A bill for an act

relating to health and human services; changing registration and licensing provisions for housing with service establishments and entities under the Human Services Licensing Act; amending Minnesota Statutes 2008, sections 144D.03, subdivision 1, by adding a subdivision; 245A.04, subdivisions 1, 2.

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

Section 1. Minnesota Statutes 2008, section 144D.03, subdivision 1, is amended to read:

Subdivision 1. **Registration procedures.** (a) The commissioner shall establish forms and procedures for annual registration of housing with services establishments. The registration form for a housing with service establishment must include a statement advising the registrant that in addition to state registration requirements there may be applicable local ordinances, and to prevent unnecessary delays, the registrant should contact the city in which the establishment will be operated to inquire about applicable local ordinances. The registration form must also include space for the registrant to note the name of the city official contacted, and the date the contact was made.

(b) The commissioner shall charge an annual registration fee of $155. No fee shall be refunded. A registered establishment shall notify the commissioner within 30 days of the date it is no longer required to be registered under this chapter or of any change in the business name or address of the establishment, the name or mailing address of the owner or owners, or the name or mailing address of the managing agent. There shall be no fee for submission of the notice.

Sec. 2. Minnesota Statutes 2008, section 144D.03, is amended by adding a subdivision to read:

Subd. 3. **Registration information provided.** After a housing with services establishment is registered, but before the establishment begins operation, the registrant must send a copy of the registration and contact information of the owner or management agent to the city in which the facility will be operated.

Sec. 3. Minnesota Statutes 2008, section 245A.04, subdivision 1, is amended to read:

Subdivision 1. **Application for licensure.** (a) (1) An individual, corporation, partnership, voluntary association, other organization or controlling individual that is subject to licensure under section 245A.03 must apply for a license. The application must be made on the forms and in the manner prescribed by the commissioner. The commissioner shall provide the applicant with instruction in completing the application and provide information about the rules and requirements of other state agencies that affect the applicant. An applicant seeking licensure in Minnesota with headquarters outside of Minnesota must have a program office located within the state.

(2) The application form to be completed by an individual, corporation, partnership, voluntary association, other organization, or controlling individual that is seeking licensure for a residential program as defined in section 245A.02, subdivision 14, that will provide services to adults must include:

(i) a statement advising the applicant that in addition to state licensing requirements there may be applicable local ordinances, and to prevent unnecessary delays, the applicant should contact the city in which the program will be operated to inquire about applicable local ordinances; and

(ii) space for the applicant to note the name of the city official contacted, and the date the contact was made.

(3) The commissioner shall act on the application within 90 working days after a complete application and any required reports have been received from other state agencies or departments, counties, municipalities, or other political subdivisions. The commissioner shall not consider an application to be complete until the commissioner receives all of the information required under section 245C.05.

(b) An application for licensure must specify one or more controlling individuals as an agent who is responsible for dealing with the commissioner of human services on all matters provided for in this chapter and on whom service of all notices and orders must be made. The agent must be authorized to accept service on behalf of all of the controlling individuals of the program. Service on the agent is service on all of the controlling individuals of the program. It is not a defense to any action arising under this chapter that service was not made on each controlling individual of the program. The designation of

one or more controlling individuals as agents under this paragraph does not affect the legal responsibility of any other controlling individual under this chapter.

(c) An applicant or license holder must have a policy that prohibits license holders, employees, subcontractors, and volunteers, when directly responsible for persons served by the program, from abusing prescription medication or being in any manner under the influence of a chemical that impairs the individual's ability to provide services or care. The license holder must train employees, subcontractors, and volunteers about the program's drug and alcohol policy.

(d) An applicant and license holder must have a program grievance procedure that permits persons served by the program and their authorized representatives to bring a grievance to the highest level of authority in the program.

Sec. 4. Minnesota Statutes 2008, section 245A.04, subdivision 2, is amended to read:

Subd. 2. **Notification of affected municipality.** (a) The commissioner must not issue a license without giving 30 calendar days' written notice to the affected municipality or other political subdivision unless the program is considered a permitted single-family residential use under sections 245A.11 and 245A.14. The notification must be given before the first issuance of a license and annually after that time if annual notification is requested in writing by the affected municipality or other political subdivision. State funds must not be made available to or be spent by an agency or department of state, county, or municipal government for payment to a residential or nonresidential program licensed under this chapter until the provisions of this subdivision have been complied with in full. The provisions of this subdivision shall not apply to programs located in hospitals.

(b) After a residential program is licensed, but before the program begins operation, the license holder must send a copy of the license and contact information of the license holder or management agent to the city in which the program will be operated.