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State of Minnesota
HOUSE OF REPRESENTATIVES
NINETIETH SESSION

H. F. No. 1522

02/22/2017 Authored by Allen, Kiel, Clark and Omar
The bill was read for the first time and referred to the Committee on Health and Human Services Reform
03/15/2017 Adoption of Report: Re-referred to the Committee on Health and Human Services Finance

1.1 A bill for an act
1.2 relating to human services; increasing group residential housing beds; amending
1.3 Minnesota Statutes 2016, section 256I.04, subdivision 3.

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

1.5 Section 1. Minnesota Statutes 2016, section 256I.04, subdivision 3, is amended to read:

1.6 Subd. 3. **Moratorium on development of group residential housing beds.** (a) Agencies
1.7 shall not enter into agreements for new group residential housing beds with total rates in
1.8 excess of the MSA equivalent rate except:

1.9 (1) for group residential housing establishments licensed under chapter 245D provided
1.10 the facility is needed to meet the census reduction targets for persons with developmental
1.11 disabilities at regional treatment centers;

1.12 (2) up to 80 beds in a single, specialized facility located in Hennepin County that will
1.13 provide housing for chronic inebriates who are repetitive users of detoxification centers and
1.14 are refused placement in emergency shelters because of their state of intoxication, and
1.15 planning for the specialized facility must have been initiated before July 1, 1991, in
1.16 anticipation of receiving a grant from the Housing Finance Agency under section 462A.05,
1.17 subdivision 20a, paragraph (b);

1.18 (3) notwithstanding the provisions of subdivision 2a, for up to ~~490~~ 226 supportive
1.19 housing units in Anoka, Dakota, Hennepin, or Ramsey County for homeless adults with a
1.20 mental illness, a history of substance abuse, or human immunodeficiency virus or acquired
1.21 immunodeficiency syndrome. For purposes of this section, "homeless adult" means a person
1.22 who is living on the street or in a shelter or discharged from a regional treatment center,

2.1 community hospital, or residential treatment program and has no appropriate housing
2.2 available and lacks the resources and support necessary to access appropriate housing. At
2.3 least 70 percent of the supportive housing units must serve homeless adults with mental
2.4 illness, substance abuse problems, or human immunodeficiency virus or acquired
2.5 immunodeficiency syndrome who are about to be or, within the previous six months, has
2.6 been discharged from a regional treatment center, or a state-contracted psychiatric bed in
2.7 a community hospital, or a residential mental health or chemical dependency treatment
2.8 program. If a person meets the requirements of subdivision 1, paragraph (a), and receives
2.9 a federal or state housing subsidy, the group residential housing rate for that person is limited
2.10 to the supplementary rate under section 256I.05, subdivision 1a, and is determined by
2.11 subtracting the amount of the person's countable income that exceeds the MSA equivalent
2.12 rate from the group residential housing supplementary rate. A resident in a demonstration
2.13 project site who no longer participates in the demonstration program shall retain eligibility
2.14 for a group residential housing payment in an amount determined under section 256I.06,
2.15 subdivision 8, using the MSA equivalent rate. Service funding under section 256I.05,
2.16 subdivision 1a, will end June 30, 1997, if federal matching funds are available and the
2.17 services can be provided through a managed care entity. If federal matching funds are not
2.18 available, then service funding will continue under section 256I.05, subdivision 1a;

2.19 (4) for an additional two beds, resulting in a total of 32 beds, for a facility located in
2.20 Hennepin County providing services for recovering and chemically dependent men that has
2.21 had a group residential housing contract with the county and has been licensed as a board
2.22 and lodge facility with special services since 1980;

2.23 (5) for a group residential housing provider located in the city of St. Cloud, or a county
2.24 contiguous to the city of St. Cloud, that operates a 40-bed facility, that received financing
2.25 through the Minnesota Housing Finance Agency Ending Long-Term Homelessness Initiative
2.26 and serves chemically dependent clientele, providing 24-hour-a-day supervision;

2.27 (6) for a new 65-bed facility in Crow Wing County that will serve chemically dependent
2.28 persons, operated by a group residential housing provider that currently operates a 304-bed
2.29 facility in Minneapolis, and a 44-bed facility in Duluth;

2.30 (7) for a group residential housing provider that operates two ten-bed facilities, one
2.31 located in Hennepin County and one located in Ramsey County, that provide community
2.32 support and 24-hour-a-day supervision to serve the mental health needs of individuals who
2.33 have chronically lived unsheltered; and

3.1 (8) for a group residential facility in Hennepin County with a capacity of up to 48 beds
3.2 that has been licensed since 1978 as a board and lodging facility and that until August 1,
3.3 2007, operated as a licensed chemical dependency treatment program.

3.4 (b) An agency may enter into a group residential housing agreement for beds with rates
3.5 in excess of the MSA equivalent rate in addition to those currently covered under a group
3.6 residential housing agreement if the additional beds are only a replacement of beds with
3.7 rates in excess of the MSA equivalent rate which have been made available due to closure
3.8 of a setting, a change of licensure or certification which removes the beds from group
3.9 residential housing payment, or as a result of the downsizing of a group residential housing
3.10 setting. The transfer of available beds from one agency to another can only occur by the
3.11 agreement of both agencies.