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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 5280

04/04/2024 Authored by Noor and Fischer
The bill was read for the first time and referred to the Committee on Human Services Finance

1.1 A bill for an act
1.2 relating to human services; the governor's budget bill for human services; modifying
1.3 provisions related to aging, disability services, substance use disorder treatment,
1.4 and the Department of Direct Care and Treatment; making technical changes to
1.5 human services law; establishing a human services contingency fund; adjusting
1.6 appropriations for forecasted programs; appropriating money; amending Minnesota
1.7 Statutes 2022, sections 13.46, subdivisions 1, 10; 145.61, subdivision 5; 246.018,
1.8 subdivision 3; 246.13, subdivision 2; 256.88; 256.89; 256.90; 256.91; 256.92;
1.9 256B.0911, subdivision 20; 256B.0913, subdivision 5a; 256B.69, subdivision 4;
1.10 256S.205, subdivisions 2, 3, 5; Minnesota Statutes 2023 Supplement, sections
1.11 10.65, subdivision 2; 13.46, subdivision 2; 15.01; 15.06, subdivision 1; 15A.082,
1.12 subdivisions 1, 3, 7; 43A.08, subdivisions 1, 1a; 246C.01; 246C.02; 246C.04;
1.13 246C.05; 256.042, subdivision 2; 256.043, subdivision 3; 256B.0911, subdivision
1.14 13; 256B.0913, subdivision 5; 256R.55, subdivision 9; Laws 2023, chapter 61,
1.15 article 4, section 11; article 8, sections 1; 2; 3; 8; article 9, section 2, subdivision
1.16 16, as amended; proposing coding for new law in Minnesota Statutes, chapters
1.17 246C; 256; 256B; 256S; repealing Minnesota Statutes 2022, sections 246.01;
1.18 246.12; 246.234; 246.36; 246.41; 256S.205, subdivision 4; Minnesota Statutes
1.19 2023 Supplement, section 246C.03.

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

1.21 ARTICLE 1
1.22 AGING AND DISABILITY SERVICES

1.23 Section 1. Minnesota Statutes 2023 Supplement, section 256B.0911, subdivision 13, is
1.24 amended to read:

1.25 Subd. 13. MnCHOICES assessor qualifications, training, and certification. (a) The
1.26 commissioner shall develop and implement a curriculum and an assessor certification
1.27 process.

1.28 (b) MnCHOICES certified assessors must:

2.1 (1) either have a bachelor's degree in social work, nursing with a public health nursing  
2.2 certificate, or other closely related field or be a registered nurse ~~with at least two years of~~  
2.3 ~~home and community-based experience~~; and

2.4 (2) have received training and certification specific to assessment and consultation for  
2.5 long-term care services in the state.

2.6 (c) Certified assessors shall demonstrate best practices in assessment and support  
2.7 planning, including person-centered planning principles, and have a common set of skills  
2.8 that ensures consistency and equitable access to services statewide.

2.9 (d) Certified assessors must be recertified every three years.

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

2.11 Sec. 2. Minnesota Statutes 2022, section 256B.0911, subdivision 20, is amended to read:

2.12 Subd. 20. **MnCHOICES assessments; duration of validity.** (a) An assessment that is  
2.13 completed as part of an eligibility determination for multiple programs for the alternative  
2.14 care, elderly waiver, developmental disabilities, community access for disability inclusion,  
2.15 community alternative care, and brain injury waiver programs under chapter 256S and  
2.16 sections 256B.0913, 256B.092, and 256B.49 is valid to establish service eligibility for no  
2.17 more than ~~60 calendar~~ 365 days after the date of the assessment.

2.18 (b) The effective eligibility start date for programs in paragraph (a) can never be prior  
2.19 to the date of assessment. ~~If an assessment was completed more than 60 days before the~~  
2.20 ~~effective waiver or alternative care program eligibility start date, assessment and support~~  
2.21 ~~plan information must be updated and documented in the department's Medicaid Management~~  
2.22 ~~Information System (MMIS).~~ Notwithstanding retroactive medical assistance coverage of  
2.23 state plan services, the effective date of eligibility for programs included in paragraph (a)  
2.24 cannot be prior to the completion date of the most recent updated assessment.

2.25 ~~(c) If an eligibility update is completed within 90 days of the previous assessment and~~  
2.26 ~~documented in the department's Medicaid Management Information System (MMIS), the~~  
2.27 ~~effective date of eligibility for programs included in paragraph (a) is the date of the previous~~  
2.28 ~~in-person assessment when all other eligibility requirements are met.~~

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

3.1 Sec. 3. Minnesota Statutes 2023 Supplement, section 256B.0913, subdivision 5, is amended  
3.2 to read:

3.3 Subd. 5. **Services covered under alternative care.** Alternative care funding may be  
3.4 used for payment of costs of:

3.5 (1) adult day services and adult day services bath;

3.6 (2) home care;

3.7 (3) homemaker services;

3.8 (4) personal care;

3.9 (5) case management and conversion case management;

3.10 (6) respite care;

3.11 (7) specialized supplies and equipment;

3.12 (8) home-delivered meals;

3.13 (9) nonmedical transportation;

3.14 (10) nursing services;

3.15 (11) chore services;

3.16 (12) companion services;

3.17 (13) nutrition services;

3.18 (14) family caregiver training and education;

3.19 (15) coaching and counseling;

3.20 (16) telehome care to provide services in their own homes in conjunction with in-home  
3.21 visits;

3.22 (17) consumer-directed community supports;

3.23 (18) environmental accessibility and adaptations; ~~and~~

3.24 (19) transitional services; and

3.25 ~~(19)~~ (20) discretionary services, for which lead agencies may make payment from their  
3.26 alternative care program allocation for services not otherwise defined in this section or  
3.27 section 256B.0625, following approval by the commissioner.

3.28 Total annual payments for discretionary services for all clients served by a lead agency  
3.29 must not exceed 25 percent of that lead agency's annual alternative care program base

4.1 allocation, except that when alternative care services receive federal financial participation  
4.2 under the 1115 waiver demonstration, funding shall be allocated in accordance with  
4.3 subdivision 17.

4.4 Sec. 4. Minnesota Statutes 2022, section 256B.0913, subdivision 5a, is amended to read:

4.5 Subd. 5a. **Services; service definitions; service standards.** (a) Unless specified in  
4.6 statute, the services, service definitions, and standards for alternative care services shall be  
4.7 the same as the services, service definitions, and standards specified in the federally approved  
4.8 elderly waiver plan, except alternative care does not cover ~~transitional support services,~~  
4.9 assisted living services, adult foster care services, and residential care and benefits defined  
4.10 under section 256B.0625 that meet primary and acute health care needs.

4.11 (b) The lead agency must ensure that the funds are not used to supplant or supplement  
4.12 services available through other public assistance or services programs, including  
4.13 supplementation of client co-pays, deductibles, premiums, or other cost-sharing arrangements  
4.14 for health-related benefits and services or entitlement programs and services that are available  
4.15 to the person, but in which they have elected not to enroll. The lead agency must ensure  
4.16 that the benefit department recovery system in the Medicaid Management Information  
4.17 System (MMIS) has the necessary information on any other health insurance or third-party  
4.18 insurance policy to which the client may have access. Supplies and equipment may be  
4.19 purchased from a vendor not certified to participate in the Medicaid program if the cost for  
4.20 the item is less than that of a Medicaid vendor.

4.21 (c) Personal care services must meet the service standards defined in the federally  
4.22 approved elderly waiver plan, except that a lead agency may authorize services to be provided  
4.23 by a client's relative who meets the relative hardship waiver requirements or a relative who  
4.24 meets the criteria and is also the responsible party under an individual service plan that  
4.25 ensures the client's health and safety and supervision of the personal care services by a  
4.26 qualified professional as defined in section 256B.0625, subdivision 19c. Relative hardship  
4.27 is established by the lead agency when the client's care causes a relative caregiver to do any  
4.28 of the following: resign from a paying job, reduce work hours resulting in lost wages, obtain  
4.29 a leave of absence resulting in lost wages, incur substantial client-related expenses, provide  
4.30 services to address authorized, unstaffed direct care time, or meet special needs of the client  
4.31 unmet in the formal service plan.

4.32 (d) Alternative care covers sign language interpreter services and spoken language  
4.33 interpreter services for recipients eligible for alternative care when the services are necessary  
4.34 to help deaf and hard-of-hearing recipients or recipients with limited English proficiency

5.1 obtain covered services. Coverage for face-to-face spoken language interpreter services  
5.2 shall be provided only if the spoken language interpreter used by the enrolled health care  
5.3 provider is listed in the registry or roster established under section 144.058.

5.4 **Sec. 5. [256S.191] ELDERLY WAIVER BUDGET AND RATE EXCEPTIONS;**  
5.5 **HIGH-NEED PARTICIPANTS.**

5.6 **Subdivision 1. Eligibility for budget and rate exceptions.** A participant is eligible to  
5.7 request an elderly waiver budget and rate exception when:

5.8 (1) hospitalization of the participant is no longer medically necessary but the participant  
5.9 has not been discharged to the community due to lack of community care options;

5.10 (2) the participant requires a support plan that exceeds elderly waiver budgets and rates  
5.11 due to the participant's specific assessed needs; and

5.12 (3) the participant meets all eligibility criteria for the elderly waiver.

5.13 **Subd. 2. Requests for budget and rate exceptions.** (a) A participant eligible under  
5.14 subdivision 1 may request, in a format prescribed by the commissioner, an elderly waiver  
5.15 budget and rate exception when requesting an eligibility determination for elderly waiver  
5.16 services. The participant may request an exception to the elderly waiver case mix caps, the  
5.17 customized living service rate limits, service rates, or any combination of the three.

5.18 (b) The participant must document in the request that the participant's needs cannot be  
5.19 met within the existing case mix caps, customized living service rate limits, or service rates  
5.20 and how an exception to any of the three will meet the participant's needs.

5.21 (c) The participant must include in the request the basis for the underlying costs used to  
5.22 determine the overall cost of the proposed service plan.

5.23 (d) The commissioner must respond to all exception requests, whether the request is  
5.24 granted, denied, or granted as modified. The commissioner must include in the response  
5.25 the basis for the action and provide notification of the right to appeal.

5.26 (e) Participants granted exceptions under this section must apply annually in a format  
5.27 prescribed by the commissioner to continue or modify the exception.

5.28 (f) A participant no longer qualifies for an exception when the participant's needs can  
5.29 be met within standard elderly waiver budgets and rates.

6.1 Sec. 6. Minnesota Statutes 2022, section 256S.205, subdivision 2, is amended to read:

6.2 Subd. 2. **Rate adjustment application.** (a) Effective through September 30, 2023, a  
6.3 facility may apply to the commissioner for designation as a disproportionate share facility.  
6.4 Applications must be submitted annually between September 1 and September 30. The  
6.5 applying facility must apply in a manner determined by the commissioner. The applying  
6.6 facility must document each of the following on the application:

6.7 (1) the number of customized living residents in the facility on September 1 of the  
6.8 application year, broken out by specific waiver program; and

6.9 (2) the total number of people residing in the facility on September 1 of the application  
6.10 year.

6.11 (b) Effective October 1, 2023, the commissioner must not process any further applications  
6.12 for disproportionate share facilities after the September 1 through September 30, 2023,  
6.13 application period.

6.14 (c) This subdivision expires January 1, 2025.

6.15 Sec. 7. Minnesota Statutes 2022, section 256S.205, subdivision 3, is amended to read:

6.16 Subd. 3. **Rate adjustment eligibility criteria.** (a) Effective through September 30, 2023,  
6.17 only facilities satisfying all of the following conditions on September 1 of the application  
6.18 year are eligible for designation as a disproportionate share facility:

6.19 (1) at least 83.5 percent of the residents of the facility are customized living residents;  
6.20 and

6.21 (2) at least 70 percent of the customized living residents are elderly waiver participants.

6.22 (b) This subdivision expires January 1, 2025.

6.23 Sec. 8. Minnesota Statutes 2022, section 256S.205, subdivision 5, is amended to read:

6.24 Subd. 5. **Rate adjustment; rate floor.** (a) Effective through December 31, 2024,  
6.25 notwithstanding the 24-hour customized living monthly service rate limits under section  
6.26 256S.202, subdivision 2, and the component service rates established under section 256S.201,  
6.27 subdivision 4, the commissioner must establish a rate floor equal to \$119 per resident per  
6.28 day for 24-hour customized living services provided to an elderly waiver participant in a  
6.29 designated disproportionate share facility.

6.30 (b) The commissioner must apply the rate floor to the services described in paragraph  
6.31 (a) provided during the rate year.

7.1 (c) The commissioner must adjust the rate floor by the same amount and at the same  
 7.2 time as any adjustment to the 24-hour customized living monthly service rate limits under  
 7.3 section 256S.202, subdivision 2.

7.4 (d) The commissioner shall not implement the rate floor under this section if the  
 7.5 customized living rates established under sections 256S.21 to 256S.215 will be implemented  
 7.6 at 100 percent on January 1 of the year following an application year.

7.7 (e) This subdivision expires January 1, 2025.

7.8 **Sec. 9. DISABILITY HOME AND COMMUNITY-BASED SERVICES**  
 7.9 **REIMBURSEMENT IN ACUTE CARE HOSPITAL STAYS.**

7.10 (a) The commissioner of human services must seek approval to amend Minnesota's  
 7.11 federally approved disability waiver plans under Minnesota Statutes, sections 256B.49 and  
 7.12 256B.092, to reimburse for delivery of unit-based services under Minnesota Statutes, section  
 7.13 256B.4914, in acute care hospital settings, as authorized under United States Code, title 42,  
 7.14 section 1396a(h).

7.15 (b) Reimbursed services must:

7.16 (1) be identified in an individual's person-centered support plan as required under  
 7.17 Minnesota Statutes, section 256B.0911;

7.18 (2) be provided to meet the needs of the person that are not met through the provision  
 7.19 of hospital services;

7.20 (3) not substitute services that the hospital is obligated to provide as required under state  
 7.21 and federal law; and

7.22 (4) be designed to ensure smooth transitions between acute care settings and home and  
 7.23 community-based settings and to preserve the person's functional abilities.

7.24 **EFFECTIVE DATE.** Paragraph (b) is effective January 1, 2025, or upon federal  
 7.25 approval, whichever is later. The commissioner of human services shall notify the revisor  
 7.26 of statutes when federal approval is obtained.

7.27 **Sec. 10. HOME CARE AND COMMUNITY FIRST SERVICES AND SUPPORTS**  
 7.28 **HOSPITAL TRANSITION MEDICAL ASSISTANCE BENEFIT.**

7.29 (a) The commissioner of human services must develop a Medicaid state plan service for  
 7.30 people eligible for home care services as identified in Minnesota Statutes, section 256B.0651,  
 7.31 and community first services and supports as identified in Minnesota Statutes, section

8.1 256B.85, for the purpose of transition support to and from acute care hospital settings, as  
8.2 authorized under United States Code, title 42, section 1396a(h).

8.3 (b) By January 1, 2025, the commissioner must report to the chairs and ranking minority  
8.4 members of the legislative committees with jurisdiction over health and human services  
8.5 finance and policy with the recommended medical assistance service design and draft  
8.6 legislation with statutory changes necessary to implement the service.

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

8.8 **Sec. 11. TRIBAL VULNERABLE ADULT AND DEVELOPMENTAL DISABILITY**  
8.9 **TARGETED CASE MANAGEMENT MEDICAL ASSISTANCE BENEFIT.**

8.10 (a) The commissioner of human services must engage with Minnesota's  
8.11 federally-recognized Tribal Nations and urban American Indian providers and leaders to  
8.12 design and recommend a Tribal-specific vulnerable adult and developmental disability  
8.13 medical assistance targeted case management benefit to meet community needs and reduce  
8.14 disparities experienced by Tribal members and urban American Indian populations. The  
8.15 commissioner must honor and uphold Tribal sovereignty as part of this engagement, ensuring  
8.16 Tribal Nations are equitably and authentically included in planning and policy discussions.

8.17 (b) By January 1, 2025, the commissioner must report recommendations to the chairs  
8.18 and ranking minority members of the legislative committees with jurisdiction over health  
8.19 and human services finance and policy. Recommendations must include a description of  
8.20 engagement with Tribal Nations, Tribal perspectives shared throughout the engagement  
8.21 process, service design, and reimbursement methodology.

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

8.23 **Sec. 12. DIRECTION TO COMMISSIONER; HOME AND COMMUNITY-BASED**  
8.24 **SERVICES SYSTEM REFORM ANALYSIS.**

8.25 (a) The commissioner must study Minnesota's existing home and community-based  
8.26 services system for older adults and evaluate options to meet the needs of older adults with  
8.27 high support needs that cannot be addressed by services or individual participant budgets  
8.28 available under the elderly waiver. The commissioner must propose reforms to the home  
8.29 and community-based services system to meet the following goals:

8.30 (1) address the needs of older adults with high support needs, including older adults with  
8.31 high support needs currently residing in the community;



9.1 (2) develop provider capacity to meet the needs of older adults with high support needs;  
 9.2 and

9.3 (3) ensure access to a full range of services and supports necessary to address the needs  
 9.4 of older adults with high support needs.

9.5 (b) The commissioner must submit a report with recommendations to meet the goals in  
 9.6 paragraph (a) to the chairs and ranking minority members of the legislative committees with  
 9.7 jurisdiction over human services finance and policy by December 31, 2025.

9.8 Sec. 13. **REPEALER.**

9.9 Minnesota Statutes 2022, section 256S.205, subdivision 4, is repealed.

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

## 9.11 **ARTICLE 2**

### 9.12 **SUBSTANCE USE DISORDER SERVICES**

9.13 Section 1. Minnesota Statutes 2023 Supplement, section 256.042, subdivision 2, is amended  
 9.14 to read:

9.15 Subd. 2. **Membership.** (a) The council shall consist of the following 20 voting members,  
 9.16 appointed by the commissioner of human services except as otherwise specified, and ~~three~~  
 9.17 four nonvoting members:

9.18 (1) two members of the house of representatives, appointed in the following sequence:  
 9.19 the first from the majority party appointed by the speaker of the house and the second from  
 9.20 the minority party appointed by the minority leader. Of these two members, one member  
 9.21 must represent a district outside of the seven-county metropolitan area, and one member  
 9.22 must represent a district that includes the seven-county metropolitan area. The appointment  
 9.23 by the minority leader must ensure that this requirement for geographic diversity in  
 9.24 appointments is met;

9.25 (2) two members of the senate, appointed in the following sequence: the first from the  
 9.26 majority party appointed by the senate majority leader and the second from the minority  
 9.27 party appointed by the senate minority leader. Of these two members, one member must  
 9.28 represent a district outside of the seven-county metropolitan area and one member must  
 9.29 represent a district that includes the seven-county metropolitan area. The appointment by  
 9.30 the minority leader must ensure that this requirement for geographic diversity in appointments  
 9.31 is met;

- 10.1 (3) one member appointed by the Board of Pharmacy;
- 10.2 (4) one member who is a physician appointed by the Minnesota Medical Association;
- 10.3 (5) one member representing opioid treatment programs, sober living programs, or  
10.4 substance use disorder programs licensed under chapter 245G;
- 10.5 (6) one member appointed by the Minnesota Society of Addiction Medicine who is an  
10.6 addiction psychiatrist;
- 10.7 (7) one member representing professionals providing alternative pain management  
10.8 therapies, including, but not limited to, acupuncture, chiropractic, or massage therapy;
- 10.9 (8) one member representing nonprofit organizations conducting initiatives to address  
10.10 the opioid epidemic, with the commissioner's initial appointment being a member  
10.11 representing the Steve Rummeler Hope Network, and subsequent appointments representing  
10.12 this or other organizations;
- 10.13 (9) one member appointed by the Minnesota Ambulance Association who is serving  
10.14 with an ambulance service as an emergency medical technician, advanced emergency  
10.15 medical technician, or paramedic;
- 10.16 (10) one member representing the Minnesota courts who is a judge or law enforcement  
10.17 officer;
- 10.18 (11) one public member who is a Minnesota resident and who is in opioid addiction  
10.19 recovery;
- 10.20 (12) two members representing Indian tribes, one representing the Ojibwe tribes and  
10.21 one representing the Dakota tribes;
- 10.22 (13) one member representing an urban American Indian community;
- 10.23 (14) one public member who is a Minnesota resident and who is suffering from chronic  
10.24 pain, intractable pain, or a rare disease or condition;
- 10.25 (15) one mental health advocate representing persons with mental illness;
- 10.26 (16) one member appointed by the Minnesota Hospital Association;
- 10.27 (17) one member representing a local health department; ~~and~~
- 10.28 (18) the commissioners of human services, health, and corrections, or their designees,  
10.29 who shall be ex officio nonvoting members of the council; and

11.1 (19) the director of the Office of Addiction and Recovery, as specified under section  
 11.2 4.046, subdivision 6, or their designee, who shall be an ex officio nonvoting member of the  
 11.3 council.

11.4 (b) The commissioner of human services shall coordinate the commissioner's  
 11.5 appointments to provide geographic, racial, and gender diversity, and shall ensure that at  
 11.6 least one-third of council members appointed by the commissioner reside outside of the  
 11.7 seven-county metropolitan area. Of the members appointed by the commissioner, to the  
 11.8 extent practicable, at least one member must represent a community of color  
 11.9 disproportionately affected by the opioid epidemic.

11.10 (c) The council is governed by section 15.059, except that members of the council shall  
 11.11 serve three-year terms and shall receive no compensation other than reimbursement for  
 11.12 expenses. Notwithstanding section 15.059, subdivision 6, the council shall not expire.

11.13 (d) The chair shall convene the council at least quarterly, and may convene other meetings  
 11.14 as necessary. The chair shall convene meetings at different locations in the state to provide  
 11.15 geographic access, and shall ensure that at least one-half of the meetings are held at locations  
 11.16 outside of the seven-county metropolitan area.

11.17 (e) The commissioner of human services shall provide staff and administrative services  
 11.18 for the advisory council.

11.19 (f) The council is subject to chapter 13D.

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

11.21 Sec. 2. Minnesota Statutes 2023 Supplement, section 256.043, subdivision 3, is amended  
 11.22 to read:

11.23 **Subd. 3. Appropriations from registration and license fee account.** (a) The  
 11.24 appropriations in paragraphs (b) to (n) shall be made from the registration and license fee  
 11.25 account on a fiscal year basis in the order specified.

11.26 (b) The appropriations specified in Laws 2019, chapter 63, article 3, section 1, paragraphs  
 11.27 (b), (f), (g), and (h), as amended by Laws 2020, chapter 115, article 3, section 35, shall be  
 11.28 made accordingly.

11.29 (c) \$100,000 is appropriated to the commissioner of human services for grants for opiate  
 11.30 antagonist distribution. Grantees may utilize funds for opioid overdose prevention,  
 11.31 community asset mapping, education, and opiate antagonist distribution.

12.1 (d) \$2,000,000 is appropriated to the commissioner of human services for grants to Tribal  
12.2 nations and five urban Indian communities for traditional healing practices for American  
12.3 Indians and to increase the capacity of culturally specific providers in the behavioral health  
12.4 workforce.

12.5 (e) \$400,000 is appropriated to the commissioner of human services for competitive  
12.6 grants for opioid-focused Project ECHO programs.

12.7 (f) \$277,000 in fiscal year 2024 and \$321,000 each year thereafter is appropriated to the  
12.8 commissioner of human services to administer the funding distribution and reporting  
12.9 requirements in paragraph (o).

12.10 (g) \$3,000,000 in fiscal year 2025 and \$3,000,000 each year thereafter is appropriated  
12.11 to the commissioner of human services for safe recovery sites start-up and capacity building  
12.12 grants under section 254B.18.

12.13 (h) \$395,000 in fiscal year 2024 and \$415,000 each year thereafter is appropriated to  
12.14 the commissioner of human services for the opioid overdose surge alert system under section  
12.15 245.891.

12.16 (i) \$300,000 is appropriated to the commissioner of management and budget for  
12.17 evaluation activities under section 256.042, subdivision 1, paragraph (c).

12.18 (j) \$261,000 is appropriated to the commissioner of human services for the provision of  
12.19 administrative services to the Opiate Epidemic Response Advisory Council and for the  
12.20 administration of the grants awarded under paragraph (n).

12.21 (k) \$126,000 is appropriated to the Board of Pharmacy for the collection of the registration  
12.22 fees under section 151.066.

12.23 (l) \$672,000 is appropriated to the commissioner of public safety for the Bureau of  
12.24 Criminal Apprehension. Of this amount, \$384,000 is for drug scientists and lab supplies  
12.25 and \$288,000 is for special agent positions focused on drug interdiction and drug trafficking.

12.26 (m) After the appropriations in paragraphs (b) to (l) are made, 50 percent of the remaining  
12.27 amount is appropriated to the commissioner of human services for distribution to county  
12.28 social service agencies and Tribal social service agency initiative projects authorized under  
12.29 section 256.01, subdivision 14b, to provide prevention and child protection services to  
12.30 children and families who are affected by addiction. The commissioner shall distribute this  
12.31 money proportionally to county social service agencies and Tribal social service agency  
12.32 initiative projects through a formula based on intake data from the previous three calendar  
12.33 years related to substance use and out-of-home placement episodes where parental drug

13.1 abuse is ~~the primary~~ a reason for the out-of-home placement ~~using data from the previous~~  
 13.2 ~~calendar year~~. County social service agencies and Tribal social service agency initiative  
 13.3 projects receiving funds from the opiate epidemic response fund must annually report to  
 13.4 the commissioner on how the funds were used to provide prevention and child protection  
 13.5 services, including measurable outcomes, as determined by the commissioner. County social  
 13.6 service agencies and Tribal social service agency initiative projects must not use funds  
 13.7 received under this paragraph to supplant current state or local funding received for child  
 13.8 protection services for children and families who are affected by addiction.

13.9 (n) After the appropriations in paragraphs (b) to (m) are made, the remaining amount in  
 13.10 the account is appropriated to the commissioner of human services to award grants as  
 13.11 specified by the Opiate Epidemic Response Advisory Council in accordance with section  
 13.12 256.042, unless otherwise appropriated by the legislature.

13.13 (o) Beginning in fiscal year 2022 and each year thereafter, funds for county social service  
 13.14 agencies and Tribal social service agency initiative projects under paragraph (m) and grant  
 13.15 funds specified by the Opiate Epidemic Response Advisory Council under paragraph (n)  
 13.16 may be distributed on a calendar year basis.

13.17 (p) Notwithstanding section 16A.28, subdivision 3, funds appropriated in paragraphs  
 13.18 (c), (d), (e), (g), (m), and (n) are available for three years after the funds are appropriated.

13.19 Sec. 3. **[256B.0761] REENTRY DEMONSTRATION WAIVER.**

13.20 Subdivision 1. Establishment. The commissioner must submit a waiver application to  
 13.21 the Centers for Medicare and Medicaid Services to implement a medical assistance  
 13.22 demonstration project to provide health care and coordination services that bridge to  
 13.23 community-based services for individuals confined in state, local, or Tribal correctional  
 13.24 facilities prior to community reentry. The demonstration must be designed to:

13.25 (1) increase continuity of coverage;

13.26 (2) improve access to health care services, including mental, physical, and substance  
 13.27 use disorder services;

13.28 (3) enhance coordination between Medicaid systems, health and human services systems,  
 13.29 correctional systems, and community-based providers;

13.30 (4) reduce overdoses and deaths following release;

13.31 (5) decrease disparities in overdoses and deaths following release; and

13.32 (6) maximize health and overall community reentry outcomes.

14.1 Subd. 2. **Eligible individuals.** Notwithstanding section 256B.055, subdivision 14,  
14.2 individuals are eligible to receive services under this demonstration if they are eligible under  
14.3 section 256B.055, subdivision 3a, 6, 7, 7a, 9, 15, 16, or 17, as determined by the  
14.4 commissioner in collaboration with correctional facilities, local governments, and Tribal  
14.5 governments.

14.6 Subd. 3. **Eligible correctional facilities.** (a) The commissioner's waiver application is  
14.7 limited to:

14.8 (1) three state correctional facilities to be determined by the commissioner of corrections,  
14.9 one of which must be a women's facility;

14.10 (2) two local juvenile facilities, identified in coordination with the Minnesota Juvenile  
14.11 Detention Association and the Minnesota Sheriffs' Association;

14.12 (3) four local adult correctional facilities identified in coordination with the Minnesota  
14.13 Sheriff's Association and the Association of Minnesota Counties; and

14.14 (4) one correctional facility owned and managed by a Tribal government.

14.15 (b) Additional facilities may be added contingent on legislative authorization and  
14.16 appropriations.

14.17 Subd. 4. **Services and duration.** (a) Services must be provided 90 days prior to an  
14.18 individual's release date or, if an individual's confinement is less than 90 days, during the  
14.19 time period between medical assistance eligibility determination and release to the  
14.20 community.

14.21 (b) Facilities must offer the following services using either community-based or  
14.22 corrections-based providers:

14.23 (1) case management activities to address physical and behavioral health needs, including  
14.24 a comprehensive assessment of individual needs, development of a person-centered care  
14.25 plan, referrals and other activities to address assessed needs, and monitoring and follow-up  
14.26 activities;

14.27 (2) drug coverage in accordance with section 256B.0625, including up to a 30-day supply  
14.28 of drugs upon release;

14.29 (3) substance use disorder comprehensive assessments according to section 254B.05,  
14.30 subdivision 5, paragraph (b), clause (2);

14.31 (4) treatment coordination services according to section 254B.05, subdivision 5, paragraph  
14.32 (b), clause (3);

15.1 (5) peer recovery support services according to sections 245I.04, subdivisions 18 and  
15.2 19, and 254B.05, subdivision 5, paragraph (b), clause (4);

15.3 (6) substance use disorder individual and group counseling provided according to sections  
15.4 245G.07, subdivision 1, paragraph (a), clause (1); 245G.11, subdivision 5; and 254B.05;

15.5 (7) mental health diagnostic assessment as required under section 245I.10;

15.6 (8) group and individual psychotherapy as required under section 256B.0671;

15.7 (9) peer specialist services, as required under sections 245I.04 and 256B.0615;

15.8 (10) family planning and obstetrics and gynecology; and

15.9 (11) physical health well-being and screenings and care for adults and youth.

15.10 (c) Services outlined in this subdivision may only be authorized when an individual  
15.11 demonstrates medical necessity or other eligibility as required under chapter 256B or  
15.12 applicable state and federal laws.

15.13 Subd. 5. **Provider requirements and standards.** (a) Service providers must adhere to  
15.14 applicable licensing and provider requirements under chapters 245A, 245G, 245I, 254B,  
15.15 256B, and 256I.

15.16 (b) Service providers must be enrolled to provide services under Minnesota health care  
15.17 programs.

15.18 (c) Services may be provided by eligible providers employed by the correctional facility  
15.19 or by eligible community providers under contract with the correctional facility.

15.20 (d) The commissioner must determine whether each facility is ready to participate in  
15.21 this demonstration based on a facility-submitted assessment of the facility's readiness to  
15.22 implement:

15.23 (1) prerelease medical assistance application and enrollment processes for inmates not  
15.24 enrolled in medical assistance coverage;

15.25 (2) the provision or facilitation of all required prerelease services for a period of up to  
15.26 90 days prior to release;

15.27 (3) coordination among county and Tribal human services agencies and all other entities  
15.28 with a role in furnishing health care and supports to address health-related social needs;

15.29 (4) appropriate reentry planning, prerelease care management, and assistance with care  
15.30 transitions to the community;

16.1 (5) operational approaches to implementing certain Medicaid and Children Health  
16.2 Insurance Program requirements, including applications, suspensions, notices, fair hearings,  
16.3 and reasonable promptness for coverage of services;

16.4 (6) a data exchange process to support care coordination and transition activities; and

16.5 (7) reporting of all requested data to the commissioner of human services to support  
16.6 program monitoring, evaluation, oversight, and all financial data to meet reinvestment  
16.7 requirements.

16.8 (d) Participating facilities must detail reinvestment plans for all new federal Medicaid  
16.9 funds expended for reentry services that were previously the responsibility of each facility  
16.10 and provide detailed financial reports to the commissioner.

16.11 Subd. 6. **Payment rates.** (a) Payment rates for services under this section that are  
16.12 approved under Minnesota's state plan agreement with the Centers for Medicare and Medicaid  
16.13 Services are equal to current and applicable state law and federal requirements.

16.14 (b) Case management payment rates are equal to rates authorized by the commissioner  
16.15 for relocation targeted case management under section 245B.0621, subdivision 10.

16.16 (c) Claims for covered drugs purchased through discount purchasing programs, such as  
16.17 the Federal Supply Schedule (FSS) of the United States General Services Administration  
16.18 or the MMCAP Infuse program, shall be at no more than the actual acquisition cost plus  
16.19 the professional dispensing fee in section 256B.0625, subdivision 13e. Drugs administered  
16.20 to members must be billed on a professional claim in accordance with section 256B.0625,  
16.21 subdivision 13e, paragraph (e), and submitted with the actual acquisition cost for the drug  
16.22 on the claim line. Pharmacy claims must be submitted with the actual acquisition cost as  
16.23 the ingredient cost field and the dispensing fee in section 256B.0625, subdivision 13e, in  
16.24 the dispensing fee field on the claim with the basis of cost indicator of "08." Providers may  
16.25 establish written protocols for establishing or calculating the facility's actual acquisition  
16.26 drug cost based on a monthly, quarterly, or other average of the facility's actual acquisition  
16.27 drug cost through the discount purchasing program. A written protocol may not include an  
16.28 inflation, markup, spread, or margin to be added to the provider's actual purchase price after  
16.29 subtracting all discounts.

16.30 Subd. 7. **Reentry services work group.** (a) The commissioner of human services, in  
16.31 collaboration with the commissioner of corrections, must convene a reentry services work  
16.32 group to consider ways to improve the demonstration under this section and related policies  
16.33 for justice-involved individuals.



17.1 (b) The work group must have balanced representation, including: people with lived  
 17.2 experience and representatives from community health care providers, the Minnesota Sheriffs'  
 17.3 Association, the Minnesota Association for County Social Service Administrators, the  
 17.4 Association of Minnesota Counties, the Minnesota Juvenile Detention Association, the  
 17.5 Office of Addiction and Recovery, Minnesota NAMI, Tribal Nations, and Minnesota Alliance  
 17.6 of Recovery Community Organizations.

17.7 (c) The work group must:

17.8 (1) advise on the waiver application, implementation, monitoring, evaluation and  
 17.9 reinvestment plans;

17.10 (2) recommend strategies to improve processes that ensure notifications of the individual's  
 17.11 release date, current location, postrelease location, and other relevant information are  
 17.12 provided to state, county, and Tribal eligibility systems and managed care organizations;

17.13 (3) consider the value of expanding, replicating, or adapting the components of the  
 17.14 demonstration authorized under this section to additional populations; and

17.15 (4) recommend ideas to fund expanded reentry services.

17.16 **EFFECTIVE DATE.** This section is effective January 1, 2026, or upon federal approval,  
 17.17 whichever is later.

17.18 Sec. 4. Minnesota Statutes 2022, section 256B.69, subdivision 4, is amended to read:

17.19 Subd. 4. **Limitation of choice.** (a) The commissioner shall develop criteria to determine  
 17.20 when limitation of choice may be implemented in the experimental counties. The criteria  
 17.21 shall ensure that all eligible individuals in the county have continuing access to the full  
 17.22 range of medical assistance services as specified in subdivision 6.

17.23 (b) The commissioner shall exempt the following persons from participation in the  
 17.24 project, in addition to those who do not meet the criteria for limitation of choice:

17.25 (1) persons eligible for medical assistance according to section 256B.055, subdivision  
 17.26 1;

17.27 (2) persons eligible for medical assistance due to blindness or disability as determined  
 17.28 by the Social Security Administration or the state medical review team, unless:

17.29 (i) they are 65 years of age or older; or

18.1 (ii) they reside in Itasca County or they reside in a county in which the commissioner  
 18.2 conducts a pilot project under a waiver granted pursuant to section 1115 of the Social  
 18.3 Security Act;

18.4 (3) recipients who currently have private coverage through a health maintenance  
 18.5 organization;

18.6 (4) recipients who are eligible for medical assistance by spending down excess income  
 18.7 for medical expenses other than the nursing facility per diem expense;

18.8 (5) recipients who receive benefits under the Refugee Assistance Program, established  
 18.9 under United States Code, title 8, section 1522(e);

18.10 (6) children who are both determined to be severely emotionally disturbed and receiving  
 18.11 case management services according to section 256B.0625, subdivision 20, except children  
 18.12 who are eligible for and who decline enrollment in an approved preferred integrated network  
 18.13 under section 245.4682;

18.14 (7) adults who are both determined to be seriously and persistently mentally ill and  
 18.15 received case management services according to section 256B.0625, subdivision 20;

18.16 (8) persons eligible for medical assistance according to section 256B.057, subdivision  
 18.17 10;

18.18 (9) persons with access to cost-effective employer-sponsored private health insurance  
 18.19 or persons enrolled in a non-Medicare individual health plan determined to be cost-effective  
 18.20 according to section 256B.0625, subdivision 15; ~~and~~

18.21 (10) persons who are absent from the state for more than 30 consecutive days but still  
 18.22 deemed a resident of Minnesota, identified in accordance with section 256B.056, subdivision  
 18.23 1, paragraph (b); and

18.24 (11) persons who are enrolled in the reentry demonstration wavier under 256B.0761.

18.25 Children under age 21 who are in foster placement may enroll in the project on an elective  
 18.26 basis. Individuals excluded under clauses (1), (6), and (7) may choose to enroll on an elective  
 18.27 basis. The commissioner may enroll recipients in the prepaid medical assistance program  
 18.28 for seniors who are (1) age 65 and over, and (2) eligible for medical assistance by spending  
 18.29 down excess income.

18.30 (c) The commissioner may allow persons with a one-month spenddown who are otherwise  
 18.31 eligible to enroll to voluntarily enroll or remain enrolled, if they elect to prepay their monthly  
 18.32 spenddown to the state.

19.1 (d) The commissioner may require those individuals to enroll in the prepaid medical  
 19.2 assistance program who otherwise would have been excluded under paragraph (b), clauses  
 19.3 (1), (3), and (8), and under Minnesota Rules, part 9500.1452, subpart 2, items H, K, and L.

19.4 (e) Before limitation of choice is implemented, eligible individuals shall be notified and  
 19.5 after notification, shall be allowed to choose only among demonstration providers. The  
 19.6 commissioner may assign an individual with private coverage through a health maintenance  
 19.7 organization, to the same health maintenance organization for medical assistance coverage,  
 19.8 if the health maintenance organization is under contract for medical assistance in the  
 19.9 individual's county of residence. After initially choosing a provider, the recipient is allowed  
 19.10 to change that choice only at specified times as allowed by the commissioner. If a  
 19.11 demonstration provider ends participation in the project for any reason, a recipient enrolled  
 19.12 with that provider must select a new provider but may change providers without cause once  
 19.13 more within the first 60 days after enrollment with the second provider.

19.14 (f) An infant born to a woman who is eligible for and receiving medical assistance and  
 19.15 who is enrolled in the prepaid medical assistance program shall be retroactively enrolled to  
 19.16 the month of birth in the same managed care plan as the mother once the child is enrolled  
 19.17 in medical assistance unless the child is determined to be excluded from enrollment in a  
 19.18 prepaid plan under this section.

19.19 **Sec. 5. CAPACITY-BUILDING AND IMPLEMENTATION GRANTS FOR THE**  
 19.20 **MEDICAL ASSISTANCE REENTRY DEMONSTRATION.**

19.21 The commissioner must establish capacity-building grants for eligible local correctional  
 19.22 facilities as they prepare to implement reentry demonstrations services under Minnesota  
 19.23 Statutes, section 256B.0761. Allowable expenditures under this grant include: expenses to  
 19.24 develop, in coordination with incarcerated individuals and community members with lived  
 19.25 experience, processes and protocols; establishment or modification of IT systems to support  
 19.26 implementation; personnel costs; and other expenses as determined by the commissioner.

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

19.28 **Sec. 6. 1115 WAIVER FOR MEDICAL ASSISTANCE REENTRY**  
 19.29 **DEMONSTRATION.**

19.30 The commissioner of human services must submit an application to the United States  
 19.31 Secretary of Health and Human Services to implement a medical assistance reentry  
 19.32 demonstration that covers services for incarcerated individuals, as described under Minnesota

20.1 Statutes, section 256B.0671. Coverage of prerelease services is contingent on federal approval  
20.2 of the demonstration and the required implementation and reinvestment plans.

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

### 20.4 **ARTICLE 3**

#### 20.5 **DIRECT CARE AND TREATMENT**

20.6 Section 1. **MENTALLY ILL AND DANGEROUS CIVIL COMMITMENT REFORM**  
20.7 **TASK FORCE.**

20.8 Subdivision 1. **Establishment; purpose.** The Mentally Ill and Dangerous Civil  
20.9 Commitment Reform Task Force is established to evaluate current statutes related to mentally  
20.10 ill and dangerous civil commitments and develop recommendations to optimize the use of  
20.11 state-operated mental health resources and increase equitable access and outcomes for  
20.12 patients.

20.13 Subd. 2. **Membership.** (a) The Mentally Ill and Dangerous Civil Commitment Reform  
20.14 Task Force consists of the members appointed as follows:

20.15 (1) the commissioner of human services or a designee;

20.16 (2) two members representing the Department of Direct Care and Treatment who have  
20.17 experience with mentally ill and dangerous civil commitments, appointed by the  
20.18 commissioner of human services;

20.19 (3) the ombudsman for mental health and developmental disabilities;

20.20 (4) a judge with experience presiding over mentally ill and dangerous civil commitments,  
20.21 appointed by the state court administrator;

20.22 (5) a court examiner with experience participating in mentally ill and dangerous civil  
20.23 commitments, appointed by the state court administrator;

20.24 (6) a member of the Special Review Board, appointed by the state court administrator;

20.25 (7) a county representative, appointed by the Association of Minnesota Counties;

20.26 (8) a representative appointed by the Minnesota Association of County Social Service  
20.27 Administrators;

20.28 (9) a county attorney with experience participating in mentally ill and dangerous civil  
20.29 commitments, appointed by the Minnesota County Attorneys Association;

21.1 (10) an attorney with experience representing respondents in mentally ill and dangerous  
21.2 civil commitments, appointed by the governor;

21.3 (11) a member appointed by the Minnesota Association of Community Mental Health  
21.4 Programs;

21.5 (12) a member appointed by the National Alliance on Mental Illness Minnesota;

21.6 (13) a licensed independent practitioner with experience treating individuals subject to  
21.7 a mentally ill and dangerous civil commitment; and

21.8 (14) an individual with lived experience under civil commitment as mentally ill and  
21.9 dangerous and is on a provisional discharge or has been discharged from commitment.

21.10 (b) A member of the legislature may not serve as a member of the task force.

21.11 (c) Appointments to the task force must be made no later than July 30, 2024.

21.12 Subd. 3. **Compensation; removal; vacancy.** (a) Notwithstanding Minnesota Statutes,  
21.13 section 15.059, subdivision 6, members of the task force may be compensated as provided  
21.14 under Minnesota Statutes, section 15.059, subdivision 3.

21.15 (b) A member may be removed by the appointing authority at any time at the pleasure  
21.16 of the appointing authority. In the case of a vacancy on the task force, the appointing authority  
21.17 shall appoint an individual to fill the vacancy for the remainder of the unexpired term.

21.18 Subd. 4. **Officers; meetings.** (a) The commissioner of human services shall convene  
21.19 the first meeting of the task force no later than September 1, 2024.

21.20 (b) The task force must elect a chair and vice-chair from among its members and may  
21.21 elect other officers as necessary.

21.22 (c) The task force is subject to Minnesota Statutes, chapter 13D.

21.23 Subd. 5. **Staff.** The commissioner of human services must provide staff assistance to  
21.24 support the work of the task force.

21.25 Subd. 6. **Data usage and privacy.** Any data provided by executive agencies as part of  
21.26 the work and report of the task force are subject to the requirements of Minnesota Statutes,  
21.27 chapter 13, and all other applicable data privacy laws.

21.28 Subd. 7. **Duties.** The task force must:

21.29 (1) analyze current trends in mentally ill and dangerous civil commitments, including  
21.30 but not limited to the length of stay for individuals committed in Minnesota as compared  
21.31 to other jurisdictions;

22.1 (2) review national practices and criteria for civil commitment of individuals who have  
 22.2 a mental illness and represent a danger to the public;

22.3 (3) develop recommended statutory changes necessary to provide services to the high  
 22.4 number of mentally ill and dangerous civilly committed individuals;

22.5 (4) develop funding and statutory recommendations for alternatives to the current mentally  
 22.6 ill and dangerous civil commitment process;

22.7 (5) identify what types of placements and services are necessary to serve individuals  
 22.8 civilly committed as mentally ill and dangerous in the community;

22.9 (6) make recommendations to reduce barriers to discharge from the forensic mental  
 22.10 health program for individuals civilly committed as mentally ill and dangerous;

22.11 (7) develop recommended plain language statutory changes to clarify operational  
 22.12 definitions for terms used within Minnesota Statutes, section 253B.18;

22.13 (8) develop recommended statutory changes to provide clear direction to the  
 22.14 commissioner of human services and facilities to which individuals are civilly committed  
 22.15 to address situations in which an individual is committed as mentally ill and dangerous and  
 22.16 is later determined to not have an organic disorder of the brain or a substantial psychiatric  
 22.17 disorder of thought, mood, perception, orientation, or memory; and

22.18 (9) evaluate and make statutory and funding recommendations for the voluntary return  
 22.19 of individuals civilly committed as mentally ill and dangerous to community facilities.

22.20 Subd. 8. **Report required.** By August 1, 2025, the task force shall submit to the chairs  
 22.21 and ranking minority members of the legislative committees with jurisdiction over mentally  
 22.22 ill and dangerous civil commitments a written report that includes the outcome of the duties  
 22.23 in subdivision 7, including but not limited to recommended statutory changes.

22.24 Subd. 9. **Expiration.** The task force expires January 1, 2026.

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

## 22.26 **ARTICLE 4**

### 22.27 **DIRECT CARE AND TREATMENT AGENCY**

22.28 Section 1. Minnesota Statutes 2023 Supplement, section 10.65, subdivision 2, is amended  
 22.29 to read:

22.30 Subd. 2. **Definitions.** As used in this section, the following terms have the meanings  
 22.31 given:

23.1 (1) "agency" means the Department of Administration; Department of Agriculture;  
 23.2 Department of Children, Youth, and Families; Department of Commerce; Department of  
 23.3 Corrections; Department of Education; Department of Employment and Economic  
 23.4 Development; Department of Health; Office of Higher Education; Housing Finance Agency;  
 23.5 Department of Human Rights; Department of Human Services; Department of Information  
 23.6 Technology Services; Department of Iron Range Resources and Rehabilitation; Department  
 23.7 of Labor and Industry; Minnesota Management and Budget; Bureau of Mediation Services;  
 23.8 Department of Military Affairs; Metropolitan Council; Department of Natural Resources;  
 23.9 Pollution Control Agency; Department of Public Safety; Department of Revenue; Department  
 23.10 of Transportation; Department of Veterans Affairs; Direct Care and Treatment; Gambling  
 23.11 Control Board; Racing Commission; the Minnesota Lottery; the Animal Health Board; and  
 23.12 the Board of Water and Soil Resources;

23.13 (2) "consultation" means the direct and interactive involvement of the Minnesota Tribal  
 23.14 governments in the development of policy on matters that have Tribal implications.  
 23.15 Consultation is the proactive, affirmative process of identifying and seeking input from  
 23.16 appropriate Tribal governments and considering their interest as a necessary and integral  
 23.17 part of the decision-making process. This definition adds to statutorily mandated notification  
 23.18 procedures. During a consultation, the burden is on the agency to show that it has made a  
 23.19 good faith effort to elicit feedback. Consultation is a formal engagement between agency  
 23.20 officials and the governing body or bodies of an individual Minnesota Tribal government  
 23.21 that the agency or an individual Tribal government may initiate. Formal meetings or  
 23.22 communication between top agency officials and the governing body of a Minnesota Tribal  
 23.23 government is a necessary element of consultation;

23.24 (3) "matters that have Tribal implications" means rules, legislative proposals, policy  
 23.25 statements, or other actions that have substantial direct effects on one or more Minnesota  
 23.26 Tribal governments, or on the distribution of power and responsibilities between the state  
 23.27 and Minnesota Tribal governments;

23.28 (4) "Minnesota Tribal governments" means the federally recognized Indian Tribes located  
 23.29 in Minnesota including: Bois Forte Band; Fond Du Lac Band; Grand Portage Band; Leech  
 23.30 Lake Band; Mille Lacs Band; White Earth Band; Red Lake Nation; Lower Sioux Indian  
 23.31 Community; Prairie Island Indian Community; Shakopee Mdewakanton Sioux Community;  
 23.32 and Upper Sioux Community; and

23.33 (5) "timely and meaningful" means done or occurring at a favorable or useful time that  
 23.34 allows the result of consultation to be included in the agency's decision-making process for  
 23.35 a matter that has Tribal implications.

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

24.2 Sec. 2. Minnesota Statutes 2022, section 13.46, subdivision 1, is amended to read:

24.3 Subdivision 1. **Definitions.** As used in this section:

24.4 (a) "Individual" means an individual according to section 13.02, subdivision 8, but does  
24.5 not include a vendor of services.

24.6 (b) "Program" includes all programs for which authority is vested in a component of the  
24.7 welfare system according to statute or federal law, including, but not limited to, Native  
24.8 American tribe programs that provide a service component of the welfare system, the aid  
24.9 to families with dependent children program formerly codified in sections 256.72 to 256.87,  
24.10 Minnesota family investment program, temporary assistance for needy families program,  
24.11 medical assistance, general assistance, general assistance medical care formerly codified in  
24.12 chapter 256D, child care assistance program, and child support collections.

24.13 (c) "Welfare system" includes the Department of Human Services, Direct Care and  
24.14 Treatment, local social services agencies, county welfare agencies, county public health  
24.15 agencies, county veteran services agencies, county housing agencies, private licensing  
24.16 agencies, the public authority responsible for child support enforcement, human services  
24.17 boards, community mental health center boards, state hospitals, state nursing homes, the  
24.18 ombudsman for mental health and developmental disabilities, Native American tribes to  
24.19 the extent a tribe provides a service component of the welfare system, and persons, agencies,  
24.20 institutions, organizations, and other entities under contract to any of the above agencies to  
24.21 the extent specified in the contract.

24.22 (d) "Mental health data" means data on individual clients and patients of community  
24.23 mental health centers, established under section 245.62, mental health divisions of counties  
24.24 and other providers under contract to deliver mental health services, or the ombudsman for  
24.25 mental health and developmental disabilities.

24.26 (e) "Fugitive felon" means a person who has been convicted of a felony and who has  
24.27 escaped from confinement or violated the terms of probation or parole for that offense.

24.28 (f) "Private licensing agency" means an agency licensed by the commissioner of human  
24.29 services under chapter 245A to perform the duties under section 245A.16.

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



25.1 Sec. 3. Minnesota Statutes 2023 Supplement, section 13.46, subdivision 2, is amended to  
25.2 read:

25.3 Subd. 2. **General.** (a) Data on individuals collected, maintained, used, or disseminated  
25.4 by the welfare system are private data on individuals, and shall not be disclosed except:

25.5 (1) according to section 13.05;

25.6 (2) according to court order;

25.7 (3) according to a statute specifically authorizing access to the private data;

25.8 (4) to an agent of the welfare system and an investigator acting on behalf of a county,  
25.9 the state, or the federal government, including a law enforcement person or attorney in the  
25.10 investigation or prosecution of a criminal, civil, or administrative proceeding relating to the  
25.11 administration of a program;

25.12 (5) to personnel of the welfare system who require the data to verify an individual's  
25.13 identity; determine eligibility, amount of assistance, and the need to provide services to an  
25.14 individual or family across programs; coordinate services for an individual or family;  
25.15 evaluate the effectiveness of programs; assess parental contribution amounts; and investigate  
25.16 suspected fraud;

25.17 (6) to administer federal funds or programs;

25.18 (7) between personnel of the welfare system working in the same program;

25.19 (8) to the Department of Revenue to assess parental contribution amounts for purposes  
25.20 of section 252.27, subdivision 2a, administer and evaluate tax refund or tax credit programs  
25.21 and to identify individuals who may benefit from these programs, and prepare the databases  
25.22 for reports required under section 270C.13 and Laws 2008, chapter 366, article 17, section  
25.23 6. The following information may be disclosed under this paragraph: an individual's and  
25.24 their dependent's names, dates of birth, Social Security or individual taxpayer identification  
25.25 numbers, income, addresses, and other data as required, upon request by the Department  
25.26 of Revenue. Disclosures by the commissioner of revenue to the commissioner of human  
25.27 services for the purposes described in this clause are governed by section 270B.14,  
25.28 subdivision 1. Tax refund or tax credit programs include, but are not limited to, the dependent  
25.29 care credit under section 290.067, the Minnesota working family credit under section  
25.30 290.0671, the property tax refund under section 290A.04, and the Minnesota education  
25.31 credit under section 290.0674;

26.1 (9) between the Department of Human Services, the Department of Employment and  
26.2 Economic Development, Direct Care and Treatment, and, when applicable, the Department  
26.3 of Education, for the following purposes:

26.4 (i) to monitor the eligibility of the data subject for unemployment benefits, for any  
26.5 employment or training program administered, supervised, or certified by that agency;

26.6 (ii) to administer any rehabilitation program or child care assistance program, whether  
26.7 alone or in conjunction with the welfare system;

26.8 (iii) to monitor and evaluate the Minnesota family investment program or the child care  
26.9 assistance program by exchanging data on recipients and former recipients of Supplemental  
26.10 Nutrition Assistance Program (SNAP) benefits, cash assistance under chapter 256, 256D,  
26.11 256J, or 256K, child care assistance under chapter 119B, medical programs under chapter  
26.12 256B or 256L, or a medical program formerly codified under chapter 256D; and

26.13 (iv) to analyze public assistance employment services and program utilization, cost,  
26.14 effectiveness, and outcomes as implemented under the authority established in Title II,  
26.15 Sections 201-204 of the Ticket to Work and Work Incentives Improvement Act of 1999.  
26.16 Health records governed by sections 144.291 to 144.298 and "protected health information"  
26.17 as defined in Code of Federal Regulations, title 45, section 160.103, and governed by Code  
26.18 of Federal Regulations, title 45, parts 160-164, including health care claims utilization  
26.19 information, must not be exchanged under this clause;

26.20 (10) to appropriate parties in connection with an emergency if knowledge of the  
26.21 information is necessary to protect the health or safety of the individual or other individuals  
26.22 or persons;

26.23 (11) data maintained by residential programs as defined in section 245A.02 may be  
26.24 disclosed to the protection and advocacy system established in this state according to Part  
26.25 C of Public Law 98-527 to protect the legal and human rights of persons with developmental  
26.26 disabilities or other related conditions who live in residential facilities for these persons if  
26.27 the protection and advocacy system receives a complaint by or on behalf of that person and  
26.28 the person does not have a legal guardian or the state or a designee of the state is the legal  
26.29 guardian of the person;

26.30 (12) to the county medical examiner or the county coroner for identifying or locating  
26.31 relatives or friends of a deceased person;

27.1 (13) data on a child support obligor who makes payments to the public agency may be  
27.2 disclosed to the Minnesota Office of Higher Education to the extent necessary to determine  
27.3 eligibility under section 136A.121, subdivision 2, clause (5);

27.4 (14) participant Social Security or individual taxpayer identification numbers and names  
27.5 collected by the telephone assistance program may be disclosed to the Department of  
27.6 Revenue to conduct an electronic data match with the property tax refund database to  
27.7 determine eligibility under section 237.70, subdivision 4a;

27.8 (15) the current address of a Minnesota family investment program participant may be  
27.9 disclosed to law enforcement officers who provide the name of the participant and notify  
27.10 the agency that:

27.11 (i) the participant:

27.12 (A) is a fugitive felon fleeing to avoid prosecution, or custody or confinement after  
27.13 conviction, for a crime or attempt to commit a crime that is a felony under the laws of the  
27.14 jurisdiction from which the individual is fleeing; or

27.15 (B) is violating a condition of probation or parole imposed under state or federal law;

27.16 (ii) the location or apprehension of the felon is within the law enforcement officer's  
27.17 official duties; and

27.18 (iii) the request is made in writing and in the proper exercise of those duties;

27.19 (16) the current address of a recipient of general assistance may be disclosed to probation  
27.20 officers and corrections agents who are supervising the recipient and to law enforcement  
27.21 officers who are investigating the recipient in connection with a felony level offense;

27.22 (17) information obtained from a SNAP applicant or recipient households may be  
27.23 disclosed to local, state, or federal law enforcement officials, upon their written request, for  
27.24 the purpose of investigating an alleged violation of the Food and Nutrition Act, according  
27.25 to Code of Federal Regulations, title 7, section 272.1(c);

27.26 (18) the address, Social Security or individual taxpayer identification number, and, if  
27.27 available, photograph of any member of a household receiving SNAP benefits shall be made  
27.28 available, on request, to a local, state, or federal law enforcement officer if the officer  
27.29 furnishes the agency with the name of the member and notifies the agency that:

27.30 (i) the member:

27.31 (A) is fleeing to avoid prosecution, or custody or confinement after conviction, for a  
27.32 crime or attempt to commit a crime that is a felony in the jurisdiction the member is fleeing;

28.1 (B) is violating a condition of probation or parole imposed under state or federal law;

28.2 or

28.3 (C) has information that is necessary for the officer to conduct an official duty related  
28.4 to conduct described in subitem (A) or (B);

28.5 (ii) locating or apprehending the member is within the officer's official duties; and

28.6 (iii) the request is made in writing and in the proper exercise of the officer's official duty;

28.7 (19) the current address of a recipient of Minnesota family investment program, general  
28.8 assistance, or SNAP benefits may be disclosed to law enforcement officers who, in writing,  
28.9 provide the name of the recipient and notify the agency that the recipient is a person required  
28.10 to register under section 243.166, but is not residing at the address at which the recipient is  
28.11 registered under section 243.166;

28.12 (20) certain information regarding child support obligors who are in arrears may be  
28.13 made public according to section 518A.74;

28.14 (21) data on child support payments made by a child support obligor and data on the  
28.15 distribution of those payments excluding identifying information on obligees may be  
28.16 disclosed to all obligees to whom the obligor owes support, and data on the enforcement  
28.17 actions undertaken by the public authority, the status of those actions, and data on the income  
28.18 of the obligor or obligee may be disclosed to the other party;

28.19 (22) data in the work reporting system may be disclosed under section 256.998,  
28.20 subdivision 7;

28.21 (23) to the Department of Education for the purpose of matching Department of Education  
28.22 student data with public assistance data to determine students eligible for free and  
28.23 reduced-price meals, meal supplements, and free milk according to United States Code,  
28.24 title 42, sections 1758, 1761, 1766, 1766a, 1772, and 1773; to allocate federal and state  
28.25 funds that are distributed based on income of the student's family; and to verify receipt of  
28.26 energy assistance for the telephone assistance plan;

28.27 (24) the current address and telephone number of program recipients and emergency  
28.28 contacts may be released to the commissioner of health or a community health board as  
28.29 defined in section 145A.02, subdivision 5, when the commissioner or community health  
28.30 board has reason to believe that a program recipient is a disease case, carrier, suspect case,  
28.31 or at risk of illness, and the data are necessary to locate the person;

28.32 (25) to other state agencies, statewide systems, and political subdivisions of this state,  
28.33 including the attorney general, and agencies of other states, interstate information networks,

29.1 federal agencies, and other entities as required by federal regulation or law for the  
29.2 administration of the child support enforcement program;

29.3 (26) to personnel of public assistance programs as defined in section 256.741, for access  
29.4 to the child support system database for the purpose of administration, including monitoring  
29.5 and evaluation of those public assistance programs;

29.6 (27) to monitor and evaluate the Minnesota family investment program by exchanging  
29.7 data between the Departments of Human Services and Education, on recipients and former  
29.8 recipients of SNAP benefits, cash assistance under chapter 256, 256D, 256J, or 256K, child  
29.9 care assistance under chapter 119B, medical programs under chapter 256B or 256L, or a  
29.10 medical program formerly codified under chapter 256D;

29.11 (28) to evaluate child support program performance and to identify and prevent fraud  
29.12 in the child support program by exchanging data between the Department of Human Services,  
29.13 Department of Revenue under section 270B.14, subdivision 1, paragraphs (a) and (b),  
29.14 without regard to the limitation of use in paragraph (c), Department of Health, Department  
29.15 of Employment and Economic Development, and other state agencies as is reasonably  
29.16 necessary to perform these functions;

29.17 (29) counties and the Department of Human Services operating child care assistance  
29.18 programs under chapter 119B may disseminate data on program participants, applicants,  
29.19 and providers to the commissioner of education;

29.20 (30) child support data on the child, the parents, and relatives of the child may be  
29.21 disclosed to agencies administering programs under titles IV-B and IV-E of the Social  
29.22 Security Act, as authorized by federal law;

29.23 (31) to a health care provider governed by sections 144.291 to 144.298, to the extent  
29.24 necessary to coordinate services;

29.25 (32) to the chief administrative officer of a school to coordinate services for a student  
29.26 and family; data that may be disclosed under this clause are limited to name, date of birth,  
29.27 gender, and address;

29.28 (33) to county correctional agencies to the extent necessary to coordinate services and  
29.29 diversion programs; data that may be disclosed under this clause are limited to name, client  
29.30 demographics, program, case status, and county worker information; or

29.31 (34) between the Department of Human Services and the Metropolitan Council for the  
29.32 following purposes:

30.1 (i) to coordinate special transportation service provided under section 473.386 with  
30.2 services for people with disabilities and elderly individuals funded by or through the  
30.3 Department of Human Services; and

30.4 (ii) to provide for reimbursement of special transportation service provided under section  
30.5 473.386.

30.6 The data that may be shared under this clause are limited to the individual's first, last, and  
30.7 middle names; date of birth; residential address; and program eligibility status with expiration  
30.8 date for the purposes of informing the other party of program eligibility.

30.9 (b) Information on persons who have been treated for drug or alcohol abuse may only  
30.10 be disclosed according to the requirements of Code of Federal Regulations, title 42, sections  
30.11 2.1 to 2.67.

30.12 (c) Data provided to law enforcement agencies under paragraph (a), clause (15), (16),  
30.13 (17), or (18), or paragraph (b), are investigative data and are confidential or protected  
30.14 nonpublic while the investigation is active. The data are private after the investigation  
30.15 becomes inactive under section 13.82, subdivision 7, clause (a) or (b).

30.16 (d) Mental health data shall be treated as provided in subdivisions 7, 8, and 9, but are  
30.17 not subject to the access provisions of subdivision 10, paragraph (b).

30.18 For the purposes of this subdivision, a request will be deemed to be made in writing if  
30.19 made through a computer interface system.

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

30.21 Sec. 4. Minnesota Statutes 2022, section 13.46, subdivision 10, is amended to read:

30.22 Subd. 10. **Responsible authority.** (a) Notwithstanding any other provision of this chapter  
30.23 to the contrary, the responsible authority for each component of the welfare system listed  
30.24 in subdivision 1, clause (c), shall be as follows:

30.25 (1) the responsible authority for the Department of Human Services, ~~state hospitals, and~~  
30.26 ~~nursing homes~~ is the commissioner of the Department of Human Services;

30.27 (2) the responsible authority of a county welfare agency is the director of the county  
30.28 welfare agency;

30.29 (3) the responsible authority for a local social services agency, human services board,  
30.30 or community mental health center board is the chair of the board;

31.1 (4) the responsible authority of any person, agency, institution, organization, or other  
 31.2 entity under contract to any of the components of the welfare system listed in subdivision  
 31.3 1, clause (c), is the person specified in the contract;

31.4 (5) the responsible authority of the public authority for child support enforcement is the  
 31.5 head of the public authority for child support enforcement; ~~and~~

31.6 (6) the responsible authority for county veteran services is the county veterans service  
 31.7 officer pursuant to section 197.603, subdivision 2.; and

31.8 (7) the responsible authority for Direct Care and Treatment is the chief executive officer  
 31.9 of Direct Care and Treatment.

31.10 (b) A responsible authority shall allow another responsible authority in the welfare  
 31.11 system access to data classified as not public data when access is necessary for the  
 31.12 administration and management of programs, or as authorized or required by statute or  
 31.13 federal law.

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

31.15 Sec. 5. Minnesota Statutes 2023 Supplement, section 15.01, is amended to read:

31.16 **15.01 DEPARTMENTS OF THE STATE.**

31.17 The following agencies are designated as the departments of the state government: the  
 31.18 Department of Administration; the Department of Agriculture; the Department of Children,  
 31.19 Youth, and Families; the Department of Commerce; the Department of Corrections; ~~the~~  
 31.20 ~~Department of Direct Care and Treatment~~; the Department of Education; the Department  
 31.21 of Employment and Economic Development; the Department of Health; the Department of  
 31.22 Human Rights; the Department of Human Services; the Department of Information  
 31.23 Technology Services; the Department of Iron Range Resources and Rehabilitation; the  
 31.24 Department of Labor and Industry; the Department of Management and Budget; the  
 31.25 Department of Military Affairs; the Department of Natural Resources; the Department of  
 31.26 Public Safety; the Department of Revenue; the Department of Transportation; the Department  
 31.27 of Veterans Affairs; and their successor departments.

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

32.1 Sec. 6. Minnesota Statutes 2023 Supplement, section 15.06, subdivision 1, is amended to  
32.2 read:

32.3 Subdivision 1. **Applicability.** This section applies to the following departments or  
32.4 agencies: the Departments of Administration; Agriculture; Children, Youth, and Families;  
32.5 Commerce; Corrections; ~~Direct Care and Treatment~~; Education; Employment and Economic  
32.6 Development; Health; Human Rights; Human Services; Labor and Industry; Management  
32.7 and Budget; Natural Resources; Public Safety; Revenue; Transportation; and Veterans  
32.8 Affairs; the Housing Finance and Pollution Control Agencies; the Office of Commissioner  
32.9 of Iron Range Resources and Rehabilitation; the Department of Information Technology  
32.10 Services; the Bureau of Mediation Services; and their successor departments and agencies.  
32.11 The heads of the foregoing departments or agencies are "commissioners."

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

32.13 Sec. 7. Minnesota Statutes 2023 Supplement, section 15A.082, subdivision 1, is amended  
32.14 to read:

32.15 Subdivision 1. **Creation.** A Compensation Council is created each odd-numbered year  
32.16 to establish the compensation of constitutional officers and the heads of state and metropolitan  
32.17 agencies identified in section 15A.0815, ~~and~~ to assist the legislature in establishing the  
32.18 compensation of justices of the supreme court and judges of the court of appeals and district  
32.19 court, and to determine the daily compensation for voting members of the Direct Care and  
32.20 Treatment executive board.

32.21 Sec. 8. Minnesota Statutes 2023 Supplement, section 15A.082, subdivision 3, is amended  
32.22 to read:

32.23 Subd. 3. **Submission of recommendations and determination.** (a) By April 1 in each  
32.24 odd-numbered year, the Compensation Council shall submit to the speaker of the house and  
32.25 the president of the senate salary recommendations for justices of the supreme court, and  
32.26 judges of the court of appeals and district court. The recommended salaries take effect on  
32.27 July 1 of that year and July 1 of the subsequent even-numbered year and at whatever interval  
32.28 the council recommends thereafter, unless the legislature by law provides otherwise. The  
32.29 salary recommendations take effect if an appropriation of money to pay the recommended  
32.30 salaries is enacted after the recommendations are submitted and before their effective date.  
32.31 Recommendations may be expressly modified or rejected.

32.32 (b) By April 1 in each odd-numbered year, the Compensation Council must prescribe  
32.33 salaries for constitutional officers, and for the agency and metropolitan agency heads



33.1 identified in section 15A.0815. The prescribed salary for each office must take effect July  
 33.2 1 of that year and July 1 of the subsequent even-numbered year and at whatever interval  
 33.3 the council determines thereafter, unless the legislature by law provides otherwise. An  
 33.4 appropriation by the legislature to fund the relevant office, branch, or agency of an amount  
 33.5 sufficient to pay the salaries prescribed by the council constitutes a prescription by law as  
 33.6 provided in the Minnesota Constitution, article V, sections 4 and 5.

33.7 (c) By April 1 in each odd-numbered year, the Compensation Council must prescribe  
 33.8 daily compensation for voting members of the Direct Care and Treatment executive board.  
 33.9 The recommended daily compensation takes effect on July 1 of that year and July 1 of the  
 33.10 subsequent even-numbered year and at whatever interval the council recommends thereafter,  
 33.11 unless the legislature by law provides otherwise.

33.12 Sec. 9. Minnesota Statutes 2023 Supplement, section 15A.082, subdivision 7, is amended  
 33.13 to read:

33.14 Subd. 7. **No ex parte communications.** Members may not have any communication  
 33.15 with a constitutional officer, a head of a state agency, ~~or~~ a member of the judiciary, or a  
 33.16 member of the Direct Care and Treatment executive board during the period after the first  
 33.17 meeting is convened under this section and the date the prescribed and recommended salaries  
 33.18 and daily compensation are submitted under subdivision 3.

33.19 Sec. 10. Minnesota Statutes 2023 Supplement, section 43A.08, subdivision 1, is amended  
 33.20 to read:

33.21 Subdivision 1. **Unclassified positions.** Unclassified positions are held by employees  
 33.22 who are:

33.23 (1) chosen by election or appointed to fill an elective office;

33.24 (2) heads of agencies required by law to be appointed by the governor or other elective  
 33.25 officers, and the executive or administrative heads of departments, bureaus, divisions, and  
 33.26 institutions specifically established by law in the unclassified service;

33.27 (3) deputy and assistant agency heads and one confidential secretary in the agencies  
 33.28 listed in subdivision 1a;

33.29 (4) the confidential secretary to each of the elective officers of this state and, for the  
 33.30 secretary of state and state auditor, an additional deputy, clerk, or employee;

33.31 (5) intermittent help employed by the commissioner of public safety to assist in the  
 33.32 issuance of vehicle licenses;

34.1 (6) employees in the offices of the governor and of the lieutenant governor and one  
34.2 confidential employee for the governor in the Office of the Adjutant General;

34.3 (7) employees of the Washington, D.C., office of the state of Minnesota;

34.4 (8) employees of the legislature and of legislative committees or commissions; provided  
34.5 that employees of the Legislative Audit Commission, except for the legislative auditor, the  
34.6 deputy legislative auditors, and their confidential secretaries, shall be employees in the  
34.7 classified service;

34.8 (9) presidents, vice-presidents, deans, other managers and professionals in academic  
34.9 and academic support programs, administrative or service faculty, teachers, research  
34.10 assistants, and student employees eligible under terms of the federal Economic Opportunity  
34.11 Act work study program in the Perpich Center for Arts Education and the Minnesota State  
34.12 Colleges and Universities, but not the custodial, clerical, or maintenance employees, or any  
34.13 professional or managerial employee performing duties in connection with the business  
34.14 administration of these institutions;

34.15 (10) officers and enlisted persons in the National Guard;

34.16 (11) attorneys, legal assistants, and three confidential employees appointed by the attorney  
34.17 general or employed with the attorney general's authorization;

34.18 (12) judges and all employees of the judicial branch, referees, receivers, jurors, and  
34.19 notaries public, except referees and adjusters employed by the Department of Labor and  
34.20 Industry;

34.21 (13) members of the State Patrol; provided that selection and appointment of State Patrol  
34.22 troopers must be made in accordance with applicable laws governing the classified service;

34.23 (14) examination monitors and intermittent training instructors employed by the  
34.24 Departments of Management and Budget and Commerce and by professional examining  
34.25 boards and intermittent staff employed by the technical colleges for the administration of  
34.26 practical skills tests and for the staging of instructional demonstrations;

34.27 (15) student workers;

34.28 (16) executive directors or executive secretaries appointed by and reporting to any  
34.29 policy-making board or commission established by statute;

34.30 (17) employees unclassified pursuant to other statutory authority;

34.31 (18) intermittent help employed by the commissioner of agriculture to perform duties  
34.32 relating to pesticides, fertilizer, and seed regulation;

35.1 (19) the administrators and the deputy administrators at the State Academies for the  
35.2 Deaf and the Blind; and

35.3 (20) the chief executive officers in the Department of Human Services officer of Direct  
35.4 Care and Treatment.

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

35.6 Sec. 11. Minnesota Statutes 2023 Supplement, section 43A.08, subdivision 1a, is amended  
35.7 to read:

35.8 Subd. 1a. **Additional unclassified positions.** Appointing authorities for the following  
35.9 agencies may designate additional unclassified positions according to this subdivision: the  
35.10 Departments of Administration; Agriculture; Children, Youth, and Families; Commerce;  
35.11 Corrections; ~~Direct Care and Treatment~~; Education; Employment and Economic  
35.12 Development; Explore Minnesota Tourism; Management and Budget; Health; Human  
35.13 Rights; Human Services; Labor and Industry; Natural Resources; Public Safety; Revenue;  
35.14 Transportation; and Veterans Affairs; the Housing Finance and Pollution Control Agencies;  
35.15 the State Lottery; the State Board of Investment; the Office of Administrative Hearings; the  
35.16 Department of Information Technology Services; the Offices of the Attorney General,  
35.17 Secretary of State, and State Auditor; the Minnesota State Colleges and Universities; the  
35.18 Minnesota Office of Higher Education; the Perpich Center for Arts Education; Direct Care  
35.19 and Treatment; and the Minnesota Zoological Board.

35.20 A position designated by an appointing authority according to this subdivision must  
35.21 meet the following standards and criteria:

35.22 (1) the designation of the position would not be contrary to other law relating specifically  
35.23 to that agency;

35.24 (2) the person occupying the position would report directly to the agency head or deputy  
35.25 agency head and would be designated as part of the agency head's management team;

35.26 (3) the duties of the position would involve significant discretion and substantial  
35.27 involvement in the development, interpretation, and implementation of agency policy;

35.28 (4) the duties of the position would not require primarily personnel, accounting, or other  
35.29 technical expertise where continuity in the position would be important;

35.30 (5) there would be a need for the person occupying the position to be accountable to,  
35.31 loyal to, and compatible with, the governor and the agency head, the employing statutory  
35.32 board or commission, or the employing constitutional officer;

36.1 (6) the position would be at the level of division or bureau director or assistant to the  
36.2 agency head; and

36.3 (7) the commissioner has approved the designation as being consistent with the standards  
36.4 and criteria in this subdivision.

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

36.6 Sec. 12. Minnesota Statutes 2022, section 145.61, subdivision 5, is amended to read:

36.7 Subd. 5. **Review organization.** "Review organization" means a nonprofit organization  
36.8 acting according to clause (1), a committee as defined under section 144E.32, subdivision  
36.9 2, or a committee whose membership is limited to professionals, administrative staff, and  
36.10 consumer directors, except where otherwise provided for by state or federal law, and which  
36.11 is established by one or more of the following: a hospital, a clinic, a nursing home, an  
36.12 ambulance service or first responder service regulated under chapter 144E, one or more  
36.13 state or local associations of professionals, an organization of professionals from a particular  
36.14 area or medical institution, a health maintenance organization as defined in chapter 62D, a  
36.15 community integrated service network as defined in chapter 62N, a nonprofit health service  
36.16 plan corporation as defined in chapter 62C, a preferred provider organization, a professional  
36.17 standards review organization established pursuant to United States Code, title 42, section  
36.18 1320c-1 et seq., a medical review agent established to meet the requirements of section  
36.19 256B.04, subdivision 15, the Department of Human Services, Direct Care and Treatment,  
36.20 or a nonprofit corporation that owns, operates, or is established by one or more of the above  
36.21 referenced entities, to gather and review information relating to the care and treatment of  
36.22 patients for the purposes of:

36.23 (a) evaluating and improving the quality of health care;

36.24 (b) reducing morbidity or mortality;

36.25 (c) obtaining and disseminating statistics and information relative to the treatment and  
36.26 prevention of diseases, illness and injuries;

36.27 (d) developing and publishing guidelines showing the norms of health care in the area  
36.28 or medical institution or in the entity or organization that established the review organization;

36.29 (e) developing and publishing guidelines designed to keep within reasonable bounds the  
36.30 cost of health care;

36.31 (f) developing and publishing guidelines designed to improve the safety of care provided  
36.32 to individuals;

37.1 (g) reviewing the safety, quality, or cost of health care services provided to enrollees of  
37.2 health maintenance organizations, community integrated service networks, health service  
37.3 plans, preferred provider organizations, and insurance companies;

37.4 (h) acting as a professional standards review organization pursuant to United States  
37.5 Code, title 42, section 1320c-1 et seq.;

37.6 (i) determining whether a professional shall be granted staff privileges in a medical  
37.7 institution, membership in a state or local association of professionals, or participating status  
37.8 in a nonprofit health service plan corporation, health maintenance organization, community  
37.9 integrated service network, preferred provider organization, or insurance company, or  
37.10 whether a professional's staff privileges, membership, or participation status should be  
37.11 limited, suspended or revoked;

37.12 (j) reviewing, ruling on, or advising on controversies, disputes or questions between:

37.13 (1) health insurance carriers, nonprofit health service plan corporations, health  
37.14 maintenance organizations, community integrated service networks, self-insurers and their  
37.15 insureds, subscribers, enrollees, or other covered persons;

37.16 (2) professional licensing boards and health providers licensed by them;

37.17 (3) professionals and their patients concerning diagnosis, treatment or care, or the charges  
37.18 or fees therefor;

37.19 (4) professionals and health insurance carriers, nonprofit health service plan corporations,  
37.20 health maintenance organizations, community integrated service networks, or self-insurers  
37.21 concerning a charge or fee for health care services provided to an insured, subscriber,  
37.22 enrollee, or other covered person;

37.23 (5) professionals or their patients and the federal, state, or local government, or agencies  
37.24 thereof;

37.25 (k) providing underwriting assistance in connection with professional liability insurance  
37.26 coverage applied for or obtained by dentists, or providing assistance to underwriters in  
37.27 evaluating claims against dentists;

37.28 (l) acting as a medical review agent under section 256B.04, subdivision 15;

37.29 (m) providing recommendations on the medical necessity of a health service, or the  
37.30 relevant prevailing community standard for a health service;

37.31 (n) providing quality assurance as required by United States Code, title 42, sections  
37.32 1396r(b)(1)(b) and 1395i-3(b)(1)(b) of the Social Security Act;

38.1 (o) providing information to group purchasers of health care services when that  
 38.2 information was originally generated within the review organization for a purpose specified  
 38.3 by this subdivision;

38.4 (p) providing information to other, affiliated or nonaffiliated review organizations, when  
 38.5 that information was originally generated within the review organization for a purpose  
 38.6 specified by this subdivision, and as long as that information will further the purposes of a  
 38.7 review organization as specified by this subdivision; or

38.8 (q) participating in a standardized incident reporting system, including Internet-based  
 38.9 applications, to share information for the purpose of identifying and analyzing trends in  
 38.10 medical error and iatrogenic injury.

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

38.12 Sec. 13. Minnesota Statutes 2022, section 246.018, subdivision 3, is amended to read:

38.13 Subd. 3. **Duties.** The medical director shall:

38.14 (1) oversee the clinical provision of inpatient mental health services provided in the  
 38.15 state's regional treatment centers;

38.16 (2) recruit and retain psychiatrists to serve on the state medical staff established in  
 38.17 subdivision 4;

38.18 (3) consult with the ~~commissioner of human services~~ Direct Care and Treatment executive  
 38.19 board, the chief executive officer, and community mental health center directors, ~~and the~~  
 38.20 ~~state-operated services governing body~~ to develop standards for treatment and care of  
 38.21 patients in state-operated service programs;

38.22 (4) develop and oversee a continuing education program for members of the medical  
 38.23 staff; and

38.24 (5) participate and cooperate in the development and maintenance of a quality assurance  
 38.25 program for state-operated services that assures that residents receive quality inpatient care  
 38.26 and continuous quality care once they are discharged or transferred to an outpatient setting.

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

38.28 Sec. 14. Minnesota Statutes 2022, section 246.13, subdivision 2, is amended to read:

38.29 Subd. 2. **Definitions; risk assessment and management.** (a) As used in this section:

39.1 (1) "appropriate and necessary medical and other records" includes patient medical  
39.2 records and other protected health information as defined by Code of Federal Regulations,  
39.3 title 45, section 164.501, relating to a patient in a state-operated services facility including,  
39.4 but not limited to, the patient's treatment plan and abuse prevention plan that is pertinent to  
39.5 the patient's ongoing care, treatment, or placement in a community-based treatment facility  
39.6 or a health care facility that is not operated by state-operated services, and includes  
39.7 information describing the level of risk posed by a patient when the patient enters the facility;

39.8 (2) "community-based treatment" means the community support services listed in section  
39.9 253B.02, subdivision 4b;

39.10 (3) "criminal history data" means those data maintained or used by the Departments of  
39.11 Corrections and Public Safety and by the supervisory authorities listed in section 13.84,  
39.12 subdivision 1, that relate to an individual's criminal history or propensity for violence,  
39.13 including data in the Corrections Offender Management System (COMS) and Statewide  
39.14 Supervision System (S3) maintained by the Department of Corrections; and criminal history  
39.15 data as defined in section 13.87, Integrated Search Service as defined in section 13.873,  
39.16 and the Predatory Offender Registration (POR) system maintained by the Department of  
39.17 Public Safety;

39.18 (4) "designated agency" means the agency defined in section 253B.02, subdivision 5;

39.19 (5) "law enforcement agency" means the law enforcement agency having primary  
39.20 jurisdiction over the location where the offender expects to reside upon release;

39.21 (6) "predatory offender" and "offender" mean a person who is required to register as a  
39.22 predatory offender under section 243.166; and

39.23 (7) "treatment facility" means a facility as defined in section 253B.02, subdivision 19.

39.24 (b) To promote public safety and for the purposes and subject to the requirements of  
39.25 this paragraph, the ~~commissioner~~ executive board or the ~~commissioner's~~ designee of the  
39.26 executive board shall have access to, and may review and disclose, medical and criminal  
39.27 history data as provided by this section, as necessary to comply with Minnesota Rules, part  
39.28 1205.0400:

39.29 (1) to determine whether a patient is required under state law to register as a predatory  
39.30 offender according to section 243.166;

39.31 (2) to facilitate and expedite the responsibilities of the special review board and  
39.32 end-of-confinement review committees by corrections institutions and state treatment  
39.33 facilities;

40.1 (3) to prepare, amend, or revise the abuse prevention plans required under section  
 40.2 626.557, subdivision 14, and individual patient treatment plans required under section  
 40.3 253B.03, subdivision 7;

40.4 (4) to facilitate the custody, supervision, and transport of individuals transferred between  
 40.5 the Department of Corrections and ~~the Department of Human Services~~ Direct Care and  
 40.6 Treatment; or

40.7 (5) to effectively monitor and supervise individuals who are under the authority of the  
 40.8 Department of Corrections, ~~the Department of Human Services~~ Direct Care and Treatment,  
 40.9 and the supervisory authorities listed in section 13.84, subdivision 1.

40.10 (c) The state-operated services treatment facility must make a good faith effort to obtain  
 40.11 written authorization from the patient before releasing information from the patient's medical  
 40.12 record.

40.13 (d) If the patient refuses or is unable to give informed consent to authorize the release  
 40.14 of information required above, the chief executive officer ~~for state-operated services~~ shall  
 40.15 provide the appropriate and necessary medical and other records. The chief executive officer  
 40.16 shall comply with the minimum necessary requirements.

40.17 (e) The ~~commissioner~~ executive board may have access to the National Crime Information  
 40.18 Center (NCIC) database, through the Department of Public Safety, in support of the law  
 40.19 enforcement functions described in paragraph (b).

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

40.21 Sec. 15. Minnesota Statutes 2023 Supplement, section 246C.01, is amended to read:

40.22 **246C.01 TITLE.**

40.23 This chapter may be cited as the "~~Department of~~ Direct Care and Treatment Act."

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

40.25 Sec. 16. **[246C.015] DEFINITIONS.**

40.26 Subdivision 1. Scope. For the purposes of this chapter, the following terms have the  
 40.27 meanings given.

40.28 Subd. 2. Board or executive board. "Board" or "executive board" means the Direct  
 40.29 Care and Treatment executive board established under section 246C.06.



41.1 Subd. 3. **Chief executive officer.** "Chief executive officer" means the Direct Care and  
 41.2 Treatment chief executive officer appointed according to section 246C.08.

41.3 Subd. 4. **Community preparation services.** "Community preparation services" means  
 41.4 specialized inpatient or outpatient services operated outside of a secure environment but  
 41.5 administered by a secure treatment facility.

41.6 Subd. 5. **Direct Care and Treatment.** "Direct Care and Treatment" means the agency  
 41.7 of Direct Care and Treatment established under this chapter.

41.8 Subd. 6. **Secure treatment facility.** "Secure treatment facility" means a facility as  
 41.9 defined in section 253B.02, subdivision 18a; or 253D.02, subdivision 13.

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

41.11 Sec. 17. Minnesota Statutes 2023 Supplement, section 246C.02, is amended to read:

41.12 **246C.02 DEPARTMENT OF DIRECT CARE AND TREATMENT;**  
 41.13 **ESTABLISHMENT.**

41.14 ~~(a) The Department of Direct Care and Treatment is created: as an agency headed by an~~  
 41.15 ~~executive board shall head the Department of Direct Care and Treatment. The executive~~  
 41.16 ~~board shall develop and maintain direct care and treatment in a manner consistent with~~  
 41.17 ~~applicable law, including chapters 13, 245, 246, 246B, 252, 253, 253B, 253C, 253D, 254A,~~  
 41.18 ~~254B, and 256. The Department of Direct Care and Treatment shall provide direct care and~~  
 41.19 ~~treatment services in coordination with counties and other vendors. Direct care and treatment~~  
 41.20 ~~services shall that include specialized inpatient programs at secure treatment facilities as~~  
 41.21 ~~defined in sections 253B.02, subdivision 18a, and 253D.02, subdivision 13; community~~  
 41.22 ~~preparation services; regional treatment centers; enterprise services; consultative services;~~  
 41.23 ~~aftercare services; community-based services and programs; transition services; nursing~~  
 41.24 ~~home services; and other services consistent with the mission of the Department of Direct~~  
 41.25 ~~Care and Treatment state law, including this chapter and chapters 245, 246, 246B, 252, 253,~~  
 41.26 ~~253B, 253C, 253D, 254A, 254B, and 256. Direct Care and Treatment shall provide direct~~  
 41.27 ~~care and treatment services in coordination with counties and other vendors.~~

41.28 ~~(b) "Community preparation services" means specialized inpatient or outpatient services~~  
 41.29 ~~or programs operated outside of a secure environment but administered by a secure treatment~~  
 41.30 ~~facility.~~

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

42.1 Sec. 18. Minnesota Statutes 2023 Supplement, section 246C.04, is amended to read:

42.2 **246C.04 TRANSFER OF DUTIES.**

42.3 (a) Section 15.039 applies to the transfer of ~~duties~~ responsibilities from the Department  
42.4 of Human Services to Direct Care and Treatment required by this chapter.

42.5 (b) The commissioner of administration, with the governor's approval, shall issue  
42.6 reorganization orders under section 16B.37 as necessary to carry out the transfer of duties  
42.7 required by ~~section 246C.03~~ this chapter. The provision of section 16B.37, subdivision 1,  
42.8 stating that transfers under section 16B.37 may only be to an agency that has existed for at  
42.9 least one year does not apply to transfers to an agency created by this chapter.

42.10 (c) ~~The initial salary for the health systems chief executive officer of the Department of~~  
42.11 ~~Direct Care and Treatment is the same as the salary for the health systems chief executive~~  
42.12 ~~officer of direct care and treatment at the Department of Human Services immediately before~~  
42.13 ~~July 1, 2024.~~

42.14 (c) The commissioner of human services shall continue to exercise all authorities and  
42.15 responsibilities under this chapter and chapters 13, 245, 246, 246B, 252, 253, 253B, 253C,  
42.16 253D, 254A, 254B, and 256, with reference to any state-operated service, program, or  
42.17 facility subject to transfer under this act until July 1, 2025. Effective July 1, 2025, the powers  
42.18 and duties vested in or imposed upon the commissioner of human services with reference  
42.19 to any state operated service, program, or facility are transferred to, vested in, and imposed  
42.20 upon the executive board according to this chapter and applicable state law. Effective July  
42.21 1, 2025, the executive board has the exclusive power of administration and management of  
42.22 all state hospitals for persons with a developmental disability, mental illness, or substance  
42.23 use disorder. Effective July 1, 2025, the executive board has the power and authority to  
42.24 determine all matters relating to the development of all foregoing institutions and other  
42.25 institutions vested in the executive board. Effective July 1, 2025, the powers, functions, and  
42.26 authority vested in the commissioner of human services relative to such state institutions  
42.27 are transferred to the executive board according to this chapter and applicable state law.

42.28 (d) The commissioner of human services shall continue to exercise all authority and  
42.29 responsibility for and retain custody of persons subject to civil commitment under chapter  
42.30 253B or 253D until July 1, 2025. Effective July 1, 2025, custody of persons subject to civil  
42.31 commitment under chapter 253B or 253D and in the custody of the commissioner of human  
42.32 services as of that date is hereby transferred to the executive board without further act or  
42.33 proceeding. Authority and responsibility for the commitment of such persons is transferred  
42.34 to the executive board on July 1, 2025.

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

43.2 Sec. 19. Minnesota Statutes 2023 Supplement, section 246C.05, is amended to read:

43.3 **246C.05 EMPLOYEE PROTECTIONS FOR ESTABLISHING THE NEW**  
 43.4 **~~DEPARTMENT OF DIRECT CARE AND TREATMENT.~~**

43.5 (a) Personnel whose duties relate to the functions assigned to the ~~Department of Direct~~  
 43.6 Care and Treatment executive board in ~~section 246C.03~~ this chapter are transferred to the  
 43.7 ~~Department of Direct Care and Treatment~~ effective 30 days after approval by the  
 43.8 commissioner of ~~direct care and treatment~~ management and budget.

43.9 (b) Before the ~~Department of Direct Care and Treatment~~ executive board is appointed,  
 43.10 personnel whose duties relate to the functions in this ~~section~~ chapter may be transferred  
 43.11 beginning July 1, 2024, with 30 days' notice from the commissioner of management and  
 43.12 budget.

43.13 (c) The following protections shall apply to employees who are transferred from the  
 43.14 Department of Human Services to ~~the Department of Direct Care and Treatment~~:

43.15 (1) No transferred employee shall have their employment status and job classification  
 43.16 altered as a result of the transfer.

43.17 (2) Transferred employees who were represented by an exclusive representative prior  
 43.18 to the transfer shall continue to be represented by the same exclusive representative after  
 43.19 the transfer.

43.20 (3) The applicable collective bargaining agreements with exclusive representatives shall  
 43.21 continue in full force and effect for such transferred employees after the transfer.

43.22 (4) The state shall have the obligation to meet and negotiate with the exclusive  
 43.23 representatives of the transferred employees about any proposed changes affecting or relating  
 43.24 to the transferred employees' terms and conditions of employment to the extent such changes  
 43.25 are not addressed in the applicable collective bargaining agreement.

43.26 (5) When an employee in a temporary unclassified position is transferred to ~~the~~  
 43.27 ~~Department of Direct Care and Treatment~~, the total length of time that the employee has  
 43.28 served in the appointment shall include all time served in the appointment at the transferring  
 43.29 agency and the time served in the appointment at ~~the Department of Direct Care and~~  
 43.30 Treatment. An employee in a temporary unclassified position who was hired by a transferring  
 43.31 agency through an open competitive selection process in accordance with a policy enacted

44.1 by Minnesota Management and Budget shall be considered to have been hired through such  
44.2 process after the transfer.

44.3 (6) In the event that the state transfers ownership or control of any of the facilities,  
44.4 services, or operations of ~~the Department of~~ Direct Care and Treatment to another entity,  
44.5 whether private or public, by subcontracting, sale, assignment, lease, or other transfer, the  
44.6 state shall require as a written condition of such transfer of ownership or control the following  
44.7 provisions:

44.8 (i) Employees who perform work in transferred facilities, services, or operations must  
44.9 be offered employment with the entity acquiring ownership or control before the entity  
44.10 offers employment to any individual who was not employed by the transferring agency at  
44.11 the time of the transfer.

44.12 (ii) The wage and benefit standards of such transferred employees must not be reduced  
44.13 by the entity acquiring ownership or control through the expiration of the collective  
44.14 bargaining agreement in effect at the time of the transfer or for a period of two years after  
44.15 the transfer, whichever is longer.

44.16 (d) There is no liability on the part of, and no cause of action arises against, the state of  
44.17 Minnesota or its officers or agents for any action or inaction of any entity acquiring ownership  
44.18 or control of any facilities, services, or operations of ~~the Department of~~ Direct Care and  
44.19 Treatment.

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

44.21 Sec. 20. **[246C.06] EXECUTIVE BOARD; MEMBERSHIP; GOVERNANCE.**

44.22 **Subdivision 1. Establishment.** The Direct Care and Treatment executive board is  
44.23 established.

44.24 **Subd. 2. Membership.** (a) The Direct Care and Treatment executive board consists of  
44.25 nine members with seven voting members and two nonvoting members. The seven voting  
44.26 members must include six members appointed by the governor with the advice and consent  
44.27 of the senate in accordance with paragraph (b) and the commissioner of human services or  
44.28 a designee. The two nonvoting members must be appointed in accordance with paragraph  
44.29 (c). Section 15.0597 applies to all executive board appointments except for the commissioner  
44.30 of human services.

44.31 (b) The executive board voting members appointed by the governor must meet the  
44.32 following qualifications:

45.1 (1) one member must be a licensed physician who is a psychiatrist or has experience in  
45.2 servicing behavioral health patients;

45.3 (2) two members must have experience serving on a hospital or nonprofit board; and

45.4 (3) three members must have experience working: (i) as a public labor union  
45.5 representative; (ii) in the delivery of behavioral health services or care coordination or in  
45.6 traditional healing practices; (iii) as a licensed health care professional; (iv) within health  
45.7 care administration; or (v) with residential services.

45.8 (c) The executive board nonvoting members must be appointed as follows:

45.9 (1) one member appointed by the Association of Counties; and

45.10 (2) one member who has an active role as a union representative representing staff at  
45.11 Direct Care and Treatment appointed by joint representatives of the following unions:  
45.12 American Federation of State and Municipal Employees (AFSCME); Minnesota Association  
45.13 of Professional Employees (MAPE); Minnesota Nurses Association (MNA); Middle  
45.14 Management Association (MMA); and State Residential Schools Education Association  
45.15 (SRSEA).

45.16 (d) Membership on the board must include representation from outside the seven-county  
45.17 metropolitan area, as defined in section 473.121, subdivision 2.

45.18 (e) A voting member of the executive board must not be or must not have been within  
45.19 one year prior to appointment: (1) an employee of Direct Care and Treatment; (2) an  
45.20 employee of a county, including a county commissioner; (3) an active employee or  
45.21 representative of a labor union that represents employees of Direct Care and Treatment; or  
45.22 (4) a member of the state legislature. This paragraph does not apply to the nonvoting members  
45.23 or the commissioner of human services or designee.

45.24 Subd. 3. **Procedures.** Except as otherwise provided for in this section, the membership  
45.25 terms, compensation, and removal and filling of vacancies for the executive board are  
45.26 governed by section 15.0575.

45.27 Subd. 4. **Compensation.** (a) Notwithstanding section 15.0575, subdivision 3, paragraph  
45.28 (a), the nonvoting members of the executive board must not receive daily compensation for  
45.29 executive board activities. Nonvoting members of the executive board may receive expenses  
45.30 in the same manner and amount as authorized by the commissioner's plan adopted under  
45.31 section 43A.18, subdivision 2. Nonvoting members who, as a result of time spent attending  
45.32 board meetings, incur child care expenses that would not otherwise have been incurred may  
45.33 be reimbursed for those expenses upon board authorization.

46.1 (b) Notwithstanding section 15.0575, subdivision 3, paragraph (a), the Compensation  
46.2 Council under section 15A.082 must determine the compensation for voting members of  
46.3 the executive board per day spent on executive board activities authorized by the executive  
46.4 board. Voting members of the executive board may also receive the expenses in the same  
46.5 manner and amount as authorized by the commissioner's plan adopted under section 43A.18,  
46.6 subdivision 2. Voting members who, as a result of time spent attending board meetings,  
46.7 incur child care expenses that would not otherwise have been incurred may be reimbursed  
46.8 for those expenses upon board authorization.

46.9 (c) The commissioner of management and budget must publish the daily compensation  
46.10 rate for voting members of the executive board determined under paragraph (b) on the  
46.11 Department of Management and Budget's website.

46.12 (d) Voting members of the executive board must adopt internal standards prescribing  
46.13 what constitutes a day spent on board activities for the purposes of making payments  
46.14 authorized under paragraph (b).

46.15 (e) All other requirements under section 15.0575, subdivision 3, apply to the  
46.16 compensation of executive board members.

46.17 Subd. 5. **Acting chair; officers.** (a) The governor shall designate one member from the  
46.18 voting membership appointed by the governor as acting chair of the executive board.

46.19 (b) At the first meeting of the executive board, the executive board must elect a chair  
46.20 from among the voting membership appointed by the governor.

46.21 (c) The executive board must annually elect a chair from among the voting membership  
46.22 appointed by the governor.

46.23 (d) The executive board must elect officers from among the voting membership appointed  
46.24 by the governor. The elected officers shall serve for one year.

46.25 Subd. 6. **Terms.** (a) Except for the commissioner of human services, executive board  
46.26 members must not serve more than two consecutive terms unless service beyond two  
46.27 consecutive terms is approved by the majority of voting members. The commissioner or  
46.28 designee shall serve until replaced by the governor.

46.29 (b) An executive board member may resign at any time by giving written notice to the  
46.30 executive board.

46.31 (c) The initial term of the member appointed under subdivision 2, paragraph (b), clause  
46.32 (1), is two years. The initial term of the members appointed under subdivision 2, paragraph  
46.33 (b), clause (2), is three years. The initial term of the members appointed under subdivision

47.1 2, paragraph (b), clause (3), and the members appointed under subdivision 2, paragraph (c),  
47.2 is four years.

47.3 (d) After the initial term, the term length of all appointed executive board members is  
47.4 four years.

47.5 Subd. 7. **Conflicts of interest.** Executive board members must recuse themselves from  
47.6 discussion of and voting on an official matter if the executive board member has a conflict  
47.7 of interest. A conflict of interest means an association, including a financial or personal  
47.8 association, that has the potential to bias or have the appearance of biasing an executive  
47.9 board member's decision in matters related to Direct Care and Treatment or the conduct of  
47.10 activities under this chapter.

47.11 Subd. 8. **Meetings.** The executive board must meet at least four times per fiscal year at  
47.12 a place and time determined by the executive board.

47.13 Subd. 9. **Quorum.** A majority of the voting members of the executive board constitutes  
47.14 a quorum. The affirmative vote of a majority of the voting members of the executive board  
47.15 is necessary and sufficient for action taken by the executive board.

47.16 Subd. 10. **Immunity; indemnification.** (a) Members of the executive board are immune  
47.17 from civil liability for any act or omission occurring within the scope of the performance  
47.18 of their duties under this chapter.

47.19 (b) When performing executive board duties or actions, members of the executive board  
47.20 are employees of the state for purposes of indemnification under section 3.736, subdivision  
47.21 9.

47.22 Subd. 11. **Rulemaking.** (a) The executive board is authorized to adopt, amend, and  
47.23 repeal rules in accordance with chapter 14 under the executive board's authority to implement  
47.24 this chapter or any responsibilities of Direct Care and Treatment specified in state law.

47.25 (b) Until July 1, 2030, the executive board may adopt rules using the expedited  
47.26 rulemaking process in section 14.389.

47.27 (c) All orders, rules, delegations, permits, and other privileges issued or granted by the  
47.28 Department of Human Services with respect to any function of Direct Care and Treatment  
47.29 and in effect at the time of the establishment of Direct Care and Treatment shall continue  
47.30 in effect as if such establishment had not occurred. The executive board may amend or  
47.31 repeal rules applicable to Direct Care and Treatment that were established by the Department  
47.32 of Human Services in accordance with chapter 14.

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

48.1 **Sec. 21. [246C.07] POWERS AND DUTIES OF EXECUTIVE BOARD.**

48.2 Subdivision 1. **Generally.** (a) The executive board must operate the agency according  
48.3 to this chapter and applicable state and federal law. The overall management and control  
48.4 of the agency is vested in the executive board in accordance with this chapter.

48.5 (b) The executive board must appoint a chief executive officer according to section  
48.6 246C.08. The chief executive officer is responsible for the administrative and operational  
48.7 duties of Direct Care and Treatment in accordance with this chapter.

48.8 (c) The executive board may delegate duties imposed by this chapter and under applicable  
48.9 state and federal law as deemed appropriate by the board and in accordance with this chapter.  
48.10 Any delegation of a specified statutory duty or power to an employee of Direct Care and  
48.11 Treatment other than the chief executive officer must be made by written order and filed  
48.12 with the secretary of state. Only the chief executive officer shall have the powers and duties  
48.13 of the executive board as specified in section 246C.08.

48.14 Subd. 2. **Principles.** The executive board, in undertaking its duties and responsibilities  
48.15 and within Direct Care and Treatment resources, shall act according to the following  
48.16 principles:

48.17 (1) prevent the waste or unnecessary spending of public money;

48.18 (2) use innovative fiscal and human resource practices to manage the state's resources  
48.19 and operate the agency as efficiently as possible;

48.20 (3) coordinate Direct Care and Treatment activities wherever appropriate with the  
48.21 activities of other governmental agencies;

48.22 (4) use technology where appropriate to increase agency productivity, improve customer  
48.23 service, increase public access to information about government, and increase public  
48.24 participation in the business of government; and

48.25 (5) utilize constructive and cooperative labor management practices to the extent  
48.26 otherwise required by chapter 43A or 179A.

48.27 Subd. 3. **Powers and duties.** (a) The executive board has the power and duty to:

48.28 (1) set the overall strategic direction for Direct Care and Treatment, ensuring that Direct  
48.29 Care and Treatment delivers exceptional care and supports the well-being of all individuals  
48.30 served by Direct Care and Treatment;

48.31 (2) establish policies and procedures to govern the operation of the facilities, programs,  
48.32 and services under the direct authority of Direct Care and Treatment;



49.1 (3) employ personnel and delegate duties and responsibilities to personnel as deemed  
49.2 appropriate by the executive board, subject to chapters 43A and 179A and in accordance  
49.3 with this chapter;

49.4 (4) review and approve the operating budget proposal for Direct Care and Treatment;

49.5 (5) accept and use gifts, grants, or contributions from any nonstate source or refuse to  
49.6 accept any gift, grant, or contribution if acceptance would not be in the best interest of the  
49.7 state;

49.8 (6) deposit all money received as gifts, grants, or contributions pursuant to section  
49.9 246C.09, subdivision 1;

49.10 (7) enter into information-sharing agreements with federal and state agencies and other  
49.11 entities, provided the agreements include adequate protections with respect to the  
49.12 confidentiality and integrity of the information to be shared and comply with all applicable  
49.13 state and federal laws, regulations, and rules;

49.14 (8) enter into interagency or service level agreements with a state department listed in  
49.15 section 15.01; a multimember state agency described in section 15.012, paragraph (a); or  
49.16 the Department of Information Technology Services;

49.17 (9) enter into contractual agreements with federally recognized Indian Tribes with a  
49.18 reservation in Minnesota;

49.19 (10) enter into contracts with public and private agencies, private and nonprofit  
49.20 organizations, and individuals, using appropriated funds;

49.21 (11) establish and maintain any administrative units reasonably necessary for the  
49.22 performance of administrative functions common to all programs or divisions of Direct  
49.23 Care and Treatment;

49.24 (12) authorize the method of payment to or from Direct Care and Treatment as part of  
49.25 programs administered by Direct Care and Treatment, including authorization of the receipt  
49.26 or disbursement of funds held by Direct Care and Treatment in a fiduciary capacity as part  
49.27 of the programs administered by Direct Care and Treatment;

49.28 (13) inform Tribal Nations and county agencies, on a timely basis, of changes in statute,  
49.29 rule, federal law, regulation, and policy necessary to Tribal or county agency administration  
49.30 of Direct Care and Treatment programs and services;

50.1 (14) report to the legislature on the performance of Direct Care and Treatment operations  
 50.2 and the accomplishment of Direct Care and Treatment goals in its biennial budget in  
 50.3 accordance with section 16A.10, subdivision 1;

50.4 (15) recommend to the legislature appropriate changes in law necessary to carry out the  
 50.5 principles and improve the performance of Direct Care and Treatment; and

50.6 (16) exercise all powers reasonably necessary to implement and administer the  
 50.7 requirements of this chapter and applicable state and federal law.

50.8 (b) The specific enumeration of powers and duties as set forth in this section shall not  
 50.9 be construed as a limitation upon the general transfer of Direct Care and Treatment facilities,  
 50.10 programs, and services from the Department of Human Services to Direct Care and Treatment  
 50.11 under this chapter.

50.12 Subd. 4. **Creation of bylaws.** The board may establish bylaws governing its operations  
 50.13 and the operations of Direct Care and Treatment in accordance with this chapter.

50.14 Subd. 5. **Reciprocal exchange of certain persons.** The executive board is authorized  
 50.15 and empowered with the approval of the governor to enter into reciprocal agreements with  
 50.16 another state or states regarding the mutual exchange, return, and transportation of persons  
 50.17 with a mental illness or a developmental disability who are within the confines of one state  
 50.18 but have legal residence or legal settlement for the purposes of relief in another state. Any  
 50.19 agreement entered into under this subdivision must not contain any provision that conflicts  
 50.20 with any state law.

50.21 Subd. 6. **Acceptance of voluntary, uncompensated services.** For the purpose of carrying  
 50.22 out a duty, the executive board may accept uncompensated and voluntary services and may  
 50.23 enter into contracts or agreements with private or public agencies, organizations, or persons,  
 50.24 for uncompensated and voluntary services, as the executive board may deem practicable.  
 50.25 Uncompensated and voluntary services do not include services mandated by licensure or  
 50.26 certification requirements for health care facilities. The volunteer agencies, organizations,  
 50.27 or persons who provide services to residents of state facilities operated under the authority  
 50.28 of Direct Care and Treatment are not subject to the procurement requirements of chapter  
 50.29 16A or 16C.

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

50.31 Sec. 22. **[246C.08] CHIEF EXECUTIVE OFFICER; SERVICE; DUTIES.**

50.32 Subdivision 1. **Service.** (a) The Direct Care and Treatment chief executive officer is  
 50.33 appointed by the executive board and serves at the pleasure of the executive board.

51.1 (b) The chief executive officer shall serve in the unclassified service in accordance with  
51.2 section 43A.08 and shall be governed by a compensation plan prepared by the executive  
51.3 board, submitted to the commissioner of management and budget for review and comment,  
51.4 and approved by the Legislative Coordinating Commission and the legislature in accordance  
51.5 with section 3.855.

51.6 Subd. 2. Powers and duties. (a) The chief executive officer's primary duty is to assist  
51.7 the executive board. The chief executive officer is responsible for the administrative and  
51.8 operational management of the agency.

51.9 (b) The chief executive officer shall have all the powers of the executive board unless  
51.10 the executive board directs otherwise. The chief executive officer shall have the authority  
51.11 to speak for the executive board and Direct Care and Treatment within and outside the  
51.12 agency.

51.13 (c) In the event that a vacancy occurs for any reason within the chief executive officer  
51.14 position, the chief medical officer appointed under section 246.018 shall immediately become  
51.15 the temporary chief executive officer until the executive board appoints a new chief executive  
51.16 officer. During this period, the chief medical officer shall have all the powers and authority  
51.17 delegated to the chief executive officer by the board and specified in this chapter.

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

51.19 Sec. 23. **[246C.09] DIRECT CARE AND TREATMENT ACCOUNTS.**

51.20 Subdivision 1. **Gifts, grants, and contributions account.** (a) A gifts, grants, and  
51.21 contributions account is created in the special revenue fund in the state treasury. All money  
51.22 received by the executive board as a gift, grant, or contribution must be deposited in the  
51.23 gifts, grants, and contributions account. Beginning July 1, 2025, except as provided in  
51.24 paragraph (b), money in the account is annually appropriated to the Direct Care and  
51.25 Treatment executive board to accomplish the purposes of this chapter. Gifts, grants, or  
51.26 contributions received by the executive board exceeding current agency needs must be  
51.27 invested by the State Board of Investment in accordance with section 11A.24. Disbursements  
51.28 from the gifts, grants, and contributions account must be made in the manner provided for  
51.29 the issuance of other state payments.

51.30 (b) If the gift or contribution is designated for a certain person, institution, or purpose,  
51.31 the Direct Care and Treatment executive board must use the gift or contribution as specified  
51.32 in accordance with the conditions of the gift or contribution if compatible with the best  
51.33 interests of the person and the state. If a gift or contribution is accepted for the use and

52.1 benefit of a person with a developmental disability, including those within a state hospital,  
 52.2 research relating to persons with a developmental disability must be considered an appropriate  
 52.3 use of the gift or contribution. Such money must not be used for any structures or installations  
 52.4 which by their nature would require state expenditures for their operation or maintenance  
 52.5 without specific legislative enactment.

52.6 Subd. 2. **Facilities management account.** A facilities management account is created  
 52.7 in the special revenue fund of the state treasury. Beginning July 1, 2025, money in the  
 52.8 account is appropriated to the Direct Care and Treatment executive board and may be used  
 52.9 to maintain buildings, acquire facilities, renovate existing buildings, or acquire land for the  
 52.10 design and construction of buildings for Direct Care and Treatment use. Money received  
 52.11 for maintaining state property under control of the executive board may be deposited into  
 52.12 this account.

52.13 Subd. 3. **Direct Care and Treatment systems account.** (a) The Direct Care and  
 52.14 Treatment systems account is created in the special revenue fund of the state treasury.  
 52.15 Beginning July 1, 2025, money in the account is appropriated to the Direct Care and  
 52.16 Treatment executive board and may be used for security systems and information technology  
 52.17 projects, services, and support under the control of the executive board.

52.18 (b) The commissioner of human services shall transfer all money allocated to the Direct  
 52.19 Care and Treatment systems projects under section 256.014 to the Direct Care and Treatment  
 52.20 systems account by June 30, 2026.

52.21 Subd. 4. **Cemetery maintenance account.** The cemetery maintenance account is created  
 52.22 in the special revenue fund of the state treasury. Money in the account is appropriated to  
 52.23 the executive board for the maintenance of cemeteries under control of the executive board.  
 52.24 Money allocated to Direct Care and Treatment cemeteries may be transferred to this account.

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

52.26 Sec. 24. Minnesota Statutes 2022, section 256.88, is amended to read:

52.27 **256.88 SOCIAL WELFARE FUND ESTABLISHED.**

52.28 Except as otherwise expressly provided, all moneys and funds held by the commissioner  
 52.29 of human services, the Direct Care and Treatment executive board, and the local social  
 52.30 services agencies of the several counties in trust or for the benefit of children with a disability  
 52.31 and children who are dependent, neglected, or delinquent, children born to mothers who  
 52.32 were not married to the children's fathers at the times of the conception nor at the births of  
 52.33 the children, persons determined to have developmental disability, mental illness, or substance

53.1 use disorder, or other wards or beneficiaries, under any law, shall be kept in a single fund  
 53.2 to be known as the "social welfare fund" which shall be deposited at interest, held, or  
 53.3 disbursed as provided in sections 256.89 to 256.92.

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

53.5 Sec. 25. Minnesota Statutes 2022, section 256.89, is amended to read:

53.6 **256.89 FUND DEPOSITED IN STATE TREASURY.**

53.7 The social welfare fund and all accretions thereto shall be deposited in the state treasury,  
 53.8 as a separate and distinct fund, to the credit of the commissioner of human services and the  
 53.9 Direct Care and Treatment executive board as ~~trustee~~ trustees for ~~the~~ their respective  
 53.10 beneficiaries thereof in proportion to ~~their~~ the beneficiaries' several interests. The  
 53.11 commissioner of management and budget shall be responsible only to the commissioner of  
 53.12 human services and the Direct Care and Treatment executive board for the sum total of the  
 53.13 fund, and shall have no duties nor direct obligations toward the beneficiaries thereof  
 53.14 individually. Subject to the applicable rules of the commissioner of human services or the  
 53.15 Direct Care and Treatment executive board, money so received by a local social services  
 53.16 agency may be deposited by the executive secretary of the local social services agency in  
 53.17 a local bank carrying federal deposit insurance, designated by the local social services  
 53.18 agency for this purpose. The amount of such deposit in each such bank at any one time shall  
 53.19 not exceed the amount protected by federal deposit insurance.

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

53.21 Sec. 26. Minnesota Statutes 2022, section 256.90, is amended to read:

53.22 **256.90 SOCIAL WELFARE FUND; USE; DISPOSITION; DEPOSITORIES.**

53.23 The commissioner of human services, in consultation with the Direct Care and Treatment  
 53.24 executive board, at least 30 days before the first day of January and the first day of July in  
 53.25 each year shall file with the commissioner of management and budget an estimate of the  
 53.26 amount of the social welfare fund to be held in the treasury during the succeeding six-month  
 53.27 period, subject to current disbursement. Such portion of the remainder thereof as may be at  
 53.28 any time designated by the request of the commissioner of human services may be invested  
 53.29 by the commissioner of management and budget in bonds in which the permanent trust  
 53.30 funds of the state of Minnesota may be invested, upon approval by the State Board of  
 53.31 Investment. The portion of such remainder not so invested shall be placed by the  
 53.32 commissioner of management and budget at interest for the period of six months, or when  
 53.33 directed by the commissioner of human services, for the period of 12 months thereafter at

54.1 the highest rate of interest obtainable in a bank, or banks, designated by the board of deposit  
54.2 as a suitable depository therefor. All the provisions of law relative to the designation and  
54.3 qualification of depositories of other state funds shall be applicable to sections 256.88 to  
54.4 256.92, except as herein otherwise provided. Any bond given, or collateral assigned or both,  
54.5 to secure a deposit hereunder may be continuous in character to provide for the repayment  
54.6 of any moneys belonging to the fund theretofore or thereafter at any time deposited in such  
54.7 bank until its designation as such depository is revoked and the security thereof shall be not  
54.8 impaired by any subsequent agreement or understanding as to the rate of interest to be paid  
54.9 upon such deposit, or as to time for its repayment. The amount of money belonging to the  
54.10 fund deposited in any bank, including other state deposits, shall not at any time exceed the  
54.11 amount of the capital stock thereof. In the event of the closing of the bank any sum deposited  
54.12 therein shall immediately become due and payable.

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

54.14 Sec. 27. Minnesota Statutes 2022, section 256.91, is amended to read:

54.15 **256.91 PURPOSES.**

54.16 From that part of the social welfare fund held in the state treasury subject to disbursement  
54.17 as provided in section 256.90 the commissioner of human services or the Direct Care and  
54.18 Treatment executive board at any time may pay out such amounts as the commissioner or  
54.19 executive board deems proper for the support, maintenance, or other legal benefit of any of  
54.20 the children with a disability and children who are dependent, neglected, or delinquent,  
54.21 children born to mothers who were not married to the children's fathers at the times of the  
54.22 conception nor at the births of the children, persons with developmental disability, substance  
54.23 use disorder, or mental illness, or other wards or persons entitled thereto, not exceeding in  
54.24 the aggregate to or for any person the principal amount previously received for the benefit  
54.25 of the person, together with the increase in it from an equitable apportionment of interest  
54.26 realized from the social welfare fund.

54.27 When any such person dies or is finally discharged from the guardianship, care, custody,  
54.28 and control of the commissioner of human services or the Direct Care and Treatment  
54.29 executive board, the amount then remaining subject to use for the benefit of the person shall  
54.30 be paid as soon as may be from the social welfare fund to the persons thereto entitled by  
54.31 law.

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

55.1 Sec. 28. Minnesota Statutes 2022, section 256.92, is amended to read:

55.2 **256.92 COMMISSIONER OF HUMAN SERVICES AND DIRECT CARE AND**  
 55.3 **TREATMENT, ACCOUNTS.**

55.4 It shall be the duty of the commissioner of human services, the Direct Care and Treatment  
 55.5 executive board, and ~~of~~ the local social services agencies of the several counties of this state  
 55.6 to cause to be deposited with the commissioner of management and budget all moneys and  
 55.7 funds in their possession or under their control and designated by section 256.91 as and for  
 55.8 the social welfare fund; and all such moneys and funds shall be so deposited in the state  
 55.9 treasury as soon as received. The commissioner of human services, in consultation with the  
 55.10 Direct Care and Treatment executive board, shall keep books of account or other records  
 55.11 showing separately the principal amount received and deposited in the social welfare fund  
 55.12 for the benefit of any person, together with the name of such person, and the name and  
 55.13 address, if known to the commissioner of human services or the Direct Care and Treatment  
 55.14 executive board, of the person from whom such money was received; and, at least once  
 55.15 every two years, the amount of interest, if any, which the money has earned in the social  
 55.16 welfare fund shall be apportioned thereto and posted in the books of account or records to  
 55.17 the credit of such beneficiary.

55.18 The provisions of sections 256.88 to 256.92 shall not apply to any fund or money now  
 55.19 or hereafter deposited or otherwise disposed of pursuant to the lawful orders, decrees,  
 55.20 judgments, or other directions of any district court having jurisdiction thereof.

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

55.22 Sec. 29. Laws 2023, chapter 61, article 8, section 1, the effective date, is amended to read:

55.23 **EFFECTIVE DATE.** This section is effective ~~January~~ July 1, 2025 2024.

55.24 Sec. 30. Laws 2023, chapter 61, article 8, section 2, the effective date, is amended to read:

55.25 **EFFECTIVE DATE.** This section is effective ~~January~~ July 1, 2025 2024.

55.26 Sec. 31. Laws 2023, chapter 61, article 8, section 3, the effective date, is amended to read:

55.27 **EFFECTIVE DATE.** This section is effective ~~January~~ July 1, 2025 2024.

55.28 Sec. 32. Laws 2023, chapter 61, article 8, section 8, the effective date, is amended to read:

55.29 **EFFECTIVE DATE.** This section is effective ~~January~~ July 1, 2025 2024.

56.1 **Sec. 33. INITIAL APPOINTMENTS AND COMPENSATION OF THE DIRECT**  
56.2 **CARE AND TREATMENT EXECUTIVE BOARD AND CHIEF EXECUTIVE**  
56.3 **OFFICER.**

56.4 Subdivision 1. **Executive board.** (a) The initial appointments of the members of the  
56.5 Direct Care and Treatment executive board under Minnesota Statutes, section 246C.06,  
56.6 must be made by January 1, 2025.

56.7 (b) Prior to the first Compensation Council determination of the daily compensation rate  
56.8 for voting members of the executive board under Minnesota Statutes, section 246C.06,  
56.9 subdivision 4, paragraph (b), voting members of the executive board must be paid the per  
56.10 diem rate provided for in Minnesota Statutes, section 15.0575, subdivision 3, paragraph (a).

56.11 (c) The executive board is exempt from Minnesota Statutes, section 13D.01, until the  
56.12 authority and responsibilities for Direct Care and Treatment are transferred to the executive  
56.13 board in accordance with Minnesota Statutes, section 246C.04.

56.14 Subd. 2. **Chief executive officer.** (a) The Direct Care and Treatment executive board  
56.15 must appoint as the initial chief executive officer for Direct Care and Treatment under  
56.16 Minnesota Statutes, section 246C.07, the chief executive officer of the direct care and  
56.17 treatment division of the Department of Human Services holding that position at the time  
56.18 the initial appointment is made by the board. The initial appointment of the chief executive  
56.19 officer must be made by the executive board by July 1, 2025.

56.20 (b) Notwithstanding Minnesota Statutes, section 246C.08, the salary of the initial chief  
56.21 executive officer must not be less than the amount paid to the chief executive officer of the  
56.22 direct care and treatment division of the Department of Human Services as of the date of  
56.23 the initial appointment.

56.24 Subd. 3. **Commissioner of human services to consult.** In preparing the budget estimates  
56.25 required under Minnesota Statutes, section 16A.10, for the direct care and treatment division  
56.26 for the 2026-2027 biennial budget and any legislative proposals for the 2025 legislative  
56.27 session that involve direct care and treatment operations, the commissioner of human services  
56.28 must consult with the Direct Care and Treatment executive board before submitting the  
56.29 budget estimates or legislative proposals. If the executive board is not appointed by the date  
56.30 the budget estimates must be submitted to the commissioner of management and budget,  
56.31 the commissioner of human services must provide the executive board with a summary of  
56.32 the budget estimates that were submitted.

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



57.1 Sec. 34. **REPEALER.**

57.2 (a) Minnesota Statutes 2023 Supplement, section 246C.03, is repealed.

57.3 (b) Minnesota Statutes 2022, sections 246.01; 246.12; 246.234; 246.36; and 246.41, are  
57.4 repealed.

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

## 57.6 ARTICLE 5

### 57.7 HUMAN SERVICES CONTINGENCY

57.8 Section 1. **[256.044] HUMAN SERVICES RESPONSE CONTINGENCY ACCOUNT.**

57.9 Subdivision 1. **Human services response contingency account.** A human services  
57.10 response contingency account is created in the special revenue fund in the state treasury.  
57.11 Money in the human services response contingency account does not cancel and is  
57.12 appropriated to the commissioner of human services for the purposes specified in this section.

57.13 Subd. 2. **Definition.** For purposes of this section, "human services response" means  
57.14 activities to respond to emerging or immediate needs related to supporting the health, welfare,  
57.15 or safety of people.

57.16 Subd. 3. **Use of money.** (a) The commissioner may make expenditures from the human  
57.17 services response contingency account to respond to needs as defined in subdivision 2 and  
57.18 for which no other funding or insufficient funding is available.

57.19 (b) When the commissioner determines that a human services response is needed, the  
57.20 commissioner may make expenditures from the human services response contingency  
57.21 account for the following uses attributed to the human services response:

57.22 (1) services, supplies, and equipment to support the health, welfare, or safety of people;

57.23 (2) training and coordination with service providers, Tribal Nations, and local government  
57.24 entities;

57.25 (3) communication with and outreach to impacted people;

57.26 (4) informational technology; and

57.27 (5) staffing.

57.28 (c) The commissioner may transfer money to the Department of Children, Youth, and  
57.29 Families for eligible uses under paragraph (b).

58.1 (d) Money expended out of the human services response contingency account is not  
 58.2 subject to requirements under chapters 16A, 16B, and 16C. Money may be distributed as  
 58.3 direct payments.

58.4 **ARTICLE 6**  
 58.5 **TECHNICAL CORRECTIONS**

58.6 Section 1. Minnesota Statutes 2023 Supplement, section 256R.55, subdivision 9, is amended  
 58.7 to read:

58.8 Subd. 9. **Carryforward.** Notwithstanding section 16A.28, subdivision 3, any  
 58.9 appropriation for the purposes under this section ~~carries forward and does not lapse until~~  
 58.10 ~~the close of the fiscal year in which this section expires~~ is available until June 30, 2029.

58.11 Sec. 2. Laws 2023, chapter 61, article 4, section 11, the effective date, is amended to read:

58.12 **EFFECTIVE DATE.** This section is effective January 1, ~~2024~~ 2026, or upon federal  
 58.13 approval, whichever is later. The commissioner shall notify the revisor of statutes when  
 58.14 federal approval is obtained.

58.15 **ARTICLE 7**  
 58.16 **APPROPRIATIONS**

58.17 Section 1. **HUMAN SERVICES APPROPRIATION.**

58.18 The dollar amounts shown in the columns marked "Appropriations" are added to or, if  
 58.19 shown in parentheses, are subtracted from the appropriations in Laws 2023, chapter 70,  
 58.20 article 20, and chapter 61, article 9, from the general fund or any fund named for the purposes  
 58.21 specified in this article, to be available for the fiscal years indicated for each purpose. The  
 58.22 figures "2024" and "2025" used in this article mean that the appropriations listed under them  
 58.23 are available for the fiscal years ending June 30, 2024, or June 30, 2025, respectively. "The  
 58.24 first year" is fiscal year 2024. "The second year" is fiscal year 2025. "The biennium" is  
 58.25 fiscal years 2024 and 2025.

	<b><u>APPROPRIATIONS</u></b>	
	<b><u>Available for the Year</u></b>	
	<b><u>Ending June 30</u></b>	
	<b><u>2024</u></b>	<b><u>2025</u></b>

58.30 Sec. 2. **COMMISSIONER OF HUMAN**  
 58.31 **SERVICES**

59.1	<b><u>Subdivision 1. Total General Fund</u></b>		
59.2	<b><u>Appropriation</u></b>	<b><u>\$</u></b>	<b><u>0 \$</u></b> <b><u>18,667,000</u></b>
59.3	<u>The amounts that may be spent for each</u>		
59.4	<u>purpose are specified in the following</u>		
59.5	<u>subdivisions.</u>		
59.6	<b><u>Subd. 2. Central Office; Operations</u></b>		<b><u>-0-</u></b> <b><u>1,030,000</u></b>
59.7	<b><u>(a) Carryforward authority.</u></b> <u>Notwithstanding</u>		
59.8	<u>Minnesota Statutes, section 16A.28,</u>		
59.9	<u>subdivision 3, \$504,000 in fiscal year 2025 is</u>		
59.10	<u>available until June 30, 2027.</u>		
59.11	<b><u>(b) Base level adjustment.</u></b> <u>The general fund</u>		
59.12	<u>base is increased by \$266,000 in fiscal year</u>		
59.13	<u>2026 and each year thereafter.</u>		
59.14	<b><u>Subd. 3. Central Office; Health Care</u></b>		<b><u>-0-</u></b> <b><u>621,000</u></b>
59.15	<b><u>Base level adjustment.</u></b> <u>The general fund base</u>		
59.16	<u>is increased by \$726,000 in fiscal year 2026</u>		
59.17	<u>and increased by \$730,000 in fiscal year 2027.</u>		
59.18	<b><u>Subd. 4. Central Office; Aging and Disability</u></b>		
59.19	<b><u>Services</u></b>		<b><u>-0-</u></b> <b><u>640,000</u></b>
59.20	<b><u>(a) Tribal vulnerable adult and</u></b>		
59.21	<b><u>developmental disabilities targeted case</u></b>		
59.22	<b><u>management medical assistance benefit.</u></b>		
59.23	<u>\$200,000 in fiscal year 2025 is for the</u>		
59.24	<u>development of a Tribal vulnerable adult and</u>		
59.25	<u>developmental disabilities targeted case</u>		
59.26	<u>management medical assistance benefit under</u>		
59.27	<u>Minnesota Statutes, section 256B.0924. This</u>		
59.28	<u>is a onetime appropriation.</u>		
59.29	<b><u>(b) Base level adjustment.</u></b> <u>The general fund</u>		
59.30	<u>base is increased by \$517,000 in fiscal year</u>		
59.31	<u>2026 and each year thereafter.</u>		
59.32	<b><u>Subd. 5. Central Office; Behavioral Health,</u></b>		
59.33	<b><u>Housing, and Deaf and Hard of Hearing</u></b>		
59.34	<b><u>Services</u></b>		<b><u>-0-</u></b> <b><u>1,687,000</u></b>

- 60.1 **(a) Medical assistance reentry**  
60.2 **demonstration.** \$200,000 in fiscal year 2025  
60.3 is for engagement with people with lived  
60.4 experience, families, and community partners  
60.5 on the development and implementation of  
60.6 the medical assistance reentry demonstration  
60.7 benefit under Minnesota Statutes, section  
60.8 256B.0761. Money appropriated in fiscal year  
60.9 2025 is available until June 30, 2026.
- 60.10 **(b) Base level adjustment.** The general fund  
60.11 base is increased by \$1,958,000 in fiscal year  
60.12 2026 and each year thereafter.
- |  |            |                    |
|--|------------|--------------------|
| 60.13 <b><u>Subd. 6. Forecasted Programs; Medical</u></b>          |            |                    |
| 60.14 <b><u>Assistance</u></b>                                     | <u>-0-</u> | <u>(1,183,000)</u> |
| 60.15 <b><u>Subd. 7. Forecasted Programs; Alternative Care</u></b> | <u>-0-</u> | <u>1,000</u>       |
| 60.16 <b><u>Subd. 8. Grant Programs; Refugee Services</u></b>      |            |                    |
| 60.17 <b><u>Grants</u></b>   | <u>-0-</u> | <u>9,656,000</u>   |
- 60.18 **Human services response contingency**  
60.19 **account.** \$9,656,000 in fiscal year 2025 is for  
60.20 the human services response contingency  
60.21 account under Minnesota Statutes, section  
60.22 256.044. This is a onetime appropriation.
- |  |            |                  |
|--|------------|------------------|
| 60.23 <b><u>Subd. 9. Grant Programs; Adult Mental Health</u></b> |            |                  |
| 60.24 <b><u>Grants</u></b>                                       | <u>-0-</u> | <u>1,250,000</u> |
- 60.25 **Medical assistance reentry demonstration**  
60.26 **grants.** \$1,250,000 in fiscal year 2025 is for  
60.27 capacity building and implementation grants  
60.28 for the medical assistance reentry  
60.29 demonstration under Minnesota Statutes,  
60.30 section 256B.0761. Money appropriated in  
60.31 fiscal year 2025 is available until June 30,  
60.32 2026. The base for this appropriation is  
60.33 \$1,250,000 in fiscal year 2026 and \$0 in fiscal  
60.34 year 2027.

61.1	<b><u>Subd. 10. Direct Care and Treatment - Mental</u></b>		
61.2	<b><u>Health and Substance Abuse</u></b>	<u>-0-</u>	<u>(2,718,000)</u>
61.3	<b><u>Base level adjustment.</u></b> The general fund base		
61.4	is decreased by \$4,487,000 in fiscal year 2026		
61.5	<u>and each year thereafter.</u>		
61.6	<b><u>Subd. 11. Direct Care and Treatment - Forensic</u></b>		
61.7	<b><u>Services</u></b>	<u>-0-</u>	<u>7,182,000</u>
61.8	<b><u>Base level adjustment.</u></b> The general fund base		
61.9	is increased by \$6,612,000 in fiscal year 2026		
61.10	<u>and each year thereafter.</u>		
61.11	<b><u>Subd. 12. Direct Care and Treatment -</u></b>		
61.12	<b><u>Operations</u></b>	<u>-0-</u>	<u>501,000</u>
61.13	<b><u>Base level adjustment.</u></b> The general fund base		
61.14	is increased by \$617,000 in fiscal year 2026		
61.15	<u>and \$586,000 in fiscal year 2027.</u>		
61.16	<b>Sec. 3. <u>DEPARTMENT OF CORRECTIONS</u></b> <b>\$</b>	<b><u>0</u></b> <b>\$</b>	<b><u>1,649,000</u></b>
61.17	<b><u>Medical assistance reentry demonstration.</u></b>		
61.18	<u>\$1,649,000 in fiscal year 2025 is from the</u>		
61.19	<u>general fund for planning and implementation</u>		
61.20	<u>of the medical assistance reentry</u>		
61.21	<u>demonstration. The base for this appropriation</u>		
61.22	<u>is \$1,924,000 in fiscal year 2026 and</u>		
61.23	<u>\$2,364,000 in fiscal year 2027.</u>		
61.24	Sec. 4. Laws 2023, chapter 61, article 9, section 2, subdivision 16, as amended by Laws		
61.25	2023, chapter 70, article 15, section 8, is amended to read:		
61.26	<b>Subd. 16. Grant Programs; Disabilities Grants</b>	113,684,000	30,377,000
61.27	<b>(a) Temporary Grants for Small</b>		
61.28	<b>Customized Living Providers.</b> \$5,450,000		
61.29	in fiscal year 2024 is for grants to assist small		
61.30	customized living providers to transition to		
61.31	community residential services licensure or		
61.32	integrated community supports licensure.		
61.33	Notwithstanding Minnesota Statutes, section		

62.1 16A.28, this appropriation is available until  
62.2 June 30, 2027. This is a onetime appropriation.

62.3 **(b) Lead Agency Capacity Building Grants.**

62.4 \$444,000 in fiscal year 2024 and \$2,396,000  
62.5 in fiscal year 2025 are for grants to assist  
62.6 organizations, counties, and Tribes to build  
62.7 capacity for employment opportunities for  
62.8 people with disabilities. The base for this  
62.9 appropriation is \$2,413,000 in fiscal year 2026  
62.10 and \$2,411,000 in fiscal year 2027.

62.11 **(c) Employment and Technical Assistance**

62.12 **Center Grants.** \$450,000 in fiscal year 2024  
62.13 and \$1,800,000 in fiscal year 2025 are for  
62.14 employment and technical assistance grants  
62.15 to assist organizations and employers in  
62.16 promoting a more inclusive workplace for  
62.17 people with disabilities.

62.18 **(d) Case Management Training Grants.**

62.19 \$37,000 in fiscal year 2024 and \$123,000 in  
62.20 fiscal year 2025 are for grants to provide case  
62.21 management training to organizations and  
62.22 employers to support the state's disability  
62.23 employment supports system. The base for  
62.24 this appropriation is \$45,000 in fiscal year  
62.25 2026 and \$45,000 in fiscal year 2027.

62.26 **(e) Self-Directed Bargaining Agreement;**

62.27 **Electronic Visit Verification Stipends.**

62.28 \$6,095,000 in fiscal year 2024 is for onetime  
62.29 stipends of \$200 to bargaining members to  
62.30 offset the potential costs related to people  
62.31 using individual devices to access the  
62.32 electronic visit verification system. Of this  
62.33 amount, \$5,600,000 is for stipends and  
62.34 \$495,000 is for administration. This is a

63.1 onetime appropriation and is available until  
63.2 June 30, 2025.

63.3 **(f) Self-Directed Collective Bargaining**  
63.4 **Agreement; Temporary Rate Increase**  
63.5 **Memorandum of Understanding.** \$1,600,000  
63.6 in fiscal year 2024 is for onetime stipends for  
63.7 individual providers covered by the SEIU  
63.8 collective bargaining agreement based on the  
63.9 memorandum of understanding related to the  
63.10 temporary rate increase in effect between  
63.11 December 1, 2020, and February 7, 2021. Of  
63.12 this amount, \$1,400,000 of the appropriation  
63.13 is for stipends and \$200,000 is for  
63.14 administration. This is a onetime  
63.15 appropriation.

63.16 **(g) Self-Directed Collective Bargaining**  
63.17 **Agreement; Retention Bonuses.** \$50,750,000  
63.18 in fiscal year 2024 is for onetime retention  
63.19 bonuses covered by the SEIU collective  
63.20 bargaining agreement. Of this amount,  
63.21 \$50,000,000 is for retention bonuses and  
63.22 \$750,000 is for administration of the bonuses.  
63.23 This is a onetime appropriation and is  
63.24 available until June 30, 2025.

63.25 **(h) Self-Directed Bargaining Agreement;**  
63.26 **Training Stipends.** \$2,100,000 in fiscal year  
63.27 2024 and \$100,000 in fiscal year 2025 are for  
63.28 onetime stipends of \$500 for collective  
63.29 bargaining unit members who complete  
63.30 designated, voluntary trainings made available  
63.31 through or recommended by the State Provider  
63.32 Cooperation Committee. Of this amount,  
63.33 \$2,000,000 in fiscal year 2024 is for stipends,  
63.34 and \$100,000 in fiscal year 2024 and \$100,000

64.1 in fiscal year 2025 are for administration. This  
64.2 is a onetime appropriation.

64.3 **(i) Self-Directed Bargaining Agreement;**  
64.4 **Orientation Program.** \$2,000,000 in fiscal  
64.5 year 2024 and \$2,000,000 in fiscal year 2025  
64.6 are for onetime \$100 payments to collective  
64.7 bargaining unit members who complete  
64.8 voluntary orientation requirements. Of this  
64.9 amount, \$1,500,000 in fiscal year 2024 and  
64.10 \$1,500,000 in fiscal year 2025 are for the  
64.11 onetime \$100 payments, and \$500,000 in  
64.12 fiscal year 2024 and \$500,000 in fiscal year  
64.13 2025 are for orientation-related costs. This is  
64.14 a onetime appropriation.

64.15 **(j) Self-Directed Bargaining Agreement;**  
64.16 **Home Care Orientation Trust.** \$1,000,000  
64.17 in fiscal year 2024 is for the Home Care  
64.18 Orientation Trust under Minnesota Statutes,  
64.19 section 179A.54, subdivision 11. The  
64.20 commissioner shall disburse the appropriation  
64.21 to the board of trustees of the Home Care  
64.22 Orientation Trust for deposit into an account  
64.23 designated by the board of trustees outside the  
64.24 state treasury and state's accounting system.  
64.25 This is a onetime appropriation and is  
64.26 available until June 30, 2025.

64.27 **(k) HIV/AIDS Supportive Services.**  
64.28 \$12,100,000 in fiscal year 2024 is for grants  
64.29 to community-based HIV/AIDS supportive  
64.30 services providers as defined in Minnesota  
64.31 Statutes, section 256.01, subdivision 19, and  
64.32 for payment of allowed health care costs as  
64.33 defined in Minnesota Statutes, section  
64.34 256.9365. This is a onetime appropriation and  
64.35 is available until June 30, 2025.



- 65.1 **(l) Motion Analysis Advancements Clinical**  
65.2 **Study and Patient Care.** \$400,000 is fiscal  
65.3 year 2024 is for a grant to the Mayo Clinic  
65.4 Motion Analysis Laboratory and Limb Lab  
65.5 for continued research in motion analysis  
65.6 advancements and patient care. This is a  
65.7 onetime appropriation and is available through  
65.8 June 30, 2025.
- 65.9 **(m) Grant to Family Voices in Minnesota.**  
65.10 \$75,000 in fiscal year 2024 and \$75,000 in  
65.11 fiscal year 2025 are for a grant to Family  
65.12 Voices in Minnesota under Minnesota  
65.13 Statutes, section 256.4776.
- 65.14 **(n) Parent-to-Parent Programs.**
- 65.15 (1) \$550,000 in fiscal year 2024 and \$550,000  
65.16 in fiscal year 2025 are for grants to  
65.17 organizations that provide services to  
65.18 underserved communities with a high  
65.19 prevalence of autism spectrum disorder. This  
65.20 is a onetime appropriation and is available  
65.21 until June 30, 2025.
- 65.22 (2) The commissioner shall give priority to  
65.23 organizations that provide culturally specific  
65.24 and culturally responsive services.
- 65.25 (3) Eligible organizations must:
- 65.26 (i) conduct outreach and provide support to  
65.27 newly identified parents or guardians of a child  
65.28 with special health care needs;
- 65.29 (ii) provide training to educate parents and  
65.30 guardians in ways to support their child and  
65.31 navigate the health, education, and human  
65.32 services systems;

66.1 (iii) facilitate ongoing peer support for parents  
66.2 and guardians from trained volunteer support  
66.3 parents; and

66.4 (iv) communicate regularly with other  
66.5 parent-to-parent programs and national  
66.6 organizations to ensure that best practices are  
66.7 implemented.

66.8 (4) Grant recipients must use grant money for  
66.9 the activities identified in clause (3).

66.10 (5) For purposes of this paragraph, "special  
66.11 health care needs" means disabilities, chronic  
66.12 illnesses or conditions, health-related  
66.13 educational or behavioral problems, or the risk  
66.14 of developing disabilities, illnesses, conditions,  
66.15 or problems.

66.16 (6) Each grant recipient must report to the  
66.17 commissioner of human services annually by  
66.18 January 15 with measurable outcomes from  
66.19 programs and services funded by this  
66.20 appropriation the previous year including the  
66.21 number of families served and the number of  
66.22 volunteer support parents trained by the  
66.23 organization's parent-to-parent program.

66.24 **(o) Self-Advocacy Grants for Persons with**  
66.25 **Intellectual and Developmental Disabilities.**  
66.26 \$323,000 in fiscal year 2024 and \$323,000 in  
66.27 fiscal year 2025 are for self-advocacy grants  
66.28 under Minnesota Statutes, section 256.477.

66.29 This is a onetime appropriation. Of these  
66.30 amounts, \$218,000 in fiscal year 2024 and  
66.31 \$218,000 in fiscal year 2025 are for the  
66.32 activities under Minnesota Statutes, section  
66.33 256.477, subdivision 1, paragraph (a), clauses  
66.34 (5) to (7), and for administrative costs, and

67.1 \$105,000 in fiscal year 2024 and \$105,000 in  
67.2 fiscal year 2025 are for the activities under  
67.3 Minnesota Statutes, section 256.477,  
67.4 subdivision 2.

67.5 **(p) Technology for Home Grants.** \$300,000  
67.6 in fiscal year 2024 and \$300,000 in fiscal year  
67.7 2025 are for technology for home grants under  
67.8 Minnesota Statutes, section 256.4773.

67.9 **(q) Community Residential Setting**  
67.10 **Transition.** \$500,000 in fiscal year 2024 is  
67.11 for a grant to Hennepin County to expedite  
67.12 approval of community residential setting  
67.13 licenses subject to the corporate foster care  
67.14 moratorium exception under Minnesota  
67.15 Statutes, section 245A.03, subdivision 7,  
67.16 paragraph (a), clause (5).

67.17 **(r) Base Level Adjustment.** The general fund  
67.18 base is \$27,343,000 in fiscal year 2026 and  
67.19 \$27,016,000 in fiscal year 2027.

67.20 **Sec. 5. REDUCTIONS IN HUMAN SERVICES APPROPRIATIONS,**  
67.21 **CANCELLATIONS, AND REAPPROPRIATIONS.**

67.22 **Subdivision 1. Central operations adjustments.** (a) The general fund appropriation in  
67.23 Laws 2023, chapter 61, article 9, section 2, subdivision 2, for fiscal year 2024 is reduced  
67.24 by \$592,000, and that amount cancels to the general fund.

67.25 (b) \$592,000 in fiscal year 2025 is appropriated from the general fund to the commissioner  
67.26 of human services for central operations administrative costs. This appropriation is available  
67.27 until June 30, 2027.

67.28 (c) The general fund appropriation in Laws 2023, chapter 61, article 9, section 2,  
67.29 subdivision 5, for fiscal year 2024 is reduced by \$1,347,000, and that amount cancels to the  
67.30 general fund.

67.31 (d) \$1,347,000 in fiscal year 2025 is appropriated from the general fund to the  
67.32 commissioner of human services to study presumptive financial and functional eligibility

68.1 for people with disabilities and older adults under Laws 2023, chapter 61, article 1, section  
68.2 81. This appropriation is available until June 30, 2027.

68.3 Subd. 2. **Transition to community initiative.** (a) The general fund appropriation in  
68.4 Laws 2023, chapter 70, article 20, section 16, subdivision 1, paragraph (b), is reduced by  
68.5 \$8,900,000 for fiscal year 2024, and this amount cancels to the general fund.

68.6 (b) The general fund appropriation in Laws 2023, chapter 70, article 20, section 2,  
68.7 subdivision 29, is reduced by \$1,811,000 for fiscal year 2025.

68.8 (c) The general fund base in Laws 2023, chapter 70, article 20, section 2, subdivision  
68.9 29, paragraph (f), is reduced by \$1,811,000 in fiscal years 2026 and 2027 and each year  
68.10 thereafter.

68.11 (d) \$8,900,000 in fiscal year 2024 and \$1,811,000 in fiscal year 2025 are appropriated  
68.12 from the general fund to the commissioner of human services for the transition to community  
68.13 initiative under Minnesota Statutes, section 256.478. The base for this appropriation is  
68.14 \$1,811,000 in fiscal year 2026 and each year thereafter. The appropriation in fiscal year  
68.15 2024 is available until June 30, 2027.

68.16 **EFFECTIVE DATE.** This section is effective the day following final enactment or  
68.17 retroactively from June 30, 2024, whichever is earlier.

**246.01 POWERS AND DUTIES.**

The commissioner of human services is hereby specifically constituted the guardian of all persons with developmental disabilities, the guardianship of whom has heretofore been vested in the State Board of Control or in the director of social welfare whether by operation of law or by an order of court without any further act or proceeding, and all the powers and duties vested in or imposed upon the State Board of Control or the director of social welfare, with reference to mental testing of persons with developmental disability, and with reference to the institutions of the state of Minnesota except correctional facilities administered and managed by the commissioner of corrections, are hereby transferred to, vested in, and imposed upon the commissioner of human services, and in relation thereto is hereby charged with and shall have the exclusive power of administration and management of all of the following state institutions: state hospitals for persons with developmental disability, mental illness, or substance use disorder. The commissioner shall have power and authority to determine all matters relating to the unified and continuous development of all of the foregoing institutions and of such other institutions, the supervision of which may, from time to time, be vested in the commissioner. It is intended that there be vested in the commissioner all of the powers, functions, and authority heretofore vested in the State Board of Control relative to such state institutions. The commissioner shall have the power and authority to accept, in behalf of the state, contributions and gifts of money and personal property for the use and benefit of the residents of the public institutions under the commissioner's control, and all money and securities so received shall be deposited in the state treasury subject to the order of the commissioner of human services. If the gift or contribution is designated by the donor for a certain institution or purpose, the commissioner of human services shall expend or use the same as nearly as may be in accordance with the conditions of the gift or contribution, compatible with the best interests of the inmates and the state. The commissioner of human services is hereby constituted the "state agency" as defined by the Social Security Act of the United States and the laws of this state for all purposes relating to mental health and mental hygiene.

For the purpose of carrying out these duties, the commissioner of human services shall accept from wards with developmental disabilities for whom the commissioner is specifically appointed guardian a signed application for consent to the marriage of said ward. Upon receipt of such application the commissioner shall promptly conduct such investigation as the commissioner deems proper and determine if the contemplated marriage is for the best interest of the ward and the public. A signed copy of the commissioner's determination shall be mailed to the ward and to the court administrator of the district court of the county where the application for such marriage license was made.

There is hereby appropriated to such persons or institutions as are entitled to such sums as are provided for in this section, from the fund or account in the state treasury to which the money was credited, an amount sufficient to make such payment.

**246.12 BIENNIAL ESTIMATES; SUGGESTIONS FOR LEGISLATION.**

The commissioner of human services shall prepare, for the use of the legislature, biennial estimates of appropriations necessary or expedient to be made for the support of the institutions and for extraordinary and special expenditures for buildings and other improvements. The commissioner shall, in connection therewith, make suggestions relative to legislation for the benefit of the institutions. The commissioner shall report the estimates and suggestions to the legislature on or before November 15 in each even-numbered year. The commissioner of human services on request shall appear before any legislative committee and furnish any required information in regard to the condition of any such institution.

**246.234 RECIPROCAL EXCHANGE OF CERTAIN PERSONS.**

The commissioner of human services is hereby authorized and empowered with the approval of the governor to enter into reciprocal agreements with any other state or states, through the duly authorized authorities thereof, regarding the mutual exchange, return, and transportation of persons with mental illness or developmental disabilities who are within the confines of one state but have legal residence or legal settlement for the purposes of relief in another state. Such agreements shall contain no provisions conflicting with any law of this state.

**246.36 ACCEPTANCE OF VOLUNTARY, UNCOMPENSATED SERVICES.**

For the purpose of carrying out a duty, the commissioner of human services shall have authority to accept uncompensated and voluntary services and to enter into contracts or agreements with private or public agencies, or persons, for uncompensated and voluntary services, as the commissioner may deem practicable. Uncompensated and voluntary services do not include services mandated

by licensure and certification requirements for health care facilities. The volunteer agencies, organizations, or persons who provide services to residents of state facilities operated under the authority of the commissioner are not subject to the procurement requirements of chapters 16A and 16C. The agencies, organizations, or persons may purchase supplies, services, and equipment to be used in providing services to residents of state facilities through the Department of Administration.

**246.41 BENEFIT FOR PERSONS WITH DEVELOPMENTAL DISABILITIES.**

Subdivision 1. **Acceptance.** The commissioner of human services is authorized to accept, for and in behalf of the state, contributions of money for the use and benefit of persons with developmental disabilities.

Subd. 2. **Special welfare fund.** Any money so received by the commissioner shall be deposited with the commissioner of management and budget in a special welfare fund, which fund is to be used by the commissioner of human services for the benefit of persons with developmental disabilities within the state, including those within state hospitals. And, without excluding other possible uses, research relating to persons with developmental disabilities shall be considered an appropriate use of such funds; but such funds shall not be used for any structures or installations which by their nature would require state expenditures for their operation or maintenance without specific legislative enactment therefor.

Subd. 3. **Appropriation.** There is hereby appropriated from the special welfare fund in the state treasury to such persons as are entitled thereto to carry out the provisions stated in this section.

**246C.03 TRANSITION OF AUTHORITY; DEVELOPMENT OF A BOARD.**

Subdivision 1. **Authority until board is developed and powers defined.** On July 1, 2023, the commissioner of human services shall continue to exercise all authorities and responsibilities under chapters 13, 245, 246, 246B, 252, 253, 253B, 253C, 253D, 254A, 254B, and 256, until legislation is effective that develops the Department of Direct Care and Treatment executive board and defines the responsibilities and powers of the Department of Direct Care and Treatment and its executive board.

Subd. 2. **Development of Department of Direct Care and Treatment Board.** (a) The commissioner of human services shall prepare legislation for introduction during the 2024 legislative session, with input from stakeholders the commissioner deems necessary, proposing legislation for the creation and implementation of the Direct Care and Treatment executive board and defining the responsibilities, powers, and function of the Department of Direct Care and Treatment executive board.

(b) The Department of Direct Care and Treatment executive board shall consist of no more than five members, all appointed by the governor.

(c) An executive board member's qualifications must be appropriate for overseeing a complex behavioral health system, such as experience serving on a hospital or non-profit board, serving as a public sector labor union representative, experience in delivery of behavioral health services or care coordination, or working as a licensed health care provider, in an allied health profession, or in health care administration.

**256S.205 CUSTOMIZED LIVING SERVICES; DISPROPORTIONATE SHARE RATE ADJUSTMENTS.**

Subd. 4. **Designation as a disproportionate share facility.** (a) By October 15 of each application year, the commissioner must designate as a disproportionate share facility a facility that complies with the application requirements of subdivision 2 and meets the eligibility criteria of subdivision 3.

(b) An annual designation is effective for one rate year.