

- 1.1 Senator moves to amend S.F. No. 2966 as follows:
- 1.2 Page 4, after line 6, insert:
- 1.3 **"EFFECTIVE DATE. This section is effective April 28, 2025."**
- 1.4 Page 5, after line 14, insert:
- 1.5 **"EFFECTIVE DATE. This section is effective April 28, 2025."**
- 1.6 Page 5, after line 32, insert:
- 1.7 **"EFFECTIVE DATE. This section is effective April 28, 2025."**
- 1.8 Page 17, line 9, delete everything after "program" and insert "was open and operating
- 1.9 and served"
- 1.10 Page 17, line 10, delete "for the duration of" and insert "during"
- 1.11 Page 17, line 11, delete "payment" and insert "funding"
- 1.12 Page 17, line 15, delete "and"
- 1.13 Page 17, line 18, delete the period and insert "; and"
- 1.14 Page 17, after line 18, insert:
- 1.15 "(3) submit data on child enrollment and attendance to the commissioner in the form
- 1.16 and manner requested by the commissioner."
- 1.17 Page 18, line 2, delete the second "and" and insert a semicolon
- 1.18 Page 18, line 3, after "benefits" insert "; documentation of written changes to employees'
- 1.19 rate or rates of pay and basis thereof as a result of retention payments, as required under
- 1.20 section 181.032, paragraphs (d) to (f); and any other records required to be maintained under
- 1.21 section 177.30"
- 1.22 Page 18, line 5, after "for" insert "employee"
- 1.23 Page 19, line 16, delete the first "employee" and insert "financial incentives for" and
- 1.24 delete "including"
- 1.25 Page 19, line 17, after "proprietor" insert a comma
- 1.26 Page 19, line 19, after "improvements," insert "property taxes,"
- 1.27 Page 29, after line 16, insert:

2.1 "Sec. 30. Laws 2021, First Special Session chapter 7, article 2, section 84, is amended to
2.2 read:

2.3 **Sec. 84. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; FEDERAL**
2.4 **FUND AND CHILD CARE AND DEVELOPMENT BLOCK GRANT**
2.5 **ALLOCATIONS.**

2.6 (a) The commissioner of human services shall allocate \$3,000,000 in fiscal year 2022
2.7 from the child care and development block grant for grants to organizations operating child
2.8 care resource and referral programs under Minnesota Statutes, section 119B.19, to offer a
2.9 child care one-stop regional assistance network.

2.10 (b) The commissioner of human services shall allocate \$50,000 in fiscal year 2022 from
2.11 the child care and development block grant for modifications to the family child care provider
2.12 frequently asked questions website.

2.13 (c) The commissioner of human services shall allocate \$4,500,000 in fiscal year 2022
2.14 from the child care and development block grant for costs to cover the fees related to
2.15 administering child care background studies.

2.16 (d) The commissioner of human services shall allocate \$2,059,000 in fiscal year 2022
2.17 from the child care and development block grant for the child care center regulation
2.18 modernization project.

2.19 (e) The commissioner of human services shall allocate \$1,719,000 in fiscal year 2022
2.20 from the child care and development block grant for the family child care regulation
2.21 modernization project.

2.22 (f) The commissioner of human services shall allocate \$100,000 in fiscal year 2022 from
2.23 the federal fund for a working group to review alternative child care licensing models.

2.24 (g) The commissioner of human services shall allocate \$59,000 in fiscal year 2022 from
2.25 the child care and development block grant for the family child care training advisory
2.26 committee.

2.27 (h) The commissioner of human services shall allocate \$7,650,000 in fiscal year 2022
2.28 from the child care and development block grant for child care information technology and
2.29 system improvements.

2.30 ~~(i) The allocations in this section are available until June 30, 2025.~~

2.31 (i) Any funds the commissioner determines by June 30, 2023, that will not be fully
2.32 expended by the end of the federal award may be used for other allowable activities under

3.1 United States Code, title 42, section 9857 et seq.; Code of Federal Regulations, title 45,
3.2 parts 98 and 99; and Public Law 117-2, known as the American Rescue Plan Act of 2021.

3.3 Sec. 31. Laws 2021, First Special Session chapter 7, article 14, section 23, is amended to
3.4 read:

3.5 **Sec. 23. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; FEDERAL**
3.6 **FUND AND CHILD CARE AND DEVELOPMENT BLOCK GRANT**
3.7 **ALLOCATIONS.**

3.8 (a) The commissioner of human services shall allocate \$1,435,000 in fiscal year 2022
3.9 from the child care and development block grant for the quality rating and improvement
3.10 system evaluation and equity report under Minnesota Statutes, section 124D.142, subdivisions
3.11 3 and 4.

3.12 (b) The commissioner of human services shall allocate \$499,000 in fiscal year 2022
3.13 from the child care and development block grant for the ombudsperson for family child
3.14 care providers under Minnesota Statutes, section 245.975.

3.15 (c) The commissioner of human services shall allocate \$858,000 in fiscal year 2022
3.16 from the child care and development block grant for transfer to the commissioner of
3.17 management and budget for the affordable high-quality child care and early education for
3.18 all families working group.

3.19 (d) The commissioner of human services shall allocate \$200,000 in fiscal year 2022
3.20 from the child care and development block grant for transfer to the commissioner of
3.21 management and budget for completion of the early childhood governance report.

3.22 (e) The commissioner of human services shall allocate \$150,000 in fiscal year 2022
3.23 from the child care and development block grant to develop recommendations for
3.24 implementing a family supports and improvement program.

3.25 (f) The commissioner of human services shall allocate \$1,000,000 in fiscal year 2022
3.26 from the child care and development block grant for REETAIN grants under Minnesota
3.27 Statutes, section 119B.195.

3.28 (g) The commissioner of human services shall allocate \$2,000,000 in fiscal year 2022
3.29 from the child care and development block grant for the TEACH program under Minnesota
3.30 Statutes, section 136A.128.

4.1 (h) The commissioner of human services shall allocate \$304,398,000 in fiscal year 2022
 4.2 from the federal fund for child care stabilization grants, including up to \$5,000,000 for
 4.3 administration.

4.4 (i) The commissioner of human services shall allocate \$200,000 in fiscal year 2022 from
 4.5 the federal fund for the shared services pilot program for family child care providers.

4.6 (j) The commissioner of human services shall allocate \$290,000 in fiscal year 2022 from
 4.7 the child care and development block grant for a report on participation in early care and
 4.8 education programs by children in foster care.

4.9 (k) The commissioner of human services shall allocate \$3,500,000 in fiscal year 2022
 4.10 from the child care and development block grant for the commissioner of human services
 4.11 to administer the child care and development block grant allocations in this act.

4.12 ~~(l) The allocations in this section are available until June 30, 2025.~~

4.13 (l) Any funds the commissioner determines by June 30, 2023, that will not be fully
 4.14 expended by the end of the federal award may be used for other allowable activities under
 4.15 United States Code, title 42, section 9857 et seq.; Code of Federal Regulations, title 45,
 4.16 parts 98 and 99; and Public Law 117-2, known as the American Rescue Plan Act of 2021."

4.17 Page 29, line 21, delete "September 30" and insert "no later than December 31"

4.18 Page 31, line 15, delete "process" and insert "program"

4.19 Page 31, line 18, after "establish" insert "the support beyond 21 grant program to
 4.20 distribute"

4.21 Page 31, line 25, after "funds" insert "to eligible youth"

4.22 Page 32, line 1, after "grantee" insert "or grantees"

4.23 Page 32, line 7, delete "256K.47" and insert "256K.48"

4.24 Page 33, line 5, delete "being"

4.25 Page 34, line 5, delete everything after "services" and insert a period

4.26 Page 34, delete line 6

4.27 Page 36, line 11, after "in" insert "or planning to join" and after "initiative" insert "as of
 4.28 July 1, 2023,"

4.29 Page 36, line 15, after "for" insert "responding to notices under the Indian Child Welfare
 4.30 Act under United States Code, title 25, sections 1901 to 1963 and 260.751 to 260.835, to
 4.31 the extent necessary, or providing other" and delete the second "or" and insert "and"

5.1 Page 37, after line 20, insert:

5.2 "Sec. 8. [260C.30] COMMUNITY RESOURCE CENTERS.

5.3 Subdivision 1. Definitions. (a) For purposes of this section, the following definitions
5.4 apply:

5.5 (b) "Commissioner" means the commissioner of human services or the commissioner's
5.6 designee.

5.7 (c) "Communities and families furthest from opportunity" means any community or
5.8 family that experiences inequities in accessing supports and services due to the community's
5.9 or family's circumstances, including but not limited to racism, income, disability, language,
5.10 gender, and geography.

5.11 (d) "Community resource center" means a community-based coordinated point of entry
5.12 that provides relationship-based, culturally responsive service navigation and other supportive
5.13 services for expecting and parenting families and youth.

5.14 (e) "Culturally responsive, relationship-based service navigation" means aiding families
5.15 in finding services and supports that are meaningful to them in ways that are built on trust
5.16 and that use cultural values, beliefs, and practices of families, communities, indigenous
5.17 families, and Tribal Nations for case planning, service design, and decision-making processes.

5.18 (f) "Expecting and parenting family" means any configuration of parents, grandparents,
5.19 guardians, foster parents, kinship caregivers, and youth who are pregnant or expecting or
5.20 have children and youth they care for and support.

5.21 (g) "Protective factors" means conditions or attributes of individuals, families,
5.22 communities, and the larger society that mitigate risk and promote the healthy development
5.23 and well-being of children, youth, and families, which are strengths that help to buffer and
5.24 support families.

5.25 Subd. 2. Community resource centers established. The commissioner in consultation
5.26 with other state agencies, partners, and the Community Resource Center Advisory Council
5.27 may award grants to support planning, implementation, and evaluation of community
5.28 resource centers to provide relationship-based, culturally responsive service navigation,
5.29 parent, family, and caregiver supports to expecting and parenting families with a focus on
5.30 ensuring equitable access to programs and services that promote protective factors and
5.31 support children and families.

6.1 Subd. 3. **Commissioner's duties; related infrastructure.** The commissioner in
6.2 consultation with the Community Resource Center Advisory Council shall:

6.3 (1) develop a request for proposals to support community resource centers;

6.4 (2) provide outreach and technical assistance to support applicants with data or other
6.5 matters pertaining to equity of access to funding;

6.6 (3) provide technical assistance to grantees including but not limited to skill building
6.7 and professional development, trainings, evaluation, communities of practice, networking,
6.8 and trauma informed mental health consultation;

6.9 (4) provide data collection and IT support; and

6.10 (5) provide grant coordination and management focused on promoting equity and
6.11 accountability.

6.12 Subd. 4. **Grantee duties.** At a minimum, grantees shall:

6.13 (1) provide culturally responsive, relationship-based service navigation and supports for
6.14 expecting and parenting families;

6.15 (2) improve community engagement and feedback loops to support continuous
6.16 improvement and program planning to better promote protective factors;

6.17 (3) demonstrate community-based planning with multiple partners;

6.18 (4) develop or use an existing parent and family advisory council consisting of community
6.19 members with lived expertise to advise the work of the grantee; and

6.20 (5) participate in program evaluation, data collection, and technical assistance activities.

6.21 Subd. 5. **Eligibility.** Organizations eligible to receive grant funding under this section
6.22 include:

6.23 (1) community-based organizations, Tribal Nations, urban Indian organizations, local
6.24 and county government agencies, schools, nonprofit agencies or any cooperative of these
6.25 organizations; and

6.26 (2) organizations or cooperatives supporting communities and families furthest from
6.27 opportunity.

6.28 Subd. 6. **Community Resource Center Advisory Council; establishment and**
6.29 **duties.** (a) The commissioner in consultation with other relevant state agencies shall appoint
6.30 members to the Community Resource Center Advisory Council.

6.31 (b) Membership must be demographically and geographically diverse and include:

7.1 (1) parents and family members with lived experience and who are furthest from
 7.2 opportunity;

7.3 (2) community-based organizations serving families furthest from opportunity;

7.4 (3) Tribal and urban American Indian representatives;

7.5 (4) county government representatives;

7.6 (5) school and school district representatives; and

7.7 (6) state partner representatives.

7.8 (c) Duties of the Community Resource Center Advisory Council shall include but are
 7.9 not limited to:

7.10 (1) advising the commissioner on the development and funding of a network of
 7.11 community resource centers;

7.12 (2) advising the commissioner on the development of a request for proposal and grant
 7.13 award processes;

7.14 (3) advising the commissioner on the development of program outcomes and
 7.15 accountability measures; and

7.16 (4) advising the commissioner on ongoing oversight, governance, and necessary support
 7.17 in the implementation of the community resource centers.

7.18 Subd. 7. **Grantee reporting.** Grantees must report program data and outcomes in a
 7.19 manner determined by the commissioner and the Community Resource Center Advisory
 7.20 Council.

7.21 Subd. 8. **Evaluation.** The commissioner in partnership with the Community Resource
 7.22 Center Advisory Council shall develop an outcome and evaluation plan. Beginning July 1,
 7.23 2026, a biennial report will be provided to the commissioner and the chairs and ranking
 7.24 minority members of the legislative committees with jurisdiction over health and human
 7.25 services. The report must reflect the duties of the Community Resource Center Advisory
 7.26 Council in subdivision 6 and may describe outcomes and impacts related to equity,
 7.27 community partnerships, program and service availability, child development, family
 7.28 well-being, and child welfare system involvement."

7.29 Page 37, line 23, delete "planing" and insert "planning"

7.30 Page 38, line 2, delete "program" and insert "contracted agency" and after "information"
 7.31 insert a period

- 8.1 Page 38, lines 15 and 20, delete "256.4791" and insert "256.4792"
- 8.2 Page 38, line 26, delete "(b)The" and insert "(b) The"
- 8.3 Page 44, after line 18, insert:
- 8.4 "EFFECTIVE DATE. This section is effective July 1, 2024."
- 8.5 Page 44, after line 32, insert:
- 8.6 "EFFECTIVE DATE. This section is effective July 1, 2024."
- 8.7 Page 45, after line 7, insert:
- 8.8 "EFFECTIVE DATE. This section is effective July 1, 2024."
- 8.9 Page 45, after line 18, insert:
- 8.10 "EFFECTIVE DATE. This section is effective July 1, 2024."
- 8.11 Page 46, after line 11, insert:
- 8.12 "EFFECTIVE DATE. This section is effective July 1, 2024."
- 8.13 Page 46, after line 19, insert:
- 8.14 "EFFECTIVE DATE. This section is effective July 1, 2024."
- 8.15 Page 46, after line 29, insert:
- 8.16 "EFFECTIVE DATE. This section is effective July 1, 2024."
- 8.17 Page 47, after line 27, insert:
- 8.18 "EFFECTIVE DATE. This section is effective July 1, 2024."
- 8.19 Page 48, after line 2, insert:
- 8.20 "EFFECTIVE DATE. This section is effective July 1, 2024."
- 8.21 Page 48, after line 34, insert:
- 8.22 "EFFECTIVE DATE. This section is effective July 1, 2024."
- 8.23 Page 49, after line 8, insert:
- 8.24 "EFFECTIVE DATE. This section is effective July 1, 2024."
- 8.25 Page 49, after line 15, insert:
- 8.26 "EFFECTIVE DATE. This section is effective July 1, 2024."
- 8.27 Page 49, after line 20, insert:

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

9.2 Page 50, delete section 28

9.3 Page 50, after line 17, insert:

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

9.5 Page 54, line 10, after "years" insert "2018,"

9.6 Page 54, line 11, after "2019" insert a comma and after the first "commissioner" insert

9.7 "or the commissioner's designee"

9.8 Page 54, line 15, delete the second "and"

9.9 Page 54, line 16, delete "collected" and insert "received"

9.10 Page 54, line 17, delete "child" and insert "children in out-of-home placement for whom

9.11 the county served" and delete "for children in the county." and insert a semicolon

9.12 Page 54, after line 17, insert:

9.13 "(4) the county's policies and standards regarding collection and use of these funds,

9.14 including:

9.15 (i) the point at which the local social services agency becomes the representative payee

9.16 after a child is in an out-of-home placement;

9.17 (ii) the disposition of any funds that exceed a child's costs for out-of-home placement

9.18 for a child;

9.19 (iii) compliance with federal reporting requirements related to use of income and resources

9.20 attributable to the child;

9.21 (iv) whether the county uses income and resources attributable to a child for out-of-home

9.22 placement costs for other children; and

9.23 (v) whether the county seeks repayment of federal income and resources attributable to

9.24 a child from the child's parents who may have received those payments while a child is in

9.25 out-of-home placement and the ratio of requests for repayment to funds collected on an

9.26 annual basis; and

9.27 (5) other information as determined by the commissioner.

9.28 The report to the legislature under paragraph (e) shall include a list of counties that failed

9.29 to provide complete information and data to the commissioner or commissioner's designee

9.30 as required by this paragraph."

- 10.1 Page 54, line 26, after "years" insert "2018," and delete "2020,"
- 10.2 Page 56, line 20, reinstate the stricken "cash"
- 10.3 Page 76, line 16, after "grant," insert "Supplemental Security Income,"
- 10.4 Page 76, line 17, after "grant" insert a comma
- 10.5 Page 77, lines 8 and 22, after the period, insert "The public authority may not
- 10.6 administratively reinstate a driver's license suspended by the court unless specifically
- 10.7 authorized in the court order."
- 10.8 Page 79, line 17, delete "(f)" and insert "(i)"
- 10.9 Page 83, line 16, after "by" insert "federal"
- 10.10 Page 84, line 23, delete "urban" and delete "urban"
- 10.11 Page 84, line 30, delete "funding"
- 10.12 Page 84, line 31, delete "formula, timing," and insert "timing"
- 10.13 Page 85, line 2, after the semicolon, insert "or"
- 10.14 Page 85, line 3, delete everything after "(2)" and insert "nonprofit organizations or fiscal
- 10.15 sponsors with a majority American Indian board of directors."
- 10.16 Page 85, delete lines 4 to 7 and insert:
- 10.17 "(c) Funding for American Indian Tribes or bands must be allocated by a formula
- 10.18 determined by the commissioner. Funding for nonprofit organizations or fiscal sponsors
- 10.19 must be awarded through a competitive grant process."
- 10.20 Page 85, line 17, delete "(a)" and delete "annually"
- 10.21 Page 85, line 18, delete "Each"
- 10.22 Page 85, delete lines 19 to 23
- 10.23 Page 85, line 24, delete "(b)" and after "determine the" insert "timing and" and delete
- 10.24 everything after "reports" and insert a period
- 10.25 Page 85, delete line 25
- 10.26 Page 94, after line 10, insert:
- 10.27 "Sec. 25. Minnesota Statutes 2022, section 256J.425, subdivision 1, is amended to read:
- 10.28 Subdivision 1. **Eligibility.** (a) To be eligible for a hardship extension, a participant in
- 10.29 an assistance unit subject to the time limit under section 256J.42, subdivision 1, must ~~be in~~

11.1 ~~compliance in the participant's 60th counted month. For purposes of determining eligibility~~
 11.2 ~~for a hardship extension, a participant is in compliance in any month that the participant~~
 11.3 ~~has not been sanctioned. In order to maintain eligibility for any of the hardship extension~~
 11.4 ~~categories a participant shall~~ develop and comply with either an employment plan or a
 11.5 family stabilization services plan, whichever is appropriate.

11.6 (b) If one participant in a two-parent assistance unit is determined to be ineligible for a
 11.7 hardship extension, the county shall give the assistance unit the option of disqualifying the
 11.8 ineligible participant from MFIP. In that case, the assistance unit shall be treated as a
 11.9 one-parent assistance unit.

11.10 ~~(e) Prior to denying an extension, the county must review the sanction status and~~
 11.11 ~~determine whether the sanction is appropriate or if good cause exists under section 256J.57.~~
 11.12 ~~If the sanction was inappropriately applied or the participant is granted a good cause~~
 11.13 ~~exception before the end of month 60, the participant shall be considered for an extension.~~

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

11.15 Sec. 26. Minnesota Statutes 2022, section 256J.425, subdivision 4, is amended to read:

11.16 Subd. 4. **Employed participants.** (a) An assistance unit subject to the time limit under
 11.17 section 256J.42, subdivision 1, is eligible to receive assistance under a hardship extension
 11.18 if the participant who reached the time limit belongs to:

11.19 (1) a one-parent assistance unit in which the participant is participating in work activities
 11.20 for at least 30 hours per week, of which an average of at least 25 hours per week every
 11.21 month are spent participating in employment;

11.22 (2) a two-parent assistance unit in which the participants are participating in work
 11.23 activities for at least 55 hours per week, of which an average of at least 45 hours per week
 11.24 every month are spent participating in employment; or

11.25 (3) an assistance unit in which a participant is participating in employment for fewer
 11.26 hours than those specified in clause (1), and the participant submits verification from a
 11.27 qualified professional, in a form acceptable to the commissioner, stating that the number
 11.28 of hours the participant may work is limited due to illness or disability, as long as the
 11.29 participant is participating in employment for at least the number of hours specified by the
 11.30 qualified professional. The participant must be following the treatment recommendations
 11.31 of the qualified professional providing the verification. The commissioner shall develop a
 11.32 form to be completed and signed by the qualified professional, documenting the diagnosis
 11.33 and any additional information necessary to document the functional limitations of the

12.1 participant that limit work hours. If the participant is part of a two-parent assistance unit,
 12.2 the other parent must be treated as a one-parent assistance unit for purposes of meeting the
 12.3 work requirements under this subdivision.

12.4 (b) For purposes of this section, employment means:

12.5 (1) unsubsidized employment under section 256J.49, subdivision 13, clause (1);

12.6 (2) subsidized employment under section 256J.49, subdivision 13, clause (2);

12.7 (3) on-the-job training under section 256J.49, subdivision 13, clause (2);

12.8 (4) an apprenticeship under section 256J.49, subdivision 13, clause (1);

12.9 (5) supported work under section 256J.49, subdivision 13, clause (2);

12.10 (6) a combination of clauses (1) to (5); or

12.11 (7) child care under section 256J.49, subdivision 13, clause (7), if it is in combination
 12.12 with paid employment.

12.13 (c) If a participant is complying with a child protection plan under chapter 260C, the
 12.14 number of hours required under the child protection plan count toward the number of hours
 12.15 required under this subdivision.

12.16 (d) The county shall provide the opportunity for subsidized employment to participants
 12.17 needing that type of employment within available appropriations.

12.18 ~~(e) To be eligible for a hardship extension for employed participants under this~~
 12.19 ~~subdivision, a participant must be in compliance for at least ten out of the 12 months the~~
 12.20 ~~participant received MFIP immediately preceding the participant's 61st month on assistance.~~
 12.21 ~~If ten or fewer months of eligibility for TANF assistance remain at the time the participant~~
 12.22 ~~from another state applies for assistance, the participant must be in compliance every month.~~

12.23 ~~(f)~~ (e) The employment plan developed under section 256J.521, subdivision 2, for
 12.24 participants under this subdivision must contain at least the minimum number of hours
 12.25 specified in paragraph (a) for the purpose of meeting the requirements for an extension
 12.26 under this subdivision. The job counselor and the participant must sign the employment
 12.27 plan to indicate agreement between the job counselor and the participant on the contents of
 12.28 the plan.

12.29 ~~(g)~~ (f) Participants who fail to meet the requirements in paragraph (a), without eligibility
 12.30 for another hardship extension or good cause under section 256J.57, shall be sanctioned
 12.31 subject to sanction or permanently disqualified under subdivision 6. Good cause may only
 12.32 be granted for that portion of the month for which the good cause reason applies case closure.

13.1 Participants must meet all remaining requirements in the approved employment plan or be
13.2 subject to sanction or ~~permanent disqualification~~ case closure.

13.3 ~~(h)~~ (g) If the noncompliance with an employment plan is due to the involuntary loss of
13.4 employment, the participant is exempt from the hourly employment requirement under this
13.5 subdivision for one month. Participants must meet all remaining requirements in the approved
13.6 employment plan or be subject to sanction or ~~permanent disqualification~~ case closure if
13.7 ineligible for another hardship extension.

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

13.9 Sec. 27. Minnesota Statutes 2022, section 256J.425, subdivision 5, is amended to read:

13.10 **Subd. 5. Accrual of certain exempt months.** (a) Participants who are not eligible for
13.11 assistance under a hardship extension under this section shall be eligible for a hardship
13.12 extension for a period of time equal to the number of months that were counted toward the
13.13 60-month time limit while the participant was a caregiver with a child or an adult in the
13.14 household who meets the disability or medical criteria for home care services under section
13.15 256B.0651, subdivision 1, paragraph (c), or a home and community-based waiver services
13.16 program under chapter 256B, or meets the criteria for severe emotional disturbance under
13.17 section 245.4871, subdivision 6, or for serious and persistent mental illness under section
13.18 245.462, subdivision 20, paragraph (c), and who was subject to the requirements in section
13.19 256J.561, subdivision 2.

13.20 (b) A participant who received MFIP assistance that counted toward the 60-month time
13.21 limit while the participant met the state time limit exemption criteria under section 256J.42,
13.22 subdivision 4 or 5, is eligible for assistance under a hardship extension for a period of time
13.23 equal to the number of months that were counted toward the 60-month time limit while the
13.24 participant met the state time limit exemption criteria under section 256J.42, subdivision 4
13.25 or 5.

13.26 (c) After the accrued months have been exhausted, the county agency must determine
13.27 if the assistance unit is eligible for an extension under another extension category in
13.28 subdivision 2, 3, or 4.

13.29 (d) At the time of the case review, a county agency must explain to the participant the
13.30 basis for receiving a hardship extension based on the accrual of exempt months. The
13.31 participant must provide documentation necessary to enable the county agency to determine
13.32 whether the participant is eligible to receive a hardship extension based on the accrual of
13.33 exempt months or authorize a county agency to verify the information.

14.1 ~~(e) While receiving extended MFIP assistance under this subdivision, a participant is~~
 14.2 ~~subject to the MFIP policies that apply to participants during the first 60 months of MFIP,~~
 14.3 ~~unless the participant is a member of a two-parent family in which one parent is extended~~
 14.4 ~~under subdivision 3 or 4. For two-parent families in which one parent is extended under~~
 14.5 ~~subdivision 3 or 4, the sanction provisions in subdivision 6 shall apply.~~

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

14.7 Sec. 28. Minnesota Statutes 2022, section 256J.425, subdivision 7, is amended to read:

14.8 Subd. 7. **Status of disqualified participants closed cases.** (a) An assistance unit that
 14.9 ~~is disqualified~~ has its case closed under ~~subdivision 6, paragraph (a),~~ section 256J.46 may
 14.10 be approved for MFIP if the participant complies with MFIP program requirements and
 14.11 demonstrates compliance for up to one month. No assistance shall be paid during this period.

14.12 (b) An assistance unit that ~~is disqualified~~ has its case closed under ~~subdivision 6,~~
 14.13 ~~paragraph (a),~~ section 256J.46 and that reapplies under paragraph (a) is subject to sanction
 14.14 under section 256J.46, subdivision 1, paragraph (c), ~~clause (1), for a first occurrence of~~
 14.15 ~~noncompliance. A subsequent occurrence of noncompliance results in a permanent~~
 14.16 ~~disqualification.~~

14.17 ~~(e) If one participant in a two-parent assistance unit receiving assistance under a hardship~~
 14.18 ~~extension under subdivision 3 or 4 is determined to be out of compliance with the~~
 14.19 ~~employment and training services requirements under sections 256J.521 to 256J.57, the~~
 14.20 ~~county shall give the assistance unit the option of disqualifying the noncompliant participant~~
 14.21 ~~from MFIP. In that case, the assistance unit shall be treated as a one-parent assistance unit~~
 14.22 ~~for the purposes of meeting the work requirements under subdivision 4. An applicant who~~
 14.23 ~~is disqualified from receiving assistance under this paragraph may reapply under paragraph~~
 14.24 ~~(a). If a participant is disqualified from MFIP under this subdivision a second time, the~~
 14.25 ~~participant is permanently disqualified from MFIP.~~

14.26 ~~(d)~~ (c) Prior to a disqualification case closure under this subdivision, a county agency
 14.27 must review the participant's case to determine if the employment plan is still appropriate
 14.28 and attempt to meet with the participant face-to-face. If a face-to-face meeting is not
 14.29 conducted, the county agency must send the participant a notice of adverse action as provided
 14.30 in section 256J.31. During the face-to-face meeting, the county agency must:

14.31 (1) determine whether the continued noncompliance can be explained and mitigated by
 14.32 providing a needed preemployment activity, as defined in section 256J.49, subdivision 13,
 14.33 clause (9);

15.1 (2) determine whether the participant qualifies for a good cause exception under section
15.2 256J.57;

15.3 (3) inform the participant of the family violence waiver criteria and make appropriate
15.4 referrals if the waiver is requested;

15.5 (4) inform the participant of the participant's sanction status and explain the consequences
15.6 of continuing noncompliance;

15.7 (5) identify other resources that may be available to the participant to meet the needs of
15.8 the family; and

15.9 (6) inform the participant of the right to appeal under section 256J.40.

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

15.11 Sec. 29. Minnesota Statutes 2022, section 256J.46, subdivision 1, is amended to read:

15.12 Subdivision 1. **Participants not complying with program requirements.** (a) A
15.13 participant who fails without good cause under section 256J.57 to comply with the
15.14 requirements of ~~this chapter~~ for orientation under section 256J.45, or employment and
15.15 training services under sections 256J.515 to 256J.57, and who is not subject to a sanction
15.16 under subdivision 2, shall be subject to a sanction or case closure as provided in this
15.17 ~~subdivision~~ section. Good cause may only be granted for the month for which the good
15.18 cause reason applies. Prior to the imposition of a sanction, a county agency shall provide a
15.19 notice of intent to sanction under section 256J.57, subdivision 2, and, when applicable, a
15.20 notice of adverse action as provided in section 256J.31, subdivision 5.

15.21 (b) A sanction under this subdivision becomes effective the month following the month
15.22 in which a required notice is given. A sanction must not be imposed when a participant
15.23 comes into compliance ~~with the requirements for orientation under section 256J.45~~ prior to
15.24 the effective date of the sanction. ~~A sanction must not be imposed when a participant comes~~
15.25 ~~into compliance with the requirements for employment and training services under sections~~
15.26 ~~256J.515 to 256J.57 ten days prior to the effective date of the sanction.~~ For purposes of this
15.27 subdivision, each month that a participant fails to comply with a requirement of this chapter
15.28 shall be considered a separate occurrence of noncompliance. If both participants in a
15.29 two-parent assistance unit are out of compliance at the same time, it is considered one
15.30 occurrence of noncompliance.

15.31 (c) Sanctions for noncompliance ~~shall be imposed as follows:~~

16.1 (1) ~~For the first occurrence of noncompliance by a participant in an assistance unit, the~~
 16.2 ~~assistance unit's grant shall be reduced by ten percent of the MFIP standard of need for an~~
 16.3 ~~assistance unit of the same size with the residual grant paid to the participant. The reduction~~
 16.4 ~~in the grant amount must be in effect for a minimum of one month and shall be removed in~~
 16.5 ~~the month following the month that the participant returns to compliance.~~

16.6 (2) ~~for a the first, second, third, fourth, fifth, or sixth consecutive occurrence of~~
 16.7 ~~noncompliance by a participant in an assistance unit, the assistance unit's shelter costs shall~~
 16.8 ~~be vendor paid up to the amount of the cash portion of the MFIP grant for which the~~
 16.9 ~~assistance unit is eligible. At county option, the assistance unit's utilities may also be vendor~~
 16.10 ~~paid up to the amount of the cash portion of the MFIP grant remaining after vendor payment~~
 16.11 ~~of the assistance unit's shelter costs. The residual amount of the grant after vendor payment,~~
 16.12 ~~if any, must be reduced by an amount are equal to 30 a reduction of five percent of the cash~~
 16.13 ~~portion of the MFIP standard of need for an grant received by the assistance unit ~~of the~~~~
 16.14 ~~same size before the residual grant is paid to the assistance unit. The reduction in the grant~~
 16.15 ~~amount must be in effect for a minimum of one month and shall be removed in the month~~
 16.16 ~~following the month that the participant in a one-parent assistance unit returns to compliance,~~
 16.17 ~~unless the requirements in paragraph (h) are met. In a two-parent assistance unit, the grant~~
 16.18 ~~reduction must be in effect for a minimum of one month and shall be removed in the month~~
 16.19 ~~following the month both participants return to compliance, unless the requirements in~~
 16.20 ~~paragraph (h) are met. The vendor payment of shelter costs and, if applicable, utilities shall~~
 16.21 ~~be removed six months after the month in which the participant or participants return to~~
 16.22 ~~compliance. When an assistance unit comes into compliance with the requirements in section~~
 16.23 ~~256.741, or shows good cause under section 256.741, subdivision 10, or 256J.57, the sanction~~
 16.24 ~~occurrences for that assistance unit shall be equal to zero sanctions. If an assistance unit is~~
 16.25 ~~sanctioned under this clause, the participant's case file must be reviewed to determine if the~~
 16.26 ~~employment plan is still appropriate.~~

16.27 (d) For a seventh consecutive occurrence of noncompliance by a participant in an
 16.28 assistance unit, ~~or when the participants in a two-parent assistance unit have a total of seven~~
 16.29 ~~occurrences of noncompliance,~~ the county agency shall close the MFIP assistance unit's
 16.30 financial assistance case, ~~both~~ including the cash and food portions, and redetermine the
 16.31 family's ~~continued~~ eligibility for Supplemental Nutrition Assistance Program (SNAP)
 16.32 payments. The MFIP case must remain closed for a minimum of one full month. Before the
 16.33 case is closed, the county agency must review the participant's case to determine if the
 16.34 employment plan is still appropriate and attempt to meet with the participant face-to-face.
 16.35 The participant may bring an advocate to the face-to-face meeting. If a face-to-face meeting

17.1 is not conducted, the county agency must send the participant a written notice that includes
 17.2 the information required under clause (1).

17.3 (1) During the face-to-face meeting, the county agency must:

17.4 (i) determine whether the continued noncompliance can be explained and mitigated by
 17.5 providing a needed preemployment activity, as defined in section 256J.49, subdivision 13,
 17.6 clause (9);

17.7 (ii) determine whether the participant qualifies for a good cause exception under section
 17.8 256J.57, or if the sanction is for noncooperation with child support requirements, determine
 17.9 if the participant qualifies for a good cause exemption under section 256.741, subdivision
 17.10 10;

17.11 (iii) determine whether the work activities in the employment plan are appropriate based
 17.12 on the criteria in section 256J.521, subdivision 2 or 3;

17.13 (iv) determine whether the participant qualifies for the family violence waiver;

17.14 (v) inform the participant of the participant's sanction status and explain the consequences
 17.15 of continuing noncompliance;

17.16 (vi) identify other resources that may be available to the participant to meet the needs
 17.17 of the family; and

17.18 (vii) inform the participant of the right to appeal under section 256J.40.

17.19 (2) If the lack of an identified activity or service can explain the noncompliance, the
 17.20 county must work with the participant to provide the identified activity.

17.21 (3) The grant must be restored to the full amount for which the assistance unit is eligible
 17.22 retroactively to the first day of the month in which the participant was found to lack
 17.23 preemployment activities or to qualify for a family violence waiver or for a good cause
 17.24 exemption under section 256.741, subdivision 10, or 256J.57.

17.25 (e) For the purpose of applying sanctions under this section, only consecutive occurrences
 17.26 of noncompliance that occur ~~after July 1, 2003~~ on or after January 1, 2025, shall be
 17.27 considered when counting the number of sanction occurrences under this subdivision. Active
 17.28 cases under sanction on January 1, 2025, shall be considered to have one sanction occurrence.
 17.29 ~~If the participant is in 30 percent sanction in the month this section takes effect, that month~~
 17.30 ~~counts as the first occurrence for purposes of applying the sanctions under this section, but~~
 17.31 ~~the sanction shall remain at 30 percent for that month~~ comes into compliance, the assistance
 17.32 unit is considered to have zero sanctions.

18.1 (f) An assistance unit whose case is closed under paragraph (d) or (g), may reapply for
 18.2 MFIP using a form prescribed by the commissioner and shall be eligible if the participant
 18.3 complies with MFIP program requirements and demonstrates compliance for up to one
 18.4 month. No assistance shall be paid during this period. The county agency shall not start a
 18.5 new certification period for a participant who has submitted the reapplication form within
 18.6 30 calendar days of case closure. The county agency must process the form according to
 18.7 section 256P.04, except that the county agency shall not require additional verification of
 18.8 information in the case file unless the information is inaccurate, questionable, or no longer
 18.9 current. If a participant does not reapply for MFIP within 30 calendar days of case closure,
 18.10 a new application must be completed.

18.11 (g) An assistance unit whose case has been closed for noncompliance, that reappplies
 18.12 under paragraph (f), is subject to sanction under paragraph (c), ~~clause (2), for a first~~
 18.13 ~~occurrence of noncompliance. Any subsequent occurrence of noncompliance shall result~~
 18.14 ~~in~~ and case closure under paragraph (d).

18.15 (h) If an assistance unit is in compliance by the 15th of the month in which the assistance
 18.16 unit has a sanction imposed, the reduction to the assistance unit's cash grant shall be restored
 18.17 retroactively for the current month and the sanction occurrences shall be equal to zero.

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

18.19 Sec. 30. Minnesota Statutes 2022, section 256J.46, subdivision 2, is amended to read:

18.20 Subd. 2. **Sanctions for refusal to cooperate with support requirements.** The grant of
 18.21 an MFIP caregiver who refuses to cooperate, as determined by the child support enforcement
 18.22 agency, with support requirements under section 256.741, shall be subject to sanction as
 18.23 specified in this subdivision and subdivision 1. ~~For a first occurrence of noncooperation,~~
 18.24 ~~the assistance unit's grant must be reduced by 30 percent of the applicable MFIP standard~~
 18.25 ~~of need. Subsequent occurrences of noncooperation shall be subject to sanction under~~
 18.26 ~~subdivision 1, paragraphs (c), clause (2), and (d), paragraphs (b) to (h), except the assistance~~
 18.27 unit's cash portion of the grant must be reduced by 25 percent of the MFIP cash received
 18.28 by the assistance unit. The residual amount of the grant, if any, must be paid to the caregiver.
 18.29 A sanction under this subdivision becomes effective the first month following the month
 18.30 in which a required notice is given. A sanction must not be imposed when a caregiver comes
 18.31 into compliance with the requirements under section 256.741 prior to the effective date of
 18.32 the sanction. The sanction shall be removed in the month following the month that the
 18.33 caregiver cooperates with the support requirements, unless the requirements in subdivision
 18.34 1, paragraph (h), are met. Each month that an MFIP caregiver fails to comply with the

19.1 requirements of section 256.741 must be considered a separate occurrence of noncompliance
 19.2 for the purpose of applying sanctions under subdivision 1, paragraphs (c), ~~clause (2)~~, and
 19.3 (d).

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

19.5 Sec. 31. Minnesota Statutes 2022, section 256J.46, subdivision 2a, is amended to read:

19.6 Subd. 2a. **Dual sanctions.** (a) Notwithstanding the provisions of subdivisions 1 and 2,
 19.7 for a participant subject to a sanction for refusal to comply with child support requirements
 19.8 under subdivision 2 and subject to a concurrent sanction for refusal to cooperate with other
 19.9 program requirements under subdivision 1, sanctions shall be imposed in the manner
 19.10 prescribed in this subdivision.

19.11 ~~Any vendor payment of shelter costs or utilities under this subdivision must remain in~~
 19.12 ~~effect for six months after the month in which the participant is no longer subject to sanction~~
 19.13 ~~under subdivision 1.~~

19.14 ~~(b) If the participant was subject to sanction for:~~

19.15 ~~(1) noncompliance under subdivision 1 before being subject to sanction for~~
 19.16 ~~noncooperation under subdivision 2; or~~

19.17 ~~(2) noncooperation under subdivision 2 before being subject to sanction for~~
 19.18 ~~noncompliance under subdivision 1, the participant is considered to have a second occurrence~~
 19.19 ~~of noncompliance and shall be sanctioned as provided in subdivision 1, paragraph (c), clause~~
 19.20 ~~(2). Each subsequent occurrence of noncompliance shall be considered one additional~~
 19.21 ~~occurrence and shall be subject to the applicable level of sanction under subdivision 1. The~~
 19.22 ~~requirement that the county conduct a review as specified in subdivision 1, paragraph (d),~~
 19.23 ~~remains in effect.~~

19.24 ~~(e)~~ (b) A participant who first becomes subject to sanction under both subdivisions 1
 19.25 and 2 in the same month is subject to sanction as follows:

19.26 (1) in the first month of noncompliance and noncooperation, the participant's cash portion
 19.27 of the grant must be reduced by 30 25 percent of the applicable MFIP standard of need cash
 19.28 received by the assistance unit, with any residual amount paid to the participant;

19.29 (2) in the second and subsequent months of noncompliance and noncooperation, the
 19.30 participant shall be subject to the applicable level of sanction under subdivision 1.

19.31 The requirement that the county conduct a review as specified in subdivision 1, paragraph
 19.32 (d), remains in effect.

20.1 ~~(d)~~ (c) A participant remains subject to sanction under subdivision 2 if the participant:

20.2 (1) returns to compliance and is no longer subject to sanction for noncompliance with
20.3 section 256J.45 or sections 256J.515 to 256J.57; or

20.4 (2) has the sanction for noncompliance with section 256J.45 or sections 256J.515 to
20.5 256J.57 removed upon completion of the review under subdivision 1, paragraph (e).

20.6 A participant remains subject to the applicable level of sanction under subdivision 1 if
20.7 the participant cooperates and is no longer subject to sanction under subdivision 2.

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

20.9 Page 104, delete section 43

20.10 Page 107, after line 2, insert:

20.11 **"EFFECTIVE DATE.** This section is effective August 1, 2023."

20.12 Page 107, after line 25, insert:

20.13 "Sec. Minnesota Statutes 2022, section 256D.44, subdivision 5, is amended to read:

20.14 Subd. 5. **Special needs.** (a) In addition to the state standards of assistance established
20.15 in subdivisions 1 to 4, payments are allowed for the following special needs of recipients
20.16 of Minnesota supplemental aid who are not residents of a nursing home, a regional treatment
20.17 center, or a setting authorized to receive housing support payments under chapter 256I.

20.18 (b) The county agency shall pay a monthly allowance for medically prescribed diets if
20.19 the cost of those additional dietary needs cannot be met through some other maintenance
20.20 benefit. The need for special diets or dietary items must be prescribed by a licensed physician,
20.21 advanced practice registered nurse, or physician assistant. Costs for special diets shall be
20.22 determined as percentages of the allotment for a one-person household under the thrifty
20.23 food plan as defined by the United States Department of Agriculture. The types of diets and
20.24 the percentages of the thrifty food plan that are covered are as follows:

20.25 (1) high protein diet, at least 80 grams daily, 25 percent of thrifty food plan;

20.26 (2) controlled protein diet, 40 to 60 grams and requires special products, 100 percent of
20.27 thrifty food plan;

20.28 (3) controlled protein diet, less than 40 grams and requires special products, 125 percent
20.29 of thrifty food plan;

20.30 (4) low cholesterol diet, 25 percent of thrifty food plan;

21.1 (5) high residue diet, 20 percent of thrifty food plan;

21.2 (6) pregnancy and lactation diet, 35 percent of thrifty food plan;

21.3 (7) gluten-free diet, 25 percent of thrifty food plan;

21.4 (8) lactose-free diet, 25 percent of thrifty food plan;

21.5 (9) antidumping diet, 15 percent of thrifty food plan;

21.6 (10) hypoglycemic diet, 15 percent of thrifty food plan; or

21.7 (11) ketogenic diet, 25 percent of thrifty food plan.

21.8 (c) Payment for nonrecurring special needs must be allowed for necessary home repairs
21.9 or necessary repairs or replacement of household furniture and appliances using the payment
21.10 standard of the AFDC program in effect on July 16, 1996, for these expenses, as long as
21.11 other funding sources are not available.

21.12 (d) A fee for guardian or conservator service is allowed at a reasonable rate negotiated
21.13 by the county or approved by the court. This rate shall not exceed five percent of the
21.14 assistance unit's gross monthly income up to a maximum of \$100 per month. If the guardian
21.15 or conservator is a member of the county agency staff, no fee is allowed.

21.16 (e) The county agency shall continue to pay a monthly allowance of \$68 for restaurant
21.17 meals for a person who was receiving a restaurant meal allowance on June 1, 1990, and
21.18 who eats two or more meals in a restaurant daily. The allowance must continue until the
21.19 person has not received Minnesota supplemental aid for one full calendar month or until
21.20 the person's living arrangement changes and the person no longer meets the criteria for the
21.21 restaurant meal allowance, whichever occurs first.

21.22 (f) ~~A fee of ten percent of the recipient's gross income or \$25, whichever is less, equal~~
21.23 to the maximum monthly amount allowed by the Social Security Administration is allowed
21.24 for representative payee services provided by an agency that meets the requirements under
21.25 SSI regulations to charge a fee for representative payee services. This special need is available
21.26 to all recipients of Minnesota supplemental aid regardless of their living arrangement.

21.27 (g)(1) Notwithstanding the language in this subdivision, an amount equal to one-half of
21.28 the maximum federal Supplemental Security Income payment amount for a single individual
21.29 which is in effect on the first day of July of each year will be added to the standards of
21.30 assistance established in subdivisions 1 to 4 for adults under the age of 65 who qualify as
21.31 in need of housing assistance and are:

22.1 (i) relocating from an institution, a setting authorized to receive housing support under
 22.2 chapter 256I, or an adult mental health residential treatment program under section
 22.3 256B.0622;

22.4 (ii) eligible for personal care assistance under section 256B.0659; or

22.5 (iii) home and community-based waiver recipients living in their own home or rented
 22.6 or leased apartment.

22.7 (2) Notwithstanding subdivision 3, paragraph (c), an individual eligible for the shelter
 22.8 needy benefit under this paragraph is considered a household of one. An eligible individual
 22.9 who receives this benefit prior to age 65 may continue to receive the benefit after the age
 22.10 of 65.

22.11 (3) "Housing assistance" means that the assistance unit incurs monthly shelter costs that
 22.12 exceed 40 percent of the assistance unit's gross income before the application of this special
 22.13 needs standard. "Gross income" for the purposes of this section is the applicant's or recipient's
 22.14 income as defined in section 256D.35, subdivision 10, or the standard specified in subdivision
 22.15 3, paragraph (a) or (b), whichever is greater. A recipient of a federal or state housing subsidy,
 22.16 that limits shelter costs to a percentage of gross income, shall not be considered in need of
 22.17 housing assistance for purposes of this paragraph.

22.18 **EFFECTIVE DATE.** This section is effective January 1, 2024."

22.19 Page 108, line 6, delete "medical assistance"

22.20 Page 108, line 14, delete "medical"

22.21 Page 108, line 15, delete "assistance" and delete everything after "in"

22.22 Page 108, line 16, delete everything before "does not" and insert "section 256B.35"

22.23 Page 108, line 19, after "SSI" insert "and the general assistance personal needs allowance"

22.24 Page 108, line 23, delete "medical assistance"

22.25 Page 108, line 24, delete everything after "in"

22.26 Page 108, line 25, delete everything before "does not" and insert "section 256B.35"

22.27 Page 108, after line 25, insert:

22.28 "(e) For a recipient who lives in a setting as described in section 256I.04, subdivision
 22.29 2a, paragraph (b), clause (2), and receives general assistance, the personal needs allowance
 22.30 described in section 256B.35 is not countable unearned income."

22.31 Page 108, line 26, delete "January 1, 2025" and insert "October 1, 2024"

- 23.1 Page 110, after line 27, insert:
- 23.2 "EFFECTIVE DATE. This section is effective August 1, 2023."
- 23.3 Page 113, after line 18, insert:
- 23.4 "EFFECTIVE DATE. This section is effective August 1, 2023."
- 23.5 Page 113, after line 32, insert:
- 23.6 "EFFECTIVE DATE. This section is effective August 1, 2023."
- 23.7 Page 114, delete section 1
- 23.8 Page 114, line 2, delete "AND HOMELESSNESS"
- 23.9 Page 115, delete section 3
- 23.10 Page 116, delete sections 4 and 5
- 23.11 Page 120, line 28, before "including" insert a comma
- 23.12 Page 120, line 29, after "disorders" insert a comma
- 23.13 Page 123, delete section 5
- 23.14 Page 123, line 19, after "centers" insert a comma
- 23.15 Page 123, line 20, after "when" insert "the comprehensive assessment is"
- 23.16 Page 123, after line 25, insert:
- 23.17 "Sec. Minnesota Statutes 2022, section 254B.05, subdivision 1a, is amended to read:
- 23.18 Subd. 1a. **Room and board provider requirements.** (a) ~~Effective January 1, 2000,~~
- 23.19 Vendors of room and board are eligible for behavioral health fund payment if the vendor:
- 23.20 (1) has rules prohibiting residents bringing chemicals into the facility or using chemicals
- 23.21 while residing in the facility and provide consequences for infractions of those rules;
- 23.22 (2) is determined to meet applicable health and safety requirements;
- 23.23 (3) is not a jail or prison;
- 23.24 (4) is not concurrently receiving funds under chapter 256I for the recipient;
- 23.25 (5) admits individuals who are 18 years of age or older;
- 23.26 (6) is registered as a board and lodging or lodging establishment according to section
- 23.27 157.17;
- 23.28 (7) has awake staff on site 24 hours per day;

24.1 (8) has staff who are at least 18 years of age and meet the requirements of section
24.2 245G.11, subdivision 1, paragraph (b);

24.3 (9) has emergency behavioral procedures that meet the requirements of section 245G.16;

24.4 (10) meets the requirements of section 245G.08, subdivision 5, if administering
24.5 medications to clients;

24.6 (11) meets the abuse prevention requirements of section 245A.65, including a policy on
24.7 fraternization and the mandatory reporting requirements of section 626.557;

24.8 (12) documents coordination with the treatment provider to ensure compliance with
24.9 section 254B.03, subdivision 2;

24.10 (13) protects client funds and ensures freedom from exploitation by meeting the
24.11 provisions of section 245A.04, subdivision 13;

24.12 (14) has a grievance procedure that meets the requirements of section 245G.15,
24.13 subdivision 2; and

24.14 (15) has sleeping and bathroom facilities for men and women separated by a door that
24.15 is locked, has an alarm, or is supervised by awake staff.

24.16 (b) Programs licensed according to Minnesota Rules, chapter 2960, are exempt from
24.17 paragraph (a), clauses (5) to (15).

24.18 (c) Programs providing children's mental health crisis admissions and stabilization under
24.19 section 245.4882, subdivision 6, are eligible vendors of room and board.

24.20 (d) Programs providing children's residential services under section 245.4882, except
24.21 services for individuals who have a placement under chapter 260C or 260D, are eligible
24.22 vendors of room and board.

24.23 ~~(d)~~ (e) Licensed programs providing intensive residential treatment services or residential
24.24 crisis stabilization services pursuant to section 256B.0622 or 256B.0624 are eligible vendors
24.25 of room and board and are exempt from paragraph (a), clauses (6) to (15).

24.26 **EFFECTIVE DATE.** This section is effective July 1, 2023.

24.27 Sec. Minnesota Statutes 2022, section 256.478, subdivision 2, is amended to read:

24.28 Subd. 2. **Eligibility.** An individual is eligible for the transition to community initiative
24.29 if the individual does not meet eligibility criteria for the medical assistance program under
24.30 section 256B.056 or 256B.057, but who meets at least one of the following criteria:

25.1 (1) the person otherwise meets the criteria under section 256B.092, subdivision 13, or
 25.2 256B.49, subdivision 24;

25.3 (2) the person has met treatment objectives and no longer requires a hospital-level care
 25.4 or a secure treatment setting, but the person's discharge from the Anoka Metro Regional
 25.5 Treatment Center, the Minnesota ~~Security Hospital~~ Forensic Mental Health Program, the
 25.6 Child and Adolescent Behavioral Health Hospital program, a psychiatric residential treatment
 25.7 facility under section 256B.0941, intensive residential treatment services under section
 25.8 256B.0622, children's residential services under section 245.4882, or a community behavioral
 25.9 ~~health~~ hospital would be substantially delayed without additional resources available through
 25.10 the transitions to community initiative; or

25.11 ~~(3) the person is in a community hospital, but alternative community living options~~
 25.12 ~~would be appropriate for the person, and the person has received approval from the~~
 25.13 ~~commissioner; or~~

25.14 ~~(4)(i)~~ (3) the person (i) is receiving customized living services reimbursed under section
 25.15 256B.4914, 24-hour customized living services reimbursed under section 256B.4914, or
 25.16 community residential services reimbursed under section 256B.4914; ~~(ii) the person~~ expresses
 25.17 a desire to move; and ~~(iii) the person~~ has received approval from the commissioner.

25.18 **EFFECTIVE DATE.** This section is effective July 1, 2023."

25.19 Page 124, delete section 6

25.20 Page 125, delete sections 7 and 8

25.21 Page 127, delete section 9

25.22 Page 130, delete section 10

25.23 Page 131, line 13, after "(a)" insert "The commissioner shall establish start-up and
 25.24 capacity-building grants for psychiatric residential treatment facility sites."

25.25 Page 131, line 18, after "resources" insert a comma

25.26 Page 132, line 2, after "commissioner" insert "of human services"

25.27 Page 132, line 4, delete "will" and insert "must"

25.28 Page 132, line 5, before "crisis" insert "a" and after "crisis" insert a comma

25.29 Page 132, line 7, delete "crisis" and insert "crises"

25.30 Page 132, line 15, delete "the"

25.31 Page 132, line 16, delete "evaluation"

26.1 Page 132, after line 21, insert:

26.2 "Sec. **RATE INCREASE FOR MENTAL HEALTH ADULT DAY TREATMENT.**

26.3 The commissioner of human services must increase the reimbursement rate for adult
 26.4 day treatment under Minnesota Statutes, section 256B.0671, subdivision 3, by 50 percent
 26.5 over the reimbursement rate in effect as of June 30, 2023.

26.6 **EFFECTIVE DATE.** This section is effective January 1, 2024, or upon federal approval,
 26.7 whichever is later. The commissioner of human services shall notify the revisor of statutes
 26.8 when federal approval is obtained.

26.9 Sec. **ROOM AND BOARD COSTS IN CHILDREN'S RESIDENTIAL**
 26.10 **FACILITIES.**

26.11 The commissioner of human services must update the behavioral health fund room and
 26.12 board rate schedule to include services provided under Minnesota Statutes, section 245.4882,
 26.13 for individuals who do not have a placement under Minnesota Statutes, chapter 260C or
 26.14 260D. The commissioner must establish room and board rates commensurate with current
 26.15 room and board rates for adolescent programs licensed under Minnesota Statutes, section
 26.16 245G.18.

26.17 **EFFECTIVE DATE.** This section is effective July 1, 2023."

26.18 Page 143, line 1, delete "July 1, 2023" and insert "the day following final enactment"

26.19 Page 143, after line 6, insert:

26.20 "(1) a child under 19 years of age who is determined eligible for medical assistance must
 26.21 remain eligible for a period of 12 months;"

26.22 Renumber the clauses in sequence

26.23 Page 143, line 7, and after "child" insert "19 years of age or older and"

26.24 Page 143, line 23, after "approval" insert "and the implementation of required
 26.25 administrative and systems changes"

26.26 Page 143, line 25, after "obtained" insert "and the administrative and systems changes
 26.27 are implemented"

26.28 Page 145, line 2, after the semicolon, insert "and"

26.29 Page 145, line 3, strike "; and" and insert a period

26.30 Page 145, line 4, strike the old language

27.1 Page 150, after line 11, insert:

27.2 "Sec. Minnesota Statutes 2022, section 256B.0625, subdivision 22, is amended to read:

27.3 Subd. 22. **Hospice care.** Medical assistance covers hospice care services under Public
27.4 Law 99-272, section 9505, to the extent authorized by rule, except that a recipient age 21
27.5 or under who elects to receive hospice services does not waive coverage for services that
27.6 are related to the treatment of the condition for which a diagnosis of terminal illness has
27.7 been made. Hospice respite and end-of-life care under subdivision 22a are not hospice
27.8 services under this subdivision.

27.9 Sec. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision
27.10 to read:

27.11 Subd. 22a. **Residential hospice facility; hospice respite and end-of-life care for**
27.12 **children.** (a) Medical assistance covers hospice respite and end-of-life care if the care is
27.13 for recipients age 21 or under who elect to receive hospice care delivered in a facility that
27.14 is licensed under sections 144A.75 to 144A.755 and that is a residential hospice facility
27.15 under section 144A.75, subdivision 13, paragraph (a). Hospice care services under
27.16 subdivision 22 are not hospice respite or end-of-life care under this subdivision.

27.17 (b) The payment rates for coverage under this subdivision must be 100 percent of the
27.18 Medicare rate for continuous home care hospice services as published in the Centers for
27.19 Medicare and Medicaid Services annual final rule updating payments and policies for hospice
27.20 care. The commissioner shall seek federal financial participation for payment for hospice
27.21 respite and end-of-life care under this subdivision. If federal financial participation is not
27.22 available, payment must be made from state-only funds. Payment for hospice respite and
27.23 end-of-life care must be paid to the residential hospice facility and is not included in any
27.24 limits or cap amounts applicable to hospice services payments to the elected hospice services
27.25 provider.

27.26 (c) Certification of the residential hospice facility by the federal Medicare program must
27.27 not be a requirement of medical assistance payment for hospice respite and end-of-life care
27.28 under this subdivision."

27.29 Page 158, after line 4, insert:

28.1 "Sec. Minnesota Statutes 2022, section 256B.0631, subdivision 3, is amended to read:

28.2 Subd. 3. **Collection.** (a) The medical assistance reimbursement to the provider shall be
 28.3 reduced by the amount of the co-payment or deductible, except that reimbursements shall
 28.4 not be reduced:

28.5 (1) once a recipient has reached the \$12 per month maximum for prescription drug
 28.6 co-payments; or

28.7 (2) for a recipient who has met their monthly five percent cost-sharing limit.

28.8 (b) The provider collects the co-payment or deductible from the recipient. Providers
 28.9 may not deny services to recipients who are unable to pay the co-payment or deductible.

28.10 ~~(c) Medical assistance reimbursement to fee-for-service providers and payments to~~
 28.11 ~~managed care plans shall not be increased as a result of the removal of co-payments or~~
 28.12 ~~deductibles effective on or after January 1, 2009.~~

28.13 **EFFECTIVE DATE.** This section is effective January 1, 2024."

28.14 Page 167, delete lines 21 to 23

28.15 Page 170, line 5, delete "Medical" and insert "Medicare"

28.16 Page 172, line 19, delete everything after "2024" and insert a period

28.17 Page 172, delete lines 20 and 21

28.18 Page 172, before line 22, insert:

28.19 "Sec. Minnesota Statutes 2022, section 256B.764, is amended to read:

28.20 **256B.764 REIMBURSEMENT FOR FAMILY PLANNING SERVICES.**

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

28.25 (b) Effective for services rendered on or after July 1, 2013, payment rates for family
 28.26 planning services shall be increased by 20 percent over the rates in effect June 30, 2013,
 28.27 when these services are provided by a community clinic as defined in section 145.9268,
 28.28 subdivision 1. The commissioner shall adjust capitation rates to managed care and
 28.29 county-based purchasing plans to reflect this increase, and shall require plans to pass on the
 28.30 full amount of the rate increase to eligible community clinics, in the form of higher payment
 28.31 rates for family planning services.

29.1 (c) Effective for services provided on or after January 1, 2024, payment rates for family
 29.2 planning and abortion services shall be increased by ten percent. This increase does not
 29.3 apply to federally qualified health centers, rural health centers, or Indian health services.

29.4 Sec. Minnesota Statutes 2022, section 256B.766, is amended to read:

29.5 **256B.766 REIMBURSEMENT FOR BASIC CARE SERVICES.**

29.6 (a) Effective for services provided on or after July 1, 2009, total payments for basic care
 29.7 services, shall be reduced by three percent, except that for the period July 1, 2009, through
 29.8 June 30, 2011, total payments shall be reduced by 4.5 percent for the medical assistance
 29.9 and general assistance medical care programs, prior to third-party liability and spenddown
 29.10 calculation. Effective July 1, 2010, the commissioner shall classify physical therapy services,
 29.11 occupational therapy services, and speech-language pathology and related services as basic
 29.12 care services. The reduction in this paragraph shall apply to physical therapy services,
 29.13 occupational therapy services, and speech-language pathology and related services provided
 29.14 on or after July 1, 2010.

29.15 (b) Payments made to managed care plans and county-based purchasing plans shall be
 29.16 reduced for services provided on or after October 1, 2009, to reflect the reduction effective
 29.17 July 1, 2009, and payments made to the plans shall be reduced effective October 1, 2010,
 29.18 to reflect the reduction effective July 1, 2010.

29.19 (c) Effective for services provided on or after September 1, 2011, through June 30, 2013,
 29.20 total payments for outpatient hospital facility fees shall be reduced by five percent from the
 29.21 rates in effect on August 31, 2011.

29.22 (d) Effective for services provided on or after September 1, 2011, through June 30, 2013,
 29.23 total payments for ambulatory surgery centers facility fees, medical supplies and durable
 29.24 medical equipment not subject to a volume purchase contract, prosthetics and orthotics,
 29.25 renal dialysis services, laboratory services, public health nursing services, physical therapy
 29.26 services, occupational therapy services, speech therapy services, eyeglasses not subject to
 29.27 a volume purchase contract, hearing aids not subject to a volume purchase contract, and
 29.28 anesthesia services shall be reduced by three percent from the rates in effect on August 31,
 29.29 2011.

29.30 (e) Effective for services provided on or after September 1, 2014, payments for
 29.31 ambulatory surgery centers facility fees, hospice services, renal dialysis services, laboratory
 29.32 services, public health nursing services, eyeglasses not subject to a volume purchase contract,
 29.33 and hearing aids not subject to a volume purchase contract shall be increased by three percent

30.1 and payments for outpatient hospital facility fees shall be increased by three percent.

30.2 Payments made to managed care plans and county-based purchasing plans shall not be
30.3 adjusted to reflect payments under this paragraph.

30.4 (f) Payments for medical supplies and durable medical equipment not subject to a volume
30.5 purchase contract, and prosthetics and orthotics, provided on or after July 1, 2014, through
30.6 June 30, 2015, shall be decreased by .33 percent. Payments for medical supplies and durable
30.7 medical equipment not subject to a volume purchase contract, and prosthetics and orthotics,
30.8 provided on or after July 1, 2015, shall be increased by three percent from the rates as
30.9 determined under paragraphs (i) and (j).

30.10 (g) Effective for services provided on or after July 1, 2015, payments for outpatient
30.11 hospital facility fees, medical supplies and durable medical equipment not subject to a
30.12 volume purchase contract, prosthetics, and orthotics to a hospital meeting the criteria specified
30.13 in section 62Q.19, subdivision 1, paragraph (a), clause (4), shall be increased by 90 percent
30.14 from the rates in effect on June 30, 2015. Payments made to managed care plans and
30.15 county-based purchasing plans shall not be adjusted to reflect payments under this paragraph.

30.16 (h) This section does not apply to physician and professional services, inpatient hospital
30.17 services, family planning services, mental health services, dental services, prescription
30.18 drugs, medical transportation, federally qualified health centers, rural health centers, Indian
30.19 health services, and Medicare cost-sharing.

30.20 (i) Effective for services provided on or after July 1, 2015, the following categories of
30.21 medical supplies and durable medical equipment shall be individually priced items: enteral
30.22 nutrition and supplies, customized and other specialized tracheostomy tubes and supplies,
30.23 electric patient lifts, and durable medical equipment repair and service. This paragraph does
30.24 not apply to medical supplies and durable medical equipment subject to a volume purchase
30.25 contract, products subject to the preferred diabetic testing supply program, and items provided
30.26 to dually eligible recipients when Medicare is the primary payer for the item. The
30.27 commissioner shall not apply any medical assistance rate reductions to durable medical
30.28 equipment as a result of Medicare competitive bidding.

30.29 (j) Effective for services provided on or after July 1, 2015, medical assistance payment
30.30 rates for durable medical equipment, prosthetics, orthotics, or supplies shall be increased
30.31 as follows:

30.32 (1) payment rates for durable medical equipment, prosthetics, orthotics, or supplies that
30.33 were subject to the Medicare competitive bid that took effect in January of 2009 shall be
30.34 increased by 9.5 percent; and

31.1 (2) payment rates for durable medical equipment, prosthetics, orthotics, or supplies on
31.2 the medical assistance fee schedule, whether or not subject to the Medicare competitive bid
31.3 that took effect in January of 2009, shall be increased by 2.94 percent, with this increase
31.4 being applied after calculation of any increased payment rate under clause (1).

31.5 This paragraph does not apply to medical supplies and durable medical equipment subject
31.6 to a volume purchase contract, products subject to the preferred diabetic testing supply
31.7 program, items provided to dually eligible recipients when Medicare is the primary payer
31.8 for the item, and individually priced items identified in paragraph (i). Payments made to
31.9 managed care plans and county-based purchasing plans shall not be adjusted to reflect the
31.10 rate increases in this paragraph.

31.11 (k) Effective for nonpressure support ventilators provided on or after January 1, 2016,
31.12 the rate shall be the lower of the submitted charge or the Medicare fee schedule rate. Effective
31.13 for pressure support ventilators provided on or after January 1, 2016, the rate shall be the
31.14 lower of the submitted charge or 47 percent above the Medicare fee schedule rate. For
31.15 payments made in accordance with this paragraph, if, and to the extent that, the commissioner
31.16 identifies that the state has received federal financial participation for ventilators in excess
31.17 of the amount allowed effective January 1, 2018, under United States Code, title 42, section
31.18 1396b(i)(27), the state shall repay the excess amount to the Centers for Medicare and
31.19 Medicaid Services with state funds and maintain the full payment rate under this paragraph.

31.20 (l) Payment rates for durable medical equipment, prosthetics, orthotics or supplies, that
31.21 are subject to the upper payment limit in accordance with section 1903(i)(27) of the Social
31.22 Security Act, shall be paid the Medicare rate. Rate increases provided in this chapter shall
31.23 not be applied to the items listed in this paragraph.

31.24 (m) Beginning July 1, 2023, enteral nutrition and supplies must be paid according to the
31.25 applicable method in clauses (1) to (3). For methods based upon the 50th percentile, the
31.26 commissioner must determine the 50th percentile based on data that exists for that product
31.27 or supply on the effective date of that rate. The commissioner must make the 50th percentile
31.28 determination based on at least 100 paid claim lines by at least ten different providers for
31.29 a given product or supply. If the commissioner does not have at least 100 paid claim lines
31.30 from ten different providers for a given product or supply, the commissioner must make
31.31 the 50th percentile determination based on at least 20 claim lines by at least five different
31.32 providers for a product or supply. If the commissioner does not have at least 20 claim lines
31.33 by five different providers for a product or supply, payment for enteral nutrition and supplies
31.34 must be made according to clause (3).

32.1 (1) For dates of service on or after July 1, 2023, through December 31, 2023, payment
 32.2 must be based on the 50th percentile of the usual and customary charges per product code
 32.3 submitted to the commissioner for the previous fiscal year, using only charges submitted
 32.4 per unit. Rate increases must not exceed 50 percent of the previous rate per code and product
 32.5 combination.

32.6 (2) For dates of service on or after January 1, 2024, payment must be based on the 50th
 32.7 percentile of the usual and customary charges per product code submitted to the commissioner
 32.8 for the previous calendar year, using only charges submitted per unit. The commissioner
 32.9 must update the payment rates effective for each calendar year annually using the previous
 32.10 calendar year's data, not to exceed an increase of 50 percent of the previous year's rate per
 32.11 code and product combination.

32.12 (3) For dates of service on or after July 1, 2023, if data are not available to calculate the
 32.13 50th percentile for enteral products or supplies under clause (1) or (2), the payment must
 32.14 be based on the manufacturer's suggested retail price of that product or supply minus 20
 32.15 percent. If the manufacturer's suggested retail price is not available, payment must be based
 32.16 on the actual acquisition cost of that product or supply plus 20 percent."

32.17 Page 174, line 13, strike "256B.057, subdivision 9,"

32.18 Page 174, lines 15 to 18, reinstate the stricken language and delete the new language

32.19 Page 175, line 10, after "assistance" insert "and MinnesotaCare"

32.20 Page 175, line 17, after "recipient" insert ", and provide MinnesotaCare benefits, pending
 32.21 the outcome of a fair hearing decision, to any MinnesotaCare recipient,"

32.22 Page 175, lines 20, 25, and 28, after "assistance" insert "or MinnesotaCare"

32.23 Page 176, after line 2, insert:

32.24 "(g) Notwithstanding Minnesota Statutes, section 256L.15, subdivision 2, the
 32.25 commissioner shall make MinnesotaCare available with no premium payments required,
 32.26 for coverage beginning June 1, 2023, through June 30, 2024.

32.27 (h) Notwithstanding Minnesota Statutes, section 256B.057, subdivision 9, or any other
 32.28 provision to the contrary, the commissioner shall not collect any unpaid premium for a
 32.29 coverage month that occurred during the COVID-19 public health emergency declared by
 32.30 the United States Secretary of Health and Human Services through the month after the
 32.31 enrollee's first renewal is conducted, following the resumption of medical assistance renewals
 32.32 after March 31, 2023.

33.1 (i) Notwithstanding any other law to the contrary, the commissioner shall, as required
 33.2 by the Centers for Medicare and Medicaid Services, suspend certain procedural terminations
 33.3 for medical assistance enrollees."

33.4 Page 180, line 10, delete "who" and insert "that"

33.5 Page 182, after line 11, insert:

33.6 "Sec. [144.1913] CLINICAL DENTAL EDUCATION INNOVATION GRANTS.

33.7 (a) The commissioner shall award clinical dental education innovation grants to teaching
 33.8 institutions and clinical training sites for projects that increase dental access for underserved
 33.9 populations and promote innovative clinical training of dental professionals. In awarding
 33.10 the grants, the commissioner shall consider the following:

33.11 (1) potential to successfully increase access to dental services for an underserved
 33.12 population;

33.13 (2) the long-term viability of the project to improve access to dental services beyond
 33.14 the period of initial funding;

33.15 (3) evidence of collaboration between the applicant and local communities;

33.16 (4) efficiency in the use of grant funding; and

33.17 (5) the priority level of the project in relation to state education, access, and workforce
 33.18 goals.

33.19 (b) The commissioner shall periodically evaluate the priorities in awarding innovations
 33.20 grants under this section to ensure that the priorities meet the changing workforce needs of
 33.21 the state."

33.22 Page 186, delete lines 12 to 16

33.23 Page 189, line 16, delete "with" and insert "who: (1) have"

33.24 Page 189, line 17, delete ", including those"

33.25 Page 189, line 18, delete "with" and insert "; (2) have"

33.26 Page 189, line 18, delete the second comma and insert "; or (3) are undocumented
 33.27 noncitizens 19 years of age or older,"

33.28 Page 189, line 19, after "requirements" insert a comma

33.29 Page 195, after line 2, insert:

34.1 "Sec. Minnesota Statutes 2022, section 13.46, subdivision 4, is amended to read:

34.2 Subd. 4. **Licensing data.** (a) As used in this subdivision:

34.3 (1) "licensing data" are all data collected, maintained, used, or disseminated by the
34.4 welfare system pertaining to persons licensed or registered or who apply for licensure or
34.5 registration or who formerly were licensed or registered under the authority of the
34.6 commissioner of human services;

34.7 (2) "client" means a person who is receiving services from a licensee or from an applicant
34.8 for licensure; and

34.9 (3) "personal and personal financial data" are Social Security numbers, identity of and
34.10 letters of reference, insurance information, reports from the Bureau of Criminal
34.11 Apprehension, health examination reports, and social/home studies.

34.12 (b)(1)(i) Except as provided in paragraph (c), the following data on applicants, license
34.13 holders, and former licensees are public: name, address, telephone number of licensees,
34.14 date of receipt of a completed application, dates of licensure, licensed capacity, type of
34.15 client preferred, variances granted, record of training and education in child care and child
34.16 development, type of dwelling, name and relationship of other family members, previous
34.17 license history, class of license, the existence and status of complaints, and the number of
34.18 serious injuries to or deaths of individuals in the licensed program as reported to the
34.19 commissioner of human services, the local social services agency, or any other county
34.20 welfare agency. For purposes of this clause, a serious injury is one that is treated by a
34.21 physician.

34.22 (ii) Except as provided in item (v), when a correction order, an order to forfeit a fine,
34.23 an order of license suspension, an order of temporary immediate suspension, an order of
34.24 license revocation, an order of license denial, or an order of conditional license has been
34.25 issued, or a complaint is resolved, the following data on current and former licensees and
34.26 applicants are public: the general nature of the complaint or allegations leading to the
34.27 temporary immediate suspension; the substance and investigative findings of the licensing
34.28 or maltreatment complaint, licensing violation, or substantiated maltreatment; the existence
34.29 of settlement negotiations; the record of informal resolution of a licensing violation; orders
34.30 of hearing; findings of fact; conclusions of law; specifications of the final correction order,
34.31 fine, suspension, temporary immediate suspension, revocation, denial, or conditional license
34.32 contained in the record of licensing action; whether a fine has been paid; and the status of
34.33 any appeal of these actions.

35.1 (iii) When a license denial under section 245A.05 or a sanction under section 245A.07
35.2 is based on a determination that a license holder, applicant, or controlling individual is
35.3 responsible for maltreatment under section 626.557 or chapter 260E, the identity of the
35.4 applicant, license holder, or controlling individual as the individual responsible for
35.5 maltreatment is public data at the time of the issuance of the license denial or sanction.

35.6 (iv) When a license denial under section 245A.05 or a sanction under section 245A.07
35.7 is based on a determination that a license holder, applicant, or controlling individual is
35.8 disqualified under chapter 245C, the identity of the license holder, applicant, or controlling
35.9 individual as the disqualified individual ~~and the reason for the disqualification are~~ is public
35.10 data at the time of the issuance of the licensing sanction or denial. If the applicant, license
35.11 holder, or controlling individual requests reconsideration of the disqualification and the
35.12 disqualification is affirmed, the reason for the disqualification and the reason to not set aside
35.13 the disqualification are ~~public~~ private data.

35.14 (v) A correction order or fine issued to a child care provider for a licensing violation is
35.15 private data on individuals under section 13.02, subdivision 12, or nonpublic data under
35.16 section 13.02, subdivision 9, if the correction order or fine is seven years old or older.

35.17 (2) For applicants who withdraw their application prior to licensure or denial of a license,
35.18 the following data are public: the name of the applicant, the city and county in which the
35.19 applicant was seeking licensure, the dates of the commissioner's receipt of the initial
35.20 application and completed application, the type of license sought, and the date of withdrawal
35.21 of the application.

35.22 (3) For applicants who are denied a license, the following data are public: the name and
35.23 address of the applicant, the city and county in which the applicant was seeking licensure,
35.24 the dates of the commissioner's receipt of the initial application and completed application,
35.25 the type of license sought, the date of denial of the application, the nature of the basis for
35.26 the denial, the existence of settlement negotiations, the record of informal resolution of a
35.27 denial, orders of hearings, findings of fact, conclusions of law, specifications of the final
35.28 order of denial, and the status of any appeal of the denial.

35.29 (4) When maltreatment is substantiated under section 626.557 or chapter 260E and the
35.30 victim and the substantiated perpetrator are affiliated with a program licensed under chapter
35.31 245A, the commissioner of human services, local social services agency, or county welfare
35.32 agency may inform the license holder where the maltreatment occurred of the identity of
35.33 the substantiated perpetrator and the victim.

36.1 (5) Notwithstanding clause (1), for child foster care, only the name of the license holder
36.2 and the status of the license are public if the county attorney has requested that data otherwise
36.3 classified as public data under clause (1) be considered private data based on the best interests
36.4 of a child in placement in a licensed program.

36.5 (c) The following are private data on individuals under section 13.02, subdivision 12,
36.6 or nonpublic data under section 13.02, subdivision 9: personal and personal financial data
36.7 on family day care program and family foster care program applicants and licensees and
36.8 their family members who provide services under the license.

36.9 (d) The following are private data on individuals: the identity of persons who have made
36.10 reports concerning licensees or applicants that appear in inactive investigative data, and the
36.11 records of clients or employees of the licensee or applicant for licensure whose records are
36.12 received by the licensing agency for purposes of review or in anticipation of a contested
36.13 matter. The names of reporters of complaints or alleged violations of licensing standards
36.14 under chapters 245A, 245B, 245C, and 245D, and applicable rules and alleged maltreatment
36.15 under section 626.557 and chapter 260E, are confidential data and may be disclosed only
36.16 as provided in section 260E.21, subdivision 4; 260E.35; or 626.557, subdivision 12b.

36.17 (e) Data classified as private, confidential, nonpublic, or protected nonpublic under this
36.18 subdivision become public data if submitted to a court or administrative law judge as part
36.19 of a disciplinary proceeding in which there is a public hearing concerning a license which
36.20 has been suspended, immediately suspended, revoked, or denied.

36.21 (f) Data generated in the course of licensing investigations that relate to an alleged
36.22 violation of law are investigative data under subdivision 3.

36.23 (g) Data that are not public data collected, maintained, used, or disseminated under this
36.24 subdivision that relate to or are derived from a report as defined in section 260E.03, or
36.25 626.5572, subdivision 18, are subject to the destruction provisions of sections 260E.35,
36.26 subdivision 6, and 626.557, subdivision 12b.

36.27 (h) Upon request, not public data collected, maintained, used, or disseminated under
36.28 this subdivision that relate to or are derived from a report of substantiated maltreatment as
36.29 defined in section 626.557 or chapter 260E may be exchanged with the Department of
36.30 Health for purposes of completing background studies pursuant to section 144.057 and with
36.31 the Department of Corrections for purposes of completing background studies pursuant to
36.32 section 241.021.

36.33 (i) Data on individuals collected according to licensing activities under chapters 245A
36.34 and 245C, data on individuals collected by the commissioner of human services according

37.1 to investigations under section 626.557 and chapters 245A, 245B, 245C, 245D, and 260E
37.2 may be shared with the Department of Human Rights, the Department of Health, the
37.3 Department of Corrections, the ombudsman for mental health and developmental disabilities,
37.4 and the individual's professional regulatory board when there is reason to believe that laws
37.5 or standards under the jurisdiction of those agencies may have been violated or the
37.6 information may otherwise be relevant to the board's regulatory jurisdiction. Background
37.7 study data on an individual who is the subject of a background study under chapter 245C
37.8 for a licensed service for which the commissioner of human services is the license holder
37.9 may be shared with the commissioner and the commissioner's delegate by the licensing
37.10 division. Unless otherwise specified in this chapter, the identity of a reporter of alleged
37.11 maltreatment or licensing violations may not be disclosed.

37.12 (j) In addition to the notice of determinations required under sections 260E.24,
37.13 subdivisions 5 and 7, and 260E.30, subdivision 6, paragraphs (b), (c), (d), (e), and (f), if the
37.14 commissioner or the local social services agency has determined that an individual is a
37.15 substantiated perpetrator of maltreatment of a child based on sexual abuse, as defined in
37.16 section 260E.03, and the commissioner or local social services agency knows that the
37.17 individual is a person responsible for a child's care in another facility, the commissioner or
37.18 local social services agency shall notify the head of that facility of this determination. The
37.19 notification must include an explanation of the individual's available appeal rights and the
37.20 status of any appeal. If a notice is given under this paragraph, the government entity making
37.21 the notification shall provide a copy of the notice to the individual who is the subject of the
37.22 notice.

37.23 (k) All not public data collected, maintained, used, or disseminated under this subdivision
37.24 and subdivision 3 may be exchanged between the Department of Human Services, Licensing
37.25 Division, and the Department of Corrections for purposes of regulating services for which
37.26 the Department of Human Services and the Department of Corrections have regulatory
37.27 authority.

37.28 Sec. Minnesota Statutes 2022, section 245C.02, is amended by adding a subdivision
37.29 to read:

37.30 Subd. 7a. **Conservator.** "Conservator" has the meaning given under section 524.1-201,
37.31 clause (10), and includes proposed and current conservators.

38.1 Sec. Minnesota Statutes 2022, section 245C.02, is amended by adding a subdivision
38.2 to read:

38.3 Subd. 11f. **Guardian.** "Guardian" has the meaning given under section 524.1-201, clause
38.4 (27), and includes proposed and current guardians.

38.5 Sec. Minnesota Statutes 2022, section 245C.02, subdivision 13e, is amended to read:

38.6 Subd. 13e. **NETStudy 2.0.** "NETStudy 2.0" means the commissioner's system that
38.7 replaces both NETStudy and the department's internal background study processing system.
38.8 NETStudy 2.0 is designed to enhance protection of children and vulnerable adults by
38.9 improving the accuracy of background studies through fingerprint-based criminal record
38.10 checks and expanding the background studies to include a review of information from the
38.11 Minnesota Court Information System and the national crime information database. NETStudy
38.12 2.0 is also designed to increase efficiencies in and the speed of the hiring process by:

38.13 (1) providing access to and updates from public web-based data related to employment
38.14 eligibility;

38.15 (2) decreasing the need for repeat studies through electronic updates of background
38.16 study subjects' criminal records;

38.17 (3) supporting identity verification using subjects' Social Security numbers and
38.18 photographs;

38.19 (4) using electronic employer notifications; ~~and~~

38.20 (5) issuing immediate verification of subjects' eligibility to provide services as more
38.21 studies are completed under the NETStudy 2.0 system; and

38.22 (6) providing electronic access to certain notices for entities and background study
38.23 subjects.

38.24 Sec. Minnesota Statutes 2022, section 245C.03, subdivision 1, is amended to read:

38.25 Subdivision 1. **Licensed programs.** (a) The commissioner shall conduct a background
38.26 study on:

38.27 (1) the person or persons applying for a license;

38.28 (2) an individual age 13 and over living in the household where the licensed program
38.29 will be provided who is not receiving licensed services from the program;

39.1 (3) current or prospective employees or contractors of the applicant who will have direct
39.2 contact with persons served by the facility, agency, or program;

39.3 (4) volunteers or student volunteers who will have direct contact with persons served
39.4 by the program to provide program services if the contact is not under the continuous, direct
39.5 supervision by an individual listed in clause (1) or (3);

39.6 (5) an individual age ten to 12 living in the household where the licensed services will
39.7 be provided when the commissioner has reasonable cause as defined in section 245C.02,
39.8 subdivision 15;

39.9 (6) an individual who, without providing direct contact services at a licensed program,
39.10 may have unsupervised access to children or vulnerable adults receiving services from a
39.11 program, when the commissioner has reasonable cause as defined in section 245C.02,
39.12 subdivision 15;

39.13 (7) all controlling individuals as defined in section 245A.02, subdivision 5a;

39.14 (8) notwithstanding the other requirements in this subdivision, child care background
39.15 study subjects as defined in section 245C.02, subdivision 6a; and

39.16 (9) notwithstanding clause (3), for children's residential facilities and foster residence
39.17 settings, any adult working in the facility, whether or not the individual will have direct
39.18 contact with persons served by the facility.

39.19 (b) For child foster care when the license holder resides in the home where foster care
39.20 services are provided, a short-term substitute caregiver providing direct contact services for
39.21 a child for less than 72 hours of continuous care is not required to receive a background
39.22 study under this chapter.

39.23 (c) This subdivision applies to the following programs that must be licensed under
39.24 chapter 245A:

39.25 (1) adult foster care;

39.26 (2) child foster care;

39.27 (3) children's residential facilities;

39.28 (4) family child care;

39.29 (5) licensed child care centers;

39.30 (6) licensed home and community-based services under chapter 245D;

39.31 (7) residential mental health programs for adults;

- 40.1 (8) substance use disorder treatment programs under chapter 245G;
- 40.2 (9) withdrawal management programs under chapter 245F;
- 40.3 (10) adult day care centers;
- 40.4 (11) family adult day services;
- 40.5 (12) independent living assistance for youth;
- 40.6 (13) detoxification programs;
- 40.7 (14) community residential settings; ~~and~~
- 40.8 (15) intensive residential treatment services and residential crisis stabilization under
- 40.9 chapter 245I; and
- 40.10 (16) treatment programs for persons with sexual psychopathic personality or sexually
- 40.11 dangerous persons, licensed under chapter 245A and according to Minnesota Rules, parts
- 40.12 9515.3000 to 9515.3110.

40.13 Sec. Minnesota Statutes 2022, section 245C.03, subdivision 1a, is amended to read:

40.14 Subd. 1a. **Procedure.** (a) Individuals and organizations that are required under this

40.15 section to have or initiate background studies shall comply with the requirements of this

40.16 chapter.

40.17 (b) All studies conducted under this section shall be conducted according to sections

40.18 299C.60 to 299C.64. This requirement does not apply to subdivisions 1, paragraph (c),

40.19 clauses (2) to (5), and 6a.

40.20 (c) All data obtained by the commissioner for a background study completed under this

40.21 section shall be classified as private data.

40.22 Sec. Minnesota Statutes 2022, section 245C.031, subdivision 1, is amended to read:

40.23 Subdivision 1. **Alternative background studies.** (a) The commissioner shall conduct

40.24 an alternative background study of individuals listed in this section.

40.25 (b) Notwithstanding other sections of this chapter, all alternative background studies

40.26 except subdivision 12 shall be conducted according to this section and with sections 299C.60

40.27 to 299C.64.

40.28 (c) All terms in this section shall have the definitions provided in section 245C.02.

41.1 (d) The entity that submits an alternative background study request under this section
41.2 shall submit the request to the commissioner according to section 245C.05.

41.3 (e) The commissioner shall comply with the destruction requirements in section 245C.051.

41.4 (f) Background studies conducted under this section are subject to the provisions of
41.5 section 245C.32.

41.6 (g) The commissioner shall forward all information that the commissioner receives under
41.7 section 245C.08 to the entity that submitted the alternative background study request under
41.8 subdivision 2. The commissioner shall not make any eligibility determinations regarding
41.9 background studies conducted under this section.

41.10 (h) All data obtained by the commissioner for a background study completed under this
41.11 section shall be classified as private data.

41.12 Sec. **[245C.033] GUARDIANS AND CONSERVATORS; MALTREATMENT**
41.13 **AND STATE LICENSING AGENCY CHECKS.**

41.14 Subdivision 1. Maltreatment data. Requests for maltreatment data and records checks
41.15 submitted pursuant to section 524.5-118 shall include information regarding whether the
41.16 guardian or conservator has been a perpetrator of substantiated maltreatment of a vulnerable
41.17 adult under section 626.557 or a minor under chapter 260E. If the guardian or conservator
41.18 has been the perpetrator of substantiated maltreatment of a vulnerable adult or a minor, the
41.19 commissioner must include a copy of any available public portion of the investigation
41.20 memorandum under section 626.557, subdivision 12b, or any available public portion of
41.21 the investigation memorandum under section 260E.30.

41.22 Subd. 2. State licensing agency data. (a) Requests for state licensing agency data and
41.23 records checks submitted pursuant to section 524.5-118 shall include information from a
41.24 check of state licensing agency records.

41.25 (b) The commissioner shall provide the court with licensing agency data for licenses
41.26 directly related to the responsibilities of a guardian or conservator if the guardian or
41.27 conservator has a current or prior affiliation with the:

41.28 (1) Lawyers Responsibility Board;

41.29 (2) State Board of Accountancy;

41.30 (3) Board of Social Work;

41.31 (4) Board of Psychology;

- 42.1 (5) Board of Nursing;
- 42.2 (6) Board of Medical Practice;
- 42.3 (7) Department of Education;
- 42.4 (8) Department of Commerce;
- 42.5 (9) Board of Chiropractic Examiners;
- 42.6 (10) Board of Dentistry;
- 42.7 (11) Board of Marriage and Family Therapy;
- 42.8 (12) Department of Human Services;
- 42.9 (13) Peace Officer Standards and Training (POST) Board; and
- 42.10 (14) Professional Educator Licensing and Standards Board.

42.11 (c) The commissioner shall provide to the court the electronically available data
 42.12 maintained in the agency's database, including whether the guardian or conservator is or
 42.13 has been licensed by the agency and whether a disciplinary action or a sanction against the
 42.14 individual's license, including a condition, suspension, revocation, or cancellation, is in the
 42.15 licensing agency's database.

42.16 Subd. 3. **Procedure; maltreatment and state licensing agency data.** Requests for
 42.17 maltreatment and state licensing agency data checks shall be submitted by the guardian or
 42.18 conservator to the commissioner on the form or in the manner prescribed by the
 42.19 commissioner. Upon receipt of a signed informed consent, and payment under 245C.10,
 42.20 the commissioner shall complete the maltreatment and state licensing agency checks. Upon
 42.21 completion of the checks, the commissioner shall provide the requested information to the
 42.22 courts on the form or in the manner prescribed by the commissioner.

42.23 Subd. 4. **Classification of maltreatment and state licensing agency data; access to**
 42.24 **information.** All data obtained by the commissioner for maltreatment and state licensing
 42.25 agency checks completed under this section shall be classified as private data.

42.26 Sec. Minnesota Statutes 2022, section 245C.05, subdivision 1, is amended to read:

42.27 Subdivision 1. **Individual studied.** (a) The individual who is the subject of the
 42.28 background study must provide the applicant, license holder, or other entity under section
 42.29 245C.04 with sufficient information to ensure an accurate study, including:

- 42.30 (1) the individual's first, middle, and last name and all other names by which the
 42.31 individual has been known;

- 43.1 (2) current home address, city, and state of residence;
- 43.2 (3) current zip code;
- 43.3 (4) sex;
- 43.4 (5) date of birth;
- 43.5 (6) driver's license number or state identification number; and
- 43.6 (7) upon implementation of NETStudy 2.0, the home address, city, county, and state of
- 43.7 residence for the past five years.

43.8 (b) Every subject of a background study conducted or initiated by counties or private

43.9 agencies under this chapter must also provide the home address, city, county, and state of

43.10 residence for the past five years.

43.11 (c) Every subject of a background study related to private agency adoptions or related

43.12 to child foster care licensed through a private agency, who is 18 years of age or older, shall

43.13 also provide the commissioner a signed consent for the release of any information received

43.14 from national crime information databases to the private agency that initiated the background

43.15 study.

43.16 (d) The subject of a background study shall provide fingerprints and a photograph as

43.17 required in subdivision 5.

43.18 (e) The subject of a background study shall submit a completed criminal and maltreatment

43.19 history records check consent form for applicable national and state level record checks.

43.20 (f) A background study subject who has access to the NETStudy 2.0 applicant portal

43.21 must provide updated contact information to the commissioner via NETStudy 2.0 any time

43.22 their personal information changes for as long as they remain affiliated on any roster.

43.23 (g) An entity must update contact information in NETStudy 2.0 for a background study

43.24 subject on the entity's roster any time the entity receives new contact information from the

43.25 study subject.

43.26 Sec. Minnesota Statutes 2022, section 245C.05, subdivision 2c, is amended to read:

43.27 Subd. 2c. **Privacy notice to background study subject.** (a) Prior to initiating each

43.28 background study, the entity initiating the study must provide the commissioner's privacy

43.29 notice to the background study subject required under section 13.04, subdivision 2. The

43.30 notice must be available through the commissioner's electronic NETStudy and NETStudy

43.31 2.0 systems and shall include the information in paragraphs (b) and (c).

44.1 (b) The background study subject shall be informed that any previous background studies
 44.2 that received a set-aside will be reviewed, and without further contact with the background
 44.3 study subject, the commissioner may notify the agency that initiated the subsequent
 44.4 background study;

44.5 ~~(1) that the individual has a disqualification that has been set aside for the program or~~
 44.6 ~~agency that initiated the study;~~

44.7 ~~(2) the reason for the disqualification; and~~

44.8 ~~(3) that information about the decision to set aside the disqualification will be available~~
 44.9 ~~to the license holder upon request without the consent of the background study subject.~~

44.10 (c) The background study subject must also be informed that:

44.11 (1) the subject's fingerprints collected for purposes of completing the background study
 44.12 under this chapter must not be retained by the Department of Public Safety, Bureau of
 44.13 Criminal Apprehension, or by the commissioner. The Federal Bureau of Investigation will
 44.14 not retain background study subjects' fingerprints;

44.15 (2) effective upon implementation of NETStudy 2.0, the subject's photographic image
 44.16 will be retained by the commissioner, and if the subject has provided the subject's Social
 44.17 Security number for purposes of the background study, the photographic image will be
 44.18 available to prospective employers and agencies initiating background studies under this
 44.19 chapter to verify the identity of the subject of the background study;

44.20 (3) the authorized fingerprint collection vendor or vendors shall, for purposes of verifying
 44.21 the identity of the background study subject, be able to view the identifying information
 44.22 entered into NETStudy 2.0 by the entity that initiated the background study, but shall not
 44.23 retain the subject's fingerprints, photograph, or information from NETStudy 2.0. The
 44.24 authorized fingerprint collection vendor or vendors shall retain no more than the subject's
 44.25 name and the date and time the subject's fingerprints were recorded and sent, only as
 44.26 necessary for auditing and billing activities;

44.27 (4) the commissioner shall provide the subject notice, as required in section 245C.17,
 44.28 subdivision 1, paragraph (a), when an entity initiates a background study on the individual;

44.29 (5) the subject may request in writing a report listing the entities that initiated a
 44.30 background study on the individual as provided in section 245C.17, subdivision 1, paragraph
 44.31 (b);

45.1 (6) the subject may request in writing that information used to complete the individual's
45.2 background study in NETStudy 2.0 be destroyed if the requirements of section 245C.051,
45.3 paragraph (a), are met; and

45.4 (7) notwithstanding clause (6), the commissioner shall destroy:

45.5 (i) the subject's photograph after a period of two years when the requirements of section
45.6 245C.051, paragraph (c), are met; and

45.7 (ii) any data collected on a subject under this chapter after a period of two years following
45.8 the individual's death as provided in section 245C.051, paragraph (d).

45.9 Sec. Minnesota Statutes 2022, section 245C.05, subdivision 4, is amended to read:

45.10 Subd. 4. **Electronic transmission.** (a) For background studies conducted by the
45.11 Department of Human Services, the commissioner shall implement a secure system for the
45.12 electronic transmission of:

45.13 (1) background study information to the commissioner;

45.14 (2) background study results to the license holder;

45.15 (3) background study information obtained under this section and section 245C.08 to
45.16 counties and private agencies for background studies conducted by the commissioner for
45.17 child foster care, including a summary of nondisqualifying results, except as prohibited by
45.18 law; and

45.19 (4) background study results to county agencies for background studies conducted by
45.20 the commissioner for adult foster care and family adult day services and, upon
45.21 implementation of NETStudy 2.0, family child care and legal nonlicensed child care
45.22 authorized under chapter 119B.

45.23 (b) Unless the commissioner has granted a hardship variance under paragraph (c), a
45.24 license holder or an applicant must use the electronic transmission system known as
45.25 NETStudy or NETStudy 2.0 to submit all requests for background studies to the
45.26 commissioner as required by this chapter.

45.27 (c) A license holder or applicant whose program is located in an area in which high-speed
45.28 Internet is inaccessible may request the commissioner to grant a variance to the electronic
45.29 transmission requirement.

45.30 (d) Section 245C.08, subdivision 3, paragraph (c), applies to results transmitted under
45.31 this subdivision.

46.1 (e) The background study subject shall access background study-related documents
46.2 electronically in the applicant portal. A background study subject may request the
46.3 commissioner to grant a variance to the requirement to access documents electronically in
46.4 the NETStudy 2.0 applicant portal, and maintains the ability to request paper documentation
46.5 of their background studies.

46.6 Sec. Minnesota Statutes 2022, section 245C.08, subdivision 1, is amended to read:

46.7 Subdivision 1. **Background studies conducted by Department of Human Services.** (a)
46.8 For a background study conducted by the Department of Human Services, the commissioner
46.9 shall review:

46.10 (1) information related to names of substantiated perpetrators of maltreatment of
46.11 vulnerable adults that has been received by the commissioner as required under section
46.12 626.557, subdivision 9c, paragraph (j);

46.13 (2) the commissioner's records relating to the maltreatment of minors in licensed
46.14 programs, and from findings of maltreatment of minors as indicated through the social
46.15 service information system;

46.16 (3) information from juvenile courts as required in subdivision 4 for individuals listed
46.17 in section 245C.03, subdivision 1, paragraph (a), when there is reasonable cause;

46.18 (4) information from the Bureau of Criminal Apprehension, including information
46.19 regarding a background study subject's registration in Minnesota as a predatory offender
46.20 under section 243.166;

46.21 (5) except as provided in clause (6), information received as a result of submission of
46.22 fingerprints for a national criminal history record check, as defined in section 245C.02,
46.23 subdivision 13c, when the commissioner has reasonable cause for a national criminal history
46.24 record check as defined under section 245C.02, subdivision 15a, or as required under section
46.25 144.057, subdivision 1, clause (2);

46.26 (6) for a background study related to a child foster family setting application for licensure,
46.27 foster residence settings, children's residential facilities, a transfer of permanent legal and
46.28 physical custody of a child under sections 260C.503 to 260C.515, or adoptions, and for a
46.29 background study required for family child care, certified license-exempt child care, child
46.30 care centers, and legal nonlicensed child care authorized under chapter 119B, the
46.31 commissioner shall also review:

46.32 (i) information from the child abuse and neglect registry for any state in which the
46.33 background study subject has resided for the past five years;

47.1 (ii) when the background study subject is 18 years of age or older, or a minor under
47.2 section 245C.05, subdivision 5a, paragraph (c), information received following submission
47.3 of fingerprints for a national criminal history record check; and

47.4 (iii) when the background study subject is 18 years of age or older or a minor under
47.5 section 245C.05, subdivision 5a, paragraph (d), for licensed family child care, certified
47.6 license-exempt child care, licensed child care centers, and legal nonlicensed child care
47.7 authorized under chapter 119B, information obtained using non-fingerprint-based data
47.8 including information from the criminal and sex offender registries for any state in which
47.9 the background study subject resided for the past five years and information from the national
47.10 crime information database and the national sex offender registry; ~~and~~

47.11 (7) for a background study required for family child care, certified license-exempt child
47.12 care centers, licensed child care centers, and legal nonlicensed child care authorized under
47.13 chapter 119B, the background study shall also include, to the extent practicable, a name
47.14 and date-of-birth search of the National Sex Offender Public website; and

47.15 (8) for a background study required for treatment programs for sexual psychopathic
47.16 personality or sexually dangerous persons, the background study shall only include a review
47.17 of the information required under paragraph (a), clauses (1), (2), (3), and (4).

47.18 (b) Notwithstanding expungement by a court, the commissioner may consider information
47.19 obtained under paragraph (a), clauses (3) and (4), unless the commissioner received notice
47.20 of the petition for expungement and the court order for expungement is directed specifically
47.21 to the commissioner.

47.22 (c) The commissioner shall also review criminal case information received according
47.23 to section 245C.04, subdivision 4a, from the Minnesota court information system that relates
47.24 to individuals who have already been studied under this chapter and who remain affiliated
47.25 with the agency that initiated the background study.

47.26 (d) When the commissioner has reasonable cause to believe that the identity of a
47.27 background study subject is uncertain, the commissioner may require the subject to provide
47.28 a set of classifiable fingerprints for purposes of completing a fingerprint-based record check
47.29 with the Bureau of Criminal Apprehension. Fingerprints collected under this paragraph
47.30 shall not be saved by the commissioner after they have been used to verify the identity of
47.31 the background study subject against the particular criminal record in question.

47.32 (e) The commissioner may inform the entity that initiated a background study under
47.33 NETStudy 2.0 of the status of processing of the subject's fingerprints."

48.1 Page 198, after line 8, insert:

48.2 "Sec. Minnesota Statutes 2022, section 245C.10, subdivision 15, is amended to read:

48.3 Subd. 15. **Guardians and conservators.** The commissioner shall recover the cost of
 48.4 conducting ~~background studies~~ maltreatment and state licensing agency checks for guardians
 48.5 and conservators under section ~~524.5-118~~ 245C.033 through a fee of no more than \$110
 48.6 \$50 per study. The fees collected under this subdivision are appropriated to the commissioner
 48.7 for the purpose of conducting ~~background studies~~ maltreatment and state licensing agency
 48.8 checks. The fee for ~~conducting an alternative background study for appointment of a~~
 48.9 ~~professional guardian or conservator must be paid by the guardian or conservator. In other~~
 48.10 ~~cases, the fee must be paid as follows:~~ must be paid directly to and in the manner prescribed
 48.11 by the commissioner before any maltreatment and state licensing agency checks under
 48.12 section 245C.033 may be conducted.

48.13 ~~(1) if the matter is proceeding in forma pauperis, the fee must be paid as an expense for~~
 48.14 ~~purposes of section 524.5-502, paragraph (a);~~

48.15 ~~(2) if there is an estate of the ward or protected person, the fee must be paid from the~~
 48.16 ~~estate; or~~

48.17 ~~(3) in the case of a guardianship or conservatorship of a person that is not proceeding~~
 48.18 ~~in forma pauperis, the fee must be paid by the guardian, conservator, or the court."~~

48.19 Page 199, delete section 21

48.20 Page 199, after line 11, insert:

48.21 "Sec. Minnesota Statutes 2022, section 245C.17, subdivision 2, is amended to read:

48.22 Subd. 2. **Disqualification notice sent to subject.** (a) If the information in the study
 48.23 indicates the individual is disqualified from direct contact with, or from access to, persons
 48.24 served by the program, the commissioner shall disclose to the individual studied:

48.25 (1) the information causing disqualification;

48.26 (2) instructions on how to request a reconsideration of the disqualification;

48.27 (3) an explanation of any restrictions on the commissioner's discretion to set aside the
 48.28 disqualification under section 245C.24, when applicable to the individual;

48.29 ~~(4) a statement that, if the individual's disqualification is set aside under section 245C.22,~~
 48.30 ~~the applicant, license holder, or other entity that initiated the background study will be~~
 48.31 ~~provided with the reason for the individual's disqualification and an explanation that the~~

49.1 ~~factors under section 245C.22, subdivision 4, which were the basis of the decision to set~~
 49.2 ~~aside the disqualification shall be made available to the license holder upon request without~~
 49.3 ~~the consent of the subject of the background study;~~

49.4 ~~(5) a statement indicating that if the individual's disqualification is set aside or the facility~~
 49.5 ~~is granted a variance under section 245C.30, the individual's identity and the reason for the~~
 49.6 ~~individual's disqualification will become public data under section 245C.22, subdivision 7,~~
 49.7 ~~when applicable to the individual;~~

49.8 ~~(6)~~ (4) a statement that when a subsequent background study is initiated on the individual
 49.9 following a set-aside of the individual's disqualification, and the commissioner makes a
 49.10 determination under section 245C.22, subdivision 5, paragraph (b), that the previous set-aside
 49.11 applies to the subsequent background study, the applicant, license holder, or other entity
 49.12 that initiated the background study will be informed in the notice under section 245C.22,
 49.13 subdivision 5, paragraph (c):

49.14 ~~(i)~~ (i) of the reason for the individual's disqualification; and

49.15 ~~(ii) that the individual's disqualification is set aside for that program or agency; and~~

49.16 ~~(iii) that information about the factors under section 245C.22, subdivision 4, that were~~
 49.17 ~~the basis of the decision to set aside the disqualification are available to the license holder~~
 49.18 ~~upon request without the consent of the background study subject; and~~

49.19 ~~(7)~~ (5) the commissioner's determination of the individual's immediate risk of harm
 49.20 under section 245C.16.

49.21 (b) If the commissioner determines under section 245C.16 that an individual poses an
 49.22 imminent risk of harm to persons served by the program where the individual will have
 49.23 direct contact with, or access to, people receiving services, the commissioner's notice must
 49.24 include an explanation of the basis of this determination.

49.25 (c) If the commissioner determines under section 245C.16 that an individual studied
 49.26 does not pose a risk of harm that requires immediate removal, the individual shall be informed
 49.27 of the conditions under which the agency that initiated the background study may allow the
 49.28 individual to have direct contact with, or access to, people receiving services, as provided
 49.29 under subdivision 3.

49.30 Sec. Minnesota Statutes 2022, section 245C.17, subdivision 3, is amended to read:

49.31 Subd. 3. **Disqualification notification.** (a) The commissioner shall notify an applicant,
 49.32 license holder, or other entity as provided in this chapter who is not the subject of the study:

50.1 (1) that the commissioner has found information that disqualifies the individual studied
 50.2 from being in a position allowing direct contact with, or access to, people served by the
 50.3 program; and

50.4 (2) the commissioner's determination of the individual's risk of harm under section
 50.5 245C.16.

50.6 (b) If the commissioner determines under section 245C.16 that an individual studied
 50.7 poses an imminent risk of harm to persons served by the program where the individual
 50.8 studied will have direct contact with, or access to, people served by the program, the
 50.9 commissioner shall order the license holder to immediately remove the individual studied
 50.10 from any position allowing direct contact with, or access to, people served by the program.

50.11 (c) If the commissioner determines under section 245C.16 that an individual studied
 50.12 poses a risk of harm that requires continuous, direct supervision, the commissioner shall
 50.13 order the applicant, license holder, or other entities as provided in this chapter to:

50.14 (1) immediately remove the individual studied from any position allowing direct contact
 50.15 with, or access to, people receiving services; or

50.16 (2) before allowing the disqualified individual to be in a position allowing direct contact
 50.17 with, or access to, people receiving services, the applicant, license holder, or other entity,
 50.18 as provided in this chapter, must:

50.19 ~~(i) obtain from the disqualified individual a copy of the individual's notice of~~
 50.20 ~~disqualification from the commissioner that explains the reason for disqualification;~~

50.21 ~~(ii)~~ (i) ensure that the individual studied is under continuous, direct supervision when
 50.22 in a position allowing direct contact with, or access to, people receiving services during the
 50.23 period in which the individual may request a reconsideration of the disqualification under
 50.24 section 245C.21; and

50.25 ~~(iii)~~ (ii) ensure that the disqualified individual requests reconsideration within 30 days
 50.26 of receipt of the notice of disqualification.

50.27 (d) If the commissioner determines under section 245C.16 that an individual studied
 50.28 does not pose a risk of harm that requires continuous, direct supervision, the commissioner
 50.29 shall order the applicant, license holder, or other entities as provided in this chapter to:

50.30 (1) immediately remove the individual studied from any position allowing direct contact
 50.31 with, or access to, people receiving services; or

51.1 (2) before allowing the disqualified individual to be in any position allowing direct
 51.2 contact with, or access to, people receiving services, the applicant, license holder, or other
 51.3 entity as provided in this chapter must:

51.4 ~~(i) obtain from the disqualified individual a copy of the individual's notice of~~
 51.5 ~~disqualification from the commissioner that explains the reason for disqualification; and~~

51.6 ~~(ii) ensure that the disqualified individual requests reconsideration within 15 days of~~
 51.7 receipt of the notice of disqualification.

51.8 (e) The commissioner shall not notify the applicant, license holder, or other entity as
 51.9 provided in this chapter of the information contained in the subject's background study
 51.10 unless:

51.11 (1) the basis for the disqualification is failure to cooperate with the background study
 51.12 ~~or substantiated maltreatment under section 626.557 or chapter 260E;~~

51.13 (2) the Data Practices Act under chapter 13 provides for release of the information; or

51.14 (3) the individual studied authorizes the release of the information.

51.15 Sec. Minnesota Statutes 2022, section 245C.22, subdivision 7, is amended to read:

51.16 Subd. 7. **Classification of certain data.** (a) Notwithstanding section 13.46, except as
 51.17 provided in paragraph ~~(f)~~ (e), upon setting aside a disqualification under this section, the
 51.18 identity of the disqualified individual who received the set-aside and the individual's
 51.19 disqualifying characteristics are public private data ~~if the set-aside was:~~

51.20 ~~(1) for any disqualifying characteristic under section 245C.15, except a felony-level~~
 51.21 ~~conviction for a drug-related offense within the past five years, when the set-aside relates~~
 51.22 ~~to a child care center or a family child care provider licensed under chapter 245A, certified~~
 51.23 ~~license-exempt child care center, or legal nonlicensed family child care; or~~

51.24 ~~(2) for a disqualifying characteristic under section 245C.15, subdivision 2.~~

51.25 (b) Notwithstanding section 13.46, upon granting a variance to a license holder under
 51.26 section 245C.30, the identity of the disqualified individual who is the subject of the variance,
 51.27 the individual's disqualifying characteristics under section 245C.15, and the terms of the
 51.28 variance are public data, ~~except as provided in paragraph (e), clause (6), when the variance:~~
 51.29 private.

51.30 ~~(1) is issued to a child care center or a family child care provider licensed under chapter~~
 51.31 ~~245A; or~~

52.1 ~~(2) relates to an individual with a disqualifying characteristic under section 245C.15,~~
 52.2 ~~subdivision 2.~~

52.3 (c) The identity of a disqualified individual and the reason for disqualification remain
 52.4 private data when:

52.5 (1) a disqualification is not set aside and no variance is granted, except as provided under
 52.6 section 13.46, subdivision 4;

52.7 (2) the data are not public under paragraph (a) or (b);

52.8 (3) the disqualification is rescinded because the information relied upon to disqualify
 52.9 the individual is incorrect;

52.10 (4) the disqualification relates to a license to provide relative child foster care. As used
 52.11 in this clause, "relative" has the meaning given it under section 260C.007, subdivision 26b
 52.12 or 27;

52.13 (5) the disqualified individual is a household member of a licensed foster care provider
 52.14 and:

52.15 (i) the disqualified individual previously received foster care services from this licensed
 52.16 foster care provider;

52.17 (ii) the disqualified individual was subsequently adopted by this licensed foster care
 52.18 provider; and

52.19 (iii) the disqualifying act occurred before the adoption; or

52.20 (6) a variance is granted to a child care center or family child care license holder for an
 52.21 individual's disqualification that is based on a felony-level conviction for a drug-related
 52.22 offense that occurred within the past five years.

52.23 ~~(d) Licensed family child care providers and child care centers must provide notices as~~
 52.24 ~~required under section 245C.301.~~

52.25 ~~(e)~~ (d) Notwithstanding paragraphs (a) and (b), the identity of household members who
 52.26 are the subject of a disqualification related set-aside or variance is not public data if:

52.27 (1) the household member resides in the residence where the family child care is provided;

52.28 (2) the subject of the set-aside or variance is under the age of 18 years; and

52.29 (3) the set-aside or variance only relates to a disqualification under section 245C.15,
 52.30 subdivision 4, for a misdemeanor-level theft crime as defined in section 609.52.

53.1 ~~(f)~~ (e) When the commissioner has reason to know that a disqualified individual has
 53.2 received an order for expungement for the disqualifying record that does not limit the
 53.3 commissioner's access to the record, and the record was opened or exchanged with the
 53.4 commissioner for purposes of a background study under this chapter, the data that would
 53.5 otherwise become public under paragraph (a) or (b) remain private data.

53.6 Sec. Minnesota Statutes 2022, section 245C.23, subdivision 1, is amended to read:

53.7 Subdivision 1. **Disqualification that is rescinded or set aside.** (a) If the commissioner
 53.8 rescinds or sets aside a disqualification, the commissioner shall notify the applicant, license
 53.9 holder, or other entity in writing or by electronic transmission of the decision.

53.10 (b) In the notice from the commissioner that a disqualification has been rescinded, the
 53.11 commissioner must inform the applicant, license holder, or other entity that the information
 53.12 relied upon to disqualify the individual was incorrect.

53.13 ~~(e) Except as provided in paragraphs (d) and (e), in the notice from the commissioner~~
 53.14 ~~that a disqualification has been set aside, the commissioner must inform the applicant,~~
 53.15 ~~license holder, or other entity of the reason for the individual's disqualification and that~~
 53.16 ~~information about which factors under section 245C.22, subdivision 4, were the basis of~~
 53.17 ~~the decision to set aside the disqualification are available to the license holder upon request~~
 53.18 ~~without the consent of the background study subject.~~

53.19 ~~(d) When the commissioner has reason to know that a disqualified individual has received~~
 53.20 ~~an order for expungement for the disqualifying record that does not limit the commissioner's~~
 53.21 ~~access to the record, and the record was opened or exchanged with the commissioner for~~
 53.22 ~~purposes of a background study under this chapter, the information provided under paragraph~~
 53.23 ~~(e) must only inform the applicant, license holder, or other entity that the disqualifying~~
 53.24 ~~criminal record is sealed under a court order.~~

53.25 ~~(e) The notification requirements in paragraph (e) do not apply when the set aside is~~
 53.26 ~~granted to an individual related to a background study for a licensed child care center,~~
 53.27 ~~certified license-exempt child care center, or family child care license holder, or for a legal~~
 53.28 ~~nonlicensed child care provider authorized under chapter 119B, and the individual is~~
 53.29 ~~disqualified for a felony-level conviction for a drug-related offense that occurred within the~~
 53.30 ~~past five years. The notice that the individual's disqualification is set aside must inform the~~
 53.31 ~~applicant, license holder, or legal nonlicensed child care provider that the disqualifying~~
 53.32 ~~criminal record is not public."~~

53.33 Page 200, delete section 22

54.1 Page 204, delete sections 23 and 24

54.2 Page 207, delete section 25

54.3 Page 211, delete section 26

54.4 Page 212, delete section 27

54.5 Page 213, delete section 28

54.6 Page 215, delete sections 29 and 30

54.7 Page 216, delete section 31

54.8 Page 217, delete section 32

54.9 Page 218, delete section 33

54.10 Page 224, delete section 34

54.11 Page 225, delete section 35

54.12 Page 228, delete sections 36 to 38

54.13 Page 229, delete section 39

54.14 Page 231, delete section 40

54.15 Page 234, delete section 41

54.16 Page 235, delete sections 42 to 44

54.17 Page 236, delete section 45

54.18 Page 239, delete section 46

54.19 Page 240, delete section 47

54.20 Page 241, delete sections 48 and 49

54.21 Page 242, before line 27, insert:

54.22 "Sec. Minnesota Statutes 2022, section 524.5-118, is amended to read:

54.23 **524.5-118 BACKGROUND STUDY MALTREATMENT AND STATE LICENSING**
 54.24 **AGENCY CHECKS; CRIMINAL HISTORY CHECK.**

54.25 Subdivision 1. **When required; exception.** (a) The court shall require ~~a background~~
 54.26 ~~study~~ maltreatment and state licensing agency checks and a criminal history check under
 54.27 this section:

55.1 (1) before the appointment of a guardian or conservator, unless ~~a background study has~~
 55.2 maltreatment and state licensing agency checks and a criminal history check have been
 55.3 done on the person under this section within the previous five years; and

55.4 (2) once every five years after the appointment, if the person continues to serve as a
 55.5 guardian or conservator.

55.6 (b) ~~The background study~~ maltreatment and state licensing agency checks and criminal
 55.7 history check under this section must include:

55.8 (1) criminal history data from the Bureau of Criminal Apprehension, ~~other criminal~~
 55.9 ~~history data held by the commissioner of human services, and data regarding whether the~~
 55.10 ~~person has been a perpetrator of substantiated maltreatment of a vulnerable adult or minor;~~

55.11 (2) criminal history data from a national criminal history record check ~~as defined in~~
 55.12 ~~section 245C.02, subdivision 13e; and~~

55.13 (3) state licensing agency data if a search of the database or databases of the agencies
 55.14 listed in subdivision 2a shows that the proposed guardian or conservator has ever held a
 55.15 professional license directly related to the responsibilities of a professional fiduciary from
 55.16 an agency listed in subdivision 2a that was conditioned, suspended, revoked, or canceled;
 55.17 and

55.18 (4) data regarding whether the person has been a perpetrator of substantiated maltreatment
 55.19 of a vulnerable adult or minor.

55.20 (c) If the guardian or conservator is not an individual, the ~~background study~~ maltreatment
 55.21 and state licensing agency checks and criminal history check must be done on all individuals
 55.22 currently employed by the proposed guardian or conservator who will be responsible for
 55.23 exercising powers and duties under the guardianship or conservatorship.

55.24 (d) Notwithstanding paragraph (a), if the court determines that it would be in the best
 55.25 interests of the person subject to guardianship or conservatorship to appoint a guardian or
 55.26 conservator before the ~~background study~~ maltreatment and state licensing agency checks
 55.27 and criminal history check can be completed, the court may make the appointment pending
 55.28 the results of the ~~study~~ checks, however, the ~~background study~~ maltreatment and state
 55.29 licensing agency checks and criminal history check must then be completed as soon as
 55.30 reasonably possible after appointment, ~~no later than 30 days after appointment.~~

55.31 (e) The ~~fee fees~~ for ~~background studies~~ the maltreatment and state licensing agency
 55.32 checks and the criminal history check conducted under this section ~~is~~ are specified in ~~section~~
 55.33 sections 245C.10, subdivision 14 15, and 299C.10, subdivisions 4 and 5. The ~~fee fees~~ for

56.1 conducting a ~~background study~~ these checks for appointment of a professional guardian or
 56.2 conservator must be paid by the guardian or conservator. In other cases, the fee must be
 56.3 paid as follows:

56.4 (1) if the matter is proceeding in forma pauperis, the fee is an expense for purposes of
 56.5 section 524.5-502, paragraph (a);

56.6 (2) if there is an estate of the person subject to guardianship or conservatorship, the fee
 56.7 must be paid from the estate; or

56.8 (3) in the case of a guardianship or conservatorship of the person that is not proceeding
 56.9 in forma pauperis, the court may order that the fee be paid by the guardian or conservator
 56.10 or by the court.

56.11 (f) The requirements of this subdivision do not apply if the guardian or conservator is:

56.12 (1) a state agency or county;

56.13 (2) a parent or guardian of a person proposed to be subject to guardianship or
 56.14 conservatorship who has a developmental disability, if the parent or guardian has raised the
 56.15 person proposed to be subject to guardianship or conservatorship in the family home until
 56.16 the time the petition is filed, unless counsel appointed for the person proposed to be subject
 56.17 to guardianship or conservatorship under section 524.5-205, paragraph (e); 524.5-304,
 56.18 paragraph (b); 524.5-405, paragraph (a); or 524.5-406, paragraph (b), recommends a
 56.19 background study; or

56.20 (3) a bank with trust powers, bank and trust company, or trust company, organized under
 56.21 the laws of any state or of the United States and which is regulated by the commissioner of
 56.22 commerce or a federal regulator.

56.23 **Subd. 2. Procedure; maltreatment and state licensing agency checks and criminal**
 56.24 **history and maltreatment records background check.** (a) The ~~court~~ guardian or
 56.25 conservator shall request the ~~commissioner of human services~~ Bureau of Criminal
 56.26 Apprehension to complete a ~~background study under section 245C.32~~ criminal history
 56.27 check. The request must be accompanied by the applicable fee and acknowledgment that
 56.28 the ~~study subject~~ guardian or conservator received a privacy notice ~~required under subdivision~~
 56.29 **3.** The ~~commissioner of human services~~ Bureau of Criminal Apprehension shall conduct a
 56.30 national criminal history record check. The ~~study subject~~ guardian or conservator shall
 56.31 submit a set of classifiable fingerprints. The fingerprints must be recorded on a fingerprint
 56.32 card provided by the ~~commissioner of human services~~ Bureau of Criminal Apprehension.

57.1 (b) ~~The commissioner of human services~~ Bureau of Criminal Apprehension shall provide
 57.2 the court with criminal history data as defined in section 13.87 from the Bureau of Criminal
 57.3 Apprehension in the Department of Public Safety, ~~other criminal history data held by the~~
 57.4 ~~commissioner of human services, data regarding substantiated maltreatment of vulnerable~~
 57.5 ~~adults under section 626.557, and substantiated maltreatment of minors under chapter 260E,~~
 57.6 and criminal history information from other states or jurisdictions as indicated from a national
 57.7 criminal history record check within 20 working days of receipt of a request. In accordance
 57.8 with section 245C.033, the commissioner of human services shall provide the court with
 57.9 data regarding substantiated maltreatment of vulnerable adults under section 626.557, and
 57.10 substantiated maltreatment of minors under chapter 260E within 25 working days of receipt
 57.11 of a request. If the ~~subject of the study~~ guardian or conservator has been the perpetrator of
 57.12 substantiated maltreatment of a vulnerable adult or minor, the response must include a copy
 57.13 of ~~the~~ any available public portion of the investigation memorandum under section 626.557,
 57.14 subdivision 12b, or ~~the~~ any available public portion of the investigation memorandum under
 57.15 section 260E.30. ~~The commissioner shall provide the court with information from a review~~
 57.16 ~~of information according to subdivision 2a if the study subject provided information~~
 57.17 ~~indicating current or prior affiliation with a state licensing agency.~~

57.18 (c) Notwithstanding section 260E.30 or 626.557, subdivision 12b, if the commissioner
 57.19 of human services or a county lead agency or lead investigative agency has information that
 57.20 a person ~~on whom a background study was previously done~~ under this section has been
 57.21 determined to be a perpetrator of maltreatment of a vulnerable adult or minor, the
 57.22 commissioner or the county may provide this information to the court that ~~requested the~~
 57.23 background study is determining eligibility for the guardian or conservator. ~~The commissioner~~
 57.24 ~~may also provide the court with additional criminal history or substantiated maltreatment~~
 57.25 ~~information that becomes available after the background study is done.~~

57.26 Subd. 2a. **Procedure; state licensing agency data.** (a) In response to a request submitted
 57.27 under section 245C.033, the court shall request the commissioner of human services to shall
 57.28 ~~provide the court within 25 working days of receipt of the request with~~ licensing agency
 57.29 data for licenses directly related to the responsibilities of a professional fiduciary if the ~~study~~
 57.30 subject indicates guardian or conservator has a current or prior affiliation from the following
 57.31 agencies in Minnesota:

57.32 (1) Lawyers Responsibility Board;

57.33 (2) State Board of Accountancy;

57.34 (3) Board of Social Work;

- 58.1 (4) Board of Psychology;
- 58.2 (5) Board of Nursing;
- 58.3 (6) Board of Medical Practice;
- 58.4 (7) Department of Education;
- 58.5 (8) Department of Commerce;
- 58.6 (9) Board of Chiropractic Examiners;
- 58.7 (10) Board of Dentistry;
- 58.8 (11) Board of Marriage and Family Therapy;
- 58.9 (12) Department of Human Services;
- 58.10 (13) Peace Officer Standards and Training (POST) Board; and
- 58.11 (14) Professional Educator Licensing and Standards Board.

58.12 ~~(b) The commissioner shall enter into agreements with these agencies to provide the~~
 58.13 ~~commissioner with electronic access to the relevant licensing data, and to provide the~~
 58.14 ~~commissioner with a quarterly list of new sanctions issued by the agency.~~

58.15 ~~(e) (b) The commissioner shall provide information to the court the electronically~~
 58.16 ~~available data maintained in the agency's database, including whether the proposed guardian~~
 58.17 ~~or conservator is or has been licensed by the agency, and if the licensing agency database~~
 58.18 ~~indicates a disciplinary action or a sanction against the individual's license, including a~~
 58.19 ~~condition, suspension, revocation, or cancellation in accordance with section 245C.033.~~

58.20 ~~(d) If the proposed guardian or conservator has resided in a state other than Minnesota~~
 58.21 ~~in the previous ten years, licensing agency data under this section shall also include the~~
 58.22 ~~licensing agency data from any other state where the proposed guardian or conservator~~
 58.23 ~~reported to have resided during the previous ten years if the study subject indicates current~~
 58.24 ~~or prior affiliation. If the proposed guardian or conservator has or has had a professional~~
 58.25 ~~license in another state that is directly related to the responsibilities of a professional fiduciary~~
 58.26 ~~from one of the agencies listed under paragraph (a), state licensing agency data shall also~~
 58.27 ~~include data from the relevant licensing agency of that state.~~

58.28 ~~(e) The commissioner is not required to repeat a search for Minnesota or out-of-state~~
 58.29 ~~licensing data on an individual if the commissioner has provided this information to the~~
 58.30 ~~court within the prior five years.~~

59.1 ~~(f) The commissioner shall review the information in paragraph (e) at least once every~~
 59.2 ~~four months to determine if an individual who has been studied within the previous five~~
 59.3 ~~years:~~

59.4 ~~(1) has new disciplinary action or sanction against the individual's license; or~~

59.5 ~~(2) did not disclose a prior or current affiliation with a Minnesota licensing agency.~~

59.6 ~~(g) If the commissioner's review in paragraph (f) identifies new information, the~~
 59.7 ~~commissioner shall provide any new information to the court.~~

59.8 Subd. 3. **Forms and systems.** ~~The court~~ In accordance with section 245C.033, subdivision
 59.9 3, the commissioner must provide the study subject guardian or conservator with a privacy
 59.10 notice for the maltreatment and state licensing agency checks that complies with section
 59.11 245C.05, subdivision 2e 13.04, subdivision 2. The commissioner of human services shall
 59.12 use the NETStudy 2.0 system to conduct a background study under this section. The Bureau
 59.13 of Criminal Apprehension must provide the guardian or conservator with a privacy notice
 59.14 for the criminal history check.

59.15 Subd. 4. **Rights.** The court shall notify the ~~subject of a background study~~ guardian or
 59.16 conservator that the subject has they have the following rights:

59.17 (1) the right to be informed that the court will request ~~a background study on the subject~~
 59.18 maltreatment and state licensing agency checks and a criminal history check on the guardian
 59.19 or conservator for the purpose of determining whether the person's appointment or continued
 59.20 appointment is in the best interests of the person subject to guardianship or conservatorship;

59.21 (2) the right to be informed of the results of the study and to obtain from the court a
 59.22 copy of the results; and

59.23 (3) the right to challenge the accuracy and completeness of information contained in the
 59.24 results under section 13.04, subdivision 4, except to the extent precluded by section 256.045,
 59.25 subdivision 3."

59.26 Page 242, line 28, after the first semicolon, insert "245C.031, subdivisions 5, 6, and 7;"

59.27 Page 246, delete subdivision 2

59.28 Page 246, line 18, delete "diagnosed with behavioral health disorders" and insert
 59.29 "experiencing behavioral health concerns"

59.30 Page 246, line 25, delete "245.736" and insert "245.7357"

59.31 Page 247, delete subdivisions 8 and 9

- 60.1 Page 247, line 8, delete "245.736" and insert "245.7357"
- 60.2 Page 248, delete subdivisions 12, 15, and 19
- 60.3 Page 248, delete lines 7 to 10
- 60.4 Page 248, line 24, delete everything after "that" and insert "is person-centered and
60.5 family-centered, and that is formulated to respond to a client's needs and goals. The integrated
60.6 treatment plan must integrate prevention, medical needs, and behavioral health needs and
60.7 service delivery. The CCBHC must develop the integrated treatment plan in collaboration
60.8 with and receive endorsement from the client, the adult client's family to the extent the client
60.9 wishes, and a child or youth client's family or caregivers, and coordinate with staff or
60.10 programs necessary to effectuate the plan."
- 60.11 Page 248, delete line 25
- 60.12 Page 249, delete subdivision 24
- 60.13 Renumber the subdivisions in sequence
- 60.14 Page 249, lines 25 and 29, before "process" insert "or recertification"
- 60.15 Page 249, line 26, delete "245.736" and insert "245.7357"
- 60.16 Page 249, line 30, delete "certification process must:" and insert "commissioner shall
60.17 recertify a CCBHC provider entity every 36 months using the provider entity's certification
60.18 anniversary or the calendar year end. The commissioner may approve a recertification
60.19 extension in the interest of sustaining services when a certain date for recertification is
60.20 identified."
- 60.21 Page 249, delete lines 31 and 32 and insert:
- 60.22 "(c) The commissioner shall establish a process for decertification of a CCBHC provider
60.23 entity and shall require corrective action, medical assistance repayment, or decertification
60.24 of a provider entity that no longer meets the requirements in sections 245.7351 to 245.7357
60.25 or that fails to meet the clinical quality standards or administrative standards provided by
60.26 the commissioner in the application and certification processes.
- 60.27 (d) The commissioner shall provide the following to CCBHC provider entities for the
60.28 certification, recertification, and decertification processes:
- 60.29 (1) a structured listing of required provider entity certification criteria;
- 60.30 (2) a formal written letter with a determination of certification, recertification, or
60.31 decertification, signed by the commissioner or the appropriate division director; and

61.1 (3) a formal written communication outlining the process for necessary corrective action
61.2 and follow-up by the commissioner, if applicable, signed by the commissioner or the
61.3 appropriate division director."

61.4 Renumber the clauses in sequence

61.5 Page 250, delete subdivision 3

61.6 Page 250, delete lines 1 to 5

61.7 Page 250, line 7, delete "245.736" and insert "245.7357"

61.8 Page 250, after line 7, insert:

61.9 "(1) comply with the standards issued by the commissioner relating to CCBHC screenings,
61.10 assessments, and evaluations;"

61.11 Page 250, line 18, delete "and"

61.12 Page 250, line 20, delete the period and insert "; and"

61.13 Page 250, after line 20, insert:

61.14 "(10) directly employ or through a formal arrangement utilize a medically trained
61.15 behavioral health care provider with independent authority under state law to prescribe and
61.16 manage medications, including buprenorphine and other medications used to treat opioid
61.17 and alcohol use disorders."

61.18 Page 250, line 24, delete "245.736" and insert "245.7357"

61.19 Page 251, delete subdivision 8

61.20 Renumber the subdivisions in sequence

61.21 Page 251, line 12, delete "245.736" and insert "245.7357"

61.22 Page 252, delete section 5

61.23 Page 254, delete subdivisions 1 to 5 and insert:

61.24 "(a) A CCBHC must meet minimum staffing requirements as identified in the certification
61.25 process.

61.26 (b) A CCBHC must employ or contract for clinic staff who have backgrounds in diverse
61.27 disciplines, including licensed mental health professionals, licensed alcohol and drug
61.28 counselors, staff who are culturally and linguistically trained to meet the needs of the
61.29 population the clinic serves, and staff who are trained to make accommodations to meet the
61.30 needs of clients with disabilities."

- 62.1 Page 254, line 1, delete "[245.7355]" and insert "[245.7354]"
- 62.2 Page 255, delete sections 7 and 8
- 62.3 Page 258, line 1, delete "[245.7358]" and insert "[245.7355]"
- 62.4 Page 258, line 5, delete "245.736" and insert "245.7357"
- 62.5 Page 258, line 7, delete "levels" and insert "level" and delete "and 2.0"
- 62.6 Page 258, line 23, delete everything after the period
- 62.7 Page 258, delete lines 24 to 30
- 62.8 Page 259, delete lines 1 and 2
- 62.9 Page 259, line 8, delete everything after "and" and insert "must contain all data elements
- 62.10 listed in the commissioner's public clinical guidance."
- 62.11 Page 259, delete line 9
- 62.12 Page 259, line 12, delete everything after "must" and insert "follow the timelines
- 62.13 established in the CCBHC certification criteria published by the Substance Abuse and
- 62.14 Mental Health Services Administration and the commissioner's published clinical guidance."
- 62.15 Page 259, delete lines 13 to 15 and 19 to 30
- 62.16 Page 260, delete lines 1 to 3
- 62.17 Page 260, line 4, delete "245.736" and insert "245.7357"
- 62.18 Page 260, line 5, delete the second "in" and insert "for"
- 62.19 Page 260, line 6, after "(1)" insert "a brief diagnostic assessment under"
- 62.20 Page 260, delete lines 7 and 8
- 62.21 Renumber the clauses in sequence
- 62.22 Page 260, line 9, before "section" insert "an individual family assessment summary
- 62.23 under"
- 62.24 Page 260, line 10, before "section" insert "an individual assessment summary under"
- 62.25 Page 260, line 11, before "Minnesota" insert "a diagnostic assessment under"
- 62.26 Page 260, line 12, before "Minnesota" insert "a local agency determination based on a
- 62.27 diagnostic assessment under"
- 62.28 Page 260, line 13, before "Minnesota" insert "an individual family community support
- 62.29 plan and an individual community support plan under"

63.1 Page 260, line 14, before "Minnesota" insert "an individual family community support
63.2 plan under"

63.3 Page 260, line 15, before "Minnesota" insert "an individual community support plan
63.4 under"

63.5 Page 260, line 21, delete everything after "and" and insert "must contain all data elements
63.6 listed in the commissioner's public clinical guidance."

63.7 Page 260, delete lines 22 to 28

63.8 Page 261, line 3, delete "as defined in section 245G.11, subdivision 5"

63.9 Page 261, line 5, delete "section 245G.05" and insert "chapter 245G" and after the comma
63.10 insert "if the comprehensive evaluation includes a diagnosis of a substance use disorder or
63.11 a finding that the client does not meet the criteria for a substance use disorder."

63.12 Page 261, delete lines 6 to 27

63.13 Reletter the paragraphs in sequence

63.14 Page 262, line 22, delete "245.736" and insert "245.7357" and delete "initial" and insert
63.15 "comprehensive"

63.16 Page 262, line 23, delete the second "in" and insert "for"

63.17 Page 262, line 24, before "section" insert "a diagnostic assessment or crisis assessment
63.18 under" and delete "2a" and insert "2, paragraph (a)"

63.19 Page 262, line 25, before "section" insert "a diagnostic assessment under"

63.20 Page 262, line 26, before "section" insert "an initial services plan under"

63.21 Page 262, delete lines 27 and 28

63.22 Renumber the clauses in sequence

63.23 Page 262, line 29, before "section" insert "a diagnostic assessment under"

63.24 Page 262, line 30, before "section" insert "a diagnostic assessment under"

63.25 Page 263, delete subdivision 9 and insert:

63.26 "Subd. 9. **Licensing and certification requirements.** The requirements for initial
63.27 evaluations under subdivision 6, comprehensive evaluations under subdivision 7, and
63.28 integrated treatment plans under subdivision 8 are part of the licensing requirements for
63.29 substance use disorder treatment programs licensed according to chapter 245G and
63.30 certification requirements for mental health clinics certified according to section 245I.20 if

64.1 the program or clinic is part of a CCBHC. The Department of Human Services licensing
 64.2 division will review, inspect, and investigate for compliance with the requirements in
 64.3 subdivisions 6 to 8."

64.4 Page 263, line 1, before "Minnesota" insert "a diagnostic assessment under"

64.5 Page 263, line 2, before "Minnesota" insert "a diagnostic assessment under"

64.6 Page 263, line 3, before "Minnesota" insert "an individual family community support
 64.7 plan and an individual community support plan under"

64.8 Page 263, line 9, delete everything after "use"

64.9 Page 263, delete line 10

64.10 Page 263, line 11, delete everything before "a"

64.11 Page 263, line 25, delete "in sections" and insert "for"

64.12 Page 263, delete line 26

64.13 Renumber the clauses in sequence

64.14 Page 263, line 27, before "245I.10" insert "an individual treatment plan under section"

64.15 Page 263, line 28, before "245G.06" insert "an individual treatment plan under section"

64.16 Page 263, line 29, before "245G.09" insert "an individual treatment plan under section"

64.17 Page 263, after line 29, insert:

64.18 "(h) The CCBHC functional assessment requirements replace the requirements for:

64.19 (1) a functional assessment under section 256B.0623, subdivision 9;

64.20 (2) a functional assessment under section 245.4711, subdivision 3; and

64.21 (3) functional assessments under Minnesota Rules, part 9520.0914, subpart 2, items A

64.22 and B."

64.23 Page 264, delete lines 19 to 21

64.24 Page 264, line 22, delete "[245.7359]" and insert "[245.7356]"

64.25 Page 265, line 18, delete "[245.736]" and insert "[245.7357]"

64.26 Page 265, lines 20, 21, and 29, delete "245.7358" and insert "245.7355"

64.27 Page 266, line 20, delete "245.736" and insert "245.7357"

64.28 Page 267, delete section 12

- 65.1 Page 276, lines 9 to 11, delete the new language
- 65.2 Page 276, line 15, delete the new language
- 65.3 Page 276, line 16, after the period, insert "If the order is issued through the provider
- 65.4 hub, the appeal must be received by the commissioner within 20 calendar days from the
- 65.5 date the commissioner issued the order through the hub."
- 65.6 Page 277, line 22, delete everything after the period
- 65.7 Page 277, lines 23 and 24, delete the new language
- 65.8 Page 277, line 31, delete the new language
- 65.9 Page 278, line 1, delete the new language and after "order" insert ", or submitted in the
- 65.10 provider licensing and reporting hub within 20 calendar days from the date the commissioner
- 65.11 issued the order through the hub,"
- 65.12 Page 279, line 1, delete the new language
- 65.13 Page 279, line 2, after the period, insert "If the order is issued through the provider hub,
- 65.14 the request must be received by the commissioner within ten calendar days from the date
- 65.15 the commissioner issued the order through the hub."
- 65.16 Page 280, lines 28 to 30, delete the new language
- 65.17 Page 281, line 6, delete the new language
- 65.18 Page 281, line 7, after the period, insert "If the order is issued through the provider hub,
- 65.19 the appeal must be received by the commissioner within ten calendar days from the date
- 65.20 the commissioner issued the order through the hub."
- 65.21 Page 281, lines 18 and 19, delete the new language
- 65.22 Page 281, line 20, after the period, insert "If the order is issued through the provider
- 65.23 hub, the appeal must be received by the commissioner within ten calendar days from the
- 65.24 date the commissioner issued the order through the hub."
- 65.25 Page 283, after line 28, insert:
- 65.26 "Sec. Minnesota Statutes 2022, section 245A.13, is amended to read:
- 65.27 **245A.13 INVOLUNTARY RECEIVERSHIP FOR RESIDENTIAL OR**
- 65.28 **NONRESIDENTIAL PROGRAMS.**
- 65.29 Subdivision 1. **Application.** (a) In addition to any other remedy provided by law, the
- 65.30 commissioner may petition the district court in Ramsey County for an order directing the

66.1 controlling individuals of a residential or nonresidential program licensed or certified by
 66.2 the commissioner to show cause why the commissioner should not be appointed receiver
 66.3 to operate the program. The petition to the district court must contain proof by affidavit that
 66.4 one or more of the following exists: (1) that the commissioner has either begun proceedings
 66.5 to suspend or revoke a license or certification, has suspended or revoked a license or
 66.6 certification, or has decided to deny an application for licensure or certification of the
 66.7 program; or (2) it appears to the commissioner that the health, safety, or rights of the residents
 66.8 or persons receiving care from the program may be in jeopardy because of the manner in
 66.9 which the program may close, the program's financial condition, or violations committed
 66.10 by the program of federal or state laws or rules.

66.11 (1) the commissioner has commenced proceedings to suspend or revoke the state license,
 66.12 or refused to renew a license;

66.13 (2) there is a threat of imminent abandonment by the provider or its controlling
 66.14 individuals;

66.15 (3) there is a pattern of failure to meet ongoing financial obligations such as failing to
 66.16 pay for food, pharmaceuticals, personnel, or required insurance;

66.17 (4) it appears to the commissioner that the health, safety, or rights of the residents or
 66.18 person receiving care from the program may be in jeopardy because of the manner in which
 66.19 the program may close, the program's financial condition, or violations committed by the
 66.20 program of federal or state laws or rules; or

66.21 (5) the commissioner has notified the provider or its controlling individuals that their
 66.22 federal Medicare or Medicaid provider agreement will be terminated, revoked, canceled,
 66.23 or not renewed.

66.24 (b) If the license holder, applicant, or controlling individual operates more than one
 66.25 program, the commissioner's petition must specify and be limited to the program for which
 66.26 it seeks receivership. The affidavit submitted by the commissioner must set forth alternatives
 66.27 to receivership that have been considered, including rate adjustments. The order to show
 66.28 cause is returnable not less than five days after service is completed and must provide for
 66.29 personal service of a copy to the program administrator and to the persons designated as
 66.30 agents by the controlling individuals to accept service on their behalf.

66.31 (c) The order to show cause shall be personally served on the provider through its
 66.32 authorized agent or, in the event the authorized agent cannot be located, on any controlling
 66.33 individual for the program.

67.1 Subd. 2. **Appointment of receiver.** (a) If the court finds that involuntary receivership
 67.2 is necessary as a means of protecting the health, safety, or rights of persons being served
 67.3 by the program, the court shall appoint the commissioner as receiver to operate the program.
 67.4 The commissioner as receiver may contract with another entity or group to act as the
 67.5 managing agent during the receivership period. The managing agent will be responsible for
 67.6 the day-to-day operations of the program subject at all times to the review and approval of
 67.7 the commissioner. A managing agent cannot:

67.8 (1) be the license holder or controlling individual of the program;

67.9 (2) have a financial interest in the program at the time of the receivership;

67.10 (3) be otherwise affiliated with the program; or

67.11 (4) have had a licensed program that has been ordered into receivership.

67.12 (b) Notwithstanding state contracting requirements in chapter 16C, the commissioner
 67.13 shall establish and maintain a list of qualified persons or entities with experience in delivering
 67.14 services under chapters 245A, 245D, or 245G, or other service types licensed by the
 67.15 commissioner, and experience winding down these programs. The list shall be a resource
 67.16 for choosing a managing agent, and the commissioner may update the list at any time.

67.17 Subd. 3. **Powers and duties of receiver.** ~~Within 36 months after the receivership order,~~
 67.18 ~~the receiver shall provide for the orderly transfer of the persons served by the program to~~
 67.19 ~~other programs or make other provisions to protect their health, safety, and rights.~~ (a) A
 67.20 receiver appointed pursuant to this section shall, within 18 months after the receivership
 67.21 order, determine whether to close the program or to make other provisions intended to keep
 67.22 it open. If the receiver determines that program closure is appropriate, the commissioner
 67.23 shall provide for the orderly transfer of individuals served by the program to other programs
 67.24 or make other provisions to protect the health, safety, and rights of individuals served by
 67.25 the program.

67.26 (b) During the receivership, the receiver or the managing agent shall correct or eliminate
 67.27 deficiencies in the program that the commissioner determines endanger the health, safety,
 67.28 or welfare of the persons being served by the program unless the correction or elimination
 67.29 of deficiencies at a residential program involves major alteration in the structure of the
 67.30 physical plant. If the correction or elimination of the deficiencies at a residential program
 67.31 requires major alterations in the structure of the physical plant, the receiver shall take actions
 67.32 designed to result in the immediate transfer of persons served by the residential program.
 67.33 During the period of the receivership, the receiver and the managing agent shall operate the

68.1 residential or nonresidential program in a manner designed to preserve the health, safety,
68.2 rights, adequate care, and supervision of the persons served by the program.

68.3 (c) The receiver or the managing agent may make contracts and incur lawful expenses.

68.4 (d) The receiver or the managing agent shall use the building, fixtures, furnishings, and
68.5 any accompanying consumable goods in the provision of care and services to the clients
68.6 during the receivership period. The receiver shall take action as is reasonably necessary to
68.7 protect or conserve the tangible assets or property during receivership.

68.8 (e) The receiver or the managing agent shall collect incoming payments from all sources
68.9 and apply them to the cost incurred in the performance of the functions of the receivership
68.10 including the fee set under subdivision 4. No security interest in any real or personal property
68.11 comprising the program or contained within it, or in any fixture of the physical plant, shall
68.12 be impaired or diminished in priority by the receiver or the managing agent.

68.13 (f) The receiver has authority to hire, direct, manage, and discharge any employees of
68.14 the program including management level staff for the program.

68.15 (g) The commissioner, as the receiver appointed by the court, may hire a managing agent
68.16 to work on the commissioner's behalf to operate the program during the receivership, and
68.17 the managing agent is entitled to a reasonable fee. The receiver and managing agent shall
68.18 be liable only in an official capacity for injury to person and property by reason of the
68.19 conditions of the program. The receiver and managing agent shall not be personally liable,
68.20 except for gross negligence and intentional acts. The commissioner shall assist the managing
68.21 agent in carrying out the managing agent's duties.

68.22 Subd. 3a. **Liability.** The provisions contained in section 245A.12, subdivision 6, shall
68.23 also apply to receiverships ordered according to this section.

68.24 Subd. 3b. **Liability for financial obligations.** The provisions contained in section
68.25 245A.12, subdivision 7, also apply to receiverships ordered according to this section.

68.26 Subd. 3c. **Physical plant of the program.** Occupation of the physical plant under an
68.27 involuntary receivership shall be governed by paragraphs (a) and (b).

68.28 (a) The physical plant owned by a controlling individual of the program or related party
68.29 must be made available for the use of the program throughout the receivership period. The
68.30 court shall determine a fair monthly rental for the physical plant, taking into account all
68.31 relevant factors necessary to meet required arm's-length obligations of controlling individuals
68.32 such as mortgage payments, real estate taxes, and special assessments. The rental fee must
68.33 be paid by the receiver to the appropriate controlling individuals or related parties for each

69.1 month that the receivership remains in effect. No payment made to a controlling individual
 69.2 or related party by the receiver or the managing agent or any state agency during a period
 69.3 of the receivership shall include any allowance for profit or be based on any formula that
 69.4 includes an allowance for profit.

69.5 (b) If the owner of the physical plant of a program is not a related party, the court shall
 69.6 order the controlling individual to continue as the lessee of the property during the
 69.7 receivership period. Rental payments during the receivership period shall be made to the
 69.8 owner of the physical plant by the commissioner or the managing agent on behalf of the
 69.9 controlling individual.

69.10 Subd. 4. **Fee.** A receiver appointed under an involuntary receivership or the managing
 69.11 agent is entitled to a reasonable fee as determined by the court.

69.12 Subd. 5. **Termination.** An involuntary receivership terminates ~~36~~18 months after the
 69.13 date on which it was ordered or at any other time designated by the court or when any of
 69.14 the following events occurs:

69.15 (1) the commissioner determines that the program's license or certification application
 69.16 should be granted or should not be suspended or revoked;

69.17 (2) a new license or certification is granted to the program;

69.18 (3) the commissioner determines that all persons residing in a residential program have
 69.19 been provided with alternative residential programs or that all persons receiving services
 69.20 in a nonresidential program have been referred to other programs; or

69.21 (4) the court determines that the receivership is no longer necessary because the conditions
 69.22 which gave rise to the receivership no longer exist.

69.23 Subd. 6. **Emergency procedure.** (a) If it appears from the petition filed under subdivision
 69.24 1, from an affidavit or affidavits filed with the petition, or from testimony of witnesses
 69.25 under oath if the court determines it necessary, that there is probable cause to believe that
 69.26 an emergency exists in a residential or nonresidential program, the court shall issue a
 69.27 temporary order for appointment of a receiver within ~~five~~ two days after receipt of the
 69.28 petition.

69.29 (b) Notice of the petition must be served on the ~~program administrator and on the persons~~
 69.30 ~~designated as agents by the controlling individuals to accept service on their behalf~~ authorized
 69.31 agent, as defined by section 245A.02, of the program that is subject to the receivership
 69.32 petition, or if service is not immediately available on the authorized agent on at least one
 69.33 of the controlling individuals as defined by section 245A.02, subdivision 5a, for the program.

70.1 A hearing on the petition must be held within five days after notice is served unless the
70.2 ~~administrator or~~ authorized agent or other controlling individual consents to a later date.
70.3 After the hearing, the court may continue, modify, or terminate the temporary order.

70.4 Subd. 7. **Rate recommendation.** For any program receiving Medicaid funds and ordered
70.5 into receivership, the commissioner of human services may review rates of a residential or
70.6 nonresidential program ~~participating in the medical assistance program which is in~~
70.7 ~~receivership and~~ that has needs or deficiencies documented by the Department of Health
70.8 or the Department of Human Services. If the commissioner of human services determines
70.9 that a review of the rate established under sections 256B.5012 and 256B.5013 is needed,
70.10 the commissioner shall:

70.11 (1) review the order or determination that cites the deficiencies or needs; and

70.12 (2) determine the need for additional staff, additional annual hours by type of employee,
70.13 and additional consultants, services, supplies, equipment, repairs, or capital assets necessary
70.14 to satisfy the needs or deficiencies.

70.15 Subd. 8. **Adjustment to the rate.** Upon review of rates under subdivision 7, the
70.16 commissioner may adjust the program's payment rate. The commissioner shall review the
70.17 circumstances, together with the program's most recent income and expense report, to
70.18 determine whether or not the deficiencies or needs can be corrected or met by reallocating
70.19 program staff, costs, revenues, or any other resources including investments. If the
70.20 commissioner determines that any deficiency cannot be corrected or the need cannot be met
70.21 with the payment rate currently being paid, the commissioner shall determine the payment
70.22 rate adjustment by dividing the additional annual costs established during the commissioner's
70.23 review by the program's actual client days from the most recent income and expense report
70.24 or the estimated client days in the projected receivership period. The payment rate adjustment
70.25 remains in effect during the period of the receivership or until another date set by the
70.26 commissioner. Upon the subsequent sale, closure, or transfer of the program, the
70.27 commissioner may recover amounts that were paid as payment rate adjustments under this
70.28 subdivision. This recovery shall be determined through a review of actual costs and client
70.29 days in the receivership period. The costs the commissioner finds to be allowable shall be
70.30 divided by the actual client days for the receivership period. This rate shall be compared to
70.31 the rate paid throughout the receivership period, with the difference multiplied by client
70.32 days, being the amount to be repaid to the commissioner. Allowable costs shall be determined
70.33 by the commissioner as those ordinary, necessary, and related to client care by prudent and
70.34 cost-conscious management. The buyer or transferee shall repay this amount to the
70.35 commissioner within 60 days after the commissioner notifies the buyer or transferee of the

71.1 obligation to repay. This provision does not limit the liability of the seller to the commissioner
71.2 pursuant to section 256B.0641.

71.3 Subd. 9. **Receivership accounting.** The commissioner may ~~use~~ adjust Medicaid rates
71.4 and use Medicaid funds, including but not limited to waiver funds, and the medical assistance
71.5 account and funds for receivership cash flow, receivership administrative fees, and accounting
71.6 purposes, to the extent permitted by the state's approved Medicaid plan.

71.7 Subd. 10. **Receivership costs.** The commissioner may use the accounts and funds that
71.8 would have been available for the room and board, services, and program costs of persons
71.9 in the program for costs, cash flow, and accounting purposes related to the receivership.

71.10 Subd. 11. **Controlling individuals; restrictions on licensure.** No controlling individual
71.11 of a program placed into receivership under this section may apply for or receive a license
71.12 or certification to operate a residential or nonresidential program for five years from the
71.13 commencement of the receivership period. This subdivision does not apply to programs
71.14 that are owned or operated by controlling individuals that were in existence before the date
71.15 of the receivership agreement, and that have not been placed into receivership."

71.16 Page 284, delete sections 27 and 28

71.17 Page 285, delete section 29

71.18 Page 286, delete section 30

71.19 Page 287, delete section 31

71.20 Page 288 delete sections 32 and 33 and insert:

71.21 "Sec. Minnesota Statutes 2022, section 245G.03, subdivision 1, is amended to read:

71.22 Subdivision 1. **License requirements.** (a) An applicant for a license to provide substance
71.23 use disorder treatment must comply with the general requirements in section 626.557;
71.24 chapters 245A, 245C, and 260E; and Minnesota Rules, chapter 9544.

71.25 (b) The commissioner may grant variances to the requirements in this chapter that do
71.26 not affect the client's health or safety if the conditions in section 245A.04, subdivision 9,
71.27 are met.

71.28 (c) If a program is licensed according to this chapter and is part of a certified community
71.29 behavioral health clinic under sections 245.7351 to 245.7357, the license holder must comply
71.30 with the requirements in section 245.7355, subdivision 10, as part of the licensing
71.31 requirements under this chapter."

- 72.1 Page 289, lines 9 to 11, delete the new language
- 72.2 Page 289, line 19, delete the new language
- 72.3 Page 289, line 20, after the period, insert "If the order is issued through the provider
- 72.4 hub, the request must be received by the commissioner within 20 calendar days from the
- 72.5 date the commissioner issued the order through the hub."
- 72.6 Page 290, line 3, delete everything after the period
- 72.7 Page 290, lines 4 and 5, delete the new language
- 72.8 Page 290, line 22, after the period, insert "If the order is issued through the provider
- 72.9 hub, the request must be received by the commissioner within 20 calendar days from the
- 72.10 date the commissioner issued the order through the hub."
- 72.11 Page 291, line 10, delete everything after the period
- 72.12 Page 291, lines 11 and 12, delete the new language
- 72.13 Page 291, line 20, delete the new language
- 72.14 Page 291, line 21, after the period, insert "If the order is issued through the provider
- 72.15 hub, the request must be received by the commissioner within 20 calendar days from the
- 72.16 date the commissioner issued the order through the hub."
- 72.17 Page 291, after line 26, insert:
- 72.18 "Sec. Minnesota Statutes 2022, section 245I.011, subdivision 3, is amended to read:
- 72.19 Subd. 3. **Certification required.** (a) An individual, organization, or government entity
- 72.20 that is exempt from licensure under section 245A.03, subdivision 2, paragraph (a), clause
- 72.21 (19), and chooses to be identified as a certified mental health clinic must:
- 72.22 (1) be a mental health clinic that is certified under section 245I.20;
- 72.23 (2) comply with all of the responsibilities assigned to a license holder by this chapter
- 72.24 except subdivision 1; and
- 72.25 (3) comply with all of the responsibilities assigned to a certification holder by chapter
- 72.26 245A.
- 72.27 (b) An individual, organization, or government entity described by this subdivision must
- 72.28 obtain a criminal background study for each staff person or volunteer who provides direct
- 72.29 contact services to clients.

73.1 (c) If a program is licensed according to this chapter and is part of a certified community
 73.2 behavioral health clinic under sections 245.7351 to 245.7357, the license holder must comply
 73.3 with the requirements in section 245.7355, subdivision 10, as part of the licensing
 73.4 requirements under this chapter.

73.5 Sec. Minnesota Statutes 2022, section 245I.04, subdivision 14, is amended to read:

73.6 Subd. 14. **Mental health rehabilitation worker qualifications.** (a) A mental health
 73.7 rehabilitation worker must:

73.8 (1) have a high school diploma or equivalent; ~~and~~

73.9 (2) have the training required under section 245I.05, subdivision 3, paragraph (c); and

73.10 ~~(2)~~ (3) meet one of the following qualification requirements:

73.11 (i) be fluent in the non-English language or competent in the culture of the ethnic group
 73.12 to which at least 20 percent of the mental health rehabilitation worker's clients belong;

73.13 (ii) have an associate of arts degree;

73.14 (iii) have two years of full-time postsecondary education or a total of 15 semester hours
 73.15 or 23 quarter hours in behavioral sciences or related fields;

73.16 (iv) be a registered nurse;

73.17 (v) have, within the previous ten years, three years of personal life experience with
 73.18 mental illness;

73.19 (vi) have, within the previous ten years, three years of life experience as a primary
 73.20 caregiver to an adult with a mental illness, traumatic brain injury, substance use disorder,
 73.21 or developmental disability; or

73.22 (vii) have, within the previous ten years, 2,000 hours of work experience providing
 73.23 health and human services to individuals.

73.24 (b) A mental health rehabilitation worker who is exclusively scheduled as an overnight
 73.25 staff person ~~and works alone~~ is exempt from the additional qualification requirements in
 73.26 paragraph (a), clause ~~(2)~~ (3).

73.27 Sec. Minnesota Statutes 2022, section 245I.04, subdivision 16, is amended to read:

73.28 Subd. 16. **Mental health behavioral aide qualifications.** (a) A level 1 mental health
 73.29 behavioral aide must have the training required under section 245I.05, subdivision 3,

74.1 paragraph (c), and: (1) a high school diploma or equivalent; or (2) two years of experience
 74.2 as a primary caregiver to a child with mental illness within the previous ten years.

74.3 (b) A level 2 mental health behavioral aide must: ~~(1) have the training required under~~
 74.4 ~~section 245I.05, subdivision 3, paragraph (c), and an associate or bachelor's degree; or (2)~~
 74.5 ~~be certified by a program under section 256B.0943, subdivision 8a.~~

74.6 Sec. Minnesota Statutes 2022, section 245I.08, subdivision 2, is amended to read:

74.7 Subd. 2. **Documentation standards.** A license holder must ensure that all documentation
 74.8 required by this chapter:

74.9 (1) is legible;

74.10 (2) identifies the applicable client name on each page of the client file and staff person
 74.11 name on each page of the personnel file; and

74.12 (3) is signed and dated by the staff persons who provided services to the client or
 74.13 completed the documentation, including the staff persons' credentials.

74.14 Sec. Minnesota Statutes 2022, section 245I.08, subdivision 4, is amended to read:

74.15 Subd. 4. **Progress notes.** A license holder must use a progress note to document each
 74.16 occurrence of a mental health service that a staff person provides to a client. A progress
 74.17 note must include the following:

74.18 (1) the type of service;

74.19 (2) the date of service;

74.20 (3) the start and stop time of the service unless the license holder is licensed as a
 74.21 residential program;

74.22 (4) the location of the service;

74.23 (5) the scope of the service, including: (i) the targeted goal and objective; (ii) the
 74.24 intervention that the staff person provided to the client and the methods that the staff person
 74.25 used; (iii) the client's response to the intervention; and (iv) the staff person's plan to take
 74.26 future actions, including changes in treatment that the staff person will implement if the
 74.27 intervention was ineffective; ~~and (v) the service modality;~~

74.28 (6) the signature and credentials of the staff person who provided the service to the
 74.29 client;

75.1 (7) the mental health provider travel documentation required by section 256B.0625, if
75.2 applicable; and

75.3 (8) significant observations by the staff person, if applicable, including: (i) the client's
75.4 current risk factors; (ii) emergency interventions by staff persons; (iii) consultations with
75.5 or referrals to other professionals, family, or significant others; and (iv) changes in the
75.6 client's mental or physical symptoms.

75.7 Sec. Minnesota Statutes 2022, section 245I.10, subdivision 2, is amended to read:

75.8 Subd. 2. **Generally.** (a) A license holder must use a client's diagnostic assessment or
75.9 crisis assessment to determine a client's eligibility for mental health services, except as
75.10 provided in this section.

75.11 (b) Prior to completing a client's initial diagnostic assessment, a license holder may
75.12 provide a client with the following services:

75.13 (1) an explanation of findings;

75.14 (2) neuropsychological testing, neuropsychological assessment, and psychological
75.15 testing;

75.16 (3) any combination of psychotherapy sessions, family psychotherapy sessions, and
75.17 family psychoeducation sessions not to exceed three sessions;

75.18 (4) crisis assessment services according to section 256B.0624; and

75.19 (5) ten days of intensive residential treatment services according to the assessment and
75.20 treatment planning standards in section 245I.23, subdivision 7.

75.21 (c) Based on the client's needs that a crisis assessment identifies under section 256B.0624,
75.22 a license holder may provide a client with the following services:

75.23 (1) crisis intervention and stabilization services under section 245I.23 or 256B.0624;
75.24 and

75.25 (2) any combination of psychotherapy sessions, group psychotherapy sessions, family
75.26 psychotherapy sessions, and family psychoeducation sessions not to exceed ten sessions
75.27 within a 12-month period without prior authorization.

75.28 (d) Based on the client's needs in the client's brief diagnostic assessment, a license holder
75.29 may provide a client with any combination of psychotherapy sessions, group psychotherapy
75.30 sessions, family psychotherapy sessions, and family psychoeducation sessions not to exceed
75.31 ten sessions within a 12-month period without prior authorization for any new client or for

76.1 an existing client who the license holder projects will need fewer than ten sessions during
76.2 the next 12 months.

76.3 (e) Based on the client's needs that a hospital's medical history and presentation
76.4 examination identifies, a license holder may provide a client with:

76.5 (1) any combination of psychotherapy sessions, group psychotherapy sessions, family
76.6 psychotherapy sessions, and family psychoeducation sessions not to exceed ten sessions
76.7 within a 12-month period without prior authorization for any new client or for an existing
76.8 client who the license holder projects will need fewer than ten sessions during the next 12
76.9 months; and

76.10 (2) up to five days of day treatment services or partial hospitalization.

76.11 (f) A license holder must complete a new standard diagnostic assessment of a client or
76.12 an update to an assessment as permitted under paragraph (g):

76.13 (1) when the client requires services of a greater number or intensity than the services
76.14 that paragraphs (b) to (e) describe;

76.15 (2) at least annually following the client's initial diagnostic assessment if the client needs
76.16 additional mental health services and the client does not meet the criteria for a brief
76.17 assessment;

76.18 (3) when the client's mental health condition has changed markedly since the client's
76.19 most recent diagnostic assessment; or

76.20 (4) when the client's current mental health condition does not meet the criteria of the
76.21 client's current diagnosis.

76.22 (g) For ~~an existing~~ a client who is already engaged in services and has a prior assessment,
76.23 ~~the license holder must ensure that a new standard diagnostic assessment includes complete~~
76.24 a written update containing all significant new or changed information about the client,
76.25 removal of outdated or inaccurate information, and an update regarding what information
76.26 has not significantly changed, including a discussion with the client about changes in the
76.27 client's life situation, functioning, presenting problems, and progress with achieving treatment
76.28 goals since the client's last diagnostic assessment was completed.

76.29 Sec. Minnesota Statutes 2022, section 245I.10, subdivision 3, is amended to read:

76.30 Subd. 3. **Continuity of services.** (a) For any client with a diagnostic assessment
76.31 completed under Minnesota Rules, parts 9505.0370 to 9505.0372, before July 1, 2022, or
76.32 upon federal approval, whichever is later, the diagnostic assessment is valid for authorizing

77.1 the client's treatment and billing for one calendar year after the date that the assessment was
77.2 completed.

77.3 (b) For any client with an individual treatment plan completed under section 256B.0622,
77.4 256B.0623, 256B.0943, 256B.0946, or 256B.0947 or Minnesota Rules, parts 9505.0370 to
77.5 9505.0372, the client's treatment plan is valid for authorizing treatment and billing until the
77.6 treatment plan's expiration date.

77.7 (c) This subdivision expires ~~July 1~~ October 17, 2023.

77.8 Sec. Minnesota Statutes 2022, section 245I.10, subdivision 6, is amended to read:

77.9 Subd. 6. **Standard diagnostic assessment; required elements.** (a) Only a mental health
77.10 professional or a clinical trainee may complete a standard diagnostic assessment of a client.
77.11 A standard diagnostic assessment of a client must include a face-to-face interview with a
77.12 client and a written evaluation of the client. The assessor must complete a client's standard
77.13 diagnostic assessment within the client's cultural context.

77.14 (b) When completing a standard diagnostic assessment of a client, the assessor must
77.15 gather and document information about the client's current life situation, including the
77.16 following information:

77.17 (1) the client's age;

77.18 (2) the client's current living situation, including the client's housing status and household
77.19 members;

77.20 (3) the status of the client's basic needs;

77.21 (4) the client's education level and employment status;

77.22 (5) the client's current medications;

77.23 (6) any immediate risks to the client's health and safety;

77.24 (7) the client's perceptions of the client's condition;

77.25 (8) the client's description of the client's symptoms, including the reason for the client's
77.26 referral;

77.27 (9) the client's history of mental health treatment; and

77.28 (10) cultural influences on the client.

77.29 (c) If the assessor cannot obtain the information that this paragraph requires without
77.30 retraumatizing the client or harming the client's willingness to engage in treatment, the

78.1 assessor must identify which topics will require further assessment during the course of the
78.2 client's treatment. The assessor must gather and document information related to the following
78.3 topics:

78.4 (1) the client's relationship with the client's family and other significant personal
78.5 relationships, including the client's evaluation of the quality of each relationship;

78.6 (2) the client's strengths and resources, including the extent and quality of the client's
78.7 social networks;

78.8 (3) important developmental incidents in the client's life;

78.9 (4) maltreatment, trauma, potential brain injuries, and abuse that the client has suffered;

78.10 (5) the client's history of or exposure to alcohol and drug usage and treatment; and

78.11 (6) the client's health history and the client's family health history, including the client's
78.12 physical, chemical, and mental health history.

78.13 (d) When completing a standard diagnostic assessment of a client, an assessor must use
78.14 a recognized diagnostic framework.

78.15 (1) When completing a standard diagnostic assessment of a client who is five years of
78.16 age or younger, the assessor must use the current edition of the DC: 0-5 Diagnostic
78.17 Classification of Mental Health and Development Disorders of Infancy and Early Childhood
78.18 published by Zero to Three.

78.19 (2) When completing a standard diagnostic assessment of a client who is six years of
78.20 age or older, the assessor must use the current edition of the Diagnostic and Statistical
78.21 Manual of Mental Disorders published by the American Psychiatric Association.

78.22 (3) When completing a standard diagnostic assessment of a client who is five years of
78.23 age or younger, an assessor must administer the Early Childhood Service Intensity Instrument
78.24 (ECSII) to the client and include the results in the client's assessment.

78.25 (4) When completing a standard diagnostic assessment of a client who is six to 17 years
78.26 of age, an assessor must administer the Child and Adolescent Service Intensity Instrument
78.27 (CASII) to the client and include the results in the client's assessment.

78.28 (5) When completing a standard diagnostic assessment of a client who is 18 years of
78.29 age or older, an assessor must use either (i) the CAGE-AID Questionnaire or (ii) the criteria
78.30 in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders
78.31 published by the American Psychiatric Association to screen and assess the client for a
78.32 substance use disorder.

79.1 (e) When completing a standard diagnostic assessment of a client, the assessor must
79.2 include and document the following components of the assessment:

79.3 (1) the client's mental status examination;

79.4 (2) the client's baseline measurements; symptoms; behavior; skills; abilities; resources;
79.5 vulnerabilities; safety needs, including client information that supports the assessor's findings
79.6 after applying a recognized diagnostic framework from paragraph (d); and any differential
79.7 diagnosis of the client;

79.8 (3) an explanation of: (i) how the assessor diagnosed the client using the information
79.9 from the client's interview, assessment, psychological testing, and collateral information
79.10 about the client; (ii) the client's needs; (iii) the client's risk factors; (iv) the client's strengths;
79.11 and (v) the client's responsivity factors.

79.12 (f) When completing a standard diagnostic assessment of a client, the assessor must
79.13 consult the client and the client's family about which services that the client and the family
79.14 prefer to treat the client. The assessor must make referrals for the client as to services required
79.15 by law.

79.16 (g) Information from other providers and prior assessments may be used to complete
79.17 the diagnostic assessment if the source of the information is documented in the diagnostic
79.18 assessment.

79.19 Sec. Minnesota Statutes 2022, section 245I.10, subdivision 7, is amended to read:

79.20 Subd. 7. **Individual treatment plan.** A license holder must follow each client's written
79.21 individual treatment plan when providing services to the client with the following exceptions:

79.22 (1) services that do not require that a license holder completes a standard diagnostic
79.23 assessment of a client before providing services to the client;

79.24 (2) when developing a treatment or service plan; and

79.25 (3) when a client re-engages in services under subdivision 8, paragraph (b).

79.26 Sec. Minnesota Statutes 2022, section 245I.10, subdivision 8, is amended to read:

79.27 Subd. 8. **Individual treatment plan; required elements.** (a) After completing a client's
79.28 diagnostic assessment or reviewing a client's diagnostic assessment received from a different
79.29 provider, and before providing services to the client beyond those permitted under subdivision
79.30 7, the license holder must complete the client's individual treatment plan. The license holder
79.31 must:

80.1 (1) base the client's individual treatment plan on the client's diagnostic assessment and
80.2 baseline measurements;

80.3 (2) for a child client, use a child-centered, family-driven, and culturally appropriate
80.4 planning process that allows the child's parents and guardians to observe and participate in
80.5 the child's individual and family treatment services, assessments, and treatment planning;

80.6 (3) for an adult client, use a person-centered, culturally appropriate planning process
80.7 that allows the client's family and other natural supports to observe and participate in the
80.8 client's treatment services, assessments, and treatment planning;

80.9 (4) identify the client's treatment goals, measureable treatment objectives, a schedule
80.10 for accomplishing the client's treatment goals and objectives, a treatment strategy, and the
80.11 individuals responsible for providing treatment services and supports to the client. The
80.12 license holder must have a treatment strategy to engage the client in treatment if the client:

80.13 (i) has a history of not engaging in treatment; and

80.14 (ii) is ordered by a court to participate in treatment services or to take neuroleptic
80.15 medications;

80.16 (5) identify the participants involved in the client's treatment planning. The client must
80.17 be a participant in the client's treatment planning. If applicable, the license holder must
80.18 document the reasons that the license holder did not involve the client's family or other
80.19 natural supports in the client's treatment planning;

80.20 (6) review the client's individual treatment plan every 180 days and update the client's
80.21 individual treatment plan with the client's treatment progress, new treatment objectives and
80.22 goals or, if the client has not made treatment progress, changes in the license holder's
80.23 approach to treatment; and

80.24 (7) ensure that the client approves of the client's individual treatment plan unless a court
80.25 orders the client's treatment plan under chapter 253B.

80.26 (b) If the client disagrees with the client's treatment plan, the license holder must
80.27 document in the client file the reasons why the client does not agree with the treatment plan.
80.28 If the license holder cannot obtain the client's approval of the treatment plan, a mental health
80.29 professional must make efforts to obtain approval from a person who is authorized to consent
80.30 on the client's behalf within 30 days after the client's previous individual treatment plan
80.31 expired. A license holder may not deny a client service during this time period solely because
80.32 the license holder could not obtain the client's approval of the client's individual treatment

81.1 plan. A license holder may continue to bill for the client's otherwise eligible services when
81.2 the client re-engages in services.

81.3 Sec. Minnesota Statutes 2022, section 245I.11, subdivision 3, is amended to read:

81.4 Subd. 3. **Storing and accounting for medications.** (a) If a license holder stores client
81.5 medications, the license holder must:

81.6 (1) store client medications in original containers in a locked location;

81.7 (2) store refrigerated client medications in special trays or containers that are separate
81.8 from food;

81.9 (3) store client medications marked "for external use only" in a compartment that is
81.10 separate from other client medications;

81.11 (4) store Schedule II ~~to IV~~ drugs listed in section 152.02, ~~subdivisions~~ subdivision 3 to
81.12 5, in a compartment that is locked separately from other medications;

81.13 (5) ensure that only authorized staff persons have access to stored client medications;

81.14 (6) follow a documentation procedure ~~on each shift~~ to account for all ~~scheduled~~ Schedule
81.15 II to V drugs listed in section 152.02, subdivisions 3 to 6; and

81.16 (7) record each incident when a staff person accepts a supply of client medications and
81.17 destroy discontinued, outdated, or deteriorated client medications.

81.18 (b) If a license holder is licensed as a residential program, the license holder must allow
81.19 clients who self-administer medications to keep a private medication supply. The license
81.20 holder must ensure that the client stores all private medication in a locked container in the
81.21 client's private living area, unless the private medication supply poses a health and safety
81.22 risk to any clients. A client must not maintain a private medication supply of a prescription
81.23 medication without a written medication order from a licensed prescriber and a prescription
81.24 label that includes the client's name.

81.25 Sec. Minnesota Statutes 2022, section 245I.11, subdivision 4, is amended to read:

81.26 Subd. 4. **Medication orders.** (a) If a license holder stores, prescribes, or administers
81.27 medications or observes a client self-administer medications, the license holder must:

81.28 (1) ensure that a licensed prescriber writes all orders to accept, administer, or discontinue
81.29 client medications;

82.1 (2) accept nonwritten orders to administer client medications in emergency circumstances
82.2 only;

82.3 (3) establish a timeline and process for obtaining a written order with the licensed
82.4 prescriber's signature when the license holder accepts a nonwritten order to administer client
82.5 medications; and

82.6 ~~(4) obtain prescription medication renewals from a licensed prescriber for each client~~
82.7 ~~every 90 days for psychotropic medications and annually for all other medications; and~~

82.8 ~~(5)~~ (4) maintain the client's right to privacy and dignity.

82.9 (b) If a license holder employs a licensed prescriber, the license holder must inform the
82.10 client about potential medication effects and side effects and obtain and document the client's
82.11 informed consent before the licensed prescriber prescribes a medication.

82.12 Sec. Minnesota Statutes 2022, section 245I.20, subdivision 6, is amended to read:

82.13 Subd. 6. **Additional policy and procedure requirements.** (a) In addition to the policies
82.14 and procedures required by section 245I.03, the certification holder must establish, enforce,
82.15 and maintain the policies and procedures required by this subdivision.

82.16 (b) The certification holder must have a clinical evaluation procedure to identify and
82.17 document each treatment team member's areas of competence.

82.18 (c) The certification holder must have policies and procedures for client intake and case
82.19 assignment that:

82.20 (1) outline the client intake process;

82.21 (2) describe how the mental health clinic determines the appropriateness of accepting a
82.22 client into treatment by reviewing the client's condition and need for treatment, the clinical
82.23 services that the mental health clinic offers to clients, and other available resources; and

82.24 (3) contain a process for assigning a client's case to a mental health professional who is
82.25 responsible for the client's case and other treatment team members.

82.26 (d) Notwithstanding the requirements under section 245I.10, subdivisions 5 to 10, for
82.27 the required elements of a diagnostic assessment and a treatment plan, psychiatry billed as
82.28 evaluation and management services must be documented in accordance with the most
82.29 recent current procedural terminology as published by the American Medical Association."

82.30 Page 292, lines 17 to 19, delete the new language

82.31 Page 292, line 26, delete the new language

83.1 Page 292, line 27, after the period, insert "If the order is issued through the provider
 83.2 hub, the request must be received by the commissioner within 20 calendar days from the
 83.3 date the commissioner issued the order through the hub."

83.4 Page 293, line 22, delete everything after the period and insert "If the order is issued
 83.5 through the provider hub, the request must be received by the commissioner within 20
 83.6 calendar days from the date the commissioner issued the order through the hub."

83.7 Page 293, delete lines 23 and 24

83.8 Page 294, line 10, delete everything after the period

83.9 Page 294, lines 11 and 12, delete the new language

83.10 Page 294, line 18, delete the new language

83.11 Page 294, line 19, after the period, insert "If the order is issued through the provider
 83.12 hub, the request must be received by the commissioner within 20 calendar days from the
 83.13 date the commissioner issued the order through the hub."

83.14 Page 295, after line 19, insert:

83.15 "Sec. Minnesota Statutes 2022, section 256B.0623, subdivision 3, is amended to read:

83.16 Subd. 3. **Eligibility.** An eligible recipient is an individual who:

83.17 (1) is age 18 or older;

83.18 (2) is diagnosed with a medical condition, such as mental illness or traumatic brain
 83.19 injury, for which adult rehabilitative mental health services are needed;

83.20 (3) has substantial disability and functional impairment in three or more of the areas
 83.21 listed in section 245I.10, subdivision 9, clause (4), so that self-sufficiency is markedly
 83.22 reduced; and

83.23 (4) has had a recent standard diagnostic assessment by a qualified professional or an
 83.24 initial evaluation or comprehensive evaluation performed by a certified community behavioral
 83.25 health center according to section 245.7355, subdivision 6, that documents adult rehabilitative
 83.26 mental health services are medically necessary to address identified disability and functional
 83.27 impairments and individual recipient goals."

83.28 Page 295, line 24, delete "245.736" and insert "245.7357"

83.29 Page 296, lines 7 and 12, delete "245.7358" and insert "245.7355"

83.30 Page 296, line 15, delete "245.736" and insert "245.7357"

84.1 Page 298, after line 28, insert:

84.2 "Sec. Minnesota Statutes 2022, section 256B.0671, subdivision 2, is amended to read:

84.3 Subd. 2. **Generally.** (a) An individual, organization, or government entity providing
84.4 mental health services to a client under this section must obtain a criminal background study
84.5 of each staff person or volunteer who is providing direct contact services to a client.

84.6 (b) An individual, organization, or government entity providing mental health services
84.7 to a client under this section must comply with all responsibilities that chapter 245I assigns
84.8 to a license holder, except section 245I.011, subdivision 1, unless all of the individual's,
84.9 organization's, or government entity's treatment staff are qualified as mental health
84.10 professionals.

84.11 (c) An individual, organization, or government entity providing mental health services
84.12 to a client under this section must comply with the following requirements if all of the
84.13 license holder's treatment staff are qualified as mental health professionals:

84.14 (1) provider qualifications and scopes of practice under section 245I.04;

84.15 (2) maintaining and updating personnel files under section 245I.07;

84.16 (3) documenting under section 245I.08;

84.17 (4) maintaining and updating client files under section 245I.09;

84.18 (5) completing client assessments and treatment planning under section 245I.10;

84.19 (6) providing clients with health services and medications under section 245I.11; and

84.20 (7) respecting and enforcing client rights under section 245I.12.

84.21 (d) The requirements of this section do not apply to evaluation and management services
84.22 reimbursed as physician services and professional services under section 256B.0625,
84.23 subdivisions 3, 4, 28, or 28a.

84.24 Sec. Minnesota Statutes 2022, section 256B.0943, subdivision 3, is amended to read:

84.25 Subd. 3. **Determination of client eligibility.** (a) A client's eligibility to receive children's
84.26 therapeutic services and supports under this section shall be determined based on a standard
84.27 diagnostic assessment by a mental health professional or a clinical trainee, or an initial
84.28 evaluation or comprehensive evaluation performed by a certified community behavioral
84.29 health center according to section 245.7355, subdivision 6, that is performed within one

85.1 year before the initial start of service. The ~~standard diagnostic~~ assessment or evaluation
85.2 must:

85.3 (1) determine whether a child under age 18 has a diagnosis of emotional disturbance or,
85.4 if the person is between the ages of 18 and 21, whether the person has a mental illness;

85.5 (2) document children's therapeutic services and supports as medically necessary to
85.6 address an identified disability, functional impairment, and the individual client's needs and
85.7 goals; and

85.8 (3) be used in the development of the individual treatment plan.

85.9 (b) Notwithstanding paragraph (a), a client may be determined to be eligible for up to
85.10 five days of day treatment under this section based on a hospital's medical history and
85.11 presentation examination of the client.

85.12 (c) Children's therapeutic services and supports include development and rehabilitative
85.13 services that support a child's developmental treatment needs."

85.14 Page 299, line 11, delete "required to report under section 260E.06, subdivision 1" and
85.15 insert "who has an account with the provider licensing and reporting hub and is required to
85.16 report suspected maltreatment as a licensed program under section 260E.06, subdivision 1"

85.17 Page 299, line 13, delete everything after the period and insert "A report submitted
85.18 through the provider licensing and reporting hub must be made immediately."

85.19 Page 299, delete line 14

85.20 Page 302, line 25, delete "(1,363,772,000)" and insert "(1,453,441,000)"

85.21 Page 302, line 28, delete "(1,156,872,000)" and insert "(1,228,684,000)"

85.22 Page 302, line 29, delete "(196,098,000)" and insert "(203,530,000)"

85.23 Page 302, line 30, delete "(10,802,000)" and insert "(21,227,000)"

85.24 Page 303, line 5, delete "3,636,000" and insert "(99,000)"

85.25 Page 303, line 6, delete "(10,802,000)" and insert "(21,227,000)"

85.26 Page 303, line 8, delete "(521,000)" and insert "(1,632,000)"

85.27 Page 303, line 9, delete "(5,000)" and insert "783,000"

85.28 Page 303, line 10, delete "221,000" and insert "180,000"

85.29 Page 303, line 11, delete "(12,670,000)" and insert "(18,038,000)"

85.30 Page 303, line 12, delete "(196,098,000)" and insert "(203,530,000)"

- 86.1 Page 303, line 18, delete "(1,110,576,000)" and insert "(1,172,921,000)"
- 86.2 Page 304, line 7, delete "6,244,921,000" and insert "6,249,805,000" and delete
86.3 "6,489,006,000" and insert "6,479,601,000"
- 86.4 Page 304, line 10, delete "4,949,348,000" and insert "4,948,930,000" and delete
86.5 "4,597,204,000" and insert "4,592,728,000"
- 86.6 Page 304, line 13, delete "1,005,106,000" and insert "1,019,146,000" and delete
86.7 "1,617,914,000" and insert "1,617,894,000"
- 86.8 Page 304, line 14, delete "285,691,000" and insert "276,953,000" and delete
86.9 "286,604,000" and insert "281,694,000"
- 86.10 Page 306, line 21, delete "(d)" and insert "(c)"
- 86.11 Page 308, line 6, delete "297,580,000" and insert "307,843,000" and delete "258,240,000"
86.12 and insert "261,501,000"
- 86.13 Page 309, line 6, delete "\$251,157,000" and insert "\$254,181,000"
- 86.14 Page 309, line 7, delete "\$248,981,000" and insert "252,062,000"
- 86.15 Page 309, line 13, delete "40,568,000" and insert "42,378,000" and delete "42,523,000"
86.16 and insert "43,022,000"
- 86.17 Page 309, line 21, delete "\$41,848,000" and insert "42,272,000"
- 86.18 Page 309, line 22, delete "\$40,452,000" and insert "41,061,000"
- 86.19 Page 309, line 25, delete "49,059,000" and insert "53,655,000" and delete "32,969,000"
86.20 and insert "33,935,000"
- 86.21 Page 310, line 10, delete "\$32,111,000" and insert "\$33,035,000"
- 86.22 Page 310, line 11, delete "\$35,798,000" and insert "\$36,392,000"
- 86.23 Page 310, line 16, delete "1,098,000" and insert "3,773,000" and delete "1,277,000" and
86.24 insert "4,839,000"
- 86.25 Page 310, after line 16, insert:
- 86.26 "**Base level adjustment. The general fund**
86.27 **base is \$4,518,000 in fiscal year 2026 and**
86.28 **\$4,353,000 in fiscal year 2027.**"
- 86.29 Page 312, line 20, delete "\$120,000,000" and insert "\$166,550,000"
- 86.30 Page 312, line 23, after "119B.27" insert ", and the transition grant program"

- 87.1 Page 312, after line 33, insert:
- 87.2 "(c) **Child care one-stop shop.** \$2,920,000 in
87.3 fiscal year 2025 is for a grant to the statewide
87.4 child care resource and referral network to
87.5 administer the child care one-stop shop
87.6 regional assistance network under Minnesota
87.7 Statutes, section 119B.19, subdivision 7,
87.8 clause (9).
- 87.9 (d) **Child care workforce development**
87.10 **grants administration.** Beginning in fiscal
87.11 year 2025, the base shall include \$1,300,000
87.12 for a grant to the statewide child care resource
87.13 and referral network to administer child care
87.14 workforce development grants under
87.15 Minnesota Statutes, section 119B.19,
87.16 subdivision 7, clause (10).
- 87.17 (e) **Shared services grants.** \$500,000 in fiscal
87.18 year 2024 and \$500,000 in fiscal year 2025
87.19 are for shared services grants under Minnesota
87.20 Statutes, section 119B.28.
- 87.21 (f) **Access to technology grants.** \$300,000 in
87.22 fiscal year 2024 and \$300,000 in fiscal year
87.23 2025 are for child care provider access to
87.24 technology grants under Minnesota Statutes,
87.25 section 119B.29.
- 87.26 (g) **Business training and consultation.**
87.27 \$1,250,000 in fiscal year 2024 and \$1,500,000
87.28 in fiscal year 2025 are for business training
87.29 and consultation under Minnesota Statutes,
87.30 section 119B.25, subdivision 3, paragraph (a),
87.31 clause (6).
- 87.32 (h) **Scholarship program.** \$695,000 in fiscal
87.33 year 2025 is for a scholarship program for

88.1 early childhood and school age educators
 88.2 under Minnesota Statutes, section 119B.251."

88.3 Page 313, line 1, delete "(c)" and insert "(i)"

88.4 Page 313, after line 10, insert:

88.5 "(a) Title IV-E adoption assistance. (1) The
 88.6 commissioner shall allocate funds from the
 88.7 state's savings from the Fostering Connections
 88.8 to Success and Increasing Adoptions Act's
 88.9 expanded eligibility for Title IV-E adoption
 88.10 assistance as required in Minnesota Statutes,
 88.11 section 256N.261, and as allowable under
 88.12 federal law.

88.13 (2) Additional savings to the state as a result
 88.14 of the Fostering Connections to Success and
 88.15 Increasing Adoptions Act's expanded
 88.16 eligibility for Title IV-E adoption assistance
 88.17 is for postadoption, foster care, adoption, and
 88.18 kinship services, including a parent-to-parent
 88.19 support network and as allowable under
 88.20 federal law."

88.21 Page 313, after line 31, insert:

88.22 "(d) White Earth Nation American Indian
 88.23 Child Welfare Initiative. \$824,000 in fiscal
 88.24 year 2024 and \$824,000 in fiscal year 2025
 88.25 are from the general fund for the White Earth
 88.26 Nation to participate in the American Indian
 88.27 child welfare initiative."

88.28 Reletter the paragraphs in sequence

88.29 Page 314, line 19, delete "under"

88.30 Page 314, line 20, delete "Minnesota Statutes, section 260.014"

88.31 Page 314, line 22, after the period, insert "Funds shall be transferred to the special
 88.32 revenue fund."

89.1 Page 315, line 10, delete "256K.47" and insert "256K.48"

89.2 Page 315, line 24, after "(h)" insert ", and to expand the public-private adoption initiative
89.3 to similarly support permanency of children in foster care through transfer of permanent
89.4 legal and physical custody to a relative or equivalent permanency disposition in Tribal code"

89.5 Page 316, line 22, delete "Tribal food sovereignty grants." and insert "American Indian
89.6 food sovereignty funding."

89.7 Page 316, line 25, delete "for grants"

89.8 Page 316, line 31, delete "support grants" and insert "shelf program"

89.9 Page 318, lines 1, 2, and 10, delete "\$1,000,000" and insert "\$2,500,000"

89.10 Page 318, line 21, delete "\$1,064,000" and insert "\$1,936,000"

89.11 Page 318, after line 27, insert:

89.12 "(d) **Lead agency allocations.** \$36,000,000
89.13 in fiscal year 2024 is from the health care
89.14 access fund for allocations to county and
89.15 Tribal processing entities to assist processing
89.16 entities with resuming medical assistance
89.17 renewals following the expiration of the
89.18 commissioner's CV17 waiver to human
89.19 services programs as described in Laws 2020,
89.20 First Special Session chapter 7, section 1,
89.21 subdivision 1, as amended by Laws 2021, First
89.22 Special Session chapter 7, article 2, section
89.23 71; Laws 2022, chapter 98, article 4, section
89.24 49, and this act. The commissioner must
89.25 distribute the entire amount of this
89.26 appropriation to county and Tribal processing
89.27 entities in proportion to each entity's March
89.28 2023 share of statewide enrollment in
89.29 Minnesota health care programs other than
89.30 MinnesotaCare. This is a onetime
89.31 appropriation."

89.32 Page 318, line 28, delete "(d)" and insert "(e)"

89.33 Page 319, after line 6, insert:

- 90.1 **"Heading Home Corps. \$1,100,000 in fiscal**
- 90.2 **year 2024 and \$1,100,000 in fiscal year 2025**
- 90.3 **are for the AmeriCorps Heading Home Corps**
- 90.4 **program."**

- 90.5 Renumber the sections in sequence and correct the internal references

- 90.6 Amend the title accordingly