27 Advancement to administer needs-based
577.28 volunteerism subgrants targeting
577.29 underresourced nonprofit organizations in
577.30 greater Minnesota. Subgrants must be used to
577.31 support the ongoing efforts of selected
577.32 organizations to address and minimize
577.33 disparities in access to human services through
577.34 increased volunteerism. Subgrant applicants
577.35 must demonstrate that the populations to be

578.1 served by the subgrantee are underserved or
578.2 suffer from or are at risk of homelessness,
578.3 hunger, poverty, lack of access to health care,
578.4 or deficits in education. The Minnesota
578.5 Alliance for Volunteer Advancement must
578.6 give priority to organizations that are serving
578.7 the needs of vulnerable populations. This is a
578.8 onetime appropriation and is available until
578.9 June 30, 2025.

578.10 ~~(pp)~~ (qq)(1) **TANF Appropriations.** TANF
578.11 funds must be used as follows:

578.12 (i) $3,579,000 in fiscal year 2024 and
578.13 $3,579,000 in fiscal year 2025 are from the
578.14 TANF fund for home visiting and nutritional
578.15 services listed under Minnesota Statutes,
578.16 section 145.882, subdivision 7, clauses (6) and
578.17 (7). Funds must be distributed to community
578.18 health boards according to Minnesota Statutes,
578.19 section 145A.131, subdivision 1;

578.20 (ii) $2,000,000 in fiscal year 2024 and
578.21 $2,000,000 in fiscal year 2025 are from the
578.22 TANF fund for decreasing racial and ethnic
578.23 disparities in infant mortality rates under
578.24 Minnesota Statutes, section 145.928,
578.25 subdivision 7;

578.26 (iii) $4,978,000 in fiscal year 2024 and
578.27 $4,978,000 in fiscal year 2025 are from the
578.28 TANF fund for the family home visiting grant
578.29 program under Minnesota Statutes, section
578.30 145A.17. $4,000,000 of the funding in fiscal
578.31 year 2024 and $4,000,000 in fiscal year 2025
578.32 must be distributed to community health
578.33 boards under Minnesota Statutes, section
578.34 145A.131, subdivision 1. $978,000 of the
578.35 funding in fiscal year 2024 and $978,000 in

579.1 fiscal year 2025 must be distributed to Tribal
579.2 governments under Minnesota Statutes, section
579.3 145A.14, subdivision 2a;

579.4 (iv) $1,156,000 in fiscal year 2024 and
579.5 $1,156,000 in fiscal year 2025 are from the
579.6 TANF fund for sexual and reproductive health
579.7 services grants under Minnesota Statutes,
579.8 section 145.925; and

579.9 (v) the commissioner may use up to 6.23
579.10 percent of the funds appropriated from the
579.11 TANF fund each fiscal year to conduct the
579.12 ongoing evaluations required under Minnesota
579.13 Statutes, section 145A.17, subdivision 7, and
579.14 training and technical assistance as required
579.15 under Minnesota Statutes, section 145A.17,
579.16 subdivisions 4 and 5.

579.17 (2) **TANF Carryforward.** Any unexpended
579.18 balance of the TANF appropriation in the first
579.19 year does not cancel but is available in the
579.20 second year.

579.21 ~~(qq)~~ (rr) **Base level adjustments.** The general
579.22 fund base is $197,644,000 in fiscal year 2026
579.23 and $195,714,000 in fiscal year 2027. The
579.24 health care access fund base is $53,354,000
579.25 in fiscal year 2026 and $50,962,000 in fiscal
579.26 year 2027.

579.27 Sec. 22. Laws 2023, chapter 70, article 20, section 12, as amended by Laws 2023, chapter
579.28 75, section 13, is amended to read:

579.29 Sec. 12. **COMMISSIONER OF**
579.30 **MANAGEMENT AND BUDGET** **$ 12,932,000 $ 3,412,000**

579.31 (a) **Outcomes and evaluation consultation.**
579.32 $450,000 in fiscal year 2024 and $450,000 in
579.33 fiscal year 2025 are for outcomes and
579.34 evaluation consultation requirements.

580.1 (b) **Department of Children, Youth, and**
580.2 **Families.** $11,931,000 in fiscal year 2024 and
580.3 $2,066,000 in fiscal year 2025 are to establish
580.4 the Department of Children, Youth, and
580.5 Families. This is a onetime appropriation.

580.6 ~~(c) **Keeping Nurses at the Bedside Act**~~
580.7 ~~**impact evaluation; contingent**~~
580.8 ~~**appropriation.** $232,000 in fiscal year 2025~~
580.9 ~~is for the Keeping Nurses at the Bedside Act~~
580.10 ~~impact evaluation. This appropriation is~~
580.11 ~~contingent upon legislative enactment by the~~
580.12 ~~93rd Legislature of a provision substantially~~
580.13 ~~similar to the impact evaluation provision in~~
580.14 ~~2023 S.F. No. 2995, the third engrossment,~~
580.15 ~~article 3, section 22. This is a onetime~~
580.16 ~~appropriation and is available until June 30,~~
580.17 ~~2029.~~

580.18 ~~(d)~~ (c) **Health care subcabinet.** $551,000 in
580.19 fiscal year 2024 and $664,000 in fiscal year
580.20 2025 are to hire an executive director for the
580.21 health care subcabinet and to provide staffing
580.22 and administrative support for the health care
580.23 subcabinet.

580.24 ~~(e)~~ (d) **Base level adjustment.** The general
580.25 fund base is $1,114,000 in fiscal year 2026
580.26 and $1,114,000 in fiscal year 2027.

580.27 Sec. 23. Laws 2023, chapter 70, article 20, section 23, is amended to read:

580.28 Sec. 23. **TRANSFERS.**

580.29 Subdivision 1. **Grants.** The commissioner of human services and commissioner of
580.30 children, youth, and families, with the approval of the commissioner of management and
580.31 budget, may transfer unencumbered appropriation balances for the biennium ending June
580.32 30, 2025, within fiscal years among MFIP; general assistance; medical assistance;
580.33 MinnesotaCare; MFIP child care assistance under Minnesota Statutes, section 119B.05;

581.1 Minnesota supplemental aid program; housing support program; the entitlement portion of
581.2 Northstar Care for Children under Minnesota Statutes, chapter 256N; and the entitlement
581.3 portion of the behavioral health fund between fiscal years of the biennium. The commissioner
581.4 shall report to the chairs and ranking minority members of the legislative committees with
581.5 jurisdiction over health and human services quarterly about transfers made under this
581.6 subdivision.

581.7 Subd. 2. **Administration.** Positions, salary money, and nonsalary administrative money
581.8 may be transferred within and between the Department of Human Services and the
581.9 Department of Children, Youth, and Families as the commissioners consider necessary,
581.10 with the advance approval of the commissioner of management and budget. The
581.11 commissioners shall report to the chairs and ranking minority members of the legislative
581.12 committees with jurisdiction over health and human services finance quarterly about transfers
581.13 made under this section.

581.14 Sec. 24. **INDIRECT COSTS NOT TO FUND PROGRAMS.**

581.15 The commissioner of health shall not use indirect cost allocations to pay for the
581.16 operational costs of any program for which the commissioner is responsible.

581.17 Sec. 25. **EXPIRATION OF UNCODIFIED LANGUAGE.**

581.18 All uncodified language contained in this article expires on June 30, 2025, unless a
581.19 different expiration date is explicit.

62A.041 MATERNITY BENEFITS.

Subd. 3. **Abortion.** For the purposes of this section, the term "maternity benefits" shall not include elective, induced abortion whether performed in a hospital, other abortion facility, or the office of a physician.

This section applies to policies and contracts issued, delivered, or renewed after August 1, 1985, that cover Minnesota residents.

62J.312 CENTER FOR HEALTH CARE AFFORDABILITY.

Subd. 6. **340B covered entity report.** (a) Beginning April 1, 2024, each 340B covered entity, as defined by section 340B(a)(4) of the Public Health Service Act, must report to the commissioner of health by April 1 of each year the following information related to its participation in the federal 340B program for the previous calendar year:

(1) the National Provider Identification (NPI) number;

(2) the name of the 340B covered entity;

(3) the servicing address of the 340B covered entity;

(4) the classification of the 340B covered entity;

(5) the aggregated acquisition cost for prescription drugs obtained under the 340B program;

(6) the aggregated payment amount received for drugs obtained under the 340B program and dispensed to patients;

(7) the aggregated payment made to pharmacies under contract to dispense drugs obtained under the 340B program; and

(8) the number of claims for prescription drugs described in clause (6).

(b) The information required under paragraph (a) must be reported by payer type, including commercial insurance, medical assistance and MinnesotaCare, and Medicare, in the form and manner defined by the commissioner. For covered entities that are hospitals, the information required under paragraph (a), clauses (5) to (8), must also be reported at the national drug code level for the 50 most frequently dispensed drugs by the facility under the 340B program.

(c) Data submitted under paragraph (a) must include prescription drugs dispensed by outpatient facilities that are identified as child facilities under the federal 340B program based on their inclusion on the hospital's Medicare cost report.

(d) Data submitted to the commissioner under paragraph (a) must be classified as nonpublic data as defined in section 13.02, subdivision 9.

(e) Beginning November 15, 2024, and by November 15 of each year thereafter, the commissioner shall prepare a report that aggregates the data submitted under paragraph (a). The commissioner shall submit this report to the chairs and ranking minority members of the legislative committees with jurisdiction over health care finance and policy.

62Q.522 COVERAGE OF CONTRACEPTIVE METHODS AND SERVICES.

Subd. 3. **Exemption.** (a) An exempt organization is not required to cover contraceptives or contraceptive services if the exempt organization has religious objections to the coverage. An exempt organization that chooses to not provide coverage for some or all contraceptives and contraceptive services must notify employees as part of the hiring process and to all employees at least 30 days before:

(1) an employee enrolls in the health plan; or

(2) the effective date of the health plan, whichever occurs first.

(b) If the exempt organization provides coverage for some contraceptive methods or services, the notice required under paragraph (a) must provide a list of the contraceptive methods or services the organization refuses to cover.

Subd. 4. **Accommodation for eligible organizations.** (a) A health plan established or maintained by an eligible organization complies with the requirements of subdivision 2 to provide coverage of contraceptive methods and services, with respect to the contraceptive methods or services identified in the notice under this paragraph, if the eligible organization provides notice to any health plan

company the eligible organization contracts with that it is an eligible organization and that the eligible organization has a religious objection to coverage for all or a subset of contraceptive methods or services.

(b) The notice from an eligible organization to a health plan company under paragraph (a) must include: (1) the name of the eligible organization; (2) a statement that it objects to coverage for some or all of contraceptive methods or services, including a list of the contraceptive methods or services the eligible organization objects to, if applicable; and (3) the health plan name. The notice must be executed by a person authorized to provide notice on behalf of the eligible organization.

(c) An eligible organization must provide a copy of the notice under paragraph (a) to prospective employees as part of the hiring process and to all employees at least 30 days before:

(1) an employee enrolls in the health plan; or

(2) the effective date of the health plan, whichever occurs first.

(d) A health plan company that receives a copy of the notice under paragraph (a) with respect to a health plan established or maintained by an eligible organization must, for all future enrollments in the health plan:

(1) expressly exclude coverage for those contraceptive methods or services identified in the notice under paragraph (a) from the health plan; and

(2) provide separate payments for any contraceptive methods or services required to be covered under subdivision 2 for enrollees as long as the enrollee remains enrolled in the health plan.

(e) The health plan company must not impose any cost-sharing requirements, including co-pays, deductibles, or coinsurance, or directly or indirectly impose any premium, fee, or other charge for contraceptive services or methods on the eligible organization, health plan, or enrollee.

(f) On January 1, 2024, and every year thereafter a health plan company must notify the commissioner, in a manner determined by the commissioner, of the number of eligible organizations granted an accommodation under this subdivision.

144.0528 COMPREHENSIVE DRUG OVERDOSE AND MORBIDITY PREVENTION ACT.

Subd. 5. **Promotion; administration.** In fiscal years 2026 and beyond, the commissioner may spend up to 25 percent of the total funding appropriated for the comprehensive drug overdose and morbidity program in each fiscal year to promote, administer, support, and evaluate the programs authorized under this section and to provide technical assistance to program grantees.

144.218 REPLACEMENT BIRTH RECORDS.

Subd. 3. **Subsequent marriage of birth parents.** If, in cases in which a record of birth has been registered pursuant to section 144.215 and the birth parents of the child marry after the birth of the child, a replacement record of birth shall be registered upon presentation of a certified copy of the marriage certificate of the birth parents, and either a recognition of parentage or court adjudication of paternity. The original record of birth is confidential, pursuant to section 13.02, subdivision 3, and shall not be disclosed except pursuant to court order.

144.497 ST ELEVATION MYOCARDIAL INFARCTION.

The commissioner of health shall assess and report on the quality of care provided in the state for ST elevation myocardial infarction response and treatment. The commissioner shall:

(1) utilize and analyze data provided by ST elevation myocardial infarction receiving centers to the ACTION Registry-Get with the guidelines or an equivalent data platform that does not identify individuals or associate specific ST elevation myocardial infarction heart attack events with an identifiable individual;

(2) annually post a summary report of the data in aggregate form on the Department of Health website; and

(3) coordinate to the extent possible with national voluntary health organizations involved in ST elevation myocardial infarction heart attack quality improvement to encourage ST elevation myocardial infarction receiving centers to report data consistent with nationally recognized guidelines on the treatment of individuals with confirmed ST elevation myocardial infarction heart attacks within the state and encourage sharing of information among health care providers on ways to improve the quality of care of ST elevation myocardial infarction patients in Minnesota.

144E.001 DEFINITIONS.

Subd. 5. **Board.** "Board" means the Emergency Medical Services Regulatory Board.

144E.01 EMERGENCY MEDICAL SERVICES REGULATORY BOARD.

Subdivision 1. **Membership.** (a) The Emergency Medical Services Regulatory Board consists of the following members, all of whom must work in Minnesota, except for the person listed in clause (14):

(1) an emergency physician certified by the American Board of Emergency Physicians;

(2) a representative of Minnesota hospitals;

(3) a representative of fire chiefs;

(4) a full-time firefighter who serves as an emergency medical responder on or within a nontransporting or nonregistered agency and who is a member of a professional firefighter's union;

(5) a volunteer firefighter who serves as an emergency medical responder on or within a nontransporting or nonregistered agency;

(6) an attendant currently practicing on a licensed ambulance service who is a paramedic or an emergency medical technician;

(7) an ambulance director for a licensed ambulance service;

(8) a representative of sheriffs;

(9) a member of a community health board to represent community health services;

(10) two representatives of regional emergency medical services programs, one of whom must be from the metropolitan regional emergency medical services program;

(11) a registered nurse currently practicing in a hospital emergency department;

(12) a pediatrician, certified by the American Board of Pediatrics, with experience in emergency medical services;

(13) a family practice physician who is currently involved in emergency medical services;

(14) a public member who resides in Minnesota; and

(15) the commissioners of health and public safety or their designees.

(b) The governor shall appoint members under paragraph (a). Appointments under paragraph (a), clauses (1) to (9) and (11) to (13), are subject to the advice and consent of the senate. In making appointments under paragraph (a), clauses (1) to (9) and (11) to (13), the governor shall consider recommendations of the American College of Emergency Physicians, the Minnesota Hospital Association, the Minnesota and State Fire Chief's Association, the Minnesota Ambulance Association, the Minnesota Emergency Medical Services Association, the Minnesota State Sheriff's Association, the Association of Minnesota Counties, the Minnesota Nurses Association, and the Minnesota chapter of the Academy of Pediatrics.

(c) At least seven members appointed under paragraph (a) must reside outside of the seven-county metropolitan area, as defined in section 473.121.

Subd. 2. **Ex officio members.** The speaker of the house and the Committee on Rules and Administration of the senate shall appoint one representative and one senator to serve as ex officio, nonvoting members.

Subd. 3. **Chair.** The governor shall designate one of the members appointed under subdivision 1 as chair of the board.

Subd. 4. **Compensation; terms.** Membership terms, compensation, and removal of members appointed under subdivision 1, are governed by section 15.0575.

Subd. 5. **Staff.** The board shall appoint an executive director who shall serve in the unclassified service and may appoint other staff. The service of the executive director shall be subject to the terms described in section 214.04, subdivision 2a.

Subd. 6. **Duties of board.** (a) The Emergency Medical Services Regulatory Board shall:

(1) administer and enforce the provisions of this chapter and other duties as assigned to the board;

(2) advise applicants for state or federal emergency medical services funds, review and comment on such applications, and approve the use of such funds unless otherwise required by federal law;

(3) make recommendations to the legislature on improving the access, delivery, and effectiveness of the state's emergency medical services delivery system; and

(4) establish procedures for investigating, hearing, and resolving complaints against emergency medical services providers.

(b) The Emergency Medical Services Board may prepare an initial work plan, which may be updated biennially. The work plan may include provisions to:

(1) prepare an emergency medical services assessment which addresses issues affecting the statewide delivery system;

(2) establish a statewide public information and education system regarding emergency medical services;

(3) create, in conjunction with the Department of Public Safety, a statewide injury and trauma prevention program; and

(4) designate an annual emergency medical services personnel recognition day.

Subd. 7. **Conflict of interest.** No member of the Emergency Medical Services Board may participate or vote in board proceedings in which the member has a direct conflict of interest, financial or otherwise.

144E.123 PREHOSPITAL CARE DATA.

Subd. 5. **Working group.** By October 1, 2011, the board must convene a working group composed of six members, three of which must be appointed by the board and three of which must be appointed by the Minnesota Ambulance Association, to redesign the board's policies related to collection of data from licenses. The issues to be considered include, but are not limited to, the following: user-friendly reporting requirements; data sets; improved accuracy of reported information; appropriate use of information gathered through the reporting system; and methods for minimizing the financial impact of data reporting on licenses, particularly for rural volunteer services. The working group must report its findings and recommendations to the board no later than July 1, 2012.

144E.27 EDUCATION PROGRAMS; BOARD APPROVAL.

Subdivision 1. **Education program instructor.** An education program instructor must be an emergency medical responder, EMT, AEMT, paramedic, physician, physician assistant, or registered nurse.

Subd. 1a. **Approval required.** (a) All education programs for an emergency medical responder must be approved by the board.

(b) To be approved by the board, an education program must:

(1) submit an application prescribed by the board that includes:

(i) type and length of course to be offered;

(ii) names, addresses, and qualifications of the program medical director, program education coordinator, and instructors;

(iii) admission criteria for students; and

(iv) materials and equipment to be used;

(2) for each course, implement the most current version of the United States Department of Transportation EMS Education Standards, or its equivalent as determined by the board applicable to Emergency Medical Responder registration education;

(3) have a program medical director and a program coordinator;

(4) have at least one instructor for every ten students at the practical skill stations;

(5) retain documentation of program approval by the board, course outline, and student information; and

(6) submit the appropriate fee as required under section 144E.29.

(c) The National EMS Education Standards by the NHTSA, United States Department of Transportation contains the minimal entry level of knowledge and skills for emergency medical responders. Medical directors of emergency medical responder groups may expand the knowledge and skill set.

144E.50 EMERGENCY MEDICAL SERVICES FUND.

Subd. 3. **Definition.** For purposes of this section, "board" means the Emergency Medical Services Regulatory Board.

245A.065 CHILD CARE FIX-IT TICKET.

(a) In lieu of a correction order under section 245A.06, the commissioner shall issue a fix-it ticket to a family child care or child care center license holder if the commissioner finds that:

(1) the license holder has failed to comply with a requirement in this chapter or Minnesota Rules, chapter 9502 or 9503, that the commissioner determines to be eligible for a fix-it ticket;

(2) the violation does not imminently endanger the health, safety, or rights of the persons served by the program;

(3) the license holder did not receive a fix-it ticket or correction order for the violation at the license holder's last licensing inspection;

(4) the violation can be corrected at the time of inspection or within 48 hours, excluding Saturdays, Sundays, and holidays; and

(5) the license holder corrects the violation at the time of inspection or agrees to correct the violation within 48 hours, excluding Saturdays, Sundays, and holidays.

(b) The fix-it ticket must state:

(1) the conditions that constitute a violation of the law or rule;

(2) the specific law or rule violated; and

(3) that the violation was corrected at the time of inspection or must be corrected within 48 hours, excluding Saturdays, Sundays, and holidays.

(c) The commissioner shall not publicly publish a fix-it ticket on the department's website.

(d) Within 48 hours, excluding Saturdays, Sundays, and holidays, of receiving a fix-it ticket, the license holder must correct the violation and within one week submit evidence to the licensing agency that the violation was corrected.

(e) If the violation is not corrected at the time of inspection or within 48 hours, excluding Saturdays, Sundays, and holidays, or the evidence submitted is insufficient to establish that the license holder corrected the violation, the commissioner must issue a correction order for the violation of Minnesota law or rule identified in the fix-it ticket according to section 245A.06.

245C.08 BACKGROUND STUDY; COMMISSIONER REVIEWS.

Subd. 2. **Background studies conducted by a county agency for family child care.** (a) Before the implementation of NETStudy 2.0, for a background study conducted by a county agency for family child care services, the commissioner shall review:

(1) information from the county agency's record of substantiated maltreatment of adults and the maltreatment of minors;

(2) information from juvenile courts as required in subdivision 4 for:

(i) individuals listed in section 245C.03, subdivision 1, paragraph (a), who are ages 13 through 23 living in the household where the licensed services will be provided; and

(ii) any other individual listed under section 245C.03, subdivision 1, when there is reasonable cause; and

(3) information from the Bureau of Criminal Apprehension.

(b) If the individual has resided in the county for less than five years, the study shall include the records specified under paragraph (a) for the previous county or counties of residence for the past five years.

(c) Notwithstanding expungement by a court, the county agency may consider information obtained under paragraph (a), clause (3), unless:

(1) the commissioner received notice of the petition for expungement and the court order for expungement is directed specifically to the commissioner; or

(2) the commissioner received notice of the expungement order issued pursuant to section 609A.017, 609A.025, or 609A.035, and the order for expungement is directed specifically to the commissioner.

245C.125 BACKGROUND STUDY; HEAD START PROGRAMS.

(a) Head Start programs that receive funds under section 119A.52 may contract with the commissioner to:

(1) conduct background studies on individuals affiliated with a Head Start program; and

(2) obtain background study data on individuals affiliated with a Head Start program.

(b) The commissioner must include a national criminal history record check in a background study conducted under paragraph (a).

(c) A Head Start program site that does not contract with the commissioner, is not licensed, and is not registered to receive payments under chapter 119B is exempt from the relevant requirements in this chapter. Nothing in this section supersedes requirements for background studies in this chapter or chapter 119B or 245H that relate to licensed child care programs or programs registered to receive payments under chapter 119B. For a background study conducted under this section to be transferable to other child care entities, the study must include all components of studies for a certified license-exempt child care center under this chapter.

256.01 COMMISSIONER OF HUMAN SERVICES; POWERS, DUTIES.

Subd. 12. **Child mortality review panel.** (a) The commissioner shall establish a child mortality review panel to review deaths of children in Minnesota, including deaths attributed to maltreatment or in which maltreatment may be a contributing cause and to review near fatalities as defined in section 260E.35. The commissioners of health, education, and public safety and the attorney general shall each designate a representative to the child mortality review panel. Other panel members shall be appointed by the commissioner, including a board-certified pathologist and a physician who is a coroner or a medical examiner. The purpose of the panel shall be to make recommendations to the state and to county agencies for improving the child protection system, including modifications in statute, rule, policy, and procedure.

(b) The commissioner may require a county agency to establish a local child mortality review panel. The commissioner may establish procedures for conducting local reviews and may require that all professionals with knowledge of a child mortality case participate in the local review. In this section, "professional" means a person licensed to perform or a person performing a specific service in the child protective service system. "Professional" includes law enforcement personnel, social service agency attorneys, educators, and social service, health care, and mental health care providers.

(c) If the commissioner of human services has reason to believe that a child's death was caused by maltreatment or that maltreatment was a contributing cause, the commissioner has access to not public data under chapter 13 maintained by state agencies, statewide systems, or political subdivisions that are related to the child's death or circumstances surrounding the care of the child. The commissioner shall also have access to records of private hospitals as necessary to carry out the duties prescribed by this section. Access to data under this paragraph is limited to police investigative data; autopsy records and coroner or medical examiner investigative data; hospital, public health, or other medical records of the child; hospital and other medical records of the child's parent that relate to prenatal care; and records created by social service agencies that provided services to the child or family within three years preceding the child's death. A state agency, statewide system, or political subdivision shall provide the data upon request of the commissioner. Not public data may be shared with members of the state or local child mortality review panel in connection with an individual case.

(d) Notwithstanding the data's classification in the possession of any other agency, data acquired by a local or state child mortality review panel in the exercise of its duties is protected nonpublic or confidential data as defined in section 13.02, but may be disclosed as necessary to carry out the purposes of the review panel. The data is not subject to subpoena or discovery. The commissioner may disclose conclusions of the review panel, but shall not disclose data that was classified as confidential or private data on decedents, under section 13.10, or private, confidential, or protected nonpublic data in the disseminating agency, except that the commissioner may disclose local social service agency data as provided in section 260E.35, on individual cases involving a fatality or near fatality of a person served by the local social service agency prior to the date of death.

(e) A person attending a child mortality review panel meeting shall not disclose what transpired at the meeting, except to carry out the purposes of the mortality review panel. The proceedings and records of the mortality review panel are protected nonpublic data as defined in section 13.02, subdivision 13, and are not subject to discovery or introduction into evidence in a civil or criminal action against a professional, the state or a county agency, arising out of the matters the panel is reviewing. Information, documents, and records otherwise available from other sources are not immune from discovery or use in a civil or criminal action solely because they were presented during proceedings of the review panel. A person who presented information before the review panel or who is a member of the panel shall not be prevented from testifying about matters within the person's knowledge. However, in a civil or criminal proceeding a person shall not be questioned about the person's presentation of information to the review panel or opinions formed by the person as a result of the review meetings.

Subd. 12a. **Department of Human Services child fatality and near fatality review team.** (a) The commissioner shall establish a Department of Human Services child fatality and near fatality review team to review child fatalities and near fatalities due to child maltreatment and child fatalities and near fatalities that occur in licensed facilities and are not due to natural causes. The review team shall assess the entire child protection services process from the point of a mandated reporter reporting the alleged maltreatment through the ongoing case management process. Department staff shall lead and conduct on-site local reviews and utilize supervisors from local county and tribal child welfare agencies as peer reviewers. The review process must focus on critical elements of the case and on the involvement of the child and family with the county or tribal child welfare agency. The review team shall identify necessary program improvement planning to address any practice issues identified and training and technical assistance needs of the local agency. Summary reports of each review shall be provided to the state child mortality review panel when completed.

(b) A member of the child fatality and near fatality review team shall not disclose what transpired during the review, except to carry out the duties of the child fatality and near fatality review team. The proceedings and records of the child fatality and near fatality review team are protected nonpublic data as defined in section 13.02, subdivision 13, and are not subject to discovery or introduction into evidence in a civil or criminal action against a professional, the state, or a county agency arising out of the matters the team is reviewing. Information, documents, and records otherwise available from other sources are not immune from discovery or use in a civil or criminal action solely because they were assessed or presented during proceedings of the review team. A person who presented information before the review team or who is a member of the team shall not be prevented from testifying about matters within the person's knowledge. In a civil or criminal proceeding a person shall not be questioned about the person's presentation of information to the review team or opinions formed by the person as a result of the review.

256B.79 INTEGRATED CARE FOR HIGH-RISK PREGNANT WOMEN.

Subd. 6. **Report.** By January 31, 2021, and every two years thereafter, the commissioner shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance on the status and outcomes of the grant program. The report must:

(1) describe the capacity of collaboratives receiving grants under this section;

(2) contain aggregate information about enrollees served within targeted populations;

(3) describe the utilization of enhanced prenatal services;

(4) for enrollees identified with maternal substance use disorders, describe the utilization of substance use treatment and dispositions of any child protection cases;

(5) contain data on outcomes within targeted populations and compare these outcomes to outcomes statewide, using standard categories of race and ethnicity; and

(6) include recommendations for continuing the program or sustaining improvements through other means.

256D.19 ABOLITION OF TOWNSHIP SYSTEM OF POOR RELIEF.

Subdivision 1. **Town system abolished.** The town system for caring for the poor in each of the counties in which it is in effect is hereby abolished. The local social services agency of each county shall administer general assistance under the provisions of Laws 1973, chapter 650, article 21.

Subd. 2. **Local social services agencies duty.** All local social services agencies affected by Laws 1973, chapter 650, article 21 are hereby authorized to take over for the county as of January 1, 1974, the ownership of all case records relating to the administration of poor relief.

256D.20 TRANSFER OF TOWN EMPLOYEES.

Subdivision 1. **Rules for merit system.** The term "merit system" as used herein shall mean the rules for a merit system of personnel administration for employees of local social services agencies adopted by the commissioner of human services in accordance with the provisions of section 393.07, including the merit system established for Hennepin County pursuant to Laws 1965, chapter 855, as amended, the federal Social Security article as amended, and merit system standards and regulations issued by the federal Social Security Board and the United States Children's Bureau.

Subd. 2. **Designation of employees.** All employees of any municipality or town who are engaged full time in poor relief work therein on January 1, 1974 shall be retained as employees of the county and placed under the jurisdiction of its local social services agency.

All transferred employees shall be blanketed into the merit system with comparable status, classification, longevity, and seniority, and subject to the administrative requirements of the local social services agency. Employees with permanent status under any civil service provision on January 1, 1974, shall be granted permanent status under the merit system at comparable classifications and in accordance with work assignments made under the authority of the local social services agency as provided by the merit system rules.

The determination of proper job allocation shall be the responsibility of the personnel officer or director as provided under merit system rules applicable to the county involved with the right of appeal of allocation to the Merit System Council or personnel board by any employee affected by this transfer.

All transferred employees shall receive salaries for the classification to which they are allocated in accordance with the schedule in effect for local social services agency employees and at a salary step which they normally would have received had they been employed by the local social services agency for the same period of service they had previously served under the civil service provisions of any municipality or town; provided, however, that no salary shall be reduced as a result of the transfer.

All accumulated sick leave of transferred employees in the amount of 60 days or less shall be transferred to the records of the local social services agency and such accumulated sick leave shall be the legal liability of the local social services agency. All accumulated sick leave in excess of 60 days shall be paid in cash to transferred employees by the municipality or town by which they were employed prior to their transfer, at the time of transfer. In lieu of the cash payment, the municipality or town shall, at the option of the employee concerned, allow a leave of absence with pay, prior to transfer, for all or part of the accumulated sick leave.

Subd. 3. **Merit system transfer.** Employees of municipalities and towns engaged in the work of administering poor relief who are not covered by civil service provisions shall be blanketed into the merit system subject to a qualifying examination. Employees with one year or more service shall be subject to a qualifying examination and those with less than one year's service shall be subject to an open competitive examination.

Subd. 4. **Disbursement of vacation time.** All vacation leave of employees referred to in subdivision 2, accumulated prior to their transfer to county employment shall be paid in cash to them by the municipality or town by which they were employed prior to their transfer, and at the time of their transfer. In lieu of the cash payment, the municipality or town shall, at the option of the employee concerned, allow a leave of absence with pay, prior to such transfer, for all or part of the accumulated vacation time.

256D.23 TEMPORARY COUNTY ASSISTANCE PROGRAM.

Subdivision 1. **Program established.** Minnesota residents who meet the income and resource standards of section 256D.01, subdivision 1a, but do not qualify for cash benefits under sections 256D.01 to 256D.21, may qualify for a county payment under this section.

Subd. 2. **Payment amount, duration, and method.** (a) A county may make a payment of up to $203 for a single individual and up to $260 for a married couple under the terms of this subdivision.

(b) Payments to an individual or married couple may only be made once in a calendar year. If the applicant qualifies for a payment as a result of an emergency, as defined by the county, the payment shall be made within ten working days of the date of application. If the applicant does not qualify under the county definition of emergency, the payment shall be made at the beginning of the second month following the month of application, and the applicant must receive the payment in person at the local agency office.

(c) Payments may be made in the form of cash or as vendor payments for rent and utilities. If vendor payments are made, they shall be equal to $203 for a single individual or $260 for a married couple, or the actual amount of rent and utilities, whichever is less.

(d) Each county must develop policies and procedures as necessary to implement this section.

(e) Payments under this section are not an entitlement. No county is required to make a payment in excess of the amount available to the county under subdivision 3.

Subd. 3. **State allocation to counties.** The commissioner shall allocate to each county on an annual basis the amount specifically appropriated for payments under this section. The allocation shall be based on each county's proportionate share of state fiscal year 1994 work readiness expenditures.

256R.02 DEFINITIONS.

Subd. 46. **Resource utilization group.** "Resource utilization groups" or "RUG" has the meaning given in section 144.0724, subdivision 2, paragraph (f).

260.755 DEFINITIONS.

Subd. 13. **Local social services agency.** "Local social services agency" means the local agency under the authority of the county welfare or human services board or county board of commissioners which is responsible for human services.

Laws 2023, chapter 25, section 190, subdivision 10

Sec. 190. **REPEALER.**

Subd. 10. **Obsolete subdivision.** Minnesota Statutes 2022, section 256B.051, subdivision 7, is repealed.

Laws 2024, chapter 80, article 1, section 38 Subdivisions 3, 4, 11,

Sec. 38. **[142A.20] ADMINISTRATIVE AND JUDICIAL REVIEW OF CHILDREN, YOUTH, AND FAMILIES MATTERS.**

Subd. 3. **Standard of evidence for maltreatment and disqualification hearings.** (a) The state children, youth, and families judge shall determine that maltreatment has occurred if a preponderance of evidence exists to support the final disposition under chapter 260E or section 626.557. For purposes of hearings regarding disqualification, the state children, youth, and families judge shall affirm the proposed disqualification in an appeal under subdivision 2, paragraph (a), clause (5), if a preponderance of the evidence shows the individual has:

(1) committed maltreatment under section 626.557 or chapter 260E that is serious or recurring;

(2) committed an act or acts meeting the definition of any of the crimes listed in section 245C.15, subdivisions 1 to 4; or

(3) failed to make required reports under section 626.557 or chapter 260E, for incidents in which the final disposition under section 626.557 or chapter 260E was substantiated maltreatment that was serious or recurring.

(b) If the disqualification is affirmed, the state children, youth, and families judge shall determine whether the individual poses a risk of harm in accordance with the requirements of section 245C.22, and whether the disqualification should be set aside or not set aside. In determining whether the disqualification should be set aside, the children, youth, and families judge shall consider all of the characteristics that cause the individual to be disqualified, including those characteristics that were not subject to review under paragraph (a), in order to determine whether the individual poses a risk of harm. A decision to set aside a disqualification that is the subject of the hearing constitutes a determination that the individual does not pose a risk of harm and that the individual may provide direct contact services in the individual program specified in the set aside.

(c) If a disqualification is based solely on a conviction or is conclusive for any reason under section 245C.29, the disqualified individual does not have a right to a hearing under this section.

(d) The state children, youth, and families judge shall recommend an order to the commissioner of health; education; children, youth, and families; or human services, as applicable, who shall issue a final order. The commissioner shall affirm, reverse, or modify the final disposition. Any order of the commissioner issued in accordance with this subdivision is conclusive upon the parties unless appeal is taken in the manner provided in subdivision 7. In any licensing appeal under chapters 142B and 245C and sections 144.50 to 144.58 and 144A.02 to 144A.482, the commissioner's determination as to maltreatment is conclusive, as provided under section 245C.29.

Subd. 4. **Conduct of hearings.** (a) All hearings held pursuant to subdivision 2 or 3 shall be conducted according to the provisions of the federal Social Security Act and the regulations implemented in accordance with that act to enable this state to qualify for federal grants-in-aid and according to the rules and written policies of the commissioner. County agencies shall install equipment necessary to conduct telephone hearings. A state children, youth, and families judge may schedule a telephone conference hearing when the distance or time required to travel to the county agency offices will cause a delay in the issuance of an order, or to promote efficiency, or at the mutual request of the parties. Hearings may be conducted by telephone conferences unless the applicant, recipient, former recipient, person, or facility contesting maltreatment objects. A children, youth, and families judge may grant a request for a hearing in person by holding the hearing by interactive video technology or in person. The children, youth, and families judge must hear the case in person if the person asserts that either the person or a witness has a physical or mental disability that would impair the person's or witness's ability to fully participate in a hearing held by interactive video technology. The hearing shall not be held earlier than five days after filing of the required notice with the county or state agency. The state children, youth, and families judge shall notify all interested persons of the time, date, and location of the hearing at least five days before the date of the hearing. Interested persons may be represented by legal counsel or other representative of their choice, including a provider of therapy services, at the hearing and may appear personally,

testify and offer evidence, and examine and cross-examine witnesses. The applicant, recipient, former recipient, person, or facility contesting maltreatment shall have the opportunity to examine the contents of the case file and all documents and records to be used by the county or state agency at the hearing at a reasonable time before the date of the hearing and during the hearing. In hearings under subdivision 2, paragraph (a), clauses (4) and (5), either party may subpoena the private data relating to the investigation prepared by the agency under section 626.557 or chapter 260E that are not otherwise accessible under section 13.04, provided the identity of the reporter may not be disclosed.

(b) The private data obtained by subpoena in a hearing under subdivision 2, paragraph (a), clause (2), must be subject to a protective order that prohibits its disclosure for any other purpose outside the hearing provided for in this section without prior order of the district court. Disclosure without court order is punishable by a sentence of not more than 90 days imprisonment or a fine of not more than $1,000, or both. These restrictions on the use of private data do not prohibit access to the data under section 13.03, subdivision 6. Except for appeals under subdivision 2, paragraph (a), clause (2), upon request, the county agency shall provide reimbursement for transportation, child care, photocopying, medical assessment, witness fee, and other necessary and reasonable costs incurred by the applicant, recipient, or former recipient in connection with the appeal. All evidence, except that privileged by law, commonly accepted by reasonable people in the conduct of their affairs as having probative value with respect to the issues, shall be submitted at the hearing and the hearing shall not be "a contested case" within the meaning of section 14.02, subdivision 3. The agency must present its evidence prior to or at the hearing and may not submit evidence after the hearing except by agreement of the parties at the hearing, provided the petitioner has the opportunity to respond.

(c) In hearings under subdivision 2, paragraph (a), clauses (2) and (5), involving determinations of maltreatment or disqualification made by more than one county agency, by a county agency and a state agency, or by more than one state agency, the hearings may be consolidated into a single fair hearing upon the consent of all parties and the state children, youth, and families judge.

Subd. 11. **Interagency agreement with DHS.** The commissioner of children, youth, and families may enter into an agreement with the commissioner of human services so that the commissioner of human services may conduct hearings and recommend and issue orders on behalf of the commissioner of children, youth, and families in accordance with this section.
Laws 2024, chapter 80, article 1, section 39

Sec. 39. **[142A.21] HEARING PROCEDURES.**

Subdivision 1. **Scope.** (a) The requirements in this section apply to all fair hearings and appeals under section 142A.20, subdivision 2, paragraph (a), clauses (1), (2), (3), and (6). Except as provided in subdivisions 3 and 19, the requirements under this section apply to fair hearings and appeals under section 142A.20, subdivision 2, paragraph (a), clause (2).

(b) For purposes of this section, "person" means an individual who, on behalf of themselves or their household, is appealing, disputing, or challenging an action, a decision, or a failure to act by an agency in the children, youth, and families system. When a person involved in a proceeding under this section is represented by an attorney or by an authorized representative, the term "person" also means the person's attorney or authorized representative. Any notice sent to the person involved in the hearing must also be sent to the person's attorney or authorized representative.

(c) For purposes of this section, "agency" means the county human services agency, the Department of Children, Youth, and Families, and, where applicable, any entity involved under a contract, subcontract, grant, or subgrant with the state agency or with a county agency, that provides or operates programs or services in which appeals are governed by section 142A.20.

Subd. 2. **Access to files.** A person involved in a fair hearing appeal has the right of access to the person's complete case files and to examine all private welfare data on the person that has been generated, collected, stored, or disseminated by the agency. A person involved in a fair hearing appeal has the right to a free copy of all documents in the case file involved in a fair hearing appeal. For purposes of this section, "case file" means the information, documents, and data, in whatever form, that have been generated, collected, stored, or disseminated by the agency in connection with the person and the program or service involved.

Subd. 3. **Agency appeal summary.** (a) Except in fair hearings and appeals under section 142A.20, subdivision 2, paragraph (a), clauses (4) and (5), the agency involved in an appeal must prepare a state agency appeal summary for each fair hearing appeal. The state agency appeal

summary shall be mailed or otherwise delivered to the person who is involved in the appeal at least three working days before the date of the hearing. The state agency appeal summary must also be mailed or otherwise delivered to the department's Appeals Office at least three working days before the date of the fair hearing appeal.

(b) In addition, the children, youth, and families judge shall confirm that the state agency appeal summary is mailed or otherwise delivered to the person involved in the appeal as required under paragraph (a). The person involved in the fair hearing should be provided, through the state agency appeal summary or other reasonable methods, appropriate information about the procedures for the fair hearing and an adequate opportunity to prepare. These requirements apply equally to the state agency or an entity under contract when involved in the appeal.

(c) The contents of the state agency appeal summary must be adequate to inform the person involved in the appeal of the evidence on which the agency relies and the legal basis for the agency's action or determination.

Subd. 4. **Enforcing access to files.** A person involved in a fair hearing appeal may enforce the right of access to data and copies of the case file by making a request to the children, youth, and families judge. The children, youth, and families judge will make an appropriate order enforcing the person's rights under the Minnesota Government Data Practices Act, including but not limited to, ordering access to files, data, and documents; continuing a hearing to allow adequate time for access to data; or prohibiting use by the agency of files, data, or documents that have been generated, collected, stored, or disseminated without compliance with the Minnesota Government Data Practices Act and that have not been provided to the person involved in the appeal.

Subd. 5. **Prehearing conferences.** (a) The children, youth, and families judge prior to a fair hearing appeal may hold a prehearing conference to further the interests of justice or efficiency and must include the person involved in the appeal. A person involved in a fair hearing appeal or the agency may request a prehearing conference. The prehearing conference may be conducted by telephone, in person, or in writing. The prehearing conference may address the following:

(1) disputes regarding access to files, evidence, subpoenas, or testimony;

(2) the time required for the hearing or any need for expedited procedures or decision;

(3) identification or clarification of legal or other issues that may arise at the hearing;

(4) identification of and possible agreement to factual issues; and

(5) scheduling and any other matter that will aid in the proper and fair functioning of the hearing.

(b) The children, youth, and families judge shall make a record or otherwise contemporaneously summarize the prehearing conference in writing, which shall be sent to both the person involved in the hearing, the person's attorney or authorized representative, and the agency. A children, youth, and families judge may make and issue rulings and orders while the appeal is pending. During the pendency of the appeal, these rulings and orders are not subject to a request for reconsideration or appeal. These rulings and orders are subject to review under subdivision 24 and section 142A.20, subdivision 7.

Subd. 6. **Appeal request for emergency assistance or urgent matter.** (a) When an appeal involves an application for emergency assistance, the agency involved shall mail or otherwise deliver the state agency appeal summary to the department's Appeals Office within two working days of receiving the request for an appeal. A person may also request that a fair hearing be held on an emergency basis when the issue requires an immediate resolution. The children, youth, and families judge shall schedule the fair hearing on the earliest available date according to the urgency of the issue involved. Issuance of the recommended decision after an emergency hearing shall be expedited.

(b) The commissioner shall issue a written decision within five working days of receiving the recommended decision, shall immediately inform the parties of the outcome by telephone, and shall mail the decision no later than two working days following the date of the decision.

Subd. 7. **Continuance, rescheduling, or adjourning a hearing.** (a) A person involved in a fair hearing, or the agency, may request a continuance, a rescheduling, or an adjournment of a hearing for a reasonable period of time. The grounds for granting a request for a continuance, a rescheduling, or adjournment of a hearing include, but are not limited to, the following:

(1) to reasonably accommodate the appearance of a witness;

(2) to ensure that the person has adequate opportunity for preparation and for presentation of evidence and argument;

(3) to ensure that the person or the agency has adequate opportunity to review, evaluate, and respond to new evidence, or where appropriate, to require that the person or agency review, evaluate, and respond to new evidence;

(4) to permit the person involved and the agency to negotiate toward resolution of some or all of the issues where both agree that additional time is needed;

(5) to permit the agency to reconsider a previous action or determination;

(6) to permit or to require the performance of actions not previously taken; and

(7) to provide additional time or to permit or require additional activity by the person or agency as the interests of fairness may require.

(b) Requests for continuances or for rescheduling may be made orally or in writing. The person or agency requesting the continuance or rescheduling must first make reasonable efforts to contact the other participants in the hearing or their representatives and seek to obtain an agreement on the request. Requests for continuance or rescheduling should be made no later than three working days before the scheduled date of the hearing, unless there is a good cause as specified in subdivision 13. Granting a continuance or rescheduling may be conditioned upon a waiver by the requester of applicable time limits but should not cause unreasonable delay.

Subd. 8. **Subpoenas.** (a) A person involved in a fair hearing or the agency may request a subpoena for a witness, for evidence, or for both. A reasonable number of subpoenas shall be issued to require the attendance and the testimony of witnesses, and the production of evidence relating to any issue of fact in the appeal hearing. The request for a subpoena must show a need for the subpoena and the general relevance to the issues involved. The subpoena shall be issued in the name of the department and shall be served and enforced as provided in section 357.22 and the Minnesota Rules of Civil Procedure.

(b) An individual or entity served with a subpoena may petition the children, youth, and families judge in writing to vacate or modify a subpoena. The children, youth, and families judge shall resolve such a petition in a prehearing conference involving all parties and shall make a written decision. A subpoena may be vacated or modified if the children, youth, and families judge determines that the testimony or evidence sought does not relate with reasonable directness to the issues of the fair hearing appeal; that the subpoena is unreasonable, over broad, or oppressive; that the evidence sought is repetitious or cumulative; or that the subpoena has not been served reasonably in advance of the time when the appeal hearing will be held.

Subd. 9. **No ex parte contact.** The children, youth, and families judge shall not have ex parte contact on substantive issues with the agency or with any person or witness in a fair hearing appeal. No employee of the department or agency shall review, interfere with, change, or attempt to influence the recommended decision of the children, youth, and families judge in any fair hearing appeal, except through the procedure allowed in subdivision 18. The limitations in this subdivision do not affect the commissioner's authority to review or reconsider decisions or make final decisions.

Subd. 10. **Telephone or face-to-face hearing.** A fair hearing appeal may be conducted by telephone, by other electronic media, or by an in-person, face-to-face hearing. At the request of the person involved in a fair hearing appeal or their representative, a face-to-face hearing shall be conducted with all participants personally present before the children, youth, and families judge.

Subd. 11. **Hearing facilities and equipment.** The children, youth, and families judge shall conduct the hearing in the county where the person involved resides, unless an alternate location is mutually agreed upon before the hearing, or unless the person has agreed to a hearing by telephone. Hearings under section 142A.20, subdivision 2, paragraph (a), clauses (4) and (5), must be conducted in the county where the determination was made, unless an alternate location is mutually agreed upon before the hearing. The hearing room shall be of sufficient size and layout to adequately accommodate both the number of individuals participating in the hearing and any identified special needs of any individual participating in the hearing. The children, youth, and families judge shall ensure that all communication and recording equipment that is necessary to conduct the hearing and to create an adequate record is present and functioning properly. If any necessary communication or recording equipment fails or ceases to operate effectively, the children, youth, and families judge shall take any steps necessary, including stopping or adjourning the hearing, until the necessary equipment is present and functioning properly. All reasonable efforts shall be undertaken to prevent

and avoid any delay in the hearing process caused by defective communication or recording equipment.

Subd. 12. **Interpreter and translation services.** The children, youth, and families judge has a duty to inquire and to determine whether any participant in the hearing needs the services of an interpreter or translator in order to participate in or to understand the hearing process. Necessary interpreter or translation services must be provided at no charge to the person involved in the hearing. If it appears that interpreter or translation services are needed but are not available for the scheduled hearing, the children, youth, and families judge shall continue or postpone the hearing until appropriate services can be provided.

Subd. 13. **Failure to appear; good cause.** If a person involved in a fair hearing appeal fails to appear at the hearing, the children, youth, and families judge may dismiss the appeal. The children, youth, and families judge may reopen the appeal if within ten working days after the date of the dismissal the person files information in writing with the children, youth, and families judge to show good cause for not appearing. Good cause can be shown when there is:

(1) a death or serious illness in the person's family;

(2) a personal injury or illness that reasonably prevents the person from attending the hearing;

(3) an emergency, crisis, or unforeseen event that reasonably prevents the person from attending the hearing;

(4) an obligation or responsibility of the person that a reasonable person, in the conduct of one's affairs, could reasonably determine takes precedence over attending the hearing;

(5) lack of or failure to receive timely notice of the hearing in the preferred language of the person involved in the hearing; and

(6) excusable neglect, excusable inadvertence, excusable mistake, or other good cause as determined by the children, youth, and families judge.

Subd. 14. **Commencement of hearing.** The children, youth, and families judge shall begin each hearing by describing the process to be followed in the hearing, including the swearing in of witnesses, how testimony and evidence are presented, the order of examining and cross-examining witnesses, and the opportunity for an opening statement and a closing statement. The children, youth, and families judge shall identify for the participants the issues to be addressed at the hearing and shall explain to the participants the burden of proof that applies to the person involved and the agency. The children, youth, and families judge shall confirm, prior to proceeding with the hearing, that the state agency appeal summary, if required under subdivision 3, has been properly completed and provided to the person involved in the hearing, and that the person has been provided documents and an opportunity to review the case file, as provided in this section.

Subd. 15. **Conduct of the hearing.** The children, youth, and families judge shall act in a fair and impartial manner at all times. At the beginning of the hearing the agency must designate one person as their representative who shall be responsible for presenting the agency's evidence and questioning any witnesses. The children, youth, and families judge shall make sure that the person and the agency are provided sufficient time to present testimony and evidence, to confront and cross-examine all adverse witnesses, and to make any relevant statement at the hearing. The children, youth, and families judge shall make reasonable efforts to explain the hearing process to persons who are not represented and shall ensure that the hearing is conducted fairly and efficiently. Upon the reasonable request of the person or the agency involved, the children, youth, and families judge may direct witnesses to remain outside the hearing room, except during their individual testimony. The children, youth, and families judge shall not terminate the hearing before affording the person and the agency a complete opportunity to submit all admissible evidence and reasonable opportunity for oral or written statement. If a hearing lasts longer than anticipated, the hearing shall be rescheduled or continued from day-to-day until completion. Hearings that have been continued shall be timely scheduled to minimize delay in the disposition of the appeal.

Subd. 16. **Scope of issues addressed at the hearing.** The hearing shall address the correctness and legality of the agency's action and shall not be limited simply to a review of the propriety of the agency's action. The person involved may raise and present evidence on all legal claims or defenses arising under state or federal law as a basis for appealing or disputing an agency action but not constitutional claims beyond the jurisdiction of the fair hearing. The children, youth, and families judge may take official notice of adjudicative facts.

Subd. 17. **Burden of persuasion.** The burden of persuasion is governed by specific state or federal law and regulations that apply to the subject of the hearing. If there is no specific law, then the participant in the hearing who asserts the truth of a claim is under the burden to persuade the children, youth, and families judge that the claim is true.

Subd. 18. **Inviting comment by department.** The children, youth, and families judge or the commissioner may determine that a written comment by the department about the policy implications of a specific legal issue could help resolve a pending appeal. Such a written policy comment from the department shall be obtained only by a written request that is also sent to the person involved and to the agency or its representative. When such a written comment is received, both the person involved in the hearing and the agency shall have adequate opportunity to review, evaluate, and respond to the written comment, including submission of additional testimony or evidence, and cross-examination concerning the written comment.

Subd. 19. **Developing the record.** The children, youth, and families judge shall accept all evidence, except evidence privileged by law, that is commonly accepted by reasonable people in the conduct of their affairs as having probative value on the issues to be addressed at the hearing. Except in fair hearings and appeals under section 142A.20, subdivision 2, paragraph (a), clauses (4) and (5), in cases involving medical issues such as a diagnosis, a physician's report, or a review team's decision, the children, youth, and families judge shall consider whether it is necessary to have a medical assessment other than that of the individual making the original decision. When necessary, the children, youth, and families judge shall require an additional assessment be obtained at agency expense and made part of the hearing record. The children, youth, and families judge shall ensure for all cases that the record is sufficiently complete to make a fair and accurate decision.

Subd. 20. **Unrepresented persons.** In cases involving unrepresented persons, the children, youth, and families judge shall take appropriate steps to identify and develop in the hearing relevant facts necessary for making an informed and fair decision. These steps may include, but are not limited to, asking questions of witnesses and referring the person to a legal services office. An unrepresented person shall be provided an adequate opportunity to respond to testimony or other evidence presented by the agency at the hearing. The children, youth, and families judge shall ensure that an unrepresented person has a full and reasonable opportunity at the hearing to establish a record for appeal.

Subd. 21. **Closing of the record.** The agency must present its evidence prior to or at the hearing. The agency shall not be permitted to submit evidence after the hearing except by agreement at the hearing between the person involved, the agency, and the children, youth, and families judge. If evidence is submitted after the hearing, based on such an agreement, the person involved and the agency must be allowed sufficient opportunity to respond to the evidence. When necessary, the record shall remain open to permit a person to submit additional evidence on the issues presented at the hearing.

Subd. 22. **Decisions.** (a) A timely, written decision must be issued in every appeal. Each decision must contain a clear ruling on the issues presented in the appeal hearing and should contain a ruling only on questions directly presented by the appeal and the arguments raised in the appeal.

(b) A written decision must be issued within 90 days of the date the person involved requested the appeal unless a shorter time is required by law. An additional 30 days is provided in those cases where the commissioner refuses to accept the recommended decision. In appeals of maltreatment determinations or disqualifications filed pursuant to section 142A.20, subdivision 2, paragraph (a), clause (4) or (5), that also give rise to possible licensing actions, the 90-day period for issuing final decisions does not begin until the later of the date that the licensing authority provides notice to the appeals division that the authority has made the final determination in the matter or the date the appellant files the last appeal in the consolidated matters.

(c) The decision must contain both findings of fact and conclusions of law, clearly separated and identified. The findings of fact must be based on the entire record. Each finding of fact made by the children, youth, and families judge shall be supported by a preponderance of the evidence unless a different standard is required under the regulations of a particular program. The "preponderance of the evidence" means, in light of the record as a whole, the evidence leads the children, youth, and families judge to believe that the finding of fact is more likely to be true than not true. The legal claims or arguments of a participant do not constitute either a finding of fact or a conclusion of law, except to the extent the children, youth, and families judge adopts an argument as a finding of fact or conclusion of law.

(d) The decision shall contain at least the following:

(1) a listing of the date and place of the hearing and the participants at the hearing;

(2) a clear and precise statement of the issues, including the dispute under consideration and the specific points that must be resolved in order to decide the case;

(3) a listing of the material, including exhibits, records, reports, placed into evidence at the hearing, and upon which the hearing decision is based;

(4) the findings of fact based upon the entire hearing record. The findings of fact must be adequate to inform the participants and any interested person in the public of the basis of the decision. If the evidence is in conflict on an issue that must be resolved, the findings of fact must state the reasoning used in resolving the conflict;

(5) conclusions of law that address the legal authority for the hearing and the ruling and give appropriate attention to the claims of the participants to the hearing;

(6) a clear and precise statement of the decision made resolving the dispute under consideration in the hearing; and

(7) written notice of the right to appeal to district court or to request reconsideration, and of the actions required and the time limits for taking appropriate action to appeal to district court or to request a reconsideration.

(e) The children, youth, and families judge shall not independently investigate facts or otherwise rely on information not presented at the hearing. The children, youth, and families judge may not contact other agency personnel, except as provided in subdivision 18. The children, youth, and families judge's recommended decision must be based exclusively on the testimony and evidence presented at the hearing, and legal arguments presented, and the children, youth, and families judge's research and knowledge of the law.

(f) The commissioner will review the recommended decision and accept or refuse to accept the decision according to section 142A.20, subdivision 5.

Subd. 23. **Refusal to accept recommended orders.** (a) If the commissioner refuses to accept the recommended order from the children, youth, and families judge, the person involved, the person's attorney or authorized representative, and the agency shall be sent a copy of the recommended order, a detailed explanation of the basis for refusing to accept the recommended order, and the proposed modified order.

(b) The person involved and the agency shall have at least ten business days to respond to the proposed modification of the recommended order. The person involved and the agency may submit a legal argument concerning the proposed modification, and may propose to submit additional evidence that relates to the proposed modified order.

Subd. 24. **Reconsideration.** (a) Reconsideration may be requested within 30 days of the date of the commissioner's final order. If reconsideration is requested under section 142A.20, subdivision 5, the other participants in the appeal shall be informed of the request. The person seeking reconsideration has the burden to demonstrate why the matter should be reconsidered. The request for reconsideration may include legal argument and may include proposed additional evidence supporting the request. The other participants shall be sent a copy of all material submitted in support of the request for reconsideration and must be given ten days to respond.

(b) When the requesting party raises a question as to the appropriateness of the findings of fact, the commissioner shall review the entire record.

(c) When the requesting party questions the appropriateness of a conclusion of law, the commissioner shall consider the recommended decision, the decision under reconsideration, and the material submitted in connection with the reconsideration. The commissioner shall review the remaining record as necessary to issue a reconsidered decision.

(d) The commissioner shall issue a written decision on reconsideration in a timely fashion. The decision must clearly inform the parties that this constitutes the final administrative decision, advise the participants of the right to seek judicial review, and the deadline for doing so.

Subd. 25. **Access to appeal decisions.** Appeal decisions must be maintained in a manner so that the public has ready access to previous decisions on particular topics, subject to appropriate procedures for safeguarding names, personal identifying information, and other private data on the individual persons involved in the appeal.
Laws 2024, chapter 80, article 1, section 43, subdivision 2

Sec. 43. **[142A.27] ADMINISTRATIVE FRAUD DISQUALIFICATION HEARINGS.**

Subd. 2. **Combined hearing.** The children, youth, and families judge may combine a fair hearing under section 142A.20 and administrative fraud disqualification hearing under this section into a single hearing if the factual issues arise out of the same, or related, circumstances and the individual receives prior notice that the hearings will be combined. If the administrative fraud disqualification hearing and fair hearing are combined, the time frames for administrative fraud disqualification hearings specified in Code of Federal Regulations, title 7, section 273.16, apply. If the individual accused of wrongfully obtaining assistance is charged under section 142A.25 or 256.98 for the same act or acts that are the subject of the hearing, the individual may request that the hearing be delayed until the criminal charge is decided by the court or withdrawn.

(b) A human services judge may combine a fair hearing and administrative fraud disqualification hearing pursuant to section 142A.27, subdivision 2, or 256.046, subdivision 2, if either is under the jurisdiction of the commissioner of human services or the commissioner of children, youth, and families.
Laws 2024, chapter 80, article 2, section 1, subdivision 11

Section 1. **[142B.01] DEFINITIONS.**

Subd. 11. **Foster residence setting.** "Foster residence setting" has the meaning given in Minnesota Rules, part 2960.3010, subpart 26, and includes settings licensed by the commissioner of children, youth, and families or the commissioner of corrections.
Laws 2024, chapter 80, article 2, section 10, subdivision 4

Sec. 10. **[142B.18] SANCTIONS.**

Subd. 4. **Immediate suspension of residential programs.** For suspensions issued to a licensed residential program as defined in section 142B.01, subdivision 24, the effective date of the order may be delayed for up to 30 calendar days to provide for the continuity of care of service recipients. The license holder must cooperate with the commissioner to ensure service recipients receive continued care during the period of the delay and to facilitate the transition of service recipients to new providers. In these cases, the suspension order takes effect when all service recipients have been transitioned to a new provider or 30 days after the suspension order was issued, whichever comes first.
Laws 2024, chapter 80, article 2, section 3, subdivision 3

Sec. 3. **[142B.03] SYSTEMS AND RECORDS.**

Subd. 3. **First date of working in a setting; documentation requirements.** Foster residence setting license holders must document the first date that a person who is a background study subject begins working in the license holder's setting. If the license holder does not maintain documentation of each background study subject's first date of working in the setting in the license holder's personnel files, the license holder must provide documentation to the commissioner that contains the first date that each background study subject began working in the license holder's program upon the commissioner's request.
Laws 2024, chapter 80, article 2, section 33

Sec. 33. Minnesota Statutes 2022, section 245A.02, subdivision 6e, is amended to read:

Subd. 6e. **Foster residence setting.** "Foster residence setting" has the meaning given in Minnesota Rules, part 2960.3010, subpart 26, and includes settings licensed by the commissioner of ~~human services~~ children, youth, and families or the commissioner of corrections.
Laws 2024, chapter 80, article 2, section 4, subdivision 4

Sec. 4. **[142B.05] WHO MUST BE LICENSED.**

Subd. 4. **Licensing moratorium.** (a) The commissioner shall not issue an initial license for child foster care licensed under Minnesota Rules, parts 2960.3000 to 2960.3340, under this chapter for a physical location that will not be the primary residence of the license holder for the entire period of licensure. If a family child foster care home license is issued during this moratorium and the license holder changes the license holder's primary residence away from the physical location of the foster care license, the commissioner shall revoke the license according to section 142B.18. When approving an exception under this paragraph, the commissioner shall consider the resource

need determination process in paragraph (e), the availability of foster care licensed beds in the geographic area in which the licensee seeks to operate, the results of a person's choices during their annual assessment and service plan review, and the recommendation of the local county board. The determination by the commissioner is final and not subject to appeal. Exceptions to the moratorium include:

(1) foster care licenses replacing foster care licenses in existence on May 15, 2009, and determined to be needed by the commissioner under paragraph (b); and

(2) new foster care licenses determined to be needed by the commissioner under paragraph (b) for persons requiring hospital-level care.

(b) The commissioner shall determine the need for newly licensed foster care homes. As part of the determination, the commissioner shall consider the availability of foster care capacity in the area in which the licensee seeks to operate, and the recommendation of the local county board. The determination by the commissioner must be final. A determination of need is not required for a change in ownership at the same address.

(c) At the time of application and reapplication for licensure, the applicant and the license holder that are subject to the moratorium or an exclusion established in paragraph (a) are required to inform the commissioner whether the physical location where the foster care will be provided is or will be the primary residence of the license holder for the entire period of licensure. If the primary residence of the applicant or license holder changes, the applicant or license holder must notify the commissioner immediately. The commissioner shall print on the foster care license certificate whether or not the physical location is the primary residence of the license holder.

(d) License holders of foster care homes identified under paragraph (c) that are not the primary residence of the license holder and that also provide services in the foster care home that are covered by a federally approved home and community-based services waiver, as authorized under chapter 256S or section 256B.092 or 256B.49, must inform the children, youth, and families licensing division that the license holder provides or intends to provide these waiver-funded services.

(e) The commissioner may adjust capacity to address needs identified in section 144A.351. Under this authority, the commissioner may approve new licensed settings or delicense existing settings. Delicensing of settings will be accomplished through a process identified in section 256B.493.
Laws 2024, chapter 80, article 2, section 6, subdivision 4

Sec. 6. **[142B.11] LICENSE APPLICATION AFTER CHANGE OF OWNERSHIP.**

Subd. 4. **Temporary change in ownership license.** (a) After receiving the party's application pursuant to subdivision 3, upon the written request of the existing license holder and the party, the commissioner may issue a temporary change in ownership license to the party while the commissioner evaluates the party's application. Until a decision is made to grant or deny a license under this chapter, the existing license holder and the party shall both be responsible for operating the program or service according to applicable laws and rules, and the sale or transfer of the existing license holder's ownership interest in the licensed program or service does not terminate the existing license.

(b) The commissioner may issue a temporary change in ownership license when a license holder's death, divorce, or other event affects the ownership of the program and an applicant seeks to assume operation of the program or service to ensure continuity of the program or service while a license application is evaluated.

(c) This subdivision applies to any program or service licensed under this chapter.
Laws 2024, chapter 80, article 2, section 69

Sec. 69. Minnesota Statutes 2022, section 245A.25, subdivision 1, is amended to read:

Subdivision 1. **Certification scope and applicability.** (a) This section establishes the requirements that a children's residential facility or child foster residence setting must meet to be certified for the purposes of Title IV-E funding requirements as:

(1) a qualified residential treatment program;

(2) a residential setting specializing in providing care and supportive services for youth who have been or are at risk of becoming victims of sex trafficking or commercial sexual exploitation;

(3) a residential setting specializing in providing prenatal, postpartum, or parenting support for youth; or

(4) a supervised independent living setting for youth who are 18 years of age or older.

(b) This section does not apply to a foster family setting in which the license holder resides in the foster home.

(c) Children's residential facilities licensed as detention settings according to Minnesota Rules, parts 2960.0230 to 2960.0290, or secure programs according to Minnesota Rules, parts 2960.0300 to 2960.0420, may not be certified under this section.

(d) For purposes of this section, "license holder" means an individual, organization, or government entity that was issued a children's residential facility or foster residence setting license by the commissioner of human services under this chapter; by the commissioner of children, youth, and families under chapter 142B; or by the commissioner of corrections under chapter 241.

(e) Certifications issued under this section for foster residence settings may only be issued by the commissioner of human services and are not delegated to county or private licensing agencies under section 245A.16.

Laws 2024, chapter 80, article 7, section 3

Sec. 3. Minnesota Statutes 2022, section 256J.08, subdivision 32, is amended to read:

Subd. 32. **Fair hearing or hearing.** "Fair hearing" or "hearing" means the evidentiary hearing conducted by the department ~~human services~~ of children, youth, and families judge to resolve disputes as specified in section 256J.40, or if not applicable, section 256.045.

Laws 2024, chapter 80, article 7, section 9

Sec. 9. Minnesota Statutes 2023 Supplement, section 256J.40, is amended to read:

256J.40 FAIR HEARINGS.

Caregivers receiving a notice of intent to sanction or a notice of adverse action that includes a sanction, reduction in benefits, suspension of benefits, denial of benefits, or termination of benefits may request a fair hearing. A request for a fair hearing must be submitted in writing to the county agency or to the commissioner and must be mailed within 30 days after a participant or former participant receives written notice of the agency's action or within 90 days when a participant or former participant shows good cause for not submitting the request within 30 days. A former participant who receives a notice of adverse action due to an overpayment may appeal the adverse action according to the requirements in this section. Issues that may be appealed are:

(1) the amount of the assistance payment;

(2) a suspension, reduction, denial, or termination of assistance;

(3) the basis for an overpayment, the calculated amount of an overpayment, and the level of recoupment;

(4) the eligibility for an assistance payment; and

(5) the use of protective or vendor payments under section 256J.39, subdivision 2, clauses (1) to (3).

A county agency must not reduce, suspend, or terminate payment when an aggrieved participant requests a fair hearing prior to the effective date of the adverse action or within ten days of the mailing of the notice of adverse action, whichever is later, unless the participant requests in writing not to receive continued assistance pending a hearing decision. Assistance issued pending a fair hearing is subject to recovery under section 256P.08 when as a result of the fair hearing decision the participant is determined ineligible for assistance or the amount of the assistance received. A county agency may increase or reduce an assistance payment while an appeal is pending when the circumstances of the participant change and are not related to the issue on appeal. The commissioner's order is binding on a county agency. No additional notice is required to enforce the commissioner's order.

A county agency shall reimburse appellants for reasonable and necessary expenses of attendance at the hearing, such as child care and transportation costs and for the transportation expenses of the appellant's witnesses and representatives to and from the hearing. Reasonable and necessary expenses

do not include legal fees. Fair hearings must be conducted at a reasonable time and date by an impartial ~~human services~~ children, youth, and families judge employed by the department. The hearing may be conducted by telephone or at a site that is readily accessible to persons with disabilities.

The appellant may introduce new or additional evidence relevant to the issues on appeal. Recommendations of the ~~human services~~ children, youth, and families judge and decisions of the commissioner must be based on evidence in the hearing record and are not limited to a review of the county agency action.

9502.0425 PHYSICAL ENVIRONMENT.

Subp. 5. **Occupancy separations.** Day care residences with an attached garage must have a self-closing, tight fitting solid wood bonded core door at least 1-3/8 inch thick, or door with a fire protection rating of 20 minutes or greater and a separation wall consisting of 5/8 inch thick gypsum wallboard or its equivalent on the garage side between the residence and garage.

Subp. 10. **Stairways.** All stairways must meet the following conditions.

A. Stairways of three or more steps must have handrails.

B. Any open area between the handrail and stair tread must be enclosed with a protective guardrail as specified in the State Building Code. The back of the stair risers must be enclosed.

C. Gates or barriers must be used when children between the ages of 6 and 18 months are in care.

D. Stairways must be well-lighted, in good repair, and free of clutter and obstructions.

9545.0805 PERSONNEL.

Subpart 1. **Supervision by a licensed independent social worker or independent clinical social worker.** An independent social worker or independent clinical social worker as defined in Minnesota Statutes, section 148B.21, must supervise an agency's case work. Supervising an agency's case work includes reviewing and approving each written home study the agency completes on prospective foster parents or applicants to adopt. An agency can meet the supervision requirement by complying with item A, B, C, or D.

A. The agency's chief executive officer is a licensed independent social worker or independent clinical social worker and supervises staff members providing case work.

B. The person who does the case work is licensed as an independent social worker or independent clinical social worker.

C. The agency contracts with a licensed independent social worker or independent clinical social worker to supervise staff members' case work.

D. The agency may retain a supervisor with education or experience comparable to the requirements stated in item A, B, or C if one of the exceptions in Minnesota Statutes, section 148B.28, applies.

9545.0845 PLAN FOR TRANSFER OF RECORDS.

An applicant for initial or continuing licensure must submit a written plan indicating how the agency will provide for the transfer of records on both open and closed cases if the agency closes. The plan must provide for managing private and confidential information on agency clients, according to Minnesota Statutes, section 259.79. A controlling individual of the agency must sign the plan.

A. Plans for the transfer of open cases and case records must specify arrangements the agency will make to transfer clients to another agency or county for continuation of services and to transfer the case record with the client.

B. Plans for the transfer of closed adoption records must be accompanied by a signed agreement or other documentation indicating that a county or licensed child placing agency has agreed to accept and maintain the agency's closed case records and to provide follow-up services to affected clients.

9560.0232 ADMINISTRATIVE REQUIREMENTS.

Subp. 5. **Child mortality review panel.**

A. For purposes of this subpart, "local review panel" means a local multidisciplinary child mortality review panel.

B. Under the commissioner's authority in Minnesota Statutes, section 256.01, subdivision 12, paragraph (b), each county shall establish a local review panel and shall participate on the local review panel. The local agency's child protection team may serve as the local review panel. The local review panel shall require participation by professional representatives, including professionals with knowledge of the child mortality case being reviewed.

C. The local review panel shall:

(1) have access to not public data under Minnesota Statutes, section 256.01, subdivision 12, paragraph (c), maintained by state agencies, statewide systems, or political subdivisions that are related to a child's death or circumstances surrounding the care of the child;

(2) conduct a local review of the case within 60 days of the death of a child if:

(a) the death was caused by maltreatment;

(b) the manner of death was due to sudden infant death syndrome or was other than by natural causes, and the child was a member of a family receiving social services from a local agency, a member of a family that received social services during the year before the child's death, or a member of a family that was the subject of a child protection assessment; or

(c) the death occurred in a facility licensed by the department if the manner of death was by other than natural causes; and

(3) submit a report of the review to the department within 30 days of completing subitem (2).

A review may be delayed if there is pending litigation or an active assessment or investigation.

D. Under Minnesota Statutes, section 256.01, subdivision 12, paragraph (d):

(1) data acquired by the local review panel in the exercise of its duty is protected nonpublic or confidential data as defined in Minnesota Statutes, section 13.02, but may be disclosed as necessary to carry out the purposes of the local review panel. The data is not subject to subpoena or discovery; and

(2) the commissioner may disclose conclusions of the local review panel, but shall not disclose data classified as confidential or private on decedents under Minnesota Statutes, section 13.10, or data classified as private, confidential, or protected nonpublic in the disseminating agency.

E. Persons attending the local review panel meeting, members of the local review panel, persons who presented information to the local review panel, and all data, information, documents, and records pertaining to the local review panel must comply with the requirements under Minnesota Statutes, section 256.01, subdivision 12, paragraph (e).

F. When the department notifies the local agency that a state review will be conducted under Minnesota Statutes, section 256.01, subdivision 12, paragraph (a), the local agency shall submit a copy of the social services file within five working days.