

1.1 CONFERENCE COMMITTEE REPORT ON H. F. No. 2555

1.2 A bill for an act
1.3 relating to state government; implementing changes to the sunset review;
1.4 changing certain agency requirements; requiring posting of convictions of
1.5 felonies or gross misdemeanors and malpractice settlements or judgments for a
1.6 regulated practitioner; requiring certain information on regulated practitioners;
1.7 requiring a study; prohibiting transfer of certain funds; requiring reports and a
1.8 financial audit; setting fees; abolishing the Combative Sports Commission and
1.9 transferring combative sports duties to the commissioner of labor and industry;
1.10 establishing a Combative Sports Advisory Council; requiring a review of the
1.11 Minnesota Board of Medical Practice; changing provisions for health-related
1.12 licensing boards; appropriating money; amending Minnesota Statutes 2010,
1.13 sections 3.922, by adding a subdivision; 3.9223, subdivision 7; 3.9225,
1.14 subdivision 7; 3.9226, subdivision 7; 147.01, subdivision 4; 147.111, by adding a
1.15 subdivision; 148.102, by adding a subdivision; 148.261, subdivision 1; 148.263,
1.16 by adding a subdivision; 148.5194, subdivision 5; 148.6445, subdivision 10;
1.17 148B.07, by adding a subdivision; 148C.095, by adding a subdivision; 148E.285,
1.18 by adding a subdivision; 150A.13, by adding a subdivision; 153.24, by adding
1.19 a subdivision; 153A.17; 214.06, subdivisions 1, 1a, by adding a subdivision;
1.20 214.09, by adding a subdivision; 214.103; 341.21, by adding a subdivision;
1.21 341.28, subdivision 1; 341.37; Minnesota Statutes 2011 Supplement, sections
1.22 3D.04; 3D.06; 3D.21, subdivisions 1, 2; proposing coding for new law in
1.23 Minnesota Statutes, chapters 3D; 16B; 214; 341; repealing Minnesota Statutes
1.24 2010, sections 138A.01; 138A.02; 138A.03; 138A.04; 138A.05; 138A.06;
1.25 341.21, subdivisions 3, 4a; 341.22; 341.23; 341.24; 341.26.

1.26 April 27, 2012
1.27 The Honorable Kurt Zellers
1.28 Speaker of the House of Representatives

1.29 The Honorable Michelle L. Fischbach
1.30 President of the Senate

1.31 We, the undersigned conferees for H. F. No. 2555 report that we have agreed upon
1.32 the items in dispute and recommend as follows:

1.33 That the Senate recede from its amendments and that H. F. No. 2555 be further
1.34 amended as follows:

1.35 Delete everything after the enacting clause and insert:

2.1 "ARTICLE 1

2.2 SUNSET REVIEW

2.3 Section 1. Minnesota Statutes 2011 Supplement, section 3D.04, is amended to read:

2.4 **3D.04 STAFF; CONTRACTS.**

2.5 The Legislative Coordinating Commission shall provide staff and administrative
2.6 services for the commission. The Sunset Advisory Commission may enter into contracts
2.7 for evaluations of agencies under review.

2.8 Sec. 2. Minnesota Statutes 2011 Supplement, section 3D.06, is amended to read:

2.9 **3D.06 AGENCY REPORT TO COMMISSION.**

2.10 (a) Before September 1 of the odd-numbered year before the year in which a
2.11 state agency is subject to sunset review, the agency commissioner shall report to the
2.12 commission:

2.13 (1) information regarding the application to the agency of the criteria in section
2.14 3D.10;

2.15 (2) ~~a priority-based~~ an outcome-based budget for the agency;

2.16 (3) an inventory of all boards, commissions, committees, and other entities related
2.17 to the agency; and

2.18 (4) any other information that the agency commissioner considers appropriate or that
2.19 is requested by the commission.

2.20 ~~The September 1 deadline in this section does not apply in 2011.~~

2.21 (b) The outcome-based budget required by paragraph (a) must be for each of the
2.22 agency's activities, as the term activity is used in state budgeting and must:

2.23 (1) identify the statutory authority for the activity;

2.24 (2) include one or more performance goals and associated performance measures
2.25 that measure outcomes, not inputs;

2.26 (3) discuss the extent to which each performance measure is reliable and verifiable,
2.27 and can be accurately measured;

2.28 (4) discuss the extent to which the agency has met each performance measure, and
2.29 the extent to which the budget devoted to the activity has permitted or prevented the
2.30 agency from meeting its performance goals;

2.31 (5) discuss efficiencies that would allow the agency to better meet its goals; and

2.32 (6) identify agencies at any level of government or private sector entities that provide
2.33 the same activities, and describe agency interaction with the activities provided by others.

3.1 Sec. 3. Minnesota Statutes 2011 Supplement, section 3D.21, subdivision 2, is amended
3.2 to read:

3.3 Subd. 2. **Group 2.** The following agencies are sunset and, except as provided in
3.4 section 3D.14, expire on June 30, 2014: Department of Health, Department of Human
3.5 Services, Department of Human Rights, Department of Education, Board of Teaching,
3.6 Minnesota Office of Higher Education, Emergency Medical Services Regulatory Board,
3.7 Council on Affairs of Chicano/Latino People, Council on Black Minnesotans, Council on
3.8 Asian-Pacific Minnesotans, Indian Affairs Council, and all advisory groups associated
3.9 with these agencies.

3.10 Sec. 4. Minnesota Statutes 2011 Supplement, section 3D.21, subdivision 4, is amended
3.11 to read:

3.12 Subd. 4. **Group 4.** The following agencies are sunset and, except as provided
3.13 in section 3D.14, expire on June 30, 2018: Department of Corrections, Department of
3.14 Public Safety, Department of Transportation, Peace Officer Standards and Training
3.15 Board, Capitol Area Architectural and Planning Board, Amateur Sports Commission, all
3.16 health-related licensing boards listed in section 214.01, Council on Disability, and all
3.17 advisory groups associated with these agencies.

3.18 Sec. 5. **COUNCIL ON BLACK MINNESOTANS.**

3.19 The Office of the Legislative Auditor should conduct a financial audit of the Council
3.20 on Black Minnesotans by December 1, 2013. In its next report to the Sunset Advisory
3.21 Commission, the Council on Black Minnesotans must respond to any issues raised in this
3.22 audit and to issues raised in previous audits.

3.23 Sec. 6. **REVIEW OF SUNSET PROCESS.**

3.24 The Office of the Legislative Auditor is requested to conduct a review of the sunset
3.25 process in Minnesota Statutes, chapter 3D. The review should be conducted in 2018.
3.26 The legislative auditor is requested to present the result of the review in a report to the
3.27 Legislative Audit Commission and Sunset Advisory Commission.

3.28 Sec. 7. **REPEALER.**

3.29 Minnesota Statutes 2011 Supplement, section 3D.21, subdivision 1, is repealed.

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

4.1 **ARTICLE 2**

4.2 **ADMINISTRATIVE PROCEDURES AND FEES**

4.3 Section 1. Minnesota Statutes 2010, section 3.922, is amended by adding a subdivision
4.4 to read:

4.5 Subd. 11. **Report.** The council shall prepare and submit a report to the governor and
4.6 legislature by November 15 of each year. The report shall summarize the activities of the
4.7 council since its last report, list receipts and expenditures, identify the major problems and
4.8 issues confronting American Indian people, make recommendations to address issues,
4.9 and list the specific objectives that the council seeks to attain during the biennium. The
4.10 council shall report on outcome measures.

4.11 Sec. 2. Minnesota Statutes 2010, section 3.9223, subdivision 7, is amended to read:

4.12 Subd. 7. **Report.** The council shall prepare and ~~distribute~~ submit a report to the
4.13 governor and legislature by November 15 of each ~~even-numbered~~ year. The report shall
4.14 summarize the activities of the council since its last report, list receipts and expenditures,
4.15 identify the major problems and issues confronting Chicano/Latino people, make
4.16 recommendations to address issues, and list the specific objectives that the council seeks
4.17 to attain during the next biennium. The council shall report on outcome measures.

4.18 Sec. 3. Minnesota Statutes 2010, section 3.9225, subdivision 7, is amended to read:

4.19 Subd. 7. **Report.** The council shall prepare and ~~distribute~~ submit a report to the
4.20 governor and legislature by November 15 of each ~~even-numbered~~ year. The report shall
4.21 summarize the activities of the council since its last report, list receipts and expenditures,
4.22 identify the major problems and issues confronting Black people, make recommendations
4.23 to address issues, and list the specific objectives which the council seeks to attain during
4.24 the next biennium. The council shall report on outcome measures.

4.25 Sec. 4. Minnesota Statutes 2010, section 3.9226, subdivision 7, is amended to read:

4.26 Subd. 7. **Report.** The council shall prepare and ~~distribute~~ submit a report to the
4.27 governor and legislature by November 15 of each ~~even-numbered~~ year. The report
4.28 shall summarize the activities of the council since its last report, list receipts and
4.29 expenditures, identify the major problems and issues confronting Asian-Pacific people,
4.30 make recommendations to address issues, and list the specific objectives that the council
4.31 seeks to attain during the next biennium. The council shall report on outcome measures.

4.32 Sec. 5. [3D.045] COORDINATION WITH LEGISLATIVE AUDITOR.

5.1 To the extent possible, the commission and the Office of the Legislative Auditor
5.2 shall align their work so that audits and program evaluations conducted by the Office
5.3 of the Legislative Auditor can inform the work of the commission. The commission
5.4 may request the Office of the Legislative Auditor to provide updates on financial audits
5.5 and program evaluations the Office of the Legislative Auditor has prepared on agencies
5.6 scheduled for Sunset Advisory Commission review.

5.7 **Sec. 6. [3D.065] REPORT ON PERSONNEL.**

5.8 By September 1 of the odd-numbered year before the year in which a state agency is
5.9 subject to sunset review, the commissioner of management and budget must report to the
5.10 Sunset Advisory Commission on the number of full-time equivalent employees and the
5.11 salary structure for each agency under review.

5.12 **Sec. 7. [16B.371] ASSISTANCE TO SMALL AGENCIES.**

5.13 (a) The commissioner may provide administrative support services to small agencies.
5.14 To promote efficiency and cost-effective use of state resources, and to improve financial
5.15 controls, the commissioner may require a small agency to receive administrative support
5.16 services through the Department of Administration or through another agency designated
5.17 by the commissioner. Services subject to this section include finance, accounting, payroll,
5.18 purchasing, human resources, and other services designated by the commissioner. The
5.19 commissioner may determine what constitutes a small agency for purposes of this section.
5.20 The commissioner, in consultation with the commissioner of management and budget and
5.21 small agencies, shall evaluate small agencies' needs for administrative support services.
5.22 If the commissioner provides administrative support services to a small agency, the
5.23 commissioner must enter into a service level agreement with the agency, specifying the
5.24 services to be provided and the costs and anticipated outcomes of the services.

5.25 (b) The Chicano Latino Affairs Council, the Council on Black Minnesotans, the
5.26 Council on Asian-Pacific Minnesotans, the Indian Affairs Council, and the Minnesota
5.27 State Council on Disability must use the services specified in paragraph (a).

5.28 (c) The commissioner of administration may assess agencies for services it provides
5.29 under this section. The amounts assessed are appropriated to the commissioner.

5.30 (d) For agencies covered in this section, the commissioner has the authority to require
5.31 the agency to comply with applicable state finance, accounting, payroll, purchasing, and
5.32 human resources policies. The agencies served retain the ownership and responsibility for
5.33 spending decisions and for ongoing implementation of appropriate business operations.

6.1 Sec. 8. Minnesota Statutes 2010, section 147.01, subdivision 4, is amended to read:

6.2 Subd. 4. **Disclosure.** Subject to the exceptions listed in this subdivision, all
6.3 communications or information received by or disclosed to the board relating to any
6.4 person or matter subject to its regulatory jurisdiction are confidential and privileged and
6.5 any disciplinary hearing shall be closed to the public.

6.6 (a) Upon application of a party in a proceeding before the board under section
6.7 147.091, the board shall produce and permit the inspection and copying, by or on behalf of
6.8 the moving party, of any designated documents or papers relevant to the proceedings, in
6.9 accordance with the provisions of rule 34, Minnesota Rules of Civil Procedure.

6.10 (b) If the board takes corrective action or imposes disciplinary measures of any kind,
6.11 whether by contested case or by settlement agreement, the name and business address of
6.12 the licensee, the nature of the misconduct, and the action taken by the board are public
6.13 data. If disciplinary action is taken by settlement agreement, the entire agreement is public
6.14 data. The board shall decide disciplinary matters, whether by settlement or by contested
6.15 case, by roll call vote. The votes are public data.

6.16 (c) The board shall exchange information with other licensing boards, agencies, or
6.17 departments within the state, as required under section 214.10, subdivision 8, paragraph
6.18 (c), and may release information in the reports required under section 147.02, subdivision
6.19 6.

6.20 (d) The board shall upon request furnish to a person who made a complaint, or the
6.21 alleged victim of a violation of section 147.091, subdivision 1, paragraph (t), or both, a
6.22 description of the activities and actions of the board relating to that complaint, a summary
6.23 of the results of an investigation of that complaint, and the reasons for actions taken
6.24 by the board.

6.25 (e) A probable cause hearing held pursuant to section 147.092 shall be closed to the
6.26 public, except for the notices of hearing made public by operation of section 147.092.

6.27 (f) Findings of fact, conclusions, and recommendations issued by the administrative
6.28 law judge, and transcripts of oral arguments before the board pursuant to a contested case
6.29 proceeding in which an administrative law judge found a violation of section 147.091,
6.30 subdivision 1, paragraph (t), are public data.

6.31 **EFFECTIVE DATE.** This section is effective for all corrective action taken on
6.32 or after August 1, 2012.

6.33 Sec. 9. Minnesota Statutes 2010, section 147.111, is amended by adding a subdivision
6.34 to read:

7.1 Subd. 10. **Failure to report.** On or after August 1, 2012, any person, health care
7.2 facility, business, or organization that fails to report as required under subdivisions 2 to 6
7.3 shall be subject to civil penalties for failing to report as required by law.

7.4 **EFFECTIVE DATE.** This section is effective August 1, 2012.

7.5 Sec. 10. Minnesota Statutes 2010, section 148.102, is amended by adding a subdivision
7.6 to read:

7.7 Subd. 8. **Failure to report.** On or after August 1, 2012, any person or insurer that
7.8 fails to report as required under subdivisions 2 to 4 shall be subject to civil penalties for
7.9 failing to report as required by law.

7.10 **EFFECTIVE DATE.** This section is effective August 1, 2012.

7.11 Sec. 11. Minnesota Statutes 2010, section 148.261, subdivision 1, is amended to read:

7.12 Subdivision 1. **Grounds listed.** The board may deny, revoke, suspend, limit, or
7.13 condition the license and registration of any person to practice professional, advanced
7.14 practice registered, or practical nursing under sections 148.171 to 148.285, or to otherwise
7.15 discipline a licensee or applicant as described in section 148.262. The following are
7.16 grounds for disciplinary action:

7.17 (1) Failure to demonstrate the qualifications or satisfy the requirements for a license
7.18 contained in sections 148.171 to 148.285 or rules of the board. In the case of a person
7.19 applying for a license, the burden of proof is upon the applicant to demonstrate the
7.20 qualifications or satisfaction of the requirements.

7.21 (2) Employing fraud or deceit in procuring or attempting to procure a permit, license,
7.22 or registration certificate to practice professional or practical nursing or attempting to
7.23 subvert the licensing examination process. Conduct that subverts or attempts to subvert
7.24 the licensing examination process includes, but is not limited to:

7.25 (i) conduct that violates the security of the examination materials, such as removing
7.26 examination materials from the examination room or having unauthorized possession of
7.27 any portion of a future, current, or previously administered licensing examination;

7.28 (ii) conduct that violates the standard of test administration, such as communicating
7.29 with another examinee during administration of the examination, copying another
7.30 examinee's answers, permitting another examinee to copy one's answers, or possessing
7.31 unauthorized materials; or

7.32 (iii) impersonating an examinee or permitting an impersonator to take the
7.33 examination on one's own behalf.

8.1 (3) Conviction ~~during the previous five years~~ of a felony or gross misdemeanor
8.2 reasonably related to the practice of professional, advanced practice registered, or practical
8.3 nursing. Conviction as used in this subdivision includes a conviction of an offense that if
8.4 committed in this state would be considered a felony or gross misdemeanor without regard
8.5 to its designation elsewhere, or a criminal proceeding where a finding or verdict of guilt is
8.6 made or returned but the adjudication of guilt is either withheld or not entered.

8.7 (4) Revocation, suspension, limitation, conditioning, or other disciplinary action
8.8 against the person's professional or practical nursing license or advanced practice
8.9 registered nursing credential, in another state, territory, or country; failure to report to the
8.10 board that charges regarding the person's nursing license or other credential are pending in
8.11 another state, territory, or country; or having been refused a license or other credential by
8.12 another state, territory, or country.

8.13 (5) Failure to or inability to perform professional or practical nursing as defined in
8.14 section 148.171, subdivision 14 or 15, with reasonable skill and safety, including failure
8.15 of a registered nurse to supervise or a licensed practical nurse to monitor adequately the
8.16 performance of acts by any person working at the nurse's direction.

8.17 (6) Engaging in unprofessional conduct, including, but not limited to, a departure
8.18 from or failure to conform to board rules of professional or practical nursing practice that
8.19 interpret the statutory definition of professional or practical nursing as well as provide
8.20 criteria for violations of the statutes, or, if no rule exists, to the minimal standards of
8.21 acceptable and prevailing professional or practical nursing practice, or any nursing
8.22 practice that may create unnecessary danger to a patient's life, health, or safety. Actual
8.23 injury to a patient need not be established under this clause.

8.24 (7) Failure of an advanced practice registered nurse to practice with reasonable
8.25 skill and safety or departure from or failure to conform to standards of acceptable and
8.26 prevailing advanced practice registered nursing.

8.27 (8) Delegating or accepting the delegation of a nursing function or a prescribed
8.28 health care function when the delegation or acceptance could reasonably be expected to
8.29 result in unsafe or ineffective patient care.

8.30 (9) Actual or potential inability to practice nursing with reasonable skill and safety
8.31 to patients by reason of illness, use of alcohol, drugs, chemicals, or any other material, or
8.32 as a result of any mental or physical condition.

8.33 (10) Adjudication as mentally incompetent, mentally ill, a chemically dependent
8.34 person, or a person dangerous to the public by a court of competent jurisdiction, within or
8.35 without this state.

9.1 (11) Engaging in any unethical conduct, including, but not limited to, conduct likely
9.2 to deceive, defraud, or harm the public, or demonstrating a willful or careless disregard
9.3 for the health, welfare, or safety of a patient. Actual injury need not be established under
9.4 this clause.

9.5 (12) Engaging in conduct with a patient that is sexual or may reasonably be
9.6 interpreted by the patient as sexual, or in any verbal behavior that is seductive or sexually
9.7 demeaning to a patient, or engaging in sexual exploitation of a patient or former patient.

9.8 (13) Obtaining money, property, or services from a patient, other than reasonable
9.9 fees for services provided to the patient, through the use of undue influence, harassment,
9.10 duress, deception, or fraud.

9.11 (14) Revealing a privileged communication from or relating to a patient except when
9.12 otherwise required or permitted by law.

9.13 (15) Engaging in abusive or fraudulent billing practices, including violations of
9.14 federal Medicare and Medicaid laws or state medical assistance laws.

9.15 (16) Improper management of patient records, including failure to maintain adequate
9.16 patient records, to comply with a patient's request made pursuant to sections 144.291 to
9.17 144.298, or to furnish a patient record or report required by law.

9.18 (17) Knowingly aiding, assisting, advising, or allowing an unlicensed person to
9.19 engage in the unlawful practice of professional, advanced practice registered, or practical
9.20 nursing.

9.21 (18) Violating a rule adopted by the board, an order of the board, or a state or federal
9.22 law relating to the practice of professional, advanced practice registered, or practical
9.23 nursing, or a state or federal narcotics or controlled substance law.

9.24 (19) Knowingly providing false or misleading information that is directly related
9.25 to the care of that patient unless done for an accepted therapeutic purpose such as the
9.26 administration of a placebo.

9.27 (20) Aiding suicide or aiding attempted suicide in violation of section 609.215 as
9.28 established by any of the following:

9.29 (i) a copy of the record of criminal conviction or plea of guilty for a felony in
9.30 violation of section 609.215, subdivision 1 or 2;

9.31 (ii) a copy of the record of a judgment of contempt of court for violating an
9.32 injunction issued under section 609.215, subdivision 4;

9.33 (iii) a copy of the record of a judgment assessing damages under section 609.215,
9.34 subdivision 5; or

10.1 (iv) a finding by the board that the person violated section 609.215, subdivision
10.2 1 or 2. The board shall investigate any complaint of a violation of section 609.215,
10.3 subdivision 1 or 2.

10.4 (21) Practicing outside the scope of practice authorized by section 148.171,
10.5 subdivision 5, 10, 11, 13, 14, 15, or 21.

10.6 (22) Practicing outside the specific field of nursing practice for which an advanced
10.7 practice registered nurse is certified unless the practice is authorized under section 148.284.

10.8 (23) Making a false statement or knowingly providing false information to the
10.9 board, failing to make reports as required by section 148.263, or failing to cooperate with
10.10 an investigation of the board as required by section 148.265.

10.11 (24) Engaging in false, fraudulent, deceptive, or misleading advertising.

10.12 (25) Failure to inform the board of the person's certification status as a nurse
10.13 anesthetist, nurse-midwife, nurse practitioner, or clinical nurse specialist.

10.14 (26) Engaging in clinical nurse specialist practice, nurse-midwife practice, nurse
10.15 practitioner practice, or registered nurse anesthetist practice without current certification
10.16 by a national nurse certification organization acceptable to the board, except during the
10.17 period between completion of an advanced practice registered nurse course of study and
10.18 certification, not to exceed six months or as authorized by the board.

10.19 (27) Engaging in conduct that is prohibited under section 145.412.

10.20 (28) Failing to report employment to the board as required by section 148.211,
10.21 subdivision 2a, or knowingly aiding, assisting, advising, or allowing a person to fail to
10.22 report as required by section 148.211, subdivision 2a.

10.23 Sec. 12. Minnesota Statutes 2010, section 148.263, is amended by adding a subdivision
10.24 to read:

10.25 Subd. 7. **Failure to report.** On or after August 1, 2012, any person, institution,
10.26 insurer, or organization that fails to report as required under subdivisions 2 to 5 shall be
10.27 subject to civil penalties for failing to report as required by law.

10.28 **EFFECTIVE DATE.** This section is effective August 1, 2012.

10.29 Sec. 13. Minnesota Statutes 2010, section 148.5194, subdivision 5, is amended to read:

10.30 Subd. 5. **Nonrefundable Use of fees.** All fees are nonrefundable. The commissioner
10.31 shall only use fees collected under this section for the purposes of administering this
10.32 chapter. The legislature must not transfer money generated by these fees from the state
10.33 government special revenue fund to the general fund. Surcharges collected by the
10.34 commissioner of health under section 16E.22 are not subject to this subdivision.

11.1 Sec. 14. Minnesota Statutes 2010, section 148.6445, subdivision 10, is amended to
11.2 read:

11.3 Subd. 10. **Nonrefundable Use of fees.** All fees are nonrefundable. The
11.4 commissioner shall only use fees collected under this section for the purposes of
11.5 administering this chapter. The legislature must not transfer money generated by these fees
11.6 from the state government special revenue fund to the general fund. Surcharges collected
11.7 by the commissioner of health under section 16E.22 are not subject to this subdivision.

11.8 Sec. 15. Minnesota Statutes 2010, section 148B.07, is amended by adding a
11.9 subdivision to read:

11.10 Subd. 10. **Failure to report.** On or after August 1, 2012, any person, institution,
11.11 insurer, or organization that fails to report as required under subdivisions 2 to 6 shall be
11.12 subject to civil penalties for failing to report as required by law.

11.13 **EFFECTIVE DATE.** This section is effective August 1, 2012.

11.14 Sec. 16. Minnesota Statutes 2010, section 148C.095, is amended by adding a
11.15 subdivision to read:

11.16 Subd. 8. **Failure to report.** On or after August 1, 2012, any person, institution,
11.17 insurer, or organization that fails to report as required under subdivisions 2 to 5 shall be
11.18 subject to civil penalties for failing to report as required by law.

11.19 **EFFECTIVE DATE.** This section is effective August 1, 2012.

11.20 Sec. 17. Minnesota Statutes 2010, section 148E.285, is amended by adding a
11.21 subdivision to read:

11.22 Subd. 4. **Failure to report.** On or after August 1, 2012, any person, institution, or
11.23 organization that fails to report as required under subdivisions 1 and 2 shall be subject
11.24 to civil penalties for failing to report as required by law.

11.25 **EFFECTIVE DATE.** This section is effective August 1, 2012.

11.26 Sec. 18. Minnesota Statutes 2010, section 150A.13, is amended by adding a
11.27 subdivision to read:

11.28 Subd. 10. **Failure to report.** On or after August 1, 2012, any person, institution,
11.29 insurer, or organization that fails to report as required under subdivisions 2 to 6 shall be
11.30 subject to civil penalties for failing to report as required by law.

12.1 **EFFECTIVE DATE.** This section is effective August 1, 2012.

12.2 Sec. 19. Minnesota Statutes 2010, section 153.24, is amended by adding a subdivision
12.3 to read:

12.4 Subd. 8. **Failure to report.** On or after August 1, 2012, any person, institution, or
12.5 insurer that fails to report as required under subdivisions 2 to 5 shall be subject to civil
12.6 penalties for failing to report as required by law.

12.7 **EFFECTIVE DATE.** This section is effective August 1, 2012.

12.8 Sec. 20. Minnesota Statutes 2010, section 153A.17, is amended to read:

12.9 **153A.17 EXPENSES; FEES.**

12.10 (a) The expenses for administering the certification requirements, including the
12.11 complaint handling system for hearing aid dispensers in sections 153A.14 and 153A.15,
12.12 and the Consumer Information Center under section 153A.18, must be paid from initial
12.13 application and examination fees, renewal fees, penalties, and fines. The commissioner
12.14 shall only use fees collected under this section for the purposes of administering this
12.15 chapter. The legislature must not transfer money generated by these fees from the state
12.16 government special revenue fund to the general fund. Surcharges collected by the
12.17 commissioner of health under section 16E.22 are not subject to this paragraph.

12.18 (b) The fees are as follows:

12.19 (1) the initial and annual renewal certification application fee is \$600;

12.20 (2) the initial examination fee for the written portion is \$500, and for each time it
12.21 is taken, thereafter;

12.22 (3) the initial examination fee for the practical portion is \$1,200, and \$600 for each
12.23 time it is taken, thereafter; for individuals meeting the requirements of section 148.515,
12.24 subdivision 2, the fee for the practical portion of the hearing instrument dispensing
12.25 examination is \$250 each time it is taken;

12.26 (4) the trainee application fee is \$200;

12.27 (5) the penalty fee for late submission of a renewal application is \$200; and

12.28 (6) the fee for verification of certification to other jurisdictions or entities is \$25.

12.29 (c) The commissioner may prorate the certification fee for new applicants based on
12.30 the number of quarters remaining in the annual certification period.

12.31 (d) All fees are nonrefundable. All fees, penalties, and fines received must be
12.32 deposited in the state government special revenue fund.

13.1 (e) Beginning July 1, 2009, until June 30, 2016, a surcharge of \$100 shall be paid
13.2 at the time of initial certification application or renewal to recover the commissioner's
13.3 accumulated direct expenditures for administering the requirements of this chapter.

13.4 Sec. 21. Minnesota Statutes 2010, section 214.06, subdivision 1, is amended to read:

13.5 Subdivision 1. ~~Fee adjustment~~ **Fees to recover expenditures.** ~~Notwithstanding~~
13.6 ~~any law to the contrary, the commissioner of health as authorized by section 214.13, all~~
13.7 ~~health-related licensing boards and all non-health-related licensing boards shall by rule,~~
13.8 ~~with the approval of the commissioner of management and budget, adjust, as needed,~~
13.9 ~~any fee which the commissioner of health or the board is empowered to assess. The~~
13.10 commissioner of health as authorized by section 214.13 and all health-related licensing
13.11 boards and non-health-related licensing boards shall propose or adjust any fee according
13.12 to section 16A.1283. As provided in section 16A.1285, the ~~adjustment~~ fees shall be
13.13 an amount sufficient so that the total fees collected by each board will be based on
13.14 anticipated expenditures, including expenditures for the programs authorized by sections
13.15 214.10, 214.103, 214.11, 214.17 to 214.24, 214.28 to 214.37, and 214.40, except that a
13.16 health-related licensing board may have anticipated expenditures in excess of anticipated
13.17 revenues in a biennium by using accumulated surplus revenues from fees collected by
13.18 that board in previous bienniums. A health-related licensing board may accumulate up to
13.19 one year of operating funds, and then shall propose a fee reduction according to section
13.20 16A.1283. A health-related licensing board shall not spend more money than the amount
13.21 appropriated by the legislature for a biennium. For members of an occupation registered
13.22 after July 1, 1984, by the commissioner of health under the provisions of section 214.13,
13.23 the fee established must include an amount necessary to recover, over a five-year period,
13.24 the commissioner's direct expenditures for adoption of the rules providing for registration
13.25 of members of the occupation. All fees received shall be deposited in the state treasury.

13.26 Sec. 22. Minnesota Statutes 2010, section 214.06, subdivision 1a, is amended to read:

13.27 Subd. 1a. **Health occupations licensing account.** (a) Fees received by the
13.28 commissioner of health or health-related licensing boards must be credited to the health
13.29 occupations licensing account in the state government special revenue fund. The
13.30 commissioner of management and budget shall ensure that the revenues and expenditures
13.31 of each health-related licensing board are tracked separately in the health occupations
13.32 licensing account.

13.33 (b) The fees collected must be used only by the boards identified in section 214.01,
13.34 subdivision 2, and only for the purposes of the programs they administer. The legislature

14.1 must not transfer money generated by these fees from the state government special
14.2 revenue fund to the general fund. Surcharges collected by a health-related licensing board
14.3 under section 16E.22 are not subject to this subdivision.

14.4 Sec. 23. Minnesota Statutes 2010, section 214.06, is amended by adding a subdivision
14.5 to read:

14.6 Subd. 1b. **Health-related licensing boards; surcharges.** When a health-related
14.7 licensing board imposes a surcharge, the surcharge must not be incorporated as a fee
14.8 increase, but must be made as a separate assessment to be paid by the individuals regulated
14.9 by the board.

14.10 Sec. 24. **[214.072] HEALTH-RELATED LICENSING BOARDS; WEB SITE.**

14.11 (a) Each health-related licensing board, as defined in section 214.01, subdivision 2,
14.12 and the commissioner of health, as the regulator for occupational therapy practitioners,
14.13 speech-language pathologists, audiologists, and hearing instrument dispensers, are
14.14 required to post on its public Web site the name and business address of each regulated
14.15 individual who has:

14.16 (1) a conviction of a felony or gross misdemeanor occurring on or after July 1,
14.17 2013, in any state or jurisdiction;

14.18 (2) a malpractice judgment occurring on or after July 1, 2013, against the regulated
14.19 individual in any state or jurisdiction. Information describing judgments shall be
14.20 developed by the boards and the commissioner, shall be stated in plain English, and shall
14.21 ensure the public understands the context of actions involving licensees; or

14.22 (3) any disciplinary or corrective action or restriction of privileges taken against the
14.23 individual's license by the commissioner or a state licensing board in this state or in any
14.24 other state or jurisdiction. The Web site shall identify the basis for disciplinary action, the
14.25 type of disciplinary action taken, and whether the action was taken by the commissioner
14.26 or a licensing board in this or another state or the federal government. This clause shall
14.27 not include any action or restriction imposed through an agreement with a regulated
14.28 individual and the health professionals services program under sections 214.31 to 214.37.

14.29 (b) The information described in this section shall be posted for new licensees
14.30 issued a license on or after July 1, 2013, and for current licensees upon license renewal
14.31 occurring on or after July 1, 2013.

14.32 **EFFECTIVE DATE.** This section is effective July 1, 2013.

14.33 Sec. 25. **[214.073] HEALTH-RELATED LICENSING BOARDS; AUTHORITY.**

15.1 Each health-related licensing board, as defined in section 214.01, subdivision 2,
15.2 and the commissioner of health, as the regulator for occupational therapy practitioners,
15.3 speech-language pathologists, audiologists, and hearing instrument dispensers, shall
15.4 require an applicant on or after August 1, 2012, to provide the individual's primary
15.5 business address at the time of initial application and all subsequent renewals.

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

15.7 Sec. 26. **REPORT; HEALTH-RELATED LICENSING BOARD AND**
15.8 **COMMISSIONER OF HEALTH BACKGROUND CHECKS.**

15.9 The health-related licensing boards and the commissioner of health shall jointly
15.10 study and make recommendations for establishing uniform criminal history background
15.11 check requirements applicable to applicants and regulated individuals under their
15.12 jurisdiction. The study must include procedures for conducting background checks,
15.13 payment of costs, circumstances under which federal background checks are to be
15.14 conducted, and the standard to be applied to determine whether a criminal record may
15.15 disqualify an individual from licensure or a regulated occupation. By January 15, 2013,
15.16 the boards and the commissioner shall submit a report and draft legislation to the chair
15.17 and ranking minority member of the senate and house of representatives committees with
15.18 jurisdiction over health and human services and data practices issues.

15.19 Sec. 27. **HEALTH-RELATED LICENSING BOARDS REPORTING**
15.20 **OBLIGATIONS.**

15.21 (a) By January 15, 2013, the health-related boards and the commissioner of health,
15.22 as the regulator for occupational therapy practitioners, speech-language pathologists,
15.23 audiologists, and hearing instrument dispensers, shall jointly study and submit draft
15.24 legislation to the Sunset Commission and the chairs and ranking minority members of
15.25 the legislative committees with jurisdiction over health and human services developing
15.26 consistent reporting requirements that require institutions, professional societies, other
15.27 licensed professionals, courts, insurers, and other entities to report conduct constituting
15.28 grounds for disciplinary action to the respective regulatory entity. The study and draft
15.29 legislation shall include a self-reporting requirement that requires the licensed individual
15.30 to report to the respective regulatory entity any action that would require a report to be
15.31 filed by another specified entity. The study and draft legislation shall also include penalties
15.32 that may be imposed for failure to report.

16.1 (b) Health-related boards with existing statutory reporting obligations shall
16.2 participate to ensure that the existing reporting requirements are consistent with the
16.3 recommended requirements and draft legislation.

16.4 Sec. 28. **SUNSET ADVISORY COMMISSION; DEPARTMENT OF HEALTH**
16.5 **REVIEW.**

16.6 The Sunset Advisory Commission review of the Department of Health in 2013
16.7 and 2014 must include an analysis of the extent to which health occupations should be
16.8 licensed by the Department of Health, and which occupations should be licensed by
16.9 licensing boards.

16.10 Sec. 29. **REPORT; INVESTIGATIONS FOR HEALTH-RELATED LICENSING**
16.11 **BOARDS.**

16.12 The health-related licensing boards and the attorney general shall review and
16.13 make recommendations to the legislature by January 15, 2013, on the respective roles
16.14 of the boards and the attorney general in conducting investigations of licensees of the
16.15 health-related licensing boards.

16.16 Sec. 30. **REPORT; INFORMATION SYSTEMS FOR LICENSING BOARDS.**

16.17 The commissioner of administration, in conjunction with the health-related licensing
16.18 boards identified in Minnesota Statutes, section 214.01, and the Office of Enterprise
16.19 Technology utilizing business rules from the health licensing boards shall report to the
16.20 legislature by January 15, 2013, the best system for providing electronic licensing,
16.21 disciplinary, regulatory, and investigative services for the health-related licensing boards.
16.22 Any costs incurred in preparing this report must be paid from surcharges collected under
16.23 Minnesota Statutes, section 16E.22.

16.24 Sec. 31. **REPORT; HEALTH-RELATED LICENSING BOARD FEES.**

16.25 Each health-related licensing board, as defined in section 214.01, subdivision 2,
16.26 and the commissioner of health, as the regulator for occupational therapy practitioners,
16.27 speech-language pathologists, audiologists, and hearing instrument dispensers, shall
16.28 report to the chair and lead minority member of the senate and house of representatives
16.29 committees with jurisdiction over health and human services finance by January 15, 2013,
16.30 on the degree to which fees imposed comply with Minnesota Statutes, sections 214.055
16.31 and 214.06, for the health-related licensing boards or Minnesota Statutes, section 144.122,
16.32 for the commissioner of health. If a board determines that its fees are expected to produce

17.1 more revenue than needed to recover expenditures during a five-year period, the board
17.2 must propose reductions in those fees according to section 16A.1283.

17.3 Sec. 32. **REPORTS; ADMINISTRATIVE SUPPORT SERVICES.**

17.4 (a) The commissioner of administration shall report to the legislature by January 15,
17.5 2013, on use of the SMART program by executive branch agencies.

17.6 (b) The administrative services unit of health-related licensing boards shall report to
17.7 the legislature by January 15, 2013, evaluating use of the units' services by health-related
17.8 licensing boards.

17.9 Sec. 33. **MEDICAL PRACTICE ACT; STUDY.**

17.10 (a) The commissioner of health shall convene a working group to evaluate the state's
17.11 Medical Practice Act to ensure that it effectively protects the safety and well-being of the
17.12 citizens of the state and allows transparency. In this evaluation, the working group shall
17.13 consider practice acts in other states, including conduct that may result in disciplinary
17.14 action.

17.15 (b) The working group shall consist of 15 members, comprised and appointed as
17.16 follows:

17.17 (1) two members of the Board of Medical Practice appointed by the Board of
17.18 Medical Practice;

17.19 (2) two practicing physicians appointed by the Minnesota Medical Association;

17.20 (3) two medical educators, one representing the University of Minnesota and
17.21 appointed by the commissioner of health and one representing the Mayo Clinic and
17.22 appointed by the commissioner of health;

17.23 (4) two senators, one appointed by the subcommittee on committees, and one
17.24 appointed by the senate minority leader, and two members of the house of representatives,
17.25 one appointed by the speaker and one appointed by the house minority leader;

17.26 (5) the commissioner of health;

17.27 (6) two consumers appointed by the commissioner of health; and

17.28 (7) two experts in the field of medical practice appointed by the commissioner
17.29 of health.

17.30 The majority of the working group must be composed of members who have no
17.31 current or past affiliation with the Board of Medical Practice. For purposes of this section,
17.32 being licensed by the Board of Medical Practice does not constitute "affiliation."

17.33 (c) Compensation for working group members is subject to Minnesota Statutes,
17.34 section 15.059, subdivision 3, and must be paid from the operating funds of the Board of

18.1 Medical Practice. The costs incurred by the commissioner of health to convene and support
18.2 the working group must be paid from the operating funds of the Board of Medical Practice.

18.3 (d) The working group must elect a chair from its members.

18.4 (e) Meetings of the working group shall be open to the public.

18.5 (f) No later than January 1, 2013, the commissioner shall submit the report of the
18.6 working group and legislation modifying the practice act for consideration during the
18.7 2013 legislative session.

18.8 (g) The working group expires the day following submission of the report.

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

18.10 Sec. 34. **BOARD OF MEDICAL PRACTICE REVIEW.**

18.11 The legislative auditor is requested to conduct a special investigation of the
18.12 Minnesota Board of Medical Practice and its implementation of the Medical Practice
18.13 Act. The legislative auditor is requested to submit the results of the investigation to the
18.14 Legislative Audit Commission, the Sunset Advisory Commission, and the chairs and
18.15 ranking minority members of the senate and house of representatives policy committees
18.16 having jurisdiction over the board by January 1, 2013.

18.17 Sec. 35. **REPEALER.**

18.18 Minnesota Statutes 2010, sections 138A.01; 138A.02; 138A.03; 138A.04; 138A.05;
18.19 and 138A.06, are repealed effective the day following final enactment.

18.20 **ARTICLE 3**

18.21 **TRANSFER OF COMBATIVE SPORTS DUTIES**

18.22 Section 1. Minnesota Statutes 2010, section 341.21, is amended by adding a
18.23 subdivision to read:

18.24 Subd. 3a. **Commissioner.** "Commissioner" means the commissioner of labor and
18.25 industry.

18.26 Sec. 2. **[341.221] ADVISORY COUNCIL.**

18.27 (a) The commissioner must appoint a Combative Sports Advisory Council to advise
18.28 the commissioner on the administration of duties under this chapter.

18.29 (b) The council shall have nine members appointed by the commissioner. One
18.30 member must be a retired judge of the Minnesota District Court, Minnesota Court of
18.31 Appeals, Minnesota Supreme Court, the United States District Court for the District of
18.32 Minnesota, or the Eighth Circuit Court of Appeals. At least four members must have

19.1 knowledge of the boxing industry. At least four members must have knowledge of the
19.2 mixed martial arts industry. The commissioner shall make serious efforts to appoint
19.3 qualified women to serve on the council.

19.4 (c) Council members shall serve terms of four years with the terms ending on the
19.5 first Monday in January.

19.6 (d) The council shall annually elect from its membership a chair.

19.7 (e) The commissioner shall convene the first meeting of the council by July 1, 2012.
19.8 The council shall elect a chair at its first meeting. Thereafter, meetings shall be convened
19.9 by the commissioner, or by the chair with the approval of the commissioner.

19.10 (f) For the first appointments to the council, the commissioner shall appoint the
19.11 members currently serving on the Combative Sports Commission established under
19.12 section 341.22, to the council. The commissioner shall designate two of the members to
19.13 serve until the first Monday in January 2013; two members to serve until the first Monday
19.14 in January 2014; two members to serve until the first Monday in January 2015; and three
19.15 members to serve until the first Monday in January 2016.

19.16 (g) Removal of members, filling of vacancies, and compensation of members shall
19.17 be as provided in section 15.059.

19.18 Sec. 3. Minnesota Statutes 2010, section 341.23, is amended to read:

19.19 **341.23 LIMITATIONS.**

19.20 No member of the ~~commission~~ council may directly or indirectly promote a contest,
19.21 directly or indirectly engage in the managing of a combatant, or have an interest in any
19.22 manner in the proceeds from a combative sport contest.

19.23 Sec. 4. Minnesota Statutes 2010, section 341.27, is amended to read:

19.24 **341.27 ~~COMMISSION~~ COMMISSIONER DUTIES.**

19.25 The ~~commission~~ commissioner shall:

19.26 (1) issue, deny, renew, suspend, or revoke licenses;

19.27 (2) make and maintain records of its acts and proceedings including the issuance,
19.28 denial, renewal, suspension, or revocation of licenses;

19.29 (3) keep public records of the ~~commission~~ council open to inspection at all
19.30 reasonable times;

19.31 (4) ~~assist the director in the development of~~ develop rules to be implemented under
19.32 this chapter;

19.33 (5) conform to the rules adopted under this chapter;

19.34 (6) develop policies and procedures for regulating mixed martial arts; and

20.1 (7) immediately suspend an individual license for a medical condition, including but
20.2 not limited to a medical condition resulting from an injury sustained during a match, bout,
20.3 or contest that has been confirmed by the ringside physician. The medical suspension must
20.4 be lifted after the commission receives written information from a physician licensed in
20.5 the home state of the licensee indicating that the combatant may resume competition, and
20.6 any other information that the commission may by rule require. Medical suspensions are
20.7 not subject to section 214.10; ~~and~~.

20.8 ~~(8) evaluate the performance and compensation of the director, including eligibility~~
20.9 ~~for salary increases, in keeping with state procedures.~~

20.10 Sec. 5. Minnesota Statutes 2010, section 341.271, is amended to read:

20.11 **341.271 GIFT AUTHORITY.**

20.12 The ~~commission~~ commissioner may apply for, receive, and expend ~~in its own name~~
20.13 grants and gifts of money consistent with the powers and duties specified in section
20.14 341.27. The ~~commission~~ commissioner may accept gifts, bequests, grants, payments
20.15 for services, and other public and private money to help finance the activities ~~of the~~
20.16 commission required under this chapter.

20.17 Sec. 6. Minnesota Statutes 2010, section 341.28, subdivision 1, is amended to read:

20.18 Subdivision 1. **Regulatory authority; combative sports.** ~~All combative sport~~
20.19 ~~contests are subject to this chapter. The commission shall, for every combative sport~~
20.20 ~~contest:~~

20.21 ~~(1) direct a commission member to be present; and~~

20.22 ~~(2) direct the attending commission member to make a written report of the contest.~~

20.23 All combative sport contests within this state must be conducted according to the
20.24 requirements of this chapter.

20.25 Sec. 7. Minnesota Statutes 2010, section 341.37, is amended to read:

20.26 **341.37 APPROPRIATION.**

20.27 A ~~commission~~ combative sports account is created in the special revenue fund.
20.28 Money in the account is annually appropriated to the ~~commission~~ commissioner for the
20.29 purposes of conducting its statutory responsibilities and obligations under this chapter.

20.30 Sec. 8. **TRANSFER OF DUTIES.**

20.31 The Combative Sports Commission is abolished. Duties of the commission are
20.32 transferred to the commissioner of labor and industry. Minnesota Statutes, section 15.039,

21.1 subdivisions 1 to 6, apply to this transfer. The commissioner of labor and industry may
21.2 provide that one or more staff of the Combative Sports Commission transfer to the
21.3 Department of Labor and Industry. No money from the general fund may be used for costs
21.4 associated with the transfer of functions in this article. The commissioner of labor and
21.5 industry may charge the combative sports account for indirect costs incurred in other
21.6 accounts or funds for costs associated with transfer of combative sports functions.

21.7 Sec. 9. **REVISOR'S INSTRUCTION.**

21.8 The revisor of statutes shall substitute the term "commissioner" for "commission" in
21.9 each place the term "commission" appears in Minnesota Statutes, chapter 341.

21.10 Sec. 10. **REPEALER.**

21.11 Minnesota Statutes 2010, sections 341.21, subdivisions 3 and 4a; 341.22; 341.24;
21.12 and 341.26, are repealed.

21.13 Sec. 11. **EFFECTIVE DATE.**

21.14 This article is effective July 1, 2012.

21.15 **ARTICLE 4**

21.16 **HEALTH BOARDS**

21.17 Section 1. Minnesota Statutes 2010, section 214.09, is amended by adding a
21.18 subdivision to read:

21.19 Subd. 5. **Health-related boards.** No current member of a health-related licensing
21.20 board may seek a paid employment position with that board.

21.21 Sec. 2. Minnesota Statutes 2010, section 214.103, is amended to read:

21.22 **214.103 HEALTH-RELATED LICENSING BOARDS; COMPLAINT,**
21.23 **INVESTIGATION, AND HEARING.**

21.24 Subdivision 1. **Application.** For purposes of this section, "board" means
21.25 "health-related licensing board" and does not include the non-health-related licensing
21.26 boards. Nothing in this section supersedes section 214.10, subdivisions 2a, 3, 8, and 9, as
21.27 they apply to the health-related licensing boards.

21.28 Subd. 1a. **Notifications and resolution.** (a) No more than 14 calendar days after
21.29 receiving a complaint regarding a licensee, the board shall notify the complainant that
21.30 the board has received the complaint and shall provide the complainant with the written
21.31 description of the board's complaint process. The board shall periodically, but no less

22.1 than every 120 days, notify the complainant of the status of the complaint consistent
22.2 with section 13.41.

22.3 (b) Except as provided in paragraph (d), no more than 60 calendar days after
22.4 receiving a complaint regarding a licensee, the board must notify the licensee that the
22.5 board has received a complaint and inform the licensee of:

22.6 (1) the substance of the complaint;

22.7 (2) the sections of the law that have allegedly been violated;

22.8 (3) the sections of the professional rules that have allegedly been violated; and

22.9 (4) whether an investigation is being conducted.

22.10 (c) The board shall periodically, but no less than every 120 days, notify the licensee
22.11 of the status of the complaint consistent with section 13.41.

22.12 (d) Paragraphs (b) and (c) do not apply if the board determines that such notice
22.13 would compromise the board's investigation and that such notice cannot reasonably be
22.14 accomplished within this time.

22.15 (e) No more than one year after receiving a complaint regarding a licensee, the
22.16 board must resolve or dismiss the complaint unless the board determines that resolving or
22.17 dismissing the complaint cannot reasonably be accomplished in this time and is not in
22.18 the public interest.

22.19 (f) Failure to make notifications or to resolve the complaint within the time
22.20 established in this subdivision shall not deprive the board of jurisdiction to complete the
22.21 investigation or to take corrective, disciplinary, or other action against the licensee that is
22.22 authorized by law. Such a failure by the board shall not be the basis for a licensee's request
22.23 for the board to dismiss a complaint, and shall not be considered by an administrative law
22.24 judge, the board, or any reviewing court.

22.25 Subd. 2. **Receipt of complaint.** The boards shall receive and resolve complaints
22.26 or other communications, whether oral or written, against regulated persons. Before
22.27 resolving an oral complaint, the executive director or a board member designated by the
22.28 board to review complaints ~~may~~ shall require the complainant to state the complaint in
22.29 writing or authorize transcribing the complaint. The executive director or the designated
22.30 board member shall determine whether the complaint alleges or implies a violation of
22.31 a statute or rule which the board is empowered to enforce. The executive director or
22.32 the designated board member may consult with the designee of the attorney general as
22.33 to a board's jurisdiction over a complaint. If the executive director or the designated
22.34 board member determines that it is necessary, the executive director may seek additional
22.35 information to determine whether the complaint is jurisdictional or to clarify the nature
22.36 of the allegations by obtaining records or other written material, obtaining a handwriting

23.1 sample from the regulated person, clarifying the alleged facts with the complainant, and
23.2 requesting a written response from the subject of the complaint.

23.3 **Subd. 3. Referral to other agencies.** The executive director shall forward to
23.4 another governmental agency any complaints received by the board which do not relate
23.5 to the board's jurisdiction but which relate to matters within the jurisdiction of another
23.6 governmental agency. The agency shall advise the executive director of the disposition
23.7 of the complaint. A complaint or other information received by another governmental
23.8 agency relating to a statute or rule which a board is empowered to enforce must be
23.9 forwarded to the executive director of the board to be processed in accordance with this
23.10 section. Governmental agencies may coordinate and conduct joint investigations of
23.11 complaints that involve more than one governmental agency.

23.12 **Subd. 4. Role of the attorney general.** The executive director or the designated
23.13 board member shall forward a complaint and any additional information to the designee
23.14 of the attorney general when the executive director or the designated board member
23.15 determines that a complaint is jurisdictional and:

23.16 (1) requires investigation before the executive director or the designated board
23.17 member may resolve the complaint;

23.18 (2) that attempts at resolution for disciplinary action or the initiation of a contested
23.19 case hearing is appropriate;

23.20 (3) that an agreement for corrective action is warranted; or

23.21 (4) that the complaint should be dismissed, consistent with subdivision 8.

23.22 **Subd. 5. Investigation by attorney general.** (a) If the executive director or the
23.23 designated board member determines that investigation is necessary before resolving
23.24 the complaint, the executive director shall forward the complaint and any additional
23.25 information to the designee of the attorney general. The designee of the attorney general
23.26 shall evaluate the communications forwarded and investigate as appropriate.

23.27 (b) The designee of the attorney general may also investigate any other complaint
23.28 forwarded under subdivision 3 when the designee of the attorney general determines that
23.29 investigation is necessary.

23.30 (c) In the process of evaluation and investigation, the designee shall consult with
23.31 or seek the assistance of the executive director or the designated board member. The
23.32 designee may also consult with or seek the assistance of other qualified persons who are
23.33 not members of the board who the designee believes will materially aid in the process of
23.34 evaluation or investigation.

24.1 (d) Upon completion of the investigation, the designee shall forward the investigative
24.2 report to the executive director with recommendations for further consideration or
24.3 dismissal.

24.4 Subd. 6. **Attempts at resolution.** (a) At any time after receipt of a complaint, the
24.5 executive director or the designated board member may attempt to resolve the complaint
24.6 with the regulated person. The available means for resolution include a conference or
24.7 any other written or oral communication with the regulated person. A conference may
24.8 be held for the purposes of investigation, negotiation, education, or conciliation. Neither
24.9 the executive director nor any member of a board's staff shall be a voting member in any
24.10 attempts at resolutions which may result in disciplinary or corrective action. The results
24.11 of attempts at resolution with the regulated person may include a recommendation to
24.12 the board for disciplinary action, an agreement between the executive director or the
24.13 designated board member and the regulated person for corrective action, or the dismissal
24.14 of a complaint. If attempts at resolution are not in the public interest ~~or are not satisfactory~~
24.15 ~~to the executive director or the designated board member, then the executive director or~~
24.16 ~~the designated board member may initiate~~ a contested case hearing may be initiated.

24.17 (1) The designee of the attorney general shall represent the board in all attempts at
24.18 resolution which the executive director or the designated board member anticipate may
24.19 result in disciplinary action. A stipulation between the executive director or the designated
24.20 board member and the regulated person shall be presented to the board for the board's
24.21 consideration. An approved stipulation and resulting order shall become public data.

24.22 (2) The designee of the attorney general shall represent the board upon the request of
24.23 the executive director or the designated board member in all attempts at resolution which
24.24 the executive director or the designated board member anticipate may result in corrective
24.25 action. Any agreement between the executive director or the designated board member
24.26 and the regulated person for corrective action shall be in writing and shall be reviewed by
24.27 the designee of the attorney general prior to its execution. The agreement for corrective
24.28 action shall provide for dismissal of the complaint upon successful completion by the
24.29 regulated person of the corrective action.

24.30 (b) Upon receipt of a complaint alleging sexual contact or sexual conduct with a
24.31 client, the board must forward the complaint to the designee of the attorney general for
24.32 an investigation. If, after it is investigated, the complaint appears to provide a basis for
24.33 disciplinary action, the board shall resolve the complaint by disciplinary action or initiate
24.34 a contested case hearing. Notwithstanding paragraph (a), clause (2), a board may not take
24.35 corrective action or dismiss a complaint alleging sexual contact or sexual conduct with a

25.1 client unless, in the opinion of the executive director, the designated board member, and the
25.2 designee of the attorney general, there is insufficient evidence to justify disciplinary action.

25.3 Subd. 7. **Contested case hearing.** If the executive director or the designated board
25.4 member determines that attempts at resolution of a complaint are not in the public interest
25.5 ~~or are not satisfactory to the executive director or the designated board member,~~ the
25.6 executive director or the designated board member, after consultation with the designee
25.7 of the attorney general, and the concurrence of a second board member, may initiate a
25.8 contested case hearing under chapter 14. The designated board member or any board
25.9 member who was consulted during the course of an investigation may participate at the
25.10 contested case hearing. A designated or consulted board member may not deliberate or
25.11 vote in any proceeding before the board pertaining to the case.

25.12 Subd. 8. **Dismissal and reopening of a complaint.** (a) A complaint may not be
25.13 dismissed without the concurrence of at least two board members and, upon the request
25.14 of the complainant, a review by a representative of the attorney general's office. The
25.15 designee of the attorney general must review before dismissal any complaints which
25.16 allege any violation of chapter 609, any conduct which would be required to be reported
25.17 under section 626.556 or 626.557, any sexual contact or sexual conduct with a client,
25.18 any violation of a federal law, any actual or potential inability to practice the regulated
25.19 profession or occupation by reason of illness, use of alcohol, drugs, chemicals, or any other
25.20 materials, or as a result of any mental or physical condition, any violation of state medical
25.21 assistance laws, or any disciplinary action related to credentialing in another jurisdiction
25.22 or country which was based on the same or related conduct specified in this subdivision.

25.23 (b) The board may reopen a dismissed complaint if the board receives newly
25.24 discovered information that was not available to the board during the initial investigation
25.25 of the complaint, or if the board receives a new complaint that indicates a pattern of
25.26 behavior or conduct.

25.27 Subd. 9. **Information to complainant.** A board shall furnish to a person who made
25.28 a complaint a written description of the board's complaint process, and actions of the
25.29 board relating to the complaint.

25.30 Subd. 10. **Prohibited participation by board member.** A board member who
25.31 has actual bias or a current or former direct financial or professional connection with a
25.32 regulated person may not vote in board actions relating to the regulated person.

25.33 Sec. 3. **[214.108] HEALTH-RELATED LICENSING BOARDS; LICENSEE**
25.34 **GUIDANCE.**

26.1 A health-related licensing board may offer guidance to current licensees about the
 26.2 application of laws and rules the board is empowered to enforce. This guidance shall not
 26.3 bind any court or other adjudicatory body.

26.4 Sec. 4. **[214.109] RECORD KEEPING.**

26.5 (a) A board may take administrative action against a regulated person whose records
 26.6 do not meet the standards of professional practice. Action taken under this paragraph
 26.7 shall not be considered disciplinary action.

26.8 (b) Records that are fraudulent or could result in patient harm may be handled
 26.9 through disciplinary or other corrective action.

26.10 **ARTICLE 5**

26.11 **APPROPRIATIONS**

	<u>APPROPRIATIONS</u>		
	<u>Available for the Year</u>		
	<u>Ending June 30</u>		
	<u>2012</u>		<u>2013</u>

26.16	Section 1. <u>LEGISLATIVE COORDINATING</u>			
26.17	<u>COMMISSION</u>	<u>\$</u>	<u>-0-</u>	<u>\$ 106,000</u>

26.18 This appropriation is from the general
 26.19 fund for staff services or professional
 26.20 contract services for the Sunset Advisory
 26.21 Commission.

26.22 The general fund base as established in
 26.23 Laws 2011, First Special Session chapter 10,
 26.24 article 1, section 2, is increased by \$139,000
 26.25 beginning in fiscal year 2014.

26.26	Sec. 2. <u>BOARD OF BEHAVIORAL HEALTH</u>			
26.27	<u>AND THERAPY</u>	<u>\$</u>	<u>-0-</u>	<u>\$ 14,000</u>

26.28 This appropriation is from the state
 26.29 government special revenue fund.
 26.30 \$12,000 is to develop and maintain a
 26.31 process to post required information about
 26.32 convictions, malpractice, and disciplinary or

27.1 corrective action for the board's members.
 27.2 This is a onetime appropriation.
 27.3 \$1,000 is for database and Web site changes
 27.4 to include business addresses. This is a
 27.5 onetime appropriation.
 27.6 \$1,000 is for notification requirements
 27.7 regarding the status of complaints.
 27.8 The state government special revenue fund
 27.9 base for ongoing activities in this act is
 27.10 \$1,000 in fiscal years 2014 and 2015.

27.11 **Sec. 3. BOARD OF CHIROPRACTIC**
 27.12 **EXAMINERS** **\$** **-0-** **\$** **14,000**

27.13 This appropriation is from the state
 27.14 government special revenue fund.
 27.15 \$12,000 is to develop and maintain a
 27.16 process to post required information about
 27.17 convictions, malpractice, and disciplinary or
 27.18 corrective action for the board's members.
 27.19 This is a onetime appropriation.
 27.20 \$1,000 is for database and Web site changes
 27.21 to include business addresses. This is a
 27.22 onetime appropriation.
 27.23 \$1,000 is for notification requirements
 27.24 regarding the status of complaints.
 27.25 The state government special revenue fund
 27.26 base for ongoing activities in this act is
 27.27 \$1,000 in fiscal years 2014 and 2015.

27.28 **Sec. 4. BOARD OF DENTISTRY** **\$** **-0-** **\$** **32,000**

27.29 This appropriation is from the state
 27.30 government special revenue fund.
 27.31 \$30,000 is to develop and maintain a
 27.32 process to post required information about

28.1 convictions, malpractice, and disciplinary or
 28.2 corrective action for the board's members.

28.3 This is a onetime appropriation.

28.4 \$1,000 is for database and Web site changes
 28.5 to include business addresses. This is a
 28.6 onetime appropriation.

28.7 \$1,000 is for notification requirements
 28.8 regarding the status of complaints.

28.9 The state government special revenue fund
 28.10 base for ongoing activities in this act is
 28.11 \$1,000 in fiscal years 2014 and 2015.

28.12	Sec. 5. <u>BOARD OF DIETETICS AND</u>			
28.13	<u>NUTRITION PRACTICE</u>	<u>\$</u>	<u>-0-</u>	<u>\$ 10,000</u>

28.14 This appropriation is from the state
 28.15 government special revenue fund.

28.16 \$8,000 is to develop and maintain a process to
 28.17 post required information about convictions,
 28.18 malpractice, and disciplinary or corrective
 28.19 action for the board's members. This is a
 28.20 onetime appropriation.

28.21 \$1,000 is for database and Web site changes
 28.22 to include business addresses. This is a
 28.23 onetime appropriation.

28.24 \$1,000 is for notification requirements
 28.25 regarding the status of complaints.

28.26 The state government special revenue fund
 28.27 base for ongoing activities in this act is
 28.28 \$1,000 in fiscal years 2014 and 2015.

28.29	Sec. 6. <u>BOARD OF MARRIAGE AND</u>			
28.30	<u>FAMILY THERAPY</u>	<u>\$</u>	<u>-0-</u>	<u>\$ 10,000</u>

28.31 This appropriation is from the state
 28.32 government special revenue fund.

29.1 \$8,000 is to develop and maintain a process to
29.2 post required information about convictions,
29.3 malpractice, and disciplinary or corrective
29.4 action for the board's members. This is a
29.5 onetime appropriation.

29.6 \$1,000 is for database and Web site changes
29.7 to include business addresses. This is a
29.8 onetime appropriation.

29.9 \$1,000 is for notification requirements
29.10 regarding the status of complaints.

29.11 The state government special revenue fund
29.12 base for ongoing activities in this act is
29.13 \$1,000 in fiscal years 2014 and 2015.

29.14 Sec. 7. **BOARD OF MEDICAL PRACTICE** \$ -0- \$ **198,000**

29.15 This appropriation is from the state
29.16 government special revenue fund.

29.17 \$112,000 is for transfer to the commissioner
29.18 of health to convene and support the working
29.19 group evaluating the state's Medical Practice
29.20 Act. This is a onetime appropriation.

29.21 \$9,000 is for board expenses related to
29.22 the working group evaluating the Medical
29.23 Practice Act. This is a onetime appropriation.

29.24 \$30,000 is to develop and maintain a
29.25 process to post required information about
29.26 convictions, malpractice, and disciplinary or
29.27 corrective action for the board's members.
29.28 This is a onetime appropriation.

29.29 \$1,000 is for database and Web site changes
29.30 to include business addresses. This is a
29.31 onetime appropriation.

- 31.1 background check requirements for
31.2 individuals regulated by the health-related
31.3 boards. This is a onetime appropriation.
- 31.4 \$15,000 is for the administrative services
31.5 unit to study and submit proposed legislation
31.6 to require institutions, professional societies,
31.7 licensed professionals, insurers and other
31.8 entities, and courts to report conduct
31.9 constituting grounds for disciplinary action
31.10 to the respective regulatory entity. This is a
31.11 onetime appropriation.
- 31.12 \$15,000 is for the administrative services
31.13 unit to review and submit to the legislature
31.14 recommendations on the respective roles of
31.15 the health-related boards and the attorney
31.16 general in conducting investigations of
31.17 licensees of the health-related boards. This is
31.18 a onetime appropriation.
- 31.19 \$10,000 is for the administrative services
31.20 unit to evaluate the use of its services by
31.21 the health-related boards. This is a onetime
31.22 appropriation.
- 31.23 \$8,000 is to develop and maintain a process to
31.24 post required information about convictions,
31.25 malpractice, and disciplinary or corrective
31.26 action for the board's members. This is a
31.27 onetime appropriation.
- 31.28 \$1,000 is for database and Web site changes
31.29 to include business addresses. This is a
31.30 onetime appropriation.
- 31.31 \$1,000 is for notification requirements
31.32 regarding the status of complaints.

33.1 The state government special revenue fund
33.2 base for ongoing activities in this act is
33.3 \$1,000 in fiscal years 2014 and 2015.

33.4 Sec. 12. **BOARD OF PHYSICAL THERAPY** \$ -0- \$ 10,000

33.5 This appropriation is from the state
33.6 government special revenue fund.
33.7 \$8,000 is to develop and maintain a process to
33.8 post required information about convictions,
33.9 malpractice, and disciplinary or corrective
33.10 action for the board's members. This is a
33.11 onetime appropriation.

33.12 \$1,000 is for database and Web site changes
33.13 to include business addresses. This is a
33.14 onetime appropriation.

33.15 \$1,000 is for notification requirements
33.16 regarding the status of complaints.

33.17 The state government special revenue fund
33.18 base for ongoing activities in this act is
33.19 \$1,000 in fiscal years 2014 and 2015.

33.20 Sec. 13. **BOARD OF PODIATRIC MEDICINE** \$ -0- \$ 10,000

33.21 This appropriation is from the state
33.22 government special revenue fund.
33.23 \$8,000 is to develop and maintain a process to
33.24 post required information about convictions,
33.25 malpractice, and disciplinary or corrective
33.26 action for the board's members. This is a
33.27 onetime appropriation.

33.28 \$1,000 is for database and Web site changes
33.29 to include business addresses. This is a
33.30 onetime appropriation.

33.31 \$1,000 is for notification requirements
33.32 regarding the status of complaints.

34.1 The state government special revenue fund
34.2 base for ongoing activities in this act is
34.3 \$1,000 in fiscal years 2014 and 2015.

34.4 Sec. 14. **BOARD OF PSYCHOLOGY** **\$** **-0-** **\$** **29,000**

34.5 \$27,000 is to develop and maintain a
34.6 process to post required information about
34.7 convictions, malpractice, and disciplinary or
34.8 corrective action for the board's members.

34.9 This is a onetime appropriation.

34.10 \$1,000 is for database and Web site changes
34.11 to include business addresses. This is a
34.12 onetime appropriation.

34.13 \$1,000 is for notification requirements
34.14 regarding the status of complaints.

34.15 The state government special revenue fund
34.16 base for ongoing activities in this act is
34.17 \$1,000 in fiscal years 2014 and 2015.

34.18 Sec. 15. **BOARD OF SOCIAL WORK** **\$** **-0-** **\$** **14,000**

34.19 This appropriation is from the state
34.20 government special revenue fund.

34.21 \$12,000 is to develop and maintain a
34.22 process to post required information about
34.23 convictions, malpractice, and disciplinary or
34.24 corrective action for the board's members.

34.25 This is a onetime appropriation.

34.26 \$1,000 is for database and Web site changes
34.27 to include business addresses. This is a
34.28 onetime appropriation.

34.29 \$1,000 is for notification requirements
34.30 regarding the status of complaints.

35.1 The state government special revenue fund
 35.2 base for ongoing activities in this act is
 35.3 \$1,000 in fiscal years 2014 and 2015.

35.4 **Sec. 16. BOARD OF VETERINARY**
 35.5 **MEDICINE** **\$** **-0-** **\$** **10,000**

35.6 This appropriation is from the state
 35.7 government special revenue fund.
 35.8 \$8,000 is to develop and maintain a process to
 35.9 post required information about convictions,
 35.10 malpractice, and disciplinary or corrective
 35.11 action for the board's members. This is a
 35.12 onetime appropriation.

35.13 \$1,000 is for database and Web site changes
 35.14 to include business addresses. This is a
 35.15 onetime appropriation.

35.16 \$1,000 is for notification requirements
 35.17 regarding the status of complaints.

35.18 The state government special revenue fund
 35.19 base for ongoing activities in this act is
 35.20 \$1,000 in fiscal years 2014 and 2015."

35.21 Delete the title and insert:

35.22 "A bill for an act
 35.23 relating to state government; implementing changes to the sunset review
 35.24 process and permitting the Sunset Advisory Commission to enter into contracts;
 35.25 requiring a review of the Emergency Medical Services Regulatory Board,
 35.26 Council on Affairs of Chicano/Latino People, Council on Black Minnesotans,
 35.27 Council on Asian-Pacific Minnesotans, Indian Affairs Council, and the Council
 35.28 on Disabilities in 2014; requiring a financial audit of the Council on Black
 35.29 Minnesotans; requiring a review of the sunset process in 2018; changing
 35.30 certain agency requirements; requiring posting of convictions of felonies, gross
 35.31 misdemeanors, malpractice judgements, and disciplinary or corrective actions for
 35.32 a regulated practitioner; requiring a study to establish uniform criminal history
 35.33 background checks for regulated practitioners; requiring a report on conduct
 35.34 constituting grounds for discipline and penalties for failure to report; establishing
 35.35 a work group to evaluate the effectiveness of the Medical Practice Act for certain
 35.36 circumstances; requiring certain other reports; requesting a legislative audit of
 35.37 the Board of Medical Practice; abolishing the Combative Sports Commission and
 35.38 transferring combative sports duties to the commissioner of labor and industry;
 35.39 establishing a Combative Sports Advisory Council; changing provisions for
 35.40 health-related licensing boards; appropriating money; amending Minnesota
 35.41 Statutes 2010, sections 3.922, by adding a subdivision; 3.9223, subdivision 7;
 35.42 3.9225, subdivision 7; 3.9226, subdivision 7; 147.01, subdivision 4; 147.111, by

36.1 adding a subdivision; 148.102, by adding a subdivision; 148.261, subdivision 1;
36.2 148.263, by adding a subdivision; 148.5194, subdivision 5; 148.6445, subdivision
36.3 10; 148B.07, by adding a subdivision; 148C.095, by adding a subdivision;
36.4 148E.285, by adding a subdivision; 150A.13, by adding a subdivision; 153.24,
36.5 by adding a subdivision; 153A.17; 214.06, subdivisions 1, 1a, by adding a
36.6 subdivision; 214.09, by adding a subdivision; 214.103; 341.21, by adding a
36.7 subdivision; 341.23; 341.27; 341.271; 341.28, subdivision 1; 341.37; Minnesota
36.8 Statutes 2011 Supplement, sections 3D.04; 3D.06; 3D.21, subdivisions 2, 4;
36.9 proposing coding for new law in Minnesota Statutes, chapters 3D; 16B; 214;
36.10 341; repealing Minnesota Statutes 2010, sections 138A.01; 138A.02; 138A.03;
36.11 138A.04; 138A.05; 138A.06; 341.21, subdivisions 3, 4a; 341.22; 341.24; 341.26;
36.12 Minnesota Statutes 2011 Supplement, section 3D.21, subdivision 1."

37.1 We request the adoption of this report and repassage of the bill.

37.2 House Conferees:

37.3
37.4 Mary Kiffmeyer Joyce Peppin

37.5
37.6 Michael V. Nelson

37.7 Senate Conferees:

37.8
37.9 Terri E. Bonoff Theodore J. "Ted" Daley

37.10
37.11 Mike Parry