

**SENATE**  
**STATE OF MINNESOTA**  
**NINETY-THIRD SESSION**

**S.F. No. 2818**

(SENATE AUTHORS: HOFFMAN and Wiklund)

DATE	D-PG	OFFICIAL STATUS
03/13/2023	1689	Introduction and first reading Referred to Health and Human Services
03/20/2023	2126	Chief author stricken, shown as co-author Wiklund
	2126	Chief author added Hoffman
	2127	Withdrawn and re-referred to Human Services

1.1 A bill for an act

1.2 relating to human services; modifying and establishing laws regarding aging,

1.3 disability, behavioral health, substance use disorder, housing, economic assistance,

1.4 children and family services, health care, licensing, Department of Human Services

1.5 Office of Inspector General, and conversion therapy; requiring reports;

1.6 appropriating money; amending Minnesota Statutes 2022, sections 13.46,

1.7 subdivision 4; 62N.25, subdivision 5; 62Q.1055; 62Q.47; 62V.05, subdivision 4a;

1.8 122A.18, subdivision 8; 169A.70, subdivisions 3, 4; 245.462, subdivisions 3, 12;

1.9 245.4661, subdivision 9; 245.469, subdivision 3; 245.4711, subdivisions 3, 4;

1.10 245.477; 245.4835, subdivision 2; 245.4871, subdivisions 3, 19; 245.4873,

1.11 subdivision 4; 245.4881, subdivisions 3, 4; 245.4885, subdivision 1; 245.4887;

1.12 245.50, subdivision 5; 245A.02, subdivisions 5a, 10b; 245A.03, subdivision 7;

1.13 245A.04, subdivisions 1, 4, 7; 245A.041, by adding a subdivision; 245A.043,

1.14 subdivision 3; 245A.05; 245A.07, subdivisions 1, 2a, 3; 245A.10, subdivisions 3,

1.15 4; 245A.11, subdivision 7, by adding a subdivision; 245A.14, subdivision 4;

1.16 245A.1435; 245A.146, subdivision 3; 245A.16, subdivisions 1, 9, by adding a

1.17 subdivision; 245A.18, subdivision 2; 245A.52, subdivisions 1, 2, 3, 5, by adding

1.18 subdivisions; 245A.66, by adding a subdivision; 245C.02, subdivisions 6a, 11c,

1.19 by adding subdivisions; 245C.03, subdivisions 1, 1a, 4, 5, 5a; 245C.031,

1.20 subdivisions 1, 4; 245C.05, subdivisions 1, 5a, by adding a subdivision; 245C.07;

1.21 245C.08, subdivision 1; 245C.10, subdivision 4; 245C.15, subdivision 4a; 245C.30,

1.22 subdivision 2; 245C.31, subdivision 1; 245C.33, subdivision 4; 245D.03,

1.23 subdivision 1; 245E.06, subdivision 3; 245E.08; 245G.05, subdivision 2; 245G.07,

1.24 subdivision 3a; 245G.13, subdivision 2; 245G.22, subdivision 2; 245H.03, by

1.25 adding a subdivision; 245H.05; 245H.08, subdivisions 4, 5; 245H.13, subdivisions

1.26 3, 7, 9; 245I.20, subdivision 10; 246.0135; 254A.03, subdivision 3; 254A.035,

1.27 subdivision 2; 254A.19, subdivisions 1, 3, 4, by adding subdivisions; 254B.01,

1.28 subdivision 5, by adding subdivisions; 254B.03, subdivisions 1, 2, 5; 254B.04,

1.29 subdivisions 1, 2a, by adding subdivisions; 254B.05, subdivisions 1a, 5; 256.01,

1.30 by adding a subdivision; 256.478, by adding subdivisions; 256.9685, subdivisions

1.31 1a, 1b; 256.9686, by adding a subdivision; 256B.04, subdivision 15; 256B.056,

1.32 by adding a subdivision; 256B.0622, subdivision 8; 256B.0625, subdivisions 3a,

1.33 16, by adding a subdivision; 256B.064; 256B.0911, subdivision 23; 256B.092,

1.34 subdivision 10; 256B.093, subdivision 1; 256B.0946, subdivision 6; 256B.0947,

1.35 subdivision 7a; 256B.27, subdivision 3; 256B.439, subdivisions 3c, 3d; 256B.492;

1.36 256B.493, subdivisions 2a, 4; 256D.02, by adding a subdivision; 256D.07; 256D.09,

1.37 subdivision 2a; 256I.03, subdivision 15, by adding a subdivision; 256I.04,

1.38 subdivision 2; 256I.06, subdivision 3; 256I.09; 256J.08, subdivision 21; 256J.09,

2.1 subdivision 3; 256J.95, subdivision 5; 256L.03, subdivisions 1, 2; 256L.12,  
 2.2 subdivision 8; 256N.24, subdivision 12; 256P.01, by adding a subdivision; 256P.04,  
 2.3 by adding a subdivision; 256S.202, subdivision 1; 260B.157, subdivisions 1, 3;  
 2.4 260C.157, subdivision 3; 260C.221, subdivision 1; 260C.317, subdivision 3;  
 2.5 260E.20, subdivision 1; 299A.299, subdivision 1; 325F.69, by adding a subdivision;  
 2.6 518A.43, subdivision 1b; 524.5-104; 524.5-118, subdivision 2a; 524.5-313; Laws  
 2.7 2021, First Special Session chapter 7, article 2, section 17; article 6, section 12;  
 2.8 article 11, section 18; article 13, section 43; article 17, section 20; Laws 2022,  
 2.9 chapter 98, article 4, section 37; proposing coding for new law in Minnesota  
 2.10 Statutes, chapters 119B; 214; 245; 245A; repealing Minnesota Statutes 2022,  
 2.11 sections 169A.70, subdivision 6; 245A.144; 245A.175; 245A.22; 245C.02,  
 2.12 subdivision 9; 245C.301; 245G.22, subdivision 19; 254A.02, subdivision 8a;  
 2.13 254A.16, subdivision 6; 254A.19, subdivisions 1a, 2, 5; 254B.04, subdivisions  
 2.14 2b, 2c; 254B.041, subdivision 2; 254B.13, subdivisions 1, 2, 2a, 4, 5, 6, 7, 8;  
 2.15 254B.16; 256.9685, subdivisions 1c, 1d; 256B.49, subdivision 23; 256D.63,  
 2.16 subdivision 1; 256I.03, subdivision 6; 260.835, subdivision 2; 518A.59; Minnesota  
 2.17 Rules, parts 2960.3070; 2960.3210; 9502.0425, subparts 5, 10; 9505.0235;  
 2.18 9505.0505, subpart 18; 9505.0520, subpart 9b.

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

2.20 **ARTICLE 1**

2.21 **AGING, DISABILITY, AND BEHAVIORAL HEALTH SERVICES**

2.22 Section 1. Minnesota Statutes 2022, section 245.462, subdivision 3, is amended to read:

2.23 Subd. 3. **Case management services.** "Case management services" means activities  
 2.24 that are coordinated with the community support services program as defined in subdivision  
 2.25 6 and are designed to help adults with serious and persistent mental illness in gaining access  
 2.26 to needed medical, social, educational, vocational, and other necessary services as they  
 2.27 relate to the client's mental health needs. Case management services include developing a  
 2.28 functional assessment, an individual ~~assessment summary~~ community support plan, referring  
 2.29 and assisting the person to obtain needed mental health and other services, ensuring  
 2.30 coordination of services, and monitoring the delivery of services.

2.31 Sec. 2. Minnesota Statutes 2022, section 245.462, subdivision 12, is amended to read:

2.32 Subd. 12. **Individual ~~assessment summary~~ community support plan.** "Individual  
 2.33 ~~assessment summary~~ community support plan" means a written plan developed by a case  
 2.34 manager on the basis of a diagnostic assessment and functional assessment. The plan  
 2.35 identifies specific services needed by an adult with serious and persistent mental illness to  
 2.36 develop independence or improved functioning in daily living, health and medication  
 2.37 management, social functioning, interpersonal relationships, financial management, housing,  
 2.38 transportation, and employment.

3.1 Sec. 3. Minnesota Statutes 2022, section 245.4661, subdivision 9, is amended to read:

3.2 Subd. 9. **Services and programs.** (a) The following three distinct grant programs are  
3.3 funded under this section:

3.4 (1) mental health crisis services;

3.5 (2) housing with supports for adults with serious mental illness; and

3.6 (3) projects for assistance in transitioning from homelessness (PATH program).

3.7 (b) In addition, the following are eligible for grant funds:

3.8 (1) community education and prevention;

3.9 (2) client outreach;

3.10 (3) early identification and intervention;

3.11 (4) adult outpatient diagnostic assessment and psychological testing;

3.12 (5) peer support services;

3.13 (6) community support program services (CSP);

3.14 (7) adult residential crisis stabilization;

3.15 (8) supported employment;

3.16 (9) assertive community treatment (ACT);

3.17 (10) housing subsidies;

3.18 (11) basic living, social skills, and community intervention;

3.19 (12) emergency response services;

3.20 (13) adult outpatient psychotherapy;

3.21 (14) adult outpatient medication management;

3.22 (15) adult mobile crisis services;

3.23 (16) adult day treatment;

3.24 (17) partial hospitalization;

3.25 (18) adult residential treatment;

3.26 (19) adult mental health targeted case management; and

3.27 ~~(20) intensive community rehabilitative services (ICRS); and~~

4.1 ~~(21)~~ (20) transportation.

4.2 Sec. 4. Minnesota Statutes 2022, section 245.469, subdivision 3, is amended to read:

4.3 Subd. 3. **Mental health crisis services.** The commissioner of human services shall  
4.4 increase access to mental health crisis services for children and adults. In order to increase  
4.5 access, the commissioner must:

4.6 (1) develop a central phone number where calls can be routed to the appropriate crisis  
4.7 services;

4.8 (2) provide telephone consultation 24 hours a day to mobile crisis teams who are serving  
4.9 people with traumatic brain injury or intellectual disabilities who are experiencing a mental  
4.10 health crisis;

4.11 (3) expand crisis services across the state, including rural areas of the state and examining  
4.12 access per population;

4.13 (4) establish and implement state standards and requirements for crisis services as outlined  
4.14 in section 256B.0624; and

4.15 (5) provide grants to adult mental health initiatives, counties, tribes, or community mental  
4.16 health providers to establish new mental health crisis residential service capacity.

4.17 Priority will be given to regions that do not have a mental health crisis residential services  
4.18 program, do not have an inpatient psychiatric unit within the region, do not have an inpatient  
4.19 psychiatric unit within 90 miles, or have a demonstrated need based on the number of crisis  
4.20 residential or intensive residential treatment beds available to meet the needs of the residents  
4.21 in the region. At least 50 percent of the funds must be distributed to programs in rural  
4.22 Minnesota. Grant funds may be used for start-up costs, including but not limited to  
4.23 renovations, furnishings, and staff training. Grant applications shall provide details on how  
4.24 the intended service will address identified needs and shall demonstrate collaboration with  
4.25 crisis teams, other mental health providers, hospitals, and police.

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

4.27 Sec. 5. Minnesota Statutes 2022, section 245.4711, subdivision 3, is amended to read:

4.28 Subd. 3. **Duties of case manager.** Upon a determination of eligibility for case  
4.29 management services, and if the adult consents to the services, the case manager shall  
4.30 complete a written functional assessment according to section 245.462, subdivision 11a.  
4.31 The case manager shall develop an individual ~~assessment summary~~ community support

5.1 plan for the adult according to subdivision 4, paragraph (a), review the adult's progress, and  
 5.2 monitor the provision of services. If services are to be provided in a host county that is not  
 5.3 the county of financial responsibility, the case manager shall consult with the host county  
 5.4 and obtain a letter demonstrating the concurrence of the host county regarding the provision  
 5.5 of services.

5.6 Sec. 6. Minnesota Statutes 2022, section 245.4711, subdivision 4, is amended to read:

5.7 Subd. 4. **Individual ~~assessment summary~~ community support plan.** (a) The case  
 5.8 manager must develop an individual ~~assessment summary~~ community support plan for each  
 5.9 adult that incorporates the client's individual treatment plan. The individual treatment plan  
 5.10 may not be a substitute for the development of an individual ~~assessment summary~~ community  
 5.11 support plan. The individual ~~assessment summary~~ community support plan must be developed  
 5.12 within 30 days of client intake and reviewed at least every 180 days after it is developed,  
 5.13 unless the case manager receives a written request from the client or the client's family for  
 5.14 a review of the plan every 90 days after it is developed. The case manager is responsible  
 5.15 for developing the individual ~~assessment summary~~ community support plan based on a  
 5.16 diagnostic assessment and a functional assessment and for implementing and monitoring  
 5.17 the delivery of services according to the individual ~~assessment summary~~ community support  
 5.18 plan. To the extent possible, the adult with serious and persistent mental illness, the person's  
 5.19 family, advocates, service providers, and significant others must be involved in all phases  
 5.20 of development and implementation of the individual ~~or family assessment summary~~  
 5.21 community support plan.

5.22 (b) The client's individual ~~assessment summary~~ community support plan must state:

5.23 (1) the goals of each service;

5.24 (2) the activities for accomplishing each goal;

5.25 (3) a schedule for each activity; and

5.26 (4) the frequency of face-to-face contacts by the case manager, as appropriate to client  
 5.27 need and the implementation of the individual ~~assessment summary~~ community support  
 5.28 plan.

5.29 Sec. 7. Minnesota Statutes 2022, section 245.477, is amended to read:

5.30 **245.477 APPEALS.**

5.31 Any adult who requests mental health services under sections 245.461 to 245.486 must  
 5.32 be advised of services available and the right to appeal at the time of the request and each

6.1 time the individual ~~assessment summary~~ community support plan or individual treatment  
6.2 plan is reviewed. Any adult whose request for mental health services under sections 245.461  
6.3 to 245.486 is denied, not acted upon with reasonable promptness, or whose services are  
6.4 suspended, reduced, or terminated by action or inaction for which the county board is  
6.5 responsible under sections 245.461 to 245.486 may contest that action or inaction before  
6.6 the state agency as specified in section 256.045. The commissioner shall monitor the nature  
6.7 and frequency of administrative appeals under this section.

6.8 Sec. 8. Minnesota Statutes 2022, section 245.4835, subdivision 2, is amended to read:

6.9 Subd. 2. **Failure to maintain expenditures.** (a) If a county does not comply with  
6.10 subdivision 1, the commissioner shall require the county to develop a corrective action plan  
6.11 according to a format and timeline established by the commissioner. If the commissioner  
6.12 determines that a county has not developed an acceptable corrective action plan within the  
6.13 required timeline, or that the county is not in compliance with an approved corrective action  
6.14 plan, the protections provided to that county under section 245.485 do not apply.

6.15 (b) The commissioner shall consider the following factors to determine whether to  
6.16 approve a county's corrective action plan:

6.17 (1) the degree to which a county is maximizing revenues for mental health services from  
6.18 noncounty sources;

6.19 (2) the degree to which a county is expanding use of alternative services that meet mental  
6.20 health needs, but do not count as mental health services within existing reporting systems.  
6.21 If approved by the commissioner, the alternative services must be included in the county's  
6.22 base as well as subsequent years. The commissioner's approval for alternative services must  
6.23 be based on the following criteria:

6.24 (i) the service must be provided to children with emotional disturbance or adults with  
6.25 mental illness;

6.26 (ii) the services must be based on an individual treatment plan or individual ~~assessment~~  
6.27 ~~summary~~ community support plan as defined in the Comprehensive Mental Health Act;  
6.28 and

6.29 (iii) the services must be supervised by a mental health professional and provided by  
6.30 staff who meet the staff qualifications defined in sections 256B.0943, subdivision 7, and  
6.31 256B.0623, subdivision 5.

6.32 (c) Additional county expenditures to make up for the prior year's underspending may  
6.33 be spread out over a two-year period.

7.1 Sec. 9. Minnesota Statutes 2022, section 245.4871, subdivision 3, is amended to read:

7.2 Subd. 3. **Case management services.** "Case management services" means activities  
 7.3 that are coordinated with the family community support services and are designed to help  
 7.4 the child with severe emotional disturbance and the child's family obtain needed mental  
 7.5 health services, social services, educational services, health services, vocational services,  
 7.6 recreational services, and related services in the areas of volunteer services, advocacy,  
 7.7 transportation, and legal services. Case management services include assisting in obtaining  
 7.8 a comprehensive diagnostic assessment, developing an individual family ~~assessment summary~~  
 7.9 community support plan, and assisting the child and the child's family in obtaining needed  
 7.10 services by coordination with other agencies and assuring continuity of care. Case managers  
 7.11 must assess and reassess the delivery, appropriateness, and effectiveness of services over  
 7.12 time.

7.13 Sec. 10. Minnesota Statutes 2022, section 245.4871, subdivision 19, is amended to read:

7.14 Subd. 19. **Individual family ~~assessment summary~~ community support**  
 7.15 **plan.** "Individual family ~~assessment summary~~ community support plan" means a written  
 7.16 plan developed by a case manager in conjunction with the family and the child with severe  
 7.17 emotional disturbance on the basis of a diagnostic assessment and a functional assessment.  
 7.18 The plan identifies specific services needed by a child and the child's family to:

7.19 (1) treat the symptoms and dysfunctions determined in the diagnostic assessment;

7.20 (2) relieve conditions leading to emotional disturbance and improve the personal  
 7.21 well-being of the child;

7.22 (3) improve family functioning;

7.23 (4) enhance daily living skills;

7.24 (5) improve functioning in education and recreation settings;

7.25 (6) improve interpersonal and family relationships;

7.26 (7) enhance vocational development; and

7.27 (8) assist in obtaining transportation, housing, health services, and employment.

7.28 Sec. 11. Minnesota Statutes 2022, section 245.4873, subdivision 4, is amended to read:

7.29 Subd. 4. **Individual case coordination.** The case manager designated under section  
 7.30 245.4881 is responsible for ongoing coordination with any other person responsible for  
 7.31 planning, development, and delivery of social services, education, corrections, health, or

8.1 vocational services for the individual child. The individual family assessment summary  
8.2 community support plan developed by the case manager shall reflect the coordination among  
8.3 the local service system providers.

8.4 Sec. 12. Minnesota Statutes 2022, section 245.4881, subdivision 3, is amended to read:

8.5 Subd. 3. **Duties of case manager.** (a) Upon a determination of eligibility for case  
8.6 management services, the case manager shall develop an individual family ~~assessment~~  
8.7 ~~summary~~ community support plan for a child as specified in subdivision 4, review the child's  
8.8 progress, and monitor the provision of services. If services are to be provided in a host  
8.9 county that is not the county of financial responsibility, the case manager shall consult with  
8.10 the host county and obtain a letter demonstrating the concurrence of the host county regarding  
8.11 the provision of services.

8.12 (b) The case manager shall note in the child's record the services needed by the child  
8.13 and the child's family, the services requested by the family, services that are not available,  
8.14 and the unmet needs of the child and child's family. The case manager shall note this  
8.15 provision in the child's record.

8.16 Sec. 13. Minnesota Statutes 2022, section 245.4881, subdivision 4, is amended to read:

8.17 Subd. 4. **Individual family ~~assessment summary~~ community support plan.** (a) For  
8.18 each child, the case manager must develop an individual family ~~assessment summary~~  
8.19 community support plan that incorporates the child's individual treatment plan. The individual  
8.20 treatment plan may not be a substitute for the development of an individual family ~~assessment~~  
8.21 ~~summary~~ community support plan. The case manager is responsible for developing the  
8.22 individual family ~~assessment summary~~ community support plan within 30 days of intake  
8.23 based on a diagnostic assessment and for implementing and monitoring the delivery of  
8.24 services according to the individual family ~~assessment summary~~ community support plan.  
8.25 The case manager must review the plan at least every 180 calendar days after it is developed,  
8.26 unless the case manager has received a written request from the child's family or an advocate  
8.27 for the child for a review of the plan every 90 days after it is developed. To the extent  
8.28 appropriate, the child with severe emotional disturbance, the child's family, advocates,  
8.29 service providers, and significant others must be involved in all phases of development and  
8.30 implementation of the individual family ~~assessment summary~~ community support plan.  
8.31 Notwithstanding the lack of an individual family ~~assessment summary~~ community support  
8.32 plan, the case manager shall assist the child and child's family in accessing the needed  
8.33 services listed in section 245.4884, subdivision 1.



9.1 (b) The child's individual family ~~assessment summary~~ community support plan must  
9.2 state:

9.3 (1) the goals and expected outcomes of each service and criteria for evaluating the  
9.4 effectiveness and appropriateness of the service;

9.5 (2) the activities for accomplishing each goal;

9.6 (3) a schedule for each activity; and

9.7 (4) the frequency of face-to-face contacts by the case manager, as appropriate to client  
9.8 need and the implementation of the individual family ~~assessment summary~~ community  
9.9 support plan.

9.10 Sec. 14. Minnesota Statutes 2022, section 245.4885, subdivision 1, is amended to read:

9.11 Subdivision 1. **Admission criteria.** (a) Prior to admission or placement, except in the  
9.12 case of an emergency, all children referred for treatment of severe emotional disturbance  
9.13 in a treatment foster care setting, residential treatment facility, or informally admitted to a  
9.14 regional treatment center shall undergo an assessment to determine the appropriate level of  
9.15 care if county funds are used to pay for the child's services. An emergency includes when  
9.16 a child is in need of and has been referred for crisis stabilization services under section  
9.17 245.4882, subdivision 6. A child who has been referred to residential treatment for crisis  
9.18 stabilization services in a residential treatment center is not required to undergo an assessment  
9.19 under this section.

9.20 (b) The county board shall determine the appropriate level of care for a child when  
9.21 county-controlled funds are used to pay for the child's residential treatment under this  
9.22 chapter, including residential treatment provided in a qualified residential treatment program  
9.23 as defined in section 260C.007, subdivision 26d. When a county board does not have  
9.24 responsibility for a child's placement and the child is enrolled in a prepaid health program  
9.25 under section 256B.69, the enrolled child's contracted health plan must determine the  
9.26 appropriate level of care for the child. When Indian Health Services funds or funds of a  
9.27 tribally owned facility funded under the Indian Self-Determination and Education Assistance  
9.28 Act, Public Law 93-638, are used for the child, the Indian Health Services or 638 tribal  
9.29 health facility must determine the appropriate level of care for the child. When more than  
9.30 one entity bears responsibility for a child's coverage, the entities shall coordinate level of  
9.31 care determination activities for the child to the extent possible.

9.32 (c) The child's level of care determination shall determine whether the proposed treatment:

9.33 (1) is necessary;

10.1 (2) is appropriate to the child's individual treatment needs;

10.2 (3) cannot be effectively provided in the child's home; and

10.3 (4) provides a length of stay as short as possible consistent with the individual child's  
10.4 needs.

10.5 (d) When a level of care determination is conducted, the county board or other entity  
10.6 may not determine that a screening of a child, referral, or admission to a residential treatment  
10.7 facility is not appropriate solely because services were not first provided to the child in a  
10.8 less restrictive setting and the child failed to make progress toward or meet treatment goals  
10.9 in the less restrictive setting. The level of care determination must be based on a diagnostic  
10.10 assessment of a child that evaluates the child's family, school, and community living  
10.11 situations; and an assessment of the child's need for care out of the home using a validated  
10.12 tool which assesses a child's functional status and assigns an appropriate level of care to the  
10.13 child. The validated tool must be approved by the commissioner of human services and  
10.14 may be the validated tool approved for the child's assessment under section 260C.704 if the  
10.15 juvenile treatment screening team recommended placement of the child in a qualified  
10.16 residential treatment program. If a diagnostic assessment has been completed by a mental  
10.17 health professional within the past 180 days, a new diagnostic assessment need not be  
10.18 completed unless in the opinion of the current treating mental health professional the child's  
10.19 mental health status has changed markedly since the assessment was completed. The child's  
10.20 parent shall be notified if an assessment will not be completed and of the reasons. A copy  
10.21 of the notice shall be placed in the child's file. Recommendations developed as part of the  
10.22 level of care determination process shall include specific community services needed by  
10.23 the child and, if appropriate, the child's family, and shall indicate whether these services  
10.24 are available and accessible to the child and the child's family. The child and the child's  
10.25 family must be invited to any meeting where the level of care determination is discussed  
10.26 and decisions regarding residential treatment are made. The child and the child's family  
10.27 may invite other relatives, friends, or advocates to attend these meetings.

10.28 (e) During the level of care determination process, the child, child's family, or child's  
10.29 legal representative, as appropriate, must be informed of the child's eligibility for case  
10.30 management services and family community support services and that an individual family  
10.31 ~~assessment summary~~ community support plan is being developed by the case manager, if  
10.32 assigned.

11.1 (f) The level of care determination, placement decision, and recommendations for mental  
 11.2 health services must be documented in the child's record and made available to the child's  
 11.3 family, as appropriate.

11.4 Sec. 15. Minnesota Statutes 2022, section 245.4887, is amended to read:

11.5 **245.4887 APPEALS.**

11.6 A child or a child's family, as appropriate, who requests mental health services under  
 11.7 sections 245.487 to 245.4889 must be advised of services available and the right to appeal  
 11.8 as described in this section at the time of the request and each time the individual family  
 11.9 ~~assessment summary~~ community support plan or individual treatment plan is reviewed. A  
 11.10 child whose request for mental health services under sections 245.487 to 245.4889 is denied,  
 11.11 not acted upon with reasonable promptness, or whose services are suspended, reduced, or  
 11.12 terminated by action or inaction for which the county board is responsible under sections  
 11.13 245.487 to 245.4889 may contest that action or inaction before the state agency according  
 11.14 to section 256.045. The commissioner shall monitor the nature and frequency of  
 11.15 administrative appeals under this section.

11.16 Sec. 16. **[245.4903] CULTURAL AND ETHNIC MINORITY INFRASTRUCTURE**  
 11.17 **GRANT PROGRAM.**

11.18 Subdivision 1. Establishment. The commissioner of human services shall establish a  
 11.19 cultural and ethnic minority infrastructure grant program to ensure that mental health and  
 11.20 substance use disorder treatment supports and services are culturally specific and culturally  
 11.21 responsive to meet the cultural needs of the communities served.

11.22 Subd. 2. Eligible applicants. An eligible applicant is a licensed entity or provider from  
 11.23 a cultural or ethnic minority population who:

11.24 (1) provides mental health or substance use disorder treatment services and supports to  
 11.25 individuals from cultural and ethnic minority populations, including individuals who are  
 11.26 lesbian, gay, bisexual, transgender, or queer and from cultural and ethnic minority  
 11.27 populations;

11.28 (2) provides or is qualified and has the capacity to provide clinical supervision and  
 11.29 support to members of culturally diverse and ethnic minority communities to qualify as  
 11.30 mental health and substance use disorder treatment providers; or

11.31 (3) has the capacity and experience to provide training for mental health and substance  
 11.32 use disorder treatment providers on cultural competency and cultural humility.

12.1 Subd. 2. Allowable grant activities. (a) The cultural and ethnic minority infrastructure  
12.2 grant program grantees must engage in activities and provide supportive services to ensure  
12.3 and increase equitable access to culturally specific and responsive care and to build  
12.4 organizational and professional capacity for licensure and certification for the communities  
12.5 served. Allowable grant activities include but are not limited to:

12.6 (1) workforce development activities focused on recruiting, supporting, training, and  
12.7 supervision activities for mental health and substance use disorder practitioners and  
12.8 professionals from diverse racial, cultural, and ethnic communities;

12.9 (2) supporting members of culturally diverse and ethnic minority communities to qualify  
12.10 as mental health and substance use disorder professionals, practitioners, clinical supervisors,  
12.11 recovery peer specialists, mental health certified peer specialists, and mental health certified  
12.12 family peer specialists;

12.13 (3) culturally specific outreach, early intervention, trauma-informed services, and recovery  
12.14 support in mental health and substance use disorder services;

12.15 (4) provision of trauma-informed, culturally responsive mental health and substance use  
12.16 disorder supports and services for children and families, youth, or adults who are from  
12.17 cultural and ethnic minority backgrounds and are uninsured or underinsured;

12.18 (5) mental health and substance use disorder service expansion and infrastructure  
12.19 improvement activities, particularly in greater Minnesota;

12.20 (6) training for mental health and substance use disorder treatment providers on cultural  
12.21 competency and cultural humility; and

12.22 (7) activities to increase the availability of culturally responsive mental health and  
12.23 substance use disorder services for children and families, youth, or adults or to increase the  
12.24 availability of substance use disorder services for individuals from cultural and ethnic  
12.25 minorities in the state.

12.26 (b) The commissioner must assist grantees with meeting third-party credentialing  
12.27 requirements, and grantees must obtain all available third-party reimbursement sources as  
12.28 a condition of receiving grant funds. Grantees must serve individuals from cultural and  
12.29 ethnic minority communities regardless of health coverage status or ability to pay.

12.30 Subd. 3. Data collection and outcomes. Grantees must provide regular data summaries  
12.31 to the commissioner for purposes of evaluating the effectiveness of the cultural and ethnic  
12.32 minority infrastructure grant program. The commissioner must use identified culturally

13.1 appropriate outcome measures instruments to evaluate outcomes and must evaluate program  
 13.2 activities by analyzing whether the program:

13.3 (1) increased access to culturally specific services for individuals from cultural and  
 13.4 ethnic minority communities across the state;

13.5 (2) increased the number of individuals from cultural and ethnic minority communities  
 13.6 served by grantees;

13.7 (3) increased cultural responsiveness and cultural competency of mental health and  
 13.8 substance use disorder treatment providers;

13.9 (4) increased the number of mental health and substance use disorder treatment providers  
 13.10 and clinical supervisors from cultural and ethnic minority communities;

13.11 (5) increased the number of mental health and substance use disorder treatment  
 13.12 organizations owned, managed, or led by individuals who are Black, Indigenous, or people  
 13.13 of color;

13.14 (6) reduced health disparities through improved clinical and functional outcomes for  
 13.15 those accessing services; and

13.16 (7) led to an overall increase in culturally specific mental health and substance use  
 13.17 disorder service availability.

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

13.19 **Sec. 17. [245.4906] MENTAL HEALTH CERTIFIED PEER SPECIALIST GRANT**  
 13.20 **PROGRAM.**

13.21 **Subdivision 1. Establishment.** The mental health certified peer specialist grant program  
 13.22 is established in the Department of Human Services to provide funding for training for  
 13.23 mental health certified peer specialists who provide services to support individuals with  
 13.24 lived experience of mental illness under section 256B.0615. Certified peer specialists provide  
 13.25 services to individuals who are receiving assertive community treatment or intensive  
 13.26 residential treatment services under section 256B.0622, adult rehabilitative mental health  
 13.27 services under section 256B.0623, or crisis response services under section 256B.0624.  
 13.28 Mental health certified peer specialist qualifications are defined in section 245I.04,  
 13.29 subdivision 10, and mental health certified peer specialists' scope of practice is defined in  
 13.30 section 245I.04, subdivision 11.

13.31 **Subd. 2. Activities.** Grant funding may be used to provide training for mental health  
 13.32 certified peer specialists as specified in section 256B.0615, subdivision 5.

14.1 Subd. 3. **Outcomes.** Evaluation includes the extent to which individuals receiving peer  
 14.2 services:

14.3 (1) experience progress on achieving treatment goals; and

14.4 (2) experience a reduction in hospital admissions.

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

14.6 Sec. 18. **[245.4907] MENTAL HEALTH CERTIFIED FAMILY PEER SPECIALIST**  
 14.7 **GRANT PROGRAM.**

14.8 Subdivision 1. **Establishment.** The mental health certified peer family specialist grant  
 14.9 program is established in the Department of Human Services to provide funding for training  
 14.10 for mental health certified peer family specialists who provide services to support individuals  
 14.11 with lived experience of mental illness under section 256B.0616. Certified family peer  
 14.12 specialists provide services to families who have a child with an emotional disturbance or  
 14.13 severe emotional disturbance under chapter 245. Certified family peer specialists provide  
 14.14 services to families whose children are receiving inpatient hospitalization under section  
 14.15 256B.0625, subdivision 1; partial hospitalization under Minnesota Rules, parts 9505.0370,  
 14.16 subpart 24, and 9505.0372, subpart 9; residential treatment under section 245.4882; children's  
 14.17 intensive behavioral health services under section 256B.0946; and day treatment, children's  
 14.18 therapeutic services and supports, or crisis response services under section 256B.0624.  
 14.19 Mental health certified family peer specialist qualifications are defined in section 245I.04,  
 14.20 subdivision 12, and mental health certified family peer specialists' scope of practice is  
 14.21 defined in section 245I.04, subdivision 13.

14.22 Subd. 2. **Activities.** Grant funding may be used to provide training for mental health  
 14.23 certified family peer specialists as specified in section 256B.0616, subdivision 5.

14.24 Subd. 3. **Outcomes.** Evaluation includes the extent to which individuals receiving family  
 14.25 peer services:

14.26 (1) progress on achieving treatment goals; and

14.27 (2) experience a reduction in hospital admissions.

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

15.1        **Sec. 19. [245.991] PROJECTS FOR ASSISTANCE IN TRANSITION FROM**  
15.2        **HOMELESSNESS PROGRAM.**

15.3        Subdivision 1. **Establishment.** The projects for assistance in transition from homelessness  
15.4        program is established in the Department of Human Services to prevent or end homelessness  
15.5        for people with serious mental illness or co-occurring substance use disorder and ensure  
15.6        the commissioner may achieve the goals of the housing mission statement in section 245.461,  
15.7        subdivision 4.

15.8        Subd. 2. **Activities.** All projects for assistance in transition from homelessness must  
15.9        provide homeless outreach and case management services. Projects may provide clinical  
15.10       assessment, habilitation and rehabilitation services, community mental health services,  
15.11       substance use disorder treatment, housing transition and sustaining services, direct assistance  
15.12       funding, and other activities as determined by the commissioner.

15.13       Subd. 3. **Eligibility.** Program activities must be provided to people with serious mental  
15.14       illness, or with co-occurring substance use disorder, who meet homeless criteria determined  
15.15       by the commissioner. People receiving homeless outreach may be presumed eligible until  
15.16       serious mental illness can be verified.

15.17       Subd. 4. **Outcomes.** Evaluation of each project includes the extent to which:

15.18       (1) grantees contact individuals through homeless outreach services;

15.19       (2) grantees enroll individuals in case management services;

15.20       (3) individuals access behavioral health services; and

15.21       (4) individuals transition from homelessness to housing.

15.22       Subd. 5. **Federal aid or grants.** The commissioner of human services must comply with  
15.23       all conditions and requirements necessary to receive federal aid or grants with respect to  
15.24       homeless services or programs as specified in section 245.70.

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

15.26       **Sec. 20. [245.992] HOUSING WITH SUPPORT FOR ADULTS WITH SERIOUS**  
15.27       **MENTAL ILLNESS PROGRAM.**

15.28       Subdivision 1. **Creation.** The housing with support for adults with serious mental illness  
15.29       program is established in the Department of Human Services to prevent or end homelessness  
15.30       for people with serious mental illness, increase the availability of housing with support, and  
15.31       ensure the commissioner may achieve the goals of the housing mission statement in section  
15.32       245.461, subdivision 4.

16.1 Subd. 2. **Activities.** The housing with support for adults with serious mental illness  
 16.2 program may provide a range of activities and supportive services to assure that people  
 16.3 obtain and retain permanent supportive housing. Program activities may include case  
 16.4 management, site-based housing services, housing transition and sustaining services, outreach  
 16.5 services, community support services, direct assistance funding, and other activities as  
 16.6 determined by the commissioner.

16.7 Subd. 3. **Eligibility.** Program activities must be provided to people with serious mental  
 16.8 illness, or with co-occurring substance use disorder, who meet homeless criteria determined  
 16.9 by the commissioner.

16.10 Subd. 4. **Outcomes.** Evaluation of program activities must utilize evidence-based  
 16.11 practices and must include the extent to which:

16.12 (1) grantees' housing and activities utilize evidence-based practices;

16.13 (2) individuals transition from homelessness to housing;

16.14 (3) individuals retain housing; and

16.15 (4) individuals are satisfied with their housing.

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

16.17 Sec. 21. Minnesota Statutes 2022, section 245A.03, subdivision 7, is amended to read:

16.18 Subd. 7. **Licensing moratorium.** (a) The commissioner shall not issue an initial license  
 16.19 for child foster care licensed under Minnesota Rules, parts 2960.3000 to 2960.3340, or adult  
 16.20 foster care licensed under Minnesota Rules, parts 9555.5105 to 9555.6265, under this chapter  
 16.21 for a physical location that will not be the primary residence of the license holder for the  
 16.22 entire period of licensure. If a family child foster care home or family adult foster care home  
 16.23 license is issued during this moratorium, and the license holder changes the license holder's  
 16.24 primary residence away from the physical location of the foster care license, the  
 16.25 commissioner shall revoke the license according to section 245A.07. The commissioner  
 16.26 shall not issue an initial license for a community residential setting licensed under chapter  
 16.27 245D. When approving an exception under this paragraph, the commissioner shall consider  
 16.28 the resource need determination process in paragraph (h), the availability of foster care  
 16.29 licensed beds in the geographic area in which the licensee seeks to operate, the results of a  
 16.30 person's choices during their annual assessment and service plan review, and the  
 16.31 recommendation of the local county board. The determination by the commissioner is final  
 16.32 and not subject to appeal. Exceptions to the moratorium include:



17.1 (1) ~~foster care settings~~ a license for a person in a foster care setting that is not the primary  
17.2 residence of the license holder and where at least 80 percent of the residents are 55 years  
17.3 of age or older;

17.4 (2) foster care licenses replacing foster care licenses in existence on May 15, 2009, or  
17.5 community residential setting licenses replacing adult foster care licenses in existence on  
17.6 December 31, 2013, and determined to be needed by the commissioner under paragraph  
17.7 (b);

17.8 (3) new foster care licenses or community residential setting licenses determined to be  
17.9 needed by the commissioner under paragraph (b) for the closure of a nursing facility, ICF/DD,  
17.10 or regional treatment center; restructuring of state-operated services that limits the capacity  
17.11 of state-operated facilities; or allowing movement to the community for people who no  
17.12 longer require the level of care provided in state-operated facilities as provided under section  
17.13 256B.092, subdivision 13, or 256B.49, subdivision 24;

17.14 (4) new foster care licenses or community residential setting licenses determined to be  
17.15 needed by the commissioner under paragraph (b) for persons requiring hospital-level care;  
17.16 or

17.17 (5) new foster care licenses or community residential setting licenses for people receiving  
17.18 customized living or 24-hour customized living services under the brain injury or community  
17.19 access for disability inclusion waiver plans under section 256B.49 and residing in the  
17.20 customized living setting before July 1, 2022, for which a license is required. A customized  
17.21 living service provider subject to this exception may rebut the presumption that a license  
17.22 is required by seeking a reconsideration of the commissioner's determination. The  
17.23 commissioner's disposition of a request for reconsideration is final and not subject to appeal  
17.24 under chapter 14. The exception is available until June 30, 2023. This exception is available  
17.25 when:

17.26 (i) the person's customized living services are provided in a customized living service  
17.27 setting serving four or fewer people under the brain injury or community access for disability  
17.28 inclusion waiver plans under section 256B.49 in a single-family home operational on or  
17.29 before June 30, 2021. Operational is defined in section 256B.49, subdivision 28;

17.30 (ii) the person's case manager provided the person with information about the choice of  
17.31 service, service provider, and location of service, including in the person's home, to help  
17.32 the person make an informed choice; and

18.1 (iii) the person's services provided in the licensed foster care or community residential  
18.2 setting are less than or equal to the cost of the person's services delivered in the customized  
18.3 living setting as determined by the lead agency.

18.4 (b) The commissioner shall determine the need for newly licensed foster care homes or  
18.5 community residential settings as defined under this subdivision. As part of the determination,  
18.6 the commissioner shall consider the availability of foster care capacity in the area in which  
18.7 the licensee seeks to operate, and the recommendation of the local county board. The  
18.8 determination by the commissioner must be final. A determination of need is not required  
18.9 for a change in ownership at the same address.

18.10 (c) When an adult resident served by the program moves out of a foster home that is not  
18.11 the primary residence of the license holder according to section 256B.49, subdivision 15,  
18.12 paragraph (f), or the adult community residential setting, the county shall immediately  
18.13 inform the Department of Human Services Licensing Division. The department may decrease  
18.14 the statewide licensed capacity for adult foster care settings.

18.15 (d) Residential settings that would otherwise be subject to the decreased license capacity  
18.16 established in paragraph (c) shall be exempt if the license holder's beds are occupied by  
18.17 residents whose primary diagnosis is mental illness and the license holder is certified under  
18.18 the requirements in subdivision 6a or section 245D.33.

18.19 (e) A resource need determination process, managed at the state level, using the available  
18.20 data required by section 144A.351, and other data and information shall be used to determine  
18.21 where the reduced capacity determined under section 256B.493 will be implemented. The  
18.22 commissioner shall consult with the stakeholders described in section 144A.351, and employ  
18.23 a variety of methods to improve the state's capacity to meet the informed decisions of those  
18.24 people who want to move out of corporate foster care or community residential settings,  
18.25 long-term service needs within budgetary limits, including seeking proposals from service  
18.26 providers or lead agencies to change service type, capacity, or location to improve services,  
18.27 increase the independence of residents, and better meet needs identified by the long-term  
18.28 services and supports reports and statewide data and information.

18.29 (f) At the time of application and reapplication for licensure, the applicant and the license  
18.30 holder that are subject to the moratorium or an exclusion established in paragraph (a) are  
18.31 required to inform the commissioner whether the physical location where the foster care  
18.32 will be provided is or will be the primary residence of the license holder for the entire period  
18.33 of licensure. If the primary residence of the applicant or license holder changes, the applicant  
18.34 or license holder must notify the commissioner immediately. The commissioner shall print

19.1 on the foster care license certificate whether or not the physical location is the primary  
19.2 residence of the license holder.

19.3 (g) License holders of foster care homes identified under paragraph (f) that are not the  
19.4 primary residence of the license holder and that also provide services in the foster care home  
19.5 that are covered by a federally approved home and community-based services waiver, as  
19.6 authorized under chapter 256S or section 256B.092 or 256B.49, must inform the human  
19.7 services licensing division that the license holder provides or intends to provide these  
19.8 waiver-funded services.

19.9 (h) The commissioner may adjust capacity to address needs identified in section  
19.10 144A.351. Under this authority, the commissioner may approve new licensed settings or  
19.11 delicense existing settings. Delicensing of settings will be accomplished through a process  
19.12 identified in section 256B.493.

19.13 (i) The commissioner must notify a license holder when its corporate foster care or  
19.14 community residential setting licensed beds are reduced under this section. The notice of  
19.15 reduction of licensed beds must be in writing and delivered to the license holder by certified  
19.16 mail or personal service. The notice must state why the licensed beds are reduced and must  
19.17 inform the license holder of its right to request reconsideration by the commissioner. The  
19.18 license holder's request for reconsideration must be in writing. If mailed, the request for  
19.19 reconsideration must be postmarked and sent to the commissioner within 20 calendar days  
19.20 after the license holder's receipt of the notice of reduction of licensed beds. If a request for  
19.21 reconsideration is made by personal service, it must be received by the commissioner within  
19.22 20 calendar days after the license holder's receipt of the notice of reduction of licensed beds.

19.23 (j) The commissioner shall not issue an initial license for children's residential treatment  
19.24 services licensed under Minnesota Rules, parts 2960.0580 to 2960.0700, under this chapter  
19.25 for a program that Centers for Medicare and Medicaid Services would consider an institution  
19.26 for mental diseases. Facilities that serve only private pay clients are exempt from the  
19.27 moratorium described in this paragraph. The commissioner has the authority to manage  
19.28 existing statewide capacity for children's residential treatment services subject to the  
19.29 moratorium under this paragraph and may issue an initial license for such facilities if the  
19.30 initial license would not increase the statewide capacity for children's residential treatment  
19.31 services subject to the moratorium under this paragraph.

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

20.1 Sec. 22. Minnesota Statutes 2022, section 245A.11, subdivision 7, is amended to read:

20.2 Subd. 7. **Adult foster care and community residential settings; variance for alternate**  
20.3 **overnight supervision.** (a) The commissioner may grant a variance under section 245A.04,  
20.4 subdivision 9, to statutes and rule parts requiring a caregiver to be present in an adult foster  
20.5 care home or a community residential setting during normal sleeping hours to allow for  
20.6 alternative methods of overnight supervision. The commissioner may grant the variance if  
20.7 the local county licensing agency recommends the variance and the county recommendation  
20.8 includes documentation verifying that:

20.9 (1) the county has approved the license holder's plan for alternative methods of providing  
20.10 overnight supervision and determined the plan protects the residents' health, safety, and  
20.11 rights;

20.12 (2) the license holder has obtained written and signed informed consent from each  
20.13 resident or each resident's legal representative documenting the resident's or legal  
20.14 representative's agreement with the alternative method of overnight supervision; and

20.15 (3) the alternative method of providing overnight supervision, which may include the  
20.16 use of technology, is specified for each resident in the resident's: (i) individualized plan of  
20.17 care; (ii) ~~individual service~~ support plan under section 256B.092, subdivision 1b, if required;  
20.18 or (iii) individual resident placement agreement under Minnesota Rules, part 9555.5105,  
20.19 subpart 19, if required.

20.20 (b) To be eligible for a variance under paragraph (a), the adult foster care or community  
20.21 residential setting license holder must not have had a conditional license issued under section  
20.22 245A.06, or any other licensing sanction issued under section 245A.07 during the prior 24  
20.23 months based on failure to provide adequate supervision, health care services, or resident  
20.24 safety in the adult foster care home or community residential setting.

20.25 (c) A license holder requesting a variance under this subdivision to utilize technology  
20.26 as a component of a plan for alternative overnight supervision may request the commissioner's  
20.27 review in the absence of a county recommendation. Upon receipt of such a request from a  
20.28 license holder, the commissioner shall review the variance request with the county.

20.29 ~~(d) A variance granted by the commissioner according to this subdivision before January~~  
20.30 ~~1, 2014, to a license holder for an adult foster care home must transfer with the license when~~  
20.31 ~~the license converts to a community residential setting license under chapter 245D. The~~  
20.32 ~~terms and conditions of the variance remain in effect as approved at the time the variance~~  
20.33 ~~was granted.~~

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

21.2 Sec. 23. Minnesota Statutes 2022, section 245A.16, subdivision 1, is amended to read:

21.3 Subdivision 1. **Delegation of authority to agencies.** (a) County agencies and private  
21.4 agencies that have been designated or licensed by the commissioner to perform licensing  
21.5 functions and activities under section 245A.04 and background studies for family child care  
21.6 under chapter 245C; to recommend denial of applicants under section 245A.05; to issue  
21.7 correction orders, to issue variances, and recommend a conditional license under section  
21.8 245A.06; or to recommend suspending or revoking a license or issuing a fine under section  
21.9 245A.07, shall comply with rules and directives of the commissioner governing those  
21.10 functions and with this section. The following variances are excluded from the delegation  
21.11 of variance authority and may be issued only by the commissioner:

21.12 (1) dual licensure of family child care and child foster care, dual licensure of child foster  
21.13 care and adult foster care or a community residential setting, and dual licensure of adult  
21.14 foster care and family child care;

21.15 (2) adult foster care maximum capacity;

21.16 (3) adult foster care minimum age requirement;

21.17 (4) child foster care maximum age requirement;

21.18 (5) variances regarding disqualified individuals except that, before the implementation  
21.19 of NETStudy 2.0, county agencies may issue variances under section 245C.30 regarding  
21.20 disqualified individuals when the county is responsible for conducting a consolidated  
21.21 reconsideration according to sections 245C.25 and 245C.27, subdivision 2, clauses (a) and  
21.22 (b), of a county maltreatment determination and a disqualification based on serious or  
21.23 recurring maltreatment;

21.24 (6) the required presence of a caregiver in the adult foster care residence during normal  
21.25 sleeping hours;

21.26 (7) variances to requirements relating to chemical use problems of a license holder or a  
21.27 household member of a license holder; and

21.28 (8) variances to section 245A.53 for a time-limited period. If the commissioner grants  
21.29 a variance under this clause, the license holder must provide notice of the variance to all  
21.30 parents and guardians of the children in care.

22.1 Except as provided in section 245A.14, subdivision 4, paragraph (e), a county agency must  
22.2 not grant a license holder a variance to exceed the maximum allowable family child care  
22.3 license capacity of 14 children.

22.4 (b) A county agency that has been designated by the commissioner to issue family child  
22.5 care variances must:

22.6 (1) publish the county agency's policies and criteria for issuing variances on the county's  
22.7 public website and update the policies as necessary; and

22.8 (2) annually distribute the county agency's policies and criteria for issuing variances to  
22.9 all family child care license holders in the county.

22.10 (c) Before the implementation of NETStudy 2.0, county agencies must report information  
22.11 about disqualification reconsiderations under sections 245C.25 and 245C.27, subdivision  
22.12 2, paragraphs (a) and (b), and variances granted under paragraph (a), clause (5), to the  
22.13 commissioner at least monthly in a format prescribed by the commissioner.

22.14 (d) For family child care programs, the commissioner shall require a county agency to  
22.15 conduct one unannounced licensing review at least annually.

22.16 (e) For family adult day services programs, the commissioner may authorize licensing  
22.17 reviews every two years after a licensee has had at least one annual review.

22.18 (f) A license issued under this section may be issued for up to two years.

22.19 (g) During implementation of chapter 245D, the commissioner shall consider:

22.20 (1) the role of counties in quality assurance;

22.21 (2) the duties of county licensing staff; and

22.22 (3) the possible use of joint powers agreements, according to section 471.59, with counties  
22.23 through which some licensing duties under chapter 245D may be delegated by the  
22.24 commissioner to the counties.

22.25 Any consideration related to this paragraph must meet all of the requirements of the corrective  
22.26 action plan ordered by the federal Centers for Medicare and Medicaid Services.

22.27 (h) Licensing authority specific to section 245D.06, subdivisions 5, 6, 7, and 8, or  
22.28 successor provisions; and section 245D.061 or successor provisions, for family child foster  
22.29 care programs providing out-of-home respite, as identified in section 245D.03, subdivision  
22.30 1, paragraph (b), clause (1), is excluded from the delegation of authority to county and  
22.31 private agencies.

23.1 (i) A county agency shall report to the commissioner, in a manner prescribed by the  
23.2 commissioner, the following information for a licensed family child care program:

23.3 (1) the results of each licensing review completed, including the date of the review, and  
23.4 any licensing correction order issued;

23.5 (2) any death, serious injury, or determination of substantiated maltreatment; and

23.6 (3) any fires that require the service of a fire department within 48 hours of the fire. The  
23.7 information under this clause must also be reported to the state fire marshal within two  
23.8 business days of receiving notice from a licensed family child care provider.

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

23.10 Sec. 24. Minnesota Statutes 2022, section 245D.03, subdivision 1, is amended to read:

23.11 Subdivision 1. **Applicability.** (a) The commissioner shall regulate the provision of home  
23.12 and community-based services to persons with disabilities and persons age 65 and older  
23.13 pursuant to this chapter. The licensing standards in this chapter govern the provision of  
23.14 basic support services and intensive support services.

23.15 (b) Basic support services provide the level of assistance, supervision, and care that is  
23.16 necessary to ensure the health and welfare of the person and do not include services that  
23.17 are specifically directed toward the training, treatment, habilitation, or rehabilitation of the  
23.18 person. Basic support services include:

23.19 (1) in-home and out-of-home respite care services as defined in section 245A.02,  
23.20 subdivision 15, and under the brain injury, community alternative care, community access  
23.21 for disability inclusion, developmental disabilities, and elderly waiver plans, excluding  
23.22 out-of-home respite care provided to children in a family child foster care home licensed  
23.23 under Minnesota Rules, parts 2960.3000 to 2960.3100, when the child foster care license  
23.24 holder complies with the requirements under section 245D.06, subdivisions 5, 6, 7, and 8,  
23.25 or successor provisions; and section 245D.061 or successor provisions, which must be  
23.26 stipulated in the statement of intended use required under Minnesota Rules, part 2960.3000,  
23.27 subpart 4;

23.28 (2) adult companion services as defined under the ~~brain injury, community access for~~  
23.29 ~~disability inclusion, community alternative care, and elderly waiver plans~~ plan, excluding  
23.30 adult companion services provided under the Corporation for National and Community  
23.31 Services Senior Companion Program established under the Domestic Volunteer Service  
23.32 Act of 1973, Public Law 98-288;

24.1 ~~(3) personal support as defined under the developmental disabilities waiver plan;~~

24.2 ~~(4)~~ (3) 24-hour emergency assistance, personal emergency response as defined under  
24.3 the community access for disability inclusion and developmental disabilities waiver plans;

24.4 ~~(5)~~ (4) night supervision services as defined under the brain injury, community access  
24.5 for disability inclusion, community alternative care, and developmental disabilities waiver  
24.6 plans;

24.7 ~~(6)~~ (5) homemaker services as defined under the community access for disability  
24.8 inclusion, brain injury, community alternative care, developmental disabilities, and elderly  
24.9 waiver plans, excluding providers licensed by the Department of Health under chapter 144A  
24.10 and those providers providing cleaning services only;

24.11 ~~(7)~~ (6) individual community living support under section 256S.13; and

24.12 ~~(8)~~ (7) individualized home supports without training services as defined under the brain  
24.13 injury, community alternative care, and community access for disability inclusion, and  
24.14 developmental disabilities waiver plans.

24.15 (c) Intensive support services provide assistance, supervision, and care that is necessary  
24.16 to ensure the health and welfare of the person and services specifically directed toward the  
24.17 training, habilitation, or rehabilitation of the person. Intensive support services include:

24.18 (1) intervention services, including:

24.19 (i) positive support services as defined under the brain injury and community access for  
24.20 disability inclusion, community alternative care, and developmental disabilities waiver  
24.21 plans;

24.22 (ii) in-home or out-of-home crisis respite services as defined under the brain injury,  
24.23 community access for disability inclusion, community alternative care, and developmental  
24.24 disabilities waiver plans; and

24.25 (iii) specialist services as defined under the current brain injury, community access for  
24.26 disability inclusion, community alternative care, and developmental disabilities waiver  
24.27 plans;

24.28 (2) in-home support services, including:

24.29 ~~(i) in-home family support and supported living services as defined under the~~  
24.30 ~~developmental disabilities waiver plan;~~

24.31 ~~(ii) independent living services training as defined under the brain injury and community~~  
24.32 ~~access for disability inclusion waiver plans;~~



- 25.1 ~~(iii)~~ (i) semi-independent living services;
- 25.2 ~~(iv)~~ (ii) individualized home support with training services as defined under the brain
- 25.3 injury, community alternative care, community access for disability inclusion, and
- 25.4 developmental disabilities waiver plans; and
- 25.5 ~~(v)~~ (iii) individualized home support with family training services as defined under the
- 25.6 brain injury, community alternative care, community access for disability inclusion, and
- 25.7 developmental disabilities waiver plans;
- 25.8 (3) residential supports and services, including:
- 25.9 ~~(i) supported living services as defined under the developmental disabilities waiver plan~~
- 25.10 ~~provided in a family or corporate child foster care residence, a family adult foster care~~
- 25.11 ~~residence, a community residential setting, or a supervised living facility;~~
- 25.12 ~~(ii) foster care services as defined in the brain injury, community alternative care, and~~
- 25.13 ~~community access for disability inclusion waiver plans provided in a family or corporate~~
- 25.14 ~~child foster care residence, a family adult foster care residence, or a community residential~~
- 25.15 ~~setting;~~
- 25.16 ~~(iii)~~ (i) community residential services as defined under the brain injury, community
- 25.17 alternative care, community access for disability inclusion, and developmental disabilities
- 25.18 waiver plans provided in a corporate child foster care residence, a community residential
- 25.19 setting, or a supervised living facility;
- 25.20 ~~(iv)~~ (ii) family residential services as defined in the brain injury, community alternative
- 25.21 care, community access for disability inclusion, and developmental disabilities waiver plans
- 25.22 provided in a family child foster care residence or a family adult foster care residence; and
- 25.23 ~~(v)~~ (iii) residential services provided to more than four persons with developmental
- 25.24 disabilities in a supervised living facility, including ICFs/DD;
- 25.25 (4) day services, including:
- 25.26 ~~(i) structured day services as defined under the brain injury waiver plan;~~
- 25.27 ~~(ii)~~ (i) day services under sections 252.41 to 252.46, and as defined under the brain
- 25.28 injury, community alternative care, community access for disability inclusion, and
- 25.29 developmental disabilities waiver plans; and
- 25.30 ~~(iii) day training and habilitation services under sections 252.41 to 252.46, and as defined~~
- 25.31 ~~under the developmental disabilities waiver plan; and~~

26.1 ~~(iv)~~ (ii) prevocational services as defined under the brain injury, community alternative  
 26.2 care, community access for disability inclusion, and developmental disabilities waiver plans;  
 26.3 and

26.4 (5) employment exploration services as defined under the brain injury, community  
 26.5 alternative care, community access for disability inclusion, and developmental disabilities  
 26.6 waiver plans;

26.7 (6) employment development services as defined under the brain injury, community  
 26.8 alternative care, community access for disability inclusion, and developmental disabilities  
 26.9 waiver plans;

26.10 (7) employment support services as defined under the brain injury, community alternative  
 26.11 care, community access for disability inclusion, and developmental disabilities waiver plans;  
 26.12 and

26.13 (8) integrated community support as defined under the brain injury and community  
 26.14 access for disability inclusion waiver plans beginning January 1, 2021, and community  
 26.15 alternative care and developmental disabilities waiver plans beginning January 1, 2023.

26.16 Sec. 25. Minnesota Statutes 2022, section 245G.07, subdivision 3a, is amended to read:

26.17 Subd. 3a. **Use of guest speakers.** (a) The license holder may allow a guest speaker to  
 26.18 present information to clients as part of a treatment service provided by an alcohol and drug  
 26.19 counselor, according to the requirements of this subdivision.

26.20 (b) An alcohol and drug counselor must visually observe and listen to the presentation  
 26.21 of information by a guest speaker the entire time the guest speaker presents information to  
 26.22 the clients. The alcohol and drug counselor is responsible for all information the guest  
 26.23 speaker presents to the clients.

26.24 (c) The presentation of information by a guest speaker constitutes a direct contact service,  
 26.25 as defined in section 245C.02, subdivision 11.

26.26 (d) The license holder must provide the guest speaker with all training required for staff  
 26.27 members. If the guest speaker provides direct contact services one day a month or less, the  
 26.28 license holder must only provide the guest speaker with orientation training on the following  
 26.29 subjects before the guest speaker provides direct contact services:

26.30 (1) mandatory reporting of maltreatment, as specified in sections 245A.65, 626.557, and  
 26.31 626.5572 and chapter 260E;

26.32 (2) applicable client confidentiality rules and regulations;

27.1 (3) ethical standards for client interactions; and

27.2 (4) emergency procedures.

27.3 (e) For a treatment service that includes a guest speaker, in addition to the requirements  
 27.4 in section 245G.06, subdivision 2a, the alcohol and drug counselor that provides the service  
 27.5 must also document in the client record the name of the guest speaker, the start and stop  
 27.6 time of the presentation by the guest speaker, and the topic and summary of the guest speaker  
 27.7 presentation.

27.8 Sec. 26. Minnesota Statutes 2022, section 246.0135, is amended to read:

27.9 **246.0135 OPERATION OF REGIONAL TREATMENT CENTERS.**

27.10 (a) The commissioner of human services is prohibited from closing any regional treatment  
 27.11 center or state-operated nursing home or any program at any of the regional treatment centers  
 27.12 or state-operated nursing homes, without specific legislative authorization. ~~For persons with~~  
 27.13 ~~developmental disabilities who move from one regional treatment center to another regional~~  
 27.14 ~~treatment center, the provisions of section 256B.092, subdivision 10, must be followed for~~  
 27.15 ~~both the discharge from one regional treatment center and admission to another regional~~  
 27.16 ~~treatment center, except that the move is not subject to the consensus requirement of section~~  
 27.17 ~~256B.092, subdivision 10, paragraph (b).~~

27.18 (b) Prior to closing or downsizing a regional treatment center, the commissioner of  
 27.19 human services shall be responsible for assuring that community-based alternatives developed  
 27.20 in response are adequate to meet the program needs identified by each county within the  
 27.21 catchment area and do not require additional local county property tax expenditures.

27.22 (c) The nonfederal share of the cost of alternative treatment or care developed as the  
 27.23 result of the closure of a regional treatment center, including costs associated with fulfillment  
 27.24 of responsibilities under chapter 253B shall be paid from state funds appropriated for  
 27.25 purposes specified in section 246.013.

27.26 (d) The commissioner may not divert state funds used for providing for care or treatment  
 27.27 of persons residing in a regional treatment center for purposes unrelated to the care and  
 27.28 treatment of such persons.

27.29 Sec. 27. Minnesota Statutes 2022, section 254B.05, subdivision 1a, is amended to read:

27.30 Subd. 1a. **Room and board provider requirements.** (a) Effective January 1, 2000,  
 27.31 vendors of room and board are eligible for behavioral health fund payment if the vendor:

- 28.1 (1) has rules prohibiting residents bringing chemicals into the facility or using chemicals  
28.2 while residing in the facility and provide consequences for infractions of those rules;
- 28.3 (2) is determined to meet applicable health and safety requirements;
- 28.4 (3) is not a jail or prison;
- 28.5 (4) is not concurrently receiving funds under chapter 256I for the recipient;
- 28.6 (5) admits individuals who are 18 years of age or older;
- 28.7 (6) is registered as a board and lodging or lodging establishment according to section  
28.8 157.17;
- 28.9 (7) has awake staff on site ~~24 hours per day~~ whenever a client is present;
- 28.10 (8) has staff who are at least 18 years of age and meet the requirements of section  
28.11 245G.11, subdivision 1, paragraph (b);
- 28.12 (9) has emergency behavioral procedures that meet the requirements of section 245G.16;
- 28.13 (10) meets the requirements of section 245G.08, subdivision 5, if administering  
28.14 medications to clients;
- 28.15 (11) meets the abuse prevention requirements of section 245A.65, including a policy on  
28.16 fraternization and the mandatory reporting requirements of section 626.557;
- 28.17 (12) documents coordination with the treatment provider to ensure compliance with  
28.18 section 254B.03, subdivision 2;
- 28.19 (13) protects client funds and ensures freedom from exploitation by meeting the  
28.20 provisions of section 245A.04, subdivision 13;
- 28.21 (14) has a grievance procedure that meets the requirements of section 245G.15,  
28.22 subdivision 2; and
- 28.23 (15) has sleeping and bathroom facilities for men and women separated by a door that  
28.24 is locked, has an alarm, or is supervised by awake staff.
- 28.25 (b) Programs licensed according to Minnesota Rules, chapter 2960, are exempt from  
28.26 paragraph (a), clauses (5) to (15).
- 28.27 (c) Programs providing children's mental health crisis admissions and stabilization under  
28.28 section 245.4882, subdivision 6, are eligible vendors of room and board.

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

29.4 (e) A vendor that is not licensed as a residential treatment program must have a policy  
29.5 to address staffing coverage when a client may unexpectedly need to be present at the room  
29.6 and board site.

29.7 Sec. 28. Minnesota Statutes 2022, section 254B.05, subdivision 5, is amended to read:

29.8 Subd. 5. **Rate requirements.** (a) The commissioner shall establish rates for substance  
29.9 use disorder services and service enhancements funded under this chapter.

29.10 (b) Eligible substance use disorder treatment services include:

29.11 (1) outpatient treatment services that are licensed according to sections 245G.01 to  
29.12 245G.17, or applicable tribal license;

29.13 (2) comprehensive assessments provided according to sections 245.4863, paragraph (a),  
29.14 and 245G.05;

29.15 (3) care coordination services provided according to section 245G.07, subdivision 1,  
29.16 paragraph (a), clause (5);

29.17 (4) peer recovery support services provided according to section 245G.07, subdivision  
29.18 2, clause (8);

29.19 (5) on July 1, 2019, or upon federal approval, whichever is later, withdrawal management  
29.20 services provided according to chapter 245F;

29.21 (6) substance use disorder treatment services with medications for opioid use disorder  
29.22 that are licensed according to sections 245G.01 to 245G.17 and 245G.22, or applicable  
29.23 tribal license;

29.24 (7) substance use disorder treatment with medications for opioid use disorder plus  
29.25 enhanced treatment services that meet the requirements of clause (6) and provide nine hours  
29.26 of clinical services each week;

29.27 (8) high, medium, and low intensity residential treatment services that are licensed  
29.28 according to sections 245G.01 to 245G.17 and 245G.21 or applicable tribal license which  
29.29 provide, respectively, 30, 15, and five hours of clinical services each week;

30.1 (9) hospital-based treatment services that are licensed according to sections 245G.01 to  
30.2 245G.17 or applicable tribal license and licensed as a hospital under sections 144.50 to  
30.3 144.56;

30.4 (10) adolescent treatment programs that are licensed as outpatient treatment programs  
30.5 according to sections 245G.01 to 245G.18 or as residential treatment programs according  
30.6 to Minnesota Rules, parts 2960.0010 to 2960.0220, and 2960.0430 to 2960.0490, or  
30.7 applicable tribal license;

30.8 (11) high-intensity residential treatment services that are licensed according to sections  
30.9 245G.01 to 245G.17 and 245G.21 or applicable tribal license, which provide 30 hours of  
30.10 clinical services each week provided by a state-operated vendor or to clients who have been  
30.11 civilly committed to the commissioner, present the most complex and difficult care needs,  
30.12 and are a potential threat to the community; and

30.13 (12) room and board facilities that meet the requirements of subdivision 1a.

30.14 (c) The commissioner shall establish higher rates for programs that meet the requirements  
30.15 of paragraph (b) and one of the following additional requirements:

30.16 (1) programs that serve parents with their children if the program:

30.17 (i) provides on-site child care during the hours of treatment activity that:

30.18 (A) is licensed under chapter 245A as a child care center under Minnesota Rules, chapter  
30.19 9503; or

30.20 (B) ~~meets the licensure exclusion criteria of section 245A.03, subdivision 2, paragraph~~  
30.21 ~~(a), clause (6), and meets the requirements~~ is licensed under section chapter 245A and  
30.22 sections 245G.01 to 245G.19, subdivision 4; or

30.23 (ii) arranges for off-site child care during hours of treatment activity at a facility that is  
30.24 licensed under chapter 245A as:

30.25 (A) a child care center under Minnesota Rules, chapter 9503; or

30.26 (B) a family child care home under Minnesota Rules, chapter 9502;

30.27 (2) culturally specific or culturally responsive programs as defined in section 254B.01,  
30.28 subdivision 4a;

30.29 (3) disability responsive programs as defined in section 254B.01, subdivision 4b;

30.30 (4) programs that offer medical services delivered by appropriately credentialed health  
30.31 care staff in an amount equal to two hours per client per week if the medical needs of the

31.1 client and the nature and provision of any medical services provided are documented in the  
31.2 client file; or

31.3 (5) programs that offer services to individuals with co-occurring mental health and  
31.4 substance use disorder problems if:

31.5 (i) the program meets the co-occurring requirements in section 245G.20;

31.6 (ii) 25 percent of the counseling staff are licensed mental health professionals under  
31.7 section 245I.04, subdivision 2, or are students or licensing candidates under the supervision  
31.8 of a licensed alcohol and drug counselor supervisor and mental health professional under  
31.9 section 245I.04, subdivision 2, except that no more than 50 percent of the mental health  
31.10 staff may be students or licensing candidates with time documented to be directly related  
31.11 to provisions of co-occurring services;

31.12 (iii) clients scoring positive on a standardized mental health screen receive a mental  
31.13 health diagnostic assessment within ten days of admission;

31.14 (iv) the program has standards for multidisciplinary case review that include a monthly  
31.15 review for each client that, at a minimum, includes a licensed mental health professional  
31.16 and licensed alcohol and drug counselor, and their involvement in the review is documented;

31.17 (v) family education is offered that addresses mental health and substance use disorder  
31.18 and the interaction between the two; and

31.19 (vi) co-occurring counseling staff shall receive eight hours of co-occurring disorder  
31.20 training annually.

31.21 (d) In order to be eligible for a higher rate under paragraph (c), clause (1), a program  
31.22 that provides arrangements for off-site child care must maintain current documentation at  
31.23 the substance use disorder facility of the child care provider's current licensure to provide  
31.24 child care services. ~~Programs that provide child care according to paragraph (c), clause (1),  
31.25 must be deemed in compliance with the licensing requirements in section 245G.19.~~

31.26 (e) Adolescent residential programs that meet the requirements of Minnesota Rules,  
31.27 parts 2960.0430 to 2960.0490 and 2960.0580 to 2960.0690, are exempt from the requirements  
31.28 in paragraph (c), clause (4), items (i) to (iv).

31.29 (f) Subject to federal approval, substance use disorder services that are otherwise covered  
31.30 as direct face-to-face services may be provided via telehealth as defined in section 256B.0625,  
31.31 subdivision 3b. The use of telehealth to deliver services must be medically appropriate to  
31.32 the condition and needs of the person being served. Reimbursement shall be at the same  
31.33 rates and under the same conditions that would otherwise apply to direct face-to-face services.

32.1 (g) For the purpose of reimbursement under this section, substance use disorder treatment  
 32.2 services provided in a group setting without a group participant maximum or maximum  
 32.3 client to staff ratio under chapter 245G shall not exceed a client to staff ratio of 48 to one.  
 32.4 At least one of the attending staff must meet the qualifications as established under this  
 32.5 chapter for the type of treatment service provided. A recovery peer may not be included as  
 32.6 part of the staff ratio.

32.7 (h) Payment for outpatient substance use disorder services that are licensed according  
 32.8 to sections 245G.01 to 245G.17 is limited to six hours per day or 30 hours per week unless  
 32.9 prior authorization of a greater number of hours is obtained from the commissioner.

32.10 Sec. 29. Minnesota Statutes 2022, section 256.01, is amended by adding a subdivision to  
 32.11 read:

32.12 Subd. 12b. Department of Human Services systemic critical incident review team. (a)  
 32.13 The commissioner may establish a Department of Human Services systemic critical incident  
 32.14 review team to review critical incidents reported as required under section 626.557 for  
 32.15 which the Department of Human Services is responsible under section 626.5572, subdivision  
 32.16 13; chapter 245D; or Minnesota Rules, chapter 9544. When reviewing a critical incident,  
 32.17 the systemic critical incident review team shall identify systemic influences to the incident  
 32.18 rather than determine the culpability of any actors involved in the incident. The systemic  
 32.19 critical incident review may assess the entire critical incident process from the point of an  
 32.20 entity reporting the critical incident through the ongoing case management process.  
 32.21 Department staff shall lead and conduct the reviews and may utilize county staff as reviewers.  
 32.22 The systemic critical incident review process may include but is not limited to:

32.23 (1) data collection about the incident and actors involved. Data may include the relevant  
 32.24 critical services; the service provider's policies and procedures applicable to the incident;  
 32.25 the coordinated service and support plan as defined in section 245D.02, subdivision 4b, for  
 32.26 the person receiving services; or an interview of an actor involved in the critical incident  
 32.27 or the review of the critical incident. Actors may include:

32.28 (i) staff of the provider agency;

32.29 (ii) lead agency staff administering home and community-based services delivered by  
 32.30 the provider;

32.31 (iii) Department of Human Services staff with oversight of home and community-based  
 32.32 services;

32.33 (iv) Department of Health staff with oversight of home and community-based services;



33.1 (v) members of the community including advocates, legal representatives, health care  
33.2 providers, pharmacy staff, or others with knowledge of the incident or the actors in the  
33.3 incident; and

33.4 (vi) staff from the Office of the Ombudsman for Mental Health and Developmental  
33.5 Disabilities;

33.6 (2) systemic mapping of the critical incident. The team conducting the systemic mapping  
33.7 of the incident may include any actors identified in clause (1), designated representatives  
33.8 of other provider agencies, regional teams, and representatives of the local regional quality  
33.9 council identified in section 256B.097; and

33.10 (3) analysis of the case for systemic influences.

33.11 Data collected by the critical incident review team shall be aggregated and provided to  
33.12 regional teams, participating regional quality councils, and the commissioner. The regional  
33.13 teams and quality councils shall analyze the data and make recommendations to the  
33.14 commissioner regarding systemic changes that would decrease the number and severity of  
33.15 critical incidents in the future or improve the quality of the home and community-based  
33.16 service system.

33.17 (b) Cases selected for the systemic critical incident review process shall be selected by  
33.18 a selection committee among the following critical incident categories:

33.19 (1) cases of caregiver neglect identified in section 626.5572, subdivision 17;

33.20 (2) cases involving financial exploitation identified in section 626.5572, subdivision 9;

33.21 (3) incidents identified in section 245D.02, subdivision 11;

33.22 (4) incidents identified in Minnesota Rules, part 9544.0110; and

33.23 (5) service terminations reported to the department in accordance with section 245D.10,  
33.24 subdivision 3a.

33.25 (c) The systemic critical incident review under this section shall not replace the process  
33.26 for screening or investigating cases of alleged maltreatment of an adult under section 626.557.  
33.27 The department may select cases for systemic critical incident review, under the jurisdiction  
33.28 of the commissioner, reported for suspected maltreatment and closed following initial or  
33.29 final disposition.

33.30 (d) The proceedings and records of the review team are confidential data on individuals  
33.31 or protected nonpublic data as defined in section 13.02, subdivisions 3 and 13. Data that  
33.32 document a person's opinions formed as a result of the review are not subject to discovery

34.1 or introduction into evidence in a civil or criminal action against a professional, the state,  
34.2 or a county agency arising out of the matters that the team is reviewing. Information,  
34.3 documents, and records otherwise available from other sources are not immune from  
34.4 discovery or use in a civil or criminal action solely because the information, documents,  
34.5 and records were assessed or presented during proceedings of the review team. A person  
34.6 who presented information before the systemic critical incident review team or who is a  
34.7 member of the team shall not be prevented from testifying about matters within the person's  
34.8 knowledge. In a civil or criminal proceeding, a person shall not be questioned about opinions  
34.9 formed by the person as a result of the review.

34.10 (e) By October 1 of each year, the commissioner shall prepare an annual public report  
34.11 containing the following information:

34.12 (1) the number of cases reviewed under each critical incident category identified in  
34.13 paragraph (b) and a geographical description of where cases under each category originated;

34.14 (2) an aggregate summary of the systemic themes from the critical incidents examined  
34.15 by the critical incident review team during the previous year;

34.16 (3) a synopsis of the conclusions, incident analyses, or exploratory activities taken in  
34.17 regard to the critical incidents examined by the critical incident review team; and

34.18 (4) recommendations made to the commissioner regarding systemic changes that could  
34.19 decrease the number and severity of critical incidents in the future or improve the quality  
34.20 of the home and community-based service system.

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

34.22 Sec. 30. Minnesota Statutes 2022, section 256.478, is amended by adding a subdivision  
34.23 to read:

34.24 **Subd. 3. Authorized uses of grant funds.** Grant funds may be used for but are not  
34.25 limited to the following:

34.26 (1) increasing access to home and community-based services for an individual;

34.27 (2) improving caregiver-child relationships and aiding progress toward treatment goals;  
34.28 and

34.29 (3) reducing emergency department visits.

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

35.1 Sec. 31. Minnesota Statutes 2022, section 256.478, is amended by adding a subdivision  
35.2 to read:

35.3 Subd. 4. **Outcomes.** Program evaluation is based on but not limited to the following  
35.4 criteria:

35.5 (1) expediting discharges for individuals who no longer need hospital level of care;

35.6 (2) individuals obtaining and retaining housing;

35.7 (3) individuals maintaining community living by diverting admission to Anoka Metro  
35.8 Regional Treatment Center and Forensic Mental Health Program;

35.9 (4) reducing recidivism rates of individuals returning to state institutions; and

35.10 (5) individuals' ability to live in the least restrictive community setting.

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

35.12 Sec. 32. Minnesota Statutes 2022, section 256B.0911, subdivision 23, is amended to read:

35.13 Subd. 23. **MnCHOICES reassessments; option for alternative and self-directed**  
35.14 **waiver services.** (a) At the time of reassessment, the certified assessor shall assess a person  
35.15 receiving waiver residential supports and services and currently residing in a setting listed  
35.16 in clauses (1) to (5) to determine if the person would prefer to be served in a  
35.17 community-living setting as defined in section ~~256B.49~~, subdivision 23 256B.492,  
35.18 subdivision 1, paragraph (b), or in a setting not controlled by a provider, or to receive  
35.19 integrated community supports as described in section 245D.03, subdivision 1, paragraph  
35.20 (c), clause (8). The certified assessor shall offer the person through a person-centered  
35.21 planning process the option to receive alternative housing and service options. This paragraph  
35.22 applies to those currently residing in a:

35.23 (1) community residential setting;

35.24 (2) licensed adult foster care home that is either not the primary residence of the license  
35.25 holder or in which the license holder is not the primary caregiver;

35.26 (3) family adult foster care residence;

35.27 (4) customized living setting; or

35.28 (5) supervised living facility.

35.29 (b) At the time of reassessment, the certified assessor shall assess each person receiving  
35.30 waiver day services to determine if that person would prefer to receive employment services  
35.31 as described in section 245D.03, subdivision 1, paragraph (c), clauses (5) to (7). The certified

36.1 assessor shall describe to the person through a person-centered planning process the option  
36.2 to receive employment services.

36.3 (c) At the time of reassessment, the certified assessor shall assess each person receiving  
36.4 non-self-directed waiver services to determine if that person would prefer an available  
36.5 service and setting option that would permit self-directed services and supports. The certified  
36.6 assessor shall describe to the person through a person-centered planning process the option  
36.7 to receive self-directed services and supports.

36.8 EFFECTIVE DATE. This section is effective upon federal approval. The commissioner  
36.9 of human services shall notify the revisor of statutes when federal approval is obtained.

36.10 Sec. 33. Minnesota Statutes 2022, section 256B.092, subdivision 10, is amended to read:

36.11 Subd. 10. **Admission of persons to and discharge of persons from regional treatment**  
36.12 **centers.** (a) Prior to the admission of a person to a regional treatment center program for  
36.13 persons with developmental disabilities, the case manager shall make efforts to secure  
36.14 community-based alternatives. If these alternatives are rejected by the person, the person's  
36.15 legal guardian or conservator, or the county agency in favor of a regional treatment center  
36.16 placement, the case manager shall document the reasons why the alternatives were rejected.

36.17 ~~(b) When discharge of a person from a regional treatment center to a community-based~~  
36.18 ~~service is proposed, the case manager shall convene the screening team and in addition to~~  
36.19 ~~members of the team identified in subdivision 7, the case manager shall invite to the meeting~~  
36.20 ~~the person's parents and near relatives, and the ombudsman established under section 245.92~~  
36.21 ~~if the person is under public guardianship. The meeting shall be convened at a time and~~  
36.22 ~~place that allows for participation of all team members and invited individuals who choose~~  
36.23 ~~to attend. The notice of the meeting shall inform the person's parents and near relatives~~  
36.24 ~~about the screening team process, and their right to request a review if they object to the~~  
36.25 ~~discharge, and shall provide the names and functions of advocacy organizations, and~~  
36.26 ~~information relating to assistance available to individuals interested in establishing private~~  
36.27 ~~guardianships under the provisions of section 252A.03. The screening team meeting shall~~  
36.28 ~~be conducted according to subdivisions 7 and 8. Discharge of the person shall not go forward~~  
36.29 ~~without consensus of the screening team.~~

36.30 ~~(c) The results of the screening team meeting and individual service plan developed~~  
36.31 ~~according to subdivision 1b shall be used by the interdisciplinary team assembled in~~  
36.32 ~~accordance with Code of Federal Regulations, title 42, section 483.440, to evaluate and~~  
36.33 ~~make recommended modifications to the individual service plan as proposed. The individual~~

37.1 ~~service plan shall specify postplacement monitoring to be done by the case manager according~~  
37.2 ~~to section 253B.15, subdivision 1a.~~

37.3 ~~(d) Notice of the meeting of the interdisciplinary team assembled in accordance with~~  
37.4 ~~Code of Federal Regulations, title 42, section 483.440, shall be sent to all team members~~  
37.5 ~~15 days prior to the meeting, along with a copy of the proposed individual service plan. The~~  
37.6 ~~case manager shall request that proposed providers visit the person and observe the person's~~  
37.7 ~~program at the regional treatment center prior to the discharge. Whenever possible,~~  
37.8 ~~preplacement visits by the person to proposed service sites should also be scheduled in~~  
37.9 ~~advance of the meeting. Members of the interdisciplinary team assembled for the purpose~~  
37.10 ~~of discharge planning shall include but not be limited to the case manager, the person, the~~  
37.11 ~~person's legal guardian or conservator, parents and near relatives, the person's advocate,~~  
37.12 ~~representatives of proposed community service providers, representatives of the regional~~  
37.13 ~~treatment center residential and training and habilitation services, a registered nurse if the~~  
37.14 ~~person has overriding medical needs that impact the delivery of services, and a qualified~~  
37.15 ~~developmental disability professional specializing in behavior management if the person~~  
37.16 ~~to be discharged has behaviors that may result in injury to self or others. The case manager~~  
37.17 ~~may also invite other service providers who have expertise in an area related to specific~~  
37.18 ~~service needs of the person to be discharged.~~

37.19 ~~(e) The interdisciplinary team shall review the proposed plan to assure that it identifies~~  
37.20 ~~service needs, availability of services, including support services, and the proposed providers'~~  
37.21 ~~abilities to meet the service needs identified in the person's individual service plan. The~~  
37.22 ~~interdisciplinary team shall review the most recent licensing reports of the proposed providers~~  
37.23 ~~and corrective action taken by the proposed provider, if required. The interdisciplinary team~~  
37.24 ~~shall review the current individual program plans for the person and agree to an interim~~  
37.25 ~~individual program plan to be followed for the first 30 days in the person's new living~~  
37.26 ~~arrangement. The interdisciplinary team may suggest revisions to the service plan, and all~~  
37.27 ~~team suggestions shall be documented. If the person is to be discharged to a community~~  
37.28 ~~intermediate care facility for persons with developmental disabilities, the team shall give~~  
37.29 ~~preference to facilities with a licensed capacity of 15 or fewer beds. Thirty days prior to the~~  
37.30 ~~date of discharge, the case manager shall send a final copy of the service plan to all invited~~  
37.31 ~~members of the team, the ombudsman, if the person is under public guardianship, and the~~  
37.32 ~~advocacy system established under United States Code, title 42, section 6042.~~

37.33 (b) Assessment and support planning must be completed in accordance with requirements  
37.34 identified in section 256B.0911.

38.1 ~~(f) (c)~~ No discharge shall take place until disputes are resolved under section 256.045,  
 38.2 subdivision 4a, or until a review by the commissioner is completed upon request of the chief  
 38.3 executive officer or program director of the regional treatment center, or the county agency.  
 38.4 For persons under public guardianship, the ombudsman may request a review or hearing  
 38.5 under section 256.045. ~~Notification schedules required under this subdivision may be waived~~  
 38.6 ~~by members of the team when judged urgent and with agreement of the parents or near~~  
 38.7 ~~relatives participating as members of the interdisciplinary team.~~

38.8 Sec. 34. Minnesota Statutes 2022, section 256B.439, subdivision 3c, is amended to read:

38.9 Subd. 3c. **Contact and demographic information for consumer surveys for home**  
 38.10 **and community-based services.** For purposes of conducting the consumer surveys under  
 38.11 subdivision 3a, the commissioner may request contact information of clients and associated  
 38.12 key representatives and aggregate, de-identified demographic information of clients served  
 38.13 by the provider. The commissioner may request the following demographic information:  
 38.14 (1) age; (2) race; (3) ethnicity; and (4) gender identity. Providers must furnish the contact  
 38.15 and demographic information available to the provider and must provide notice to clients  
 38.16 and associated key representatives that their contact information and aggregate demographic  
 38.17 information has been provided to the commissioner.

38.18 Sec. 35. Minnesota Statutes 2022, section 256B.439, subdivision 3d, is amended to read:

38.19 Subd. 3d. **Resident experience survey and family survey for assisted living**  
 38.20 **facilities.** The commissioner shall develop and administer a resident experience survey for  
 38.21 assisted living facility residents and a family survey for families of assisted living facility  
 38.22 residents. Money appropriated to the commissioner to administer the resident experience  
 38.23 survey and family survey is available in either fiscal year of the biennium in which it is  
 38.24 appropriated. Assisted living facilities licensed under chapter 144G must participate in the  
 38.25 surveys when the commissioner requests their participation.

38.26 Sec. 36. Minnesota Statutes 2022, section 256B.492, is amended to read:

38.27 **256B.492 HOME AND COMMUNITY-BASED SETTINGS FOR PEOPLE WITH**  
 38.28 **DISABILITIES.**

38.29 Subdivision 1. Definitions. (a) For the purposes of this section the following terms have  
 38.30 the meanings given.

38.31 (b) "Community-living setting" means a single-family home or multifamily dwelling  
 38.32 unit where a service recipient or a service recipient's family owns or rents and maintains

39.1 control over the individual unit as demonstrated by a lease agreement. Community-living  
 39.2 setting does not include a home or dwelling unit that the service provider owns, operates,  
 39.3 or leases or in which the service provider has a direct or indirect financial interest.

39.4 (c) "Controlling individual" has the meaning given in section 245A.02, subdivision 5a.

39.5 (d) "License holder" has the meaning given in section 245A.02, subdivision 9.

39.6 **Subd. 2. Home and community-based waiver settings.** (a) Individuals receiving services  
 39.7 under a home and community-based waiver under section 256B.092 or 256B.49 may receive  
 39.8 services in the following settings:

39.9 (1) home and community-based settings that comply with all requirements identified by  
 39.10 the federal Centers for Medicare and Medicaid Services in the Code of Federal Regulations,  
 39.11 title 42, section 441.301(c), and with the requirements of the federally approved transition  
 39.12 plan and waiver plans for each home and community-based services waiver; and

39.13 (2) settings required by the Housing Opportunities for Persons with AIDS Program.

39.14 (b) The settings in paragraph (a) must not have the qualities of an institution which  
 39.15 include, but are not limited to: regimented meal and sleep times, limitations on visitors, and  
 39.16 lack of privacy. Restrictions agreed to and documented in the person's individual service  
 39.17 plan shall not result in a residence having the qualities of an institution as long as the  
 39.18 restrictions for the person are not imposed upon others in the same residence and are the  
 39.19 least restrictive alternative, imposed for the shortest possible time to meet the person's needs.

39.20 **Subd. 3. Community-living settings.** (a) Individuals receiving services under a home  
 39.21 and community-based waiver under section 256B.092 or 256B.49 may receive services in  
 39.22 community-living settings. Community-living settings must meet the requirements of  
 39.23 subdivision 2, paragraph (a), clause (1).

39.24 (b) For the purposes of this section, direct financial interest exists if payment passes  
 39.25 between the license holder or any controlling individual of a licensed program and the  
 39.26 service recipient or an entity acting on the service recipient's behalf for the purpose of  
 39.27 obtaining or maintaining a dwelling. For the purposes of this section, indirect financial  
 39.28 interest exists if the license holder or any controlling individual of a licensed program has  
 39.29 an ownership or investment interest in the entity that owns, operates, leases, or otherwise  
 39.30 receives payment from the service recipient or an entity acting on the service recipient's  
 39.31 behalf for the purpose of obtaining or maintaining a dwelling.

40.1 (c) To ensure a service recipient or the service recipient's family maintains control over  
40.2 the home or dwelling unit, community-living settings are subject to the following  
40.3 requirements:

40.4 (1) service recipients must not be required to receive services or share services;

40.5 (2) service recipients must not be required to have a disability or specific diagnosis to  
40.6 live in the community-living setting;

40.7 (3) service recipients may hire service providers of their choice;

40.8 (4) service recipients may choose whether to share their household and with whom;

40.9 (5) the home or multifamily dwelling unit must include living, sleeping, bathing, and  
40.10 cooking areas;

40.11 (6) service recipients must have lockable access and egress;

40.12 (7) service recipients must be free to receive visitors and leave the settings at times and  
40.13 for durations of their own choosing;

40.14 (8) leases must comply with chapter 504B;

40.15 (9) landlords must not charge different rents to tenants who are receiving home and  
40.16 community-based services; and

40.17 (10) access to the greater community must be easily facilitated based on the service  
40.18 recipient's needs and preferences.

40.19 (d) Nothing in this section prohibits a service recipient from having another person or  
40.20 entity not affiliated with the service provider cosign a lease. Nothing in this section prohibits  
40.21 a service recipient, during any period in which a service provider has cosigned the service  
40.22 recipient's lease, from modifying services with an existing cosigning service provider and,  
40.23 subject to the approval of the landlord, maintaining a lease cosigned by the service provider.  
40.24 Nothing in this section prohibits a service recipient, during any period in which a service  
40.25 provider has cosigned the service recipient's lease, from terminating services with the  
40.26 cosigning service provider, receiving services from a new service provider, or, subject to  
40.27 the approval of the landlord, maintaining a lease cosigned by the new service provider.

40.28 (e) A lease cosigned by a service provider meets the requirements of paragraph (b) if  
40.29 the service recipient and service provider develop and implement a transition plan which  
40.30 must provide that, within two years of cosigning the initial lease, the service provider shall  
40.31 transfer the lease to the service recipient and other cosigners, if any.



41.1 (f) In the event the landlord has not approved the transfer of the lease within two years  
 41.2 of the service provider cosigning the initial lease, the service provider must submit a  
 41.3 time-limited extension request to the commissioner of human services to continue the  
 41.4 cosigned lease arrangement. The extension request must include:

41.5 (1) the reason the landlord denied the transfer;

41.6 (2) the plan to overcome the denial to transfer the lease;

41.7 (3) the length of time needed to successfully transfer the lease, not to exceed an additional  
 41.8 two years;

41.9 (4) a description of how the transition plan was followed, what occurred that led to the  
 41.10 landlord denying the transfer, and what changes in circumstances or condition, if any, the  
 41.11 service recipient experienced; and

41.12 (5) a revised transition plan to transfer the cosigned lease between the service provider  
 41.13 and the service recipient to the service recipient.

41.14 (g) The commissioner must approve an extension under paragraph (f) within sufficient  
 41.15 time to ensure the continued occupancy by the service recipient.

41.16 **EFFECTIVE DATE.** This section is effective upon federal approval. The commissioner  
 41.17 of human services shall notify the revisor of statutes when federal approval is obtained.

41.18 Sec. 37. Minnesota Statutes 2022, section 256B.493, subdivision 2a, is amended to read:

41.19 Subd. 2a. **Closure process.** (a) The commissioner shall work with stakeholders to  
 41.20 establish a process for the application, review, approval, and implementation of setting  
 41.21 closures. Voluntary proposals from license holders for consolidation and closure of adult  
 41.22 foster care or community residential settings are encouraged. Whether voluntary or  
 41.23 involuntary, all closure plans must include:

41.24 (1) a description of the proposed closure plan, identifying the home or homes and  
 41.25 occupied beds;

41.26 (2) the proposed timetable for the proposed closure, including the proposed dates for  
 41.27 notification to people living there and the affected lead agencies, commencement of closure,  
 41.28 and completion of closure;

41.29 (3) the proposed relocation plan jointly developed by the counties of financial  
 41.30 responsibility, the people living there and their legal representatives, if any, who wish to  
 41.31 continue to receive services from the provider, and the providers for current residents of  
 41.32 any adult foster care home designated for closure; and

42.1 (4) documentation from the provider in a format approved by the commissioner that all  
 42.2 the adult foster care homes or community residential settings receiving a planned closure  
 42.3 rate adjustment under the plan have accepted joint and severable for recovery of  
 42.4 overpayments under section 256B.0641, subdivision 2, for the facilities designated for  
 42.5 closure under this plan.

42.6 (b) The commissioner shall give first priority to closure plans which:

42.7 (1) target counties and geographic areas which have:

42.8 (i) need for other types of services;

42.9 (ii) need for specialized services;

42.10 (iii) higher than average per capita use of licensed corporate foster care or community  
 42.11 residential settings; or

42.12 (iv) residents not living in the geographic area of their choice;

42.13 (2) demonstrate savings of medical assistance expenditures; and

42.14 (3) demonstrate that alternative services are based on the recipient's choice of provider  
 42.15 and are consistent with federal law, state law, and federally approved waiver plans.

42.16 The commissioner shall also consider any information provided by people using services,  
 42.17 their legal representatives, family members, or the lead agency on the impact of the planned  
 42.18 closure on people and the services they need.

42.19 ~~(e) For each closure plan approved by the commissioner, a contract must be established~~  
 42.20 ~~between the commissioner, the counties of financial responsibility, and the participating~~  
 42.21 ~~license holder.~~

42.22 Sec. 38. Minnesota Statutes 2022, section 256B.493, subdivision 4, is amended to read:

42.23 Subd. 4. **Review and approval process.** (a) To be considered for approval, an application  
 42.24 must include:

42.25 (1) a description of the proposed closure plan, which must identify the home or homes  
 42.26 and occupied beds for which a planned closure rate adjustment is requested;

42.27 (2) the proposed timetable for any proposed closure, including the proposed dates for  
 42.28 notification to residents and the affected lead agencies, commencement of closure, and  
 42.29 completion of closure;

42.30 (3) the proposed relocation plan jointly developed by the counties of financial  
 42.31 responsibility, the residents and their legal representatives, if any, who wish to continue to

43.1 receive services from the provider, and the providers for current residents of any adult foster  
43.2 care home designated for closure; and

43.3 (4) documentation in a format approved by the commissioner that all the adult foster  
43.4 care homes receiving a planned closure rate adjustment under the plan have accepted joint  
43.5 and several liability for recovery of overpayments under section 256B.0641, subdivision 2,  
43.6 for the facilities designated for closure under this plan.

43.7 (b) In reviewing and approving closure proposals, the commissioner shall give first  
43.8 priority to proposals that:

43.9 (1) target counties and geographic areas which have:

43.10 (i) need for other types of services;

43.11 (ii) need for specialized services;

43.12 (iii) higher than average per capita use of foster care settings where the license holder  
43.13 does not reside; or

43.14 (iv) residents not living in the geographic area of their choice;

43.15 (2) demonstrate savings of medical assistance expenditures; and

43.16 (3) demonstrate that alternative services are based on the recipient's choice of provider  
43.17 and are consistent with federal law, state law, and federally approved waiver plans.

43.18 The commissioner shall also consider any information provided by service recipients,  
43.19 their legal representatives, family members, or the lead agency on the impact of the planned  
43.20 closure on the recipients and the services they need.

43.21 (c) The commissioner shall select proposals that best meet the criteria established in this  
43.22 subdivision for planned closure of adult foster care settings. The commissioner shall notify  
43.23 license holders of the selections approved by the commissioner.

43.24 ~~(d) For each proposal approved by the commissioner, a contract must be established~~  
43.25 ~~between the commissioner, the counties of financial responsibility, and the participating~~  
43.26 ~~license holder.~~

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

43.28 Sec. 39. Minnesota Statutes 2022, section 256S.202, subdivision 1, is amended to read:

43.29 Subdivision 1. **Customized living monthly service rate limits.** (a) Except for a  
43.30 participant assigned to case mix classification L, as described in section 256S.18, subdivision  
43.31 1, paragraph (b), the customized living monthly service rate limit shall not exceed 50 percent

44.1 of the monthly case mix budget cap, ~~less the maintenance needs allowance~~, adjusted at least  
44.2 annually in the manner described under section 256S.18, subdivisions 5 and 6.

44.3 (b) The customized living monthly service rate limit for participants assigned to case  
44.4 mix classification L must be the monthly service rate limit for participants assigned to case  
44.5 mix classification A, reduced by 25 percent.

44.6 Sec. 40. Minnesota Statutes 2022, section 524.5-104, is amended to read:

44.7 **524.5-104 FACILITY OF TRANSFER.**

44.8 (a) A person who may transfer money or personal property to a minor may do so, as to  
44.9 an amount or value not exceeding the amount allowable as a tax exclusion gift under section  
44.10 2503(b) of the Internal Revenue Code or a different amount that is approved by the court,  
44.11 by transferring it to:

44.12 (1) a person who has the care and custody of the minor and with whom the minor resides;

44.13 (2) a guardian of the minor;

44.14 (3) a custodian under the Uniform Transfers To Minors Act or custodial trustee under  
44.15 the Uniform Custodial Trust Act;

44.16 (4) a financial institution as a deposit in an interest-bearing account or certificate in the  
44.17 sole name of the minor and giving notice of the deposit to the minor; or

44.18 (5) an ABLE account. A guardian only has the authority to establish an ABLE account.  
44.19 The guardian may not administer the ABLE account in the guardian's capacity as guardian.  
44.20 The guardian may appoint or name a person to exercise signature authority over an ABLE  
44.21 account, including the individual selected by the eligible individual or the eligible individual's  
44.22 agent under a power of attorney, conservator, spouse, parent, sibling, grandparent, or  
44.23 representative payee, whether an individual or organization, appointed by the Social Security  
44.24 Administration, in that order.

44.25 (b) This section does not apply if the person making payment or delivery knows that a  
44.26 conservator has been appointed or that a proceeding for appointment of a conservator of  
44.27 the minor is pending.

44.28 (c) A person who transfers money or property in compliance with this section is not  
44.29 responsible for its proper application.

44.30 (d) A guardian or other person who receives money or property for a minor under  
44.31 paragraph (a), clause (1) or (2), may only apply it to the support, care, education, health,  
44.32 and welfare of the minor, and may not derive a personal financial benefit except for

45.1 reimbursement for necessary expenses. Any excess must be preserved for the future support,  
45.2 care, education, health, and welfare of the minor and any balance must be transferred to the  
45.3 minor upon emancipation or attaining majority.

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

45.5 Sec. 41. Minnesota Statutes 2022, section 524.5-313, is amended to read:

45.6 **524.5-313 POWERS AND DUTIES OF GUARDIAN.**

45.7 (a) A guardian shall be subject to the control and direction of the court at all times and  
45.8 in all things.

45.9 (b) The court shall grant to a guardian only those powers necessary to provide for the  
45.10 demonstrated needs of the person subject to guardianship.

45.11 (c) The court may appoint a guardian if it determines that all the powers and duties listed  
45.12 in this section are needed to provide for the needs of the incapacitated person. The court  
45.13 may also appoint a guardian if it determines that a guardian is needed to provide for the  
45.14 needs of the incapacitated person through the exercise of some, but not all, of the powers  
45.15 and duties listed in this section. The duties and powers of a guardian or those which the  
45.16 court may grant to a guardian include, but are not limited to:

45.17 (1) the power to have custody of the person subject to guardianship and the power to  
45.18 establish a place of abode within or outside the state, except as otherwise provided in this  
45.19 clause. The person subject to guardianship or any interested person may petition the court  
45.20 to prevent or to initiate a change in abode. A person subject to guardianship may not be  
45.21 admitted to a regional treatment center by the guardian except:

45.22 (i) after a hearing under chapter 253B;

45.23 (ii) for outpatient services; or

45.24 (iii) for the purpose of receiving temporary care for a specific period of time not to  
45.25 exceed 90 days in any calendar year;

45.26 (2) the duty to provide for the care, comfort, and maintenance needs of the person subject  
45.27 to guardianship, including food, clothing, shelter, health care, social and recreational  
45.28 requirements, and, whenever appropriate, training, education, and habilitation or  
45.29 rehabilitation. The guardian has no duty to pay for these requirements out of personal funds.  
45.30 Whenever possible and appropriate, the guardian should meet these requirements through  
45.31 governmental benefits or services to which the person subject to guardianship is entitled,  
45.32 rather than from the estate of the person subject to guardianship. Failure to satisfy the needs

46.1 and requirements of this clause shall be grounds for removal of a private guardian, but the  
46.2 guardian shall have no personal or monetary liability;

46.3 (3) the duty to take reasonable care of the clothing, furniture, vehicles, and other personal  
46.4 effects of the person subject to guardianship, and, if other property requires protection, the  
46.5 power to seek appointment of a conservator of the estate. The guardian must give notice by  
46.6 mail to interested persons prior to the disposition of the clothing, furniture, vehicles, or  
46.7 other personal effects of the person subject to guardianship. The notice must inform the  
46.8 person of the right to object to the disposition of the property within ten days of the date of  
46.9 mailing and to petition the court for a review of the guardian's proposed actions. Notice of  
46.10 the objection must be served by mail or personal service on the guardian and the person  
46.11 subject to guardianship unless the person subject to guardianship is the objector. The guardian  
46.12 served with notice of an objection to the disposition of the property may not dispose of the  
46.13 property unless the court approves the disposition after a hearing;

46.14 (4)(i) the power to give any necessary consent to enable the person subject to guardianship  
46.15 to receive necessary medical or other professional care, counsel, treatment, or service, except  
46.16 that no guardian may give consent for psychosurgery, electroshock, sterilization, or  
46.17 experimental treatment of any kind unless the procedure is first approved by order of the  
46.18 court as provided in this clause. The guardian shall not consent to any medical care for the  
46.19 person subject to guardianship which violates the known conscientious, religious, or moral  
46.20 belief of the person subject to guardianship;

46.21 (ii) a guardian who believes a procedure described in item (i) requiring prior court  
46.22 approval to be necessary for the proper care of the person subject to guardianship, shall  
46.23 petition the court for an order and, in the case of a public guardianship under chapter 252A,  
46.24 obtain the written recommendation of the commissioner of human services. The court shall  
46.25 fix the time and place for the hearing and shall give notice to the person subject to  
46.26 guardianship in such manner as specified in section 524.5-308 and to interested persons.  
46.27 The court shall appoint an attorney to represent the person subject to guardianship who is  
46.28 not represented by counsel, provided that such appointment shall expire upon the expiration  
46.29 of the appeal time for the order issued by the court under this section or the order dismissing  
46.30 a petition, or upon such other time or event as the court may direct. In every case the court  
46.31 shall determine if the procedure is in the best interest of the person subject to guardianship.  
46.32 In making its determination, the court shall consider a written medical report which  
46.33 specifically considers the medical risks of the procedure, whether alternative, less restrictive  
46.34 methods of treatment could be used to protect the best interest of the person subject to

47.1 guardianship, and any recommendation of the commissioner of human services for a public  
47.2 person subject to guardianship. The standard of proof is that of clear and convincing evidence;

47.3 (iii) in the case of a petition for sterilization of a person with developmental disabilities  
47.4 subject to guardianship, the court shall appoint a licensed physician, a psychologist who is  
47.5 qualified in the diagnosis and treatment of developmental disability, and a social worker  
47.6 who is familiar with the social history and adjustment of the person subject to guardianship  
47.7 or the case manager for the person subject to guardianship to examine or evaluate the person  
47.8 subject to guardianship and to provide written reports to the court. The reports shall indicate  
47.9 why sterilization is being proposed, whether sterilization is necessary and is the least intrusive  
47.10 method for alleviating the problem presented, and whether it is in the best interest of the  
47.11 person subject to guardianship. The medical report shall specifically consider the medical  
47.12 risks of sterilization, the consequences of not performing the sterilization, and whether  
47.13 alternative methods of contraception could be used to protect the best interest of the person  
47.14 subject to guardianship;

47.15 (iv) any person subject to guardianship whose right to consent to a sterilization has not  
47.16 been restricted under this section or section 252A.101 may be sterilized only if the person  
47.17 subject to guardianship consents in writing or there is a sworn acknowledgment by an  
47.18 interested person of a nonwritten consent by the person subject to guardianship. The consent  
47.19 must certify that the person subject to guardianship has received a full explanation from a  
47.20 physician or registered nurse of the nature and irreversible consequences of the sterilization;

47.21 (v) a guardian or the public guardian's designee who acts within the scope of authority  
47.22 conferred by letters of guardianship under section 252A.101, subdivision 7, and according  
47.23 to the standards established in this chapter or in chapter 252A shall not be civilly or criminally  
47.24 liable for the provision of any necessary medical care, including, but not limited to, the  
47.25 administration of psychotropic medication or the implementation of aversive and deprivation  
47.26 procedures to which the guardian or the public guardian's designee has consented;

47.27 (5) in the event there is no duly appointed conservator of the estate of the person subject  
47.28 to guardianship, the guardian shall have the power to approve or withhold approval of any  
47.29 contract, except for necessities, which the person subject to guardianship may make or wish  
47.30 to make;

47.31 (6) the duty and power to exercise supervisory authority over the person subject to  
47.32 guardianship in a manner which limits civil rights and restricts personal freedom only to  
47.33 the extent necessary to provide needed care and services. A guardian may not restrict the  
47.34 ability of the person subject to guardianship to communicate, visit, or interact with others,

48.1 including receiving visitors or making or receiving telephone calls, personal mail, or  
48.2 electronic communications including through social media, or participating in social activities,  
48.3 unless the guardian has good cause to believe restriction is necessary because interaction  
48.4 with the person poses a risk of significant physical, psychological, or financial harm to the  
48.5 person subject to guardianship, and there is no other means to avoid such significant harm.  
48.6 In all cases, the guardian shall provide written notice of the restrictions imposed to the court,  
48.7 to the person subject to guardianship, and to the person subject to restrictions. The person  
48.8 subject to guardianship or the person subject to restrictions may petition the court to remove  
48.9 or modify the restrictions;

48.10 (7) if there is no acting conservator of the estate for the person subject to guardianship,  
48.11 the guardian has the power to apply on behalf of the person subject to guardianship for any  
48.12 assistance, services, or benefits available to the person subject to guardianship through any  
48.13 unit of government;

48.14 (8) unless otherwise ordered by the court, the person subject to guardianship retains the  
48.15 right to vote;

48.16 (9) the power to establish an ABLE account for a person subject to guardianship or  
48.17 conservatorship. By this provision a guardian only has the authority to establish an ABLE  
48.18 account, but may not administer the ABLE account in the guardian's capacity as guardian.  
48.19 The guardian may appoint or name a person to exercise signature authority over an ABLE  
48.20 account, including the individual selected by the eligible individual or the eligible individual's  
48.21 agent under a power of attorney; conservator; spouse; parent; sibling; grandparent; or  
48.22 representative payee, whether an individual or organization, appointed by the SSA, in that  
48.23 order; and

48.24 (10) if there is no conservator appointed for the person subject to guardianship, the  
48.25 guardian has the duty and power to institute suit on behalf of the person subject to  
48.26 guardianship and represent the person subject to guardianship in expungement proceedings,  
48.27 harassment proceedings, and all civil court proceedings, including but not limited to  
48.28 restraining orders, orders for protection, name changes, conciliation court, housing court,  
48.29 family court, probate court, and juvenile court, provided that a guardian may not settle or  
48.30 compromise any claim or debt owed to the estate without court approval.

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



49.1 Sec. 42. Laws 2021, First Special Session chapter 7, article 17, section 20, is amended to  
49.2 read:

49.3 **Sec. 20. HCBS WORKFORCE DEVELOPMENT GRANT.**

49.4 (a) This act includes \$0 in fiscal year 2022 and \$5,588,000 in fiscal year 2023 to address  
49.5 challenges related to attracting and maintaining direct care workers who provide home and  
49.6 community-based services for people with disabilities and older adults. The general fund  
49.7 base included in this act for this purpose is \$5,588,000 in fiscal year 2024 and \$0 in fiscal  
49.8 year 2025.

49.9 (b) At least 90 percent of funding for this provision must be directed to workers who  
49.10 earn ~~200~~ 300 percent or less of the most current federal poverty level issued by the United  
49.11 States Department of Health and Human Services.

49.12 (c) The commissioner must consult with stakeholders to finalize a report detailing the  
49.13 final plan for use of the funds. The commissioner must publish the report by March 1, 2022,  
49.14 and notify the chairs and ranking minority members of the legislative committees with  
49.15 jurisdiction over health and human services policy and finance.

49.16 (d) For the purposes of this section, "subtraction" has the meaning given in Minnesota  
49.17 Statutes, section 290.0132, subdivision 1, and the rules in that subdivision apply for this  
49.18 section. The definitions in Minnesota Statutes, section 290.01, apply to this section.

49.19 (e) The amount of workforce development grant money received under this section is a  
49.20 subtraction.

49.21 (f) Workforce development grant money under this section is excluded from income as  
49.22 defined in Minnesota Statutes, sections 290.0674, subdivision 2a, and 290A.03, subdivision  
49.23 3.

49.24 (g) Notwithstanding any law to the contrary, payments under this section must not be  
49.25 considered income, assets, or personal property for purposes of determining eligibility or  
49.26 recertifying eligibility for:

49.27 (1) child care assistance programs under Minnesota Statutes, chapter 119B;

49.28 (2) general assistance, Minnesota supplemental aid, and food support under Minnesota  
49.29 Statutes, chapter 256D;

49.30 (3) housing support under Minnesota Statutes, chapter 256I;

49.31 (4) Minnesota family investment program and diversionary work program under  
49.32 Minnesota Statutes, chapter 256J; and

50.1 (5) economic assistance programs under Minnesota Statutes, chapter 256P.

50.2 (h) The commissioner of human services must not consider frontline worker payments  
 50.3 under this section as income or assets under Minnesota Statutes, section 256B.056,  
 50.4 subdivision 1a, paragraph (a); 3; or 3c, or for persons with eligibility determined under  
 50.5 Minnesota Statutes, section 256B.057, subdivision 3, 3a, or 3b.

50.6 Sec. 43. **REVISOR INSTRUCTION.**

50.7 The revisor of statutes shall renumber Minnesota Statutes, section 245D.03, and correct  
 50.8 all cross-references.

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

50.10 Sec. 44. **REPEALER.**

50.11 Subdivision 1. Minnesota Statutes 2022, section 256B.49, subdivision 23, is repealed.

50.12 Subd. 2. Minnesota Statutes 2022, sections 254B.13, subdivisions 1, 2, 2a, 4, 5, 6, 7,  
 50.13 and 8; and 254B.16, are repealed.

50.14 **EFFECTIVE DATE.** The repeal of the section in subdivision 1 is effective the day  
 50.15 following final enactment, and the repeal of the sections in subdivision 2 is effective upon  
 50.16 federal approval. The commissioner of human services shall notify the revisor of statutes  
 50.17 when federal approval is obtained.

## 50.18 **ARTICLE 2**

### 50.19 **SUBSTANCE USE DISORDER DIRECT ACCESS**

50.20 Section 1. Minnesota Statutes 2022, section 62N.25, subdivision 5, is amended to read:

50.21 Subd. 5. **Benefits.** Community integrated service networks must offer the health  
 50.22 maintenance organization benefit set, as defined in chapter 62D, and other laws applicable  
 50.23 to entities regulated under chapter 62D. Community networks and chemical dependency  
 50.24 facilities under contract with a community network shall use the assessment criteria in  
 50.25 ~~Minnesota Rules, parts 9530.6600 to 9530.6655,~~ section 245G.05 when assessing enrollees  
 50.26 for chemical dependency treatment.

51.1 Sec. 2. Minnesota Statutes 2022, section 62Q.1055, is amended to read:

51.2 **62Q.1055 CHEMICAL DEPENDENCY.**

51.3 All health plan companies shall use the assessment criteria in ~~Minnesota Rules, parts~~  
51.4 ~~9530.6600 to 9530.6655~~, section 245G.05 when assessing and ~~placing~~ treating enrollees  
51.5 for chemical dependency treatment.

51.6 Sec. 3. Minnesota Statutes 2022, section 62Q.47, is amended to read:

51.7 **62Q.47 ALCOHOLISM, MENTAL HEALTH, AND CHEMICAL DEPENDENCY**  
51.8 **SERVICES.**

51.9 (a) All health plans, as defined in section 62Q.01, that provide coverage for alcoholism,  
51.10 mental health, or chemical dependency services, must comply with the requirements of this  
51.11 section.

51.12 (b) Cost-sharing requirements and benefit or service limitations for outpatient mental  
51.13 health and outpatient chemical dependency and alcoholism services, except for persons  
51.14 ~~placed in~~ seeking chemical dependency services under ~~Minnesota Rules, parts 9530.6600~~  
51.15 ~~to 9530.6655~~ section 245G.05, must not place a greater financial burden on the insured or  
51.16 enrollee, or be more restrictive than those requirements and limitations for outpatient medical  
51.17 services.

51.18 (c) Cost-sharing requirements and benefit or service limitations for inpatient hospital  
51.19 mental health and inpatient hospital and residential chemical dependency and alcoholism  
51.20 services, except for persons ~~placed in~~ seeking chemical dependency services under ~~Minnesota~~  
51.21 ~~Rules, parts 9530.6600 to 9530.6655~~ section 245G.05, must not place a greater financial  
51.22 burden on the insured or enrollee, or be more restrictive than those requirements and  
51.23 limitations for inpatient hospital medical services.

51.24 (d) A health plan company must not impose an NQTL with respect to mental health and  
51.25 substance use disorders in any classification of benefits unless, under the terms of the health  
51.26 plan as written and in operation, any processes, strategies, evidentiary standards, or other  
51.27 factors used in applying the NQTL to mental health and substance use disorders in the  
51.28 classification are comparable to, and are applied no more stringently than, the processes,  
51.29 strategies, evidentiary standards, or other factors used in applying the NQTL with respect  
51.30 to medical and surgical benefits in the same classification.

51.31 (e) All health plans must meet the requirements of the federal Mental Health Parity Act  
51.32 of 1996, Public Law 104-204; Paul Wellstone and Pete Domenici Mental Health Parity and

52.1 Addiction Equity Act of 2008; the Affordable Care Act; and any amendments to, and federal  
52.2 guidance or regulations issued under, those acts.

52.3 (f) The commissioner may require information from health plan companies to confirm  
52.4 that mental health parity is being implemented by the health plan company. Information  
52.5 required may include comparisons between mental health and substance use disorder  
52.6 treatment and other medical conditions, including a comparison of prior authorization  
52.7 requirements, drug formulary design, claim denials, rehabilitation services, and other  
52.8 information the commissioner deems appropriate.

52.9 (g) Regardless of the health care provider's professional license, if the service provided  
52.10 is consistent with the provider's scope of practice and the health plan company's credentialing  
52.11 and contracting provisions, mental health therapy visits and medication maintenance visits  
52.12 shall be considered primary care visits for the purpose of applying any enrollee cost-sharing  
52.13 requirements imposed under the enrollee's health plan.

52.14 (h) By June 1 of each year, beginning June 1, 2021, the commissioner of commerce, in  
52.15 consultation with the commissioner of health, shall submit a report on compliance and  
52.16 oversight to the chairs and ranking minority members of the legislative committees with  
52.17 jurisdiction over health and commerce. The report must:

52.18 (1) describe the commissioner's process for reviewing health plan company compliance  
52.19 with United States Code, title 42, section 18031(j), any federal regulations or guidance  
52.20 relating to compliance and oversight, and compliance with this section and section 62Q.53;

52.21 (2) identify any enforcement actions taken by either commissioner during the preceding  
52.22 12-month period regarding compliance with parity for mental health and substance use  
52.23 disorders benefits under state and federal law, summarizing the results of any market conduct  
52.24 examinations. The summary must include: (i) the number of formal enforcement actions  
52.25 taken; (ii) the benefit classifications examined in each enforcement action; and (iii) the  
52.26 subject matter of each enforcement action, including quantitative and nonquantitative  
52.27 treatment limitations;

52.28 (3) detail any corrective action taken by either commissioner to ensure health plan  
52.29 company compliance with this section, section 62Q.53, and United States Code, title 42,  
52.30 section 18031(j); and

52.31 (4) describe the information provided by either commissioner to the public about  
52.32 alcoholism, mental health, or chemical dependency parity protections under state and federal  
52.33 law.

53.1 The report must be written in nontechnical, readily understandable language and must be  
 53.2 made available to the public by, among other means as the commissioners find appropriate,  
 53.3 posting the report on department websites. Individually identifiable information must be  
 53.4 excluded from the report, consistent with state and federal privacy protections.

53.5 Sec. 4. Minnesota Statutes 2022, section 169A.70, subdivision 3, is amended to read:

53.6 Subd. 3. **Assessment report.** (a) The assessment report must be on a form prescribed  
 53.7 by the commissioner and shall contain an evaluation of the convicted defendant concerning  
 53.8 the defendant's prior traffic and criminal record, characteristics and history of alcohol and  
 53.9 chemical use problems, and amenability to rehabilitation through the alcohol safety program.  
 53.10 The report is classified as private data on individuals as defined in section 13.02, subdivision  
 53.11 12.

53.12 (b) The assessment report must include:

53.13 (1) a diagnosis of the nature of the offender's chemical and alcohol involvement;

53.14 (2) an assessment of the severity level of the involvement;

53.15 (3) a recommended level of care for the offender in accordance with the criteria contained  
 53.16 in ~~rules adopted by the commissioner of human services under section 254A.03, subdivision~~  
 53.17 ~~3 (substance use disorder treatment rules)~~ section 245G.05;

53.18 (4) an assessment of the offender's placement needs;

53.19 (5) recommendations for other appropriate remedial action or care, including aftercare  
 53.20 services in section 254B.01, subdivision 3, that may consist of educational programs,  
 53.21 one-on-one counseling, a program or type of treatment that addresses mental health concerns,  
 53.22 or a combination of them; and

53.23 (6) a specific explanation why no level of care or action was recommended, if applicable.

53.24 Sec. 5. Minnesota Statutes 2022, section 169A.70, subdivision 4, is amended to read:

53.25 Subd. 4. **Assessor standards; rules; assessment time limits.** A chemical use assessment  
 53.26 required by this section must be conducted by an assessor appointed by the court. The  
 53.27 assessor must meet the training and qualification requirements of ~~rules adopted by the~~  
 53.28 ~~commissioner of human services under section 254A.03, subdivision 3 (substance use~~  
 53.29 ~~disorder treatment rules)~~ section 245G.11, subdivisions 1 and 5. Notwithstanding section  
 53.30 13.82 (law enforcement data), the assessor shall have access to any police reports, laboratory  
 53.31 test results, and other law enforcement data relating to the current offense or previous

54.1 offenses that are necessary to complete the evaluation. ~~An assessor providing an assessment~~  
54.2 ~~under this section may not have any direct or shared financial interest or referral relationship~~  
54.3 ~~resulting in shared financial gain with a treatment provider, except as authorized under~~  
54.4 ~~section 254A.19, subdivision 3. If an independent assessor is not available, the court may~~  
54.5 ~~use the services of an assessor authorized to perform assessments for the county social~~  
54.6 ~~services agency under a variance granted under rules adopted by the commissioner of human~~  
54.7 ~~services under section 254A.03, subdivision 3. An appointment for the defendant to undergo~~  
54.8 the assessment must be made by the court, a court services probation officer, or the court  
54.9 administrator as soon as possible but in no case more than one week after the defendant's  
54.10 court appearance. The assessment must be completed no later than three weeks after the  
54.11 defendant's court appearance. If the assessment is not performed within this time limit, the  
54.12 county where the defendant is to be sentenced shall perform the assessment. The county of  
54.13 financial responsibility must be determined under chapter 256G.

54.14 Sec. 6. Minnesota Statutes 2022, section 245A.043, subdivision 3, is amended to read:

54.15 Subd. 3. **Change of ownership process.** (a) When a change in ownership is proposed  
54.16 and the party intends to assume operation without an interruption in service longer than 60  
54.17 days after acquiring the program or service, the license holder must provide the commissioner  
54.18 with written notice of the proposed change on a form provided by the commissioner at least  
54.19 60 days before the anticipated date of the change in ownership. For purposes of this  
54.20 subdivision and subdivision 4, "party" means the party that intends to operate the service  
54.21 or program.

54.22 (b) The party must submit a license application under this chapter on the form and in  
54.23 the manner prescribed by the commissioner at least 30 days before the change in ownership  
54.24 is complete, and must include documentation to support the upcoming change. The party  
54.25 must comply with background study requirements under chapter 245C and shall pay the  
54.26 application fee required under section 245A.10. A party that intends to assume operation  
54.27 without an interruption in service longer than 60 days after acquiring the program or service  
54.28 is exempt from the requirements of sections 245G.03, subdivision 2, paragraph (b), and  
54.29 254B.03, subdivision 2, paragraphs (c) and (d) ~~and (e)~~.

54.30 (c) The commissioner may streamline application procedures when the party is an existing  
54.31 license holder under this chapter and is acquiring a program licensed under this chapter or  
54.32 service in the same service class as one or more licensed programs or services the party  
54.33 operates and those licenses are in substantial compliance. For purposes of this subdivision,  
54.34 "substantial compliance" means within the previous 12 months the commissioner did not

55.1 (1) issue a sanction under section 245A.07 against a license held by the party, or (2) make  
55.2 a license held by the party conditional according to section 245A.06.

55.3 (d) Except when a temporary change in ownership license is issued pursuant to  
55.4 subdivision 4, the existing license holder is solely responsible for operating the program  
55.5 according to applicable laws and rules until a license under this chapter is issued to the  
55.6 party.

55.7 (e) If a licensing inspection of the program or service was conducted within the previous  
55.8 12 months and the existing license holder's license record demonstrates substantial  
55.9 compliance with the applicable licensing requirements, the commissioner may waive the  
55.10 party's inspection required by section 245A.04, subdivision 4. The party must submit to the  
55.11 commissioner (1) proof that the premises was inspected by a fire marshal or that the fire  
55.12 marshal deemed that an inspection was not warranted, and (2) proof that the premises was  
55.13 inspected for compliance with the building code or that no inspection was deemed warranted.

55.14 (f) If the party is seeking a license for a program or service that has an outstanding action  
55.15 under section 245A.06 or 245A.07, the party must submit a letter as part of the application  
55.16 process identifying how the party has or will come into full compliance with the licensing  
55.17 requirements.

55.18 (g) The commissioner shall evaluate the party's application according to section 245A.04,  
55.19 subdivision 6. If the commissioner determines that the party has remedied or demonstrates  
55.20 the ability to remedy the outstanding actions under section 245A.06 or 245A.07 and has  
55.21 determined that the program otherwise complies with all applicable laws and rules, the  
55.22 commissioner shall issue a license or conditional license under this chapter. The conditional  
55.23 license remains in effect until the commissioner determines that the grounds for the action  
55.24 are corrected or no longer exist.

55.25 (h) The commissioner may deny an application as provided in section 245A.05. An  
55.26 applicant whose application was denied by the commissioner may appeal the denial according  
55.27 to section 245A.05.

55.28 (i) This subdivision does not apply to a licensed program or service located in a home  
55.29 where the license holder resides.

55.30 Sec. 7. Minnesota Statutes 2022, section 245G.05, subdivision 2, is amended to read:

55.31 Subd. 2. **Assessment summary.** (a) An alcohol and drug counselor must complete an  
55.32 assessment summary within three calendar days from the day of service initiation for a  
55.33 residential program and within three calendar days on which a treatment session has been

56.1 provided from the day of service initiation for a client in a nonresidential program. The  
56.2 comprehensive assessment summary is complete upon a qualified staff member's dated  
56.3 signature. If the comprehensive assessment is used to authorize the treatment service, the  
56.4 alcohol and drug counselor must prepare an assessment summary on the same date the  
56.5 comprehensive assessment is completed. If the comprehensive assessment and assessment  
56.6 summary are to authorize treatment services, the assessor must determine appropriate level  
56.7 of care and services for the client using the ~~dimensions in Minnesota Rules, part 9530.6622,~~  
56.8 criteria established in section 254B.04, subdivision 4, and document the recommendations.

56.9 (b) An assessment summary must include:

56.10 (1) a risk description according to section 245G.05 for each dimension listed in paragraph

56.11 (c);

56.12 (2) a narrative summary supporting the risk descriptions; and

56.13 (3) a determination of whether the client has a substance use disorder.

56.14 (c) An assessment summary must contain information relevant to treatment service  
56.15 planning and recorded in the dimensions in clauses (1) to (6). The license holder must  
56.16 consider:

56.17 (1) Dimension 1, acute intoxication/withdrawal potential; the client's ability to cope with  
56.18 withdrawal symptoms and current state of intoxication;

56.19 (2) Dimension 2, biomedical conditions and complications; the degree to which any  
56.20 physical disorder of the client would interfere with treatment for substance use, and the  
56.21 client's ability to tolerate any related discomfort. The license holder must determine the  
56.22 impact of continued substance use on the unborn child, if the client is pregnant;

56.23 (3) Dimension 3, emotional, behavioral, and cognitive conditions and complications;  
56.24 the degree to which any condition or complication is likely to interfere with treatment for  
56.25 substance use or with functioning in significant life areas and the likelihood of harm to self  
56.26 or others;

56.27 (4) Dimension 4, readiness for change; the support necessary to keep the client involved  
56.28 in treatment service;

56.29 (5) Dimension 5, relapse, continued use, and continued problem potential; the degree  
56.30 to which the client recognizes relapse issues and has the skills to prevent relapse of either  
56.31 substance use or mental health problems; and



57.1 (6) Dimension 6, recovery environment; whether the areas of the client's life are  
57.2 supportive of or antagonistic to treatment participation and recovery.

57.3 Sec. 8. Minnesota Statutes 2022, section 245G.22, subdivision 2, is amended to read:

57.4 Subd. 2. **Definitions.** (a) For purposes of this section, the terms defined in this subdivision  
57.5 have the meanings given them.

57.6 (b) "Diversion" means the use of a medication for the treatment of opioid addiction being  
57.7 diverted from intended use of the medication.

57.8 (c) "Guest dose" means administration of a medication used for the treatment of opioid  
57.9 addiction to a person who is not a client of the program that is administering or dispensing  
57.10 the medication.

57.11 (d) "Medical director" means a practitioner licensed to practice medicine in the  
57.12 jurisdiction that the opioid treatment program is located who assumes responsibility for  
57.13 administering all medical services performed by the program, either by performing the  
57.14 services directly or by delegating specific responsibility to a practitioner of the opioid  
57.15 treatment program.

57.16 (e) "Medication used for the treatment of opioid use disorder" means a medication  
57.17 approved by the Food and Drug Administration for the treatment of opioid use disorder.

57.18 (f) "Minnesota health care programs" has the meaning given in section 256B.0636.

57.19 (g) "Opioid treatment program" has the meaning given in Code of Federal Regulations,  
57.20 title 42, section 8.12, and includes programs licensed under this chapter.

57.21 ~~(h) "Placing authority" has the meaning given in Minnesota Rules, part 9530.6605,~~  
57.22 ~~subpart 21a.~~

57.23 ~~(h)~~ (h) "Practitioner" means a staff member holding a current, unrestricted license to  
57.24 practice medicine issued by the Board of Medical Practice or nursing issued by the Board  
57.25 of Nursing and is currently registered with the Drug Enforcement Administration to order  
57.26 or dispense controlled substances in Schedules II to V under the Controlled Substances Act,  
57.27 United States Code, title 21, part B, section 821. Practitioner includes an advanced practice  
57.28 registered nurse and physician assistant if the staff member receives a variance by the state  
57.29 opioid treatment authority under section 254A.03 and the federal Substance Abuse and  
57.30 Mental Health Services Administration.

57.31 ~~(i)~~ (i) "Unsupervised use" means the use of a medication for the treatment of opioid use  
57.32 disorder dispensed for use by a client outside of the program setting.

58.1 Sec. 9. Minnesota Statutes 2022, section 254A.03, subdivision 3, is amended to read:

58.2 Subd. 3. **Rules for substance use disorder care.** (a) ~~The commissioner of human~~  
58.3 ~~services shall establish by rule criteria to be used in determining the appropriate level of~~  
58.4 ~~substance use disorder care for each recipient of public assistance seeking treatment for~~  
58.5 ~~substance misuse or substance use disorder. Upon federal approval of a comprehensive~~  
58.6 ~~assessment as a Medicaid benefit, or on July 1, 2018, whichever is later, and notwithstanding~~  
58.7 ~~the criteria in Minnesota Rules, parts 9530.6600 to 9530.6655, An eligible vendor of~~  
58.8 comprehensive assessments under section 254B.05 may determine and approve the  
58.9 appropriate level of substance use disorder treatment for a recipient of public assistance.  
58.10 The process for determining an individual's financial eligibility for the behavioral health  
58.11 fund or determining an individual's enrollment in or eligibility for a publicly subsidized  
58.12 health plan is not affected by the individual's choice to access a comprehensive assessment  
58.13 for placement.

58.14 (b) The commissioner shall develop and implement a utilization review process for  
58.15 publicly funded treatment placements to monitor and review the clinical appropriateness  
58.16 and timeliness of all publicly funded placements in treatment.

58.17 (c) If a screen result is positive for alcohol or substance misuse, a brief screening for  
58.18 alcohol or substance use disorder that is provided to a recipient of public assistance within  
58.19 a primary care clinic, hospital, or other medical setting or school setting establishes medical  
58.20 necessity and approval for an initial set of substance use disorder services identified in  
58.21 section 254B.05, subdivision 5. The initial set of services approved for a recipient whose  
58.22 screen result is positive may include any combination of up to four hours of individual or  
58.23 group substance use disorder treatment, two hours of substance use disorder treatment  
58.24 coordination, or two hours of substance use disorder peer support services provided by a  
58.25 qualified individual according to chapter 245G. A recipient must obtain an assessment  
58.26 pursuant to paragraph (a) to be approved for additional treatment services. ~~Minnesota Rules,~~  
58.27 ~~parts 9530.6600 to 9530.6655, and A comprehensive assessment pursuant to section 245G.05~~  
58.28 ~~are not applicable~~ is not required to receive the initial set of services allowed under this  
58.29 subdivision. A positive screen result establishes eligibility for the initial set of services  
58.30 allowed under this subdivision.

58.31 (d) ~~Notwithstanding Minnesota Rules, parts 9530.6600 to 9530.6655, An individual~~  
58.32 ~~may choose to obtain a comprehensive assessment as provided in section 245G.05.~~  
58.33 ~~Individuals obtaining a comprehensive assessment may access any enrolled provider that~~  
58.34 ~~is licensed to provide the level of service authorized pursuant to section 254A.19, subdivision~~  
58.35 ~~3, paragraph (d). If the individual is enrolled in a prepaid health plan, the individual must~~

59.1 ~~comply with any provider network requirements or limitations. This paragraph expires July~~  
 59.2 ~~1, 2022.~~

59.3 (d) An individual may choose to obtain a comprehensive assessment as provided in  
 59.4 section 245G.05. Individuals obtaining a comprehensive assessment may access any enrolled  
 59.5 provider that is licensed to provide the level of service authorized pursuant to section  
 59.6 254A.19, subdivision 3. If the individual is enrolled in a prepaid health plan, the individual  
 59.7 must comply with any provider network requirements or limitations.

59.8 Sec. 10. Minnesota Statutes 2022, section 254A.19, subdivision 1, is amended to read:

59.9 Subdivision 1. **Persons arrested outside of home county.** When a chemical use  
 59.10 assessment is required under Minnesota Rules, parts 9530.6600 to 9530.6655, for a person  
 59.11 who is arrested and taken into custody by a peace officer outside of the person's county of  
 59.12 residence, the assessment must be completed by the person's county of residence no later  
 59.13 than three weeks after the assessment is initially requested. If the assessment is not performed  
 59.14 within this time limit, the county where the person is to be sentenced shall perform the  
 59.15 assessment county where the person is detained must give access to an assessor qualified  
 59.16 under section 254A.19, subdivision 3. The county of financial responsibility is determined  
 59.17 under chapter 256G.

59.18 Sec. 11. Minnesota Statutes 2022, section 254A.19, subdivision 3, is amended to read:

59.19 Subd. 3. **Financial conflicts of interest. Comprehensive assessments.** ~~(a) Except as~~  
 59.20 ~~provided in paragraph (b), (c), or (d), an assessor conducting a chemical use assessment~~  
 59.21 ~~under Minnesota Rules, parts 9530.6600 to 9530.6655, may not have any direct or shared~~  
 59.22 ~~financial interest or referral relationship resulting in shared financial gain with a treatment~~  
 59.23 ~~provider.~~

59.24 ~~(b) A county may contract with an assessor having a conflict described in paragraph (a)~~  
 59.25 ~~if the county documents that:~~

59.26 ~~(1) the assessor is employed by a culturally specific service provider or a service provider~~  
 59.27 ~~with a program designed to treat individuals of a specific age, sex, or sexual preference;~~

59.28 ~~(2) the county does not employ a sufficient number of qualified assessors and the only~~  
 59.29 ~~qualified assessors available in the county have a direct or shared financial interest or a~~  
 59.30 ~~referral relationship resulting in shared financial gain with a treatment provider; or~~

59.31 ~~(3) the county social service agency has an existing relationship with an assessor or~~  
 59.32 ~~service provider and elects to enter into a contract with that assessor to provide both~~

60.1 ~~assessment and treatment under circumstances specified in the county's contract, provided~~  
 60.2 ~~the county retains responsibility for making placement decisions.~~

60.3 ~~(c) The county may contract with a hospital to conduct chemical assessments if the~~  
 60.4 ~~requirements in subdivision 1a are met.~~

60.5 ~~An assessor under this paragraph may not place clients in treatment. The assessor shall~~  
 60.6 ~~gather required information and provide it to the county along with any required~~  
 60.7 ~~documentation. The county shall make all placement decisions for clients assessed by~~  
 60.8 ~~assessors under this paragraph.~~

60.9 ~~(d) An eligible vendor under section 254B.05 conducting a comprehensive assessment~~  
 60.10 ~~for an individual seeking treatment shall approve the nature, intensity level, and duration~~  
 60.11 ~~of treatment service if a need for services is indicated, but the individual assessed can access~~  
 60.12 ~~any enrolled provider that is licensed to provide the level of service authorized, including~~  
 60.13 ~~the provider or program that completed the assessment. If an individual is enrolled in a~~  
 60.14 ~~prepaid health plan, the individual must comply with any provider network requirements~~  
 60.15 ~~or limitations.~~

60.16 Sec. 12. Minnesota Statutes 2022, section 254A.19, subdivision 4, is amended to read:

60.17 ~~Subd. 4. **Civil commitments.** A Rule 25 assessment, under Minnesota Rules, part~~  
 60.18 ~~9530.6615, For the purposes of determining level of care, a comprehensive assessment does~~  
 60.19 ~~not need to be completed for an individual being committed as a chemically dependent~~  
 60.20 ~~person, as defined in section 253B.02, and for the duration of a civil commitment under~~  
 60.21 ~~section 253B.065, 253B.09, or 253B.095 in order for a county to access the behavioral~~  
 60.22 ~~health fund under section 254B.04. The county must determine if the individual meets the~~  
 60.23 ~~financial eligibility requirements for the behavioral health fund under section 254B.04.~~  
 60.24 ~~Nothing in this subdivision prohibits placement in a treatment facility or treatment program~~  
 60.25 ~~governed under this chapter or Minnesota Rules, parts 9530.6600 to 9530.6655.~~

60.26 Sec. 13. Minnesota Statutes 2022, section 254A.19, is amended by adding a subdivision  
 60.27 to read:

60.28 ~~Subd. 6. **Assessments for detoxification programs.** For detoxification programs licensed~~  
 60.29 ~~under chapter 245A according to Minnesota Rules, parts 9530.6510 to 9530.6590, a~~  
 60.30 ~~"chemical use assessment" is a comprehensive assessment and assessment summary~~  
 60.31 ~~completed according to the requirements of section 245G.05 and a "chemical dependency~~  
 60.32 ~~assessor" or "assessor" is an individual who meets the qualifications of section 245G.11,~~  
 60.33 ~~subdivisions 1 and 5.~~

61.1 Sec. 14. Minnesota Statutes 2022, section 254A.19, is amended by adding a subdivision  
61.2 to read:

61.3 Subd. 7. **Assessments for children's residential facilities.** For children's residential  
61.4 facilities licensed under chapter 245A according to Minnesota Rules, parts 2960.0010 to  
61.5 2960.0220 and 2960.0430 to 2960.0490, a "chemical use assessment" is a comprehensive  
61.6 assessment and assessment summary completed according to the requirements of section  
61.7 245G.05 and must be completed by an individual who meets the qualifications of section  
61.8 245G.11, subdivisions 1 and 5.

61.9 Sec. 15. Minnesota Statutes 2022, section 254B.01, is amended by adding a subdivision  
61.10 to read:

61.11 Subd. 2a. **Behavioral health fund.** "Behavioral health fund" means money allocated  
61.12 for payment of treatment services under chapter 254B.

61.13 Sec. 16. Minnesota Statutes 2022, section 254B.01, is amended by adding a subdivision  
61.14 to read:

61.15 Subd. 2b. **Client.** "Client" means an individual who has requested substance use disorder  
61.16 services or for whom substance use disorder services have been requested.

61.17 Sec. 17. Minnesota Statutes 2022, section 254B.01, is amended by adding a subdivision  
61.18 to read:

61.19 Subd. 2c. **Co-payment.** "Co-payment" means:

61.20 (1) the amount an insured person is obligated to pay before the person's third-party  
61.21 payment source is obligated to make a payment; or

61.22 (2) the amount an insured person is obligated to pay in addition to the amount the person's  
61.23 third-party payment source is obligated to pay.

61.24 Sec. 18. Minnesota Statutes 2022, section 254B.01, is amended by adding a subdivision  
61.25 to read:

61.26 Subd. 4c. **Department.** "Department" means the Department of Human Services.

62.1 Sec. 19. Minnesota Statutes 2022, section 254B.01, is amended by adding a subdivision  
62.2 to read:

62.3 Subd. 4d. **Drug and Alcohol Abuse Normative Evaluation System or DAANES.** "Drug  
62.4 and Alcohol Abuse Normative Evaluation System" or "DAANES" means the reporting  
62.5 system used to collect all substance use disorder treatment data across all levels of care and  
62.6 providers.

62.7 Sec. 20. Minnesota Statutes 2022, section 254B.01, subdivision 5, is amended to read:

62.8 Subd. 5. **Local agency.** "Local agency" means the agency designated by a board of  
62.9 county commissioners, a local social services agency, or a human services board ~~to make~~  
62.10 ~~placements and submit state invoices according to Laws 1986, chapter 394, sections 8 to~~  
62.11 ~~20~~ authorized under section 254B.03, subdivision 1, to determine financial eligibility for  
62.12 the behavioral health fund.

62.13 Sec. 21. Minnesota Statutes 2022, section 254B.01, is amended by adding a subdivision  
62.14 to read:

62.15 Subd. 6a. **Minor child.** "Minor child" means an individual under the age of 18 years.

62.16 Sec. 22. Minnesota Statutes 2022, section 254B.01, is amended by adding a subdivision  
62.17 to read:

62.18 Subd. 6b. **Policyholder.** "Policyholder" means a person who has a third-party payment  
62.19 policy under which a third-party payment source has an obligation to pay all or part of a  
62.20 client's treatment costs.

62.21 Sec. 23. Minnesota Statutes 2022, section 254B.01, is amended by adding a subdivision  
62.22 to read:

62.23 Subd. 9. **Responsible relative.** "Responsible relative" means a person who is a member  
62.24 of the client's household and is the client's spouse or the parent of a minor child who is a  
62.25 client.

62.26 Sec. 24. Minnesota Statutes 2022, section 254B.01, is amended by adding a subdivision  
62.27 to read:

62.28 Subd. 10. **Third-party payment source** "Third-party payment source" means a person,  
62.29 entity, or public or private agency other than medical assistance or general assistance medical

63.1 care that has a probable obligation to pay all or part of the costs of a client's substance use  
 63.2 disorder treatment.

63.3 Sec. 25. Minnesota Statutes 2022, section 254B.01, is amended by adding a subdivision  
 63.4 to read:

63.5 Subd. 11. **Vendor.** "Vendor" means a provider of substance use disorder treatment  
 63.6 services that meets the criteria established in section 254B.05, and that has applied to  
 63.7 participate as a provider in the medical assistance program according to Minnesota Rules,  
 63.8 part 9505.0195.

63.9 Sec. 26. Minnesota Statutes 2022, section 254B.03, subdivision 1, is amended to read:

63.10 Subdivision 1. **Local agency duties.** (a) Every local agency ~~shall~~ must determine financial  
 63.11 eligibility for substance use disorder services and provide substance use disorder services  
 63.12 to persons residing within its jurisdiction who meet criteria established by the commissioner  
 63.13 ~~for placement in a substance use disorder residential or nonresidential treatment service.~~  
 63.14 Substance use disorder money must be administered by the local agencies according to law  
 63.15 and rules adopted by the commissioner under sections 14.001 to 14.69.

63.16 (b) In order to contain costs, the commissioner of human services shall select eligible  
 63.17 vendors of substance use disorder services who can provide economical and appropriate  
 63.18 treatment. Unless the local agency is a social services department directly administered by  
 63.19 a county or human services board, the local agency shall not be an eligible vendor under  
 63.20 section 254B.05. The commissioner may approve proposals from county boards to provide  
 63.21 services in an economical manner or to control utilization, with safeguards to ensure that  
 63.22 necessary services are provided. If a county implements a demonstration or experimental  
 63.23 medical services funding plan, the commissioner shall transfer the money as appropriate.

63.24 ~~(c) A culturally specific vendor that provides assessments under a variance under~~  
 63.25 ~~Minnesota Rules, part 9530.6610, shall be allowed to provide assessment services to persons~~  
 63.26 ~~not covered by the variance.~~

63.27 ~~(d) Notwithstanding Minnesota Rules, parts 9530.6600 to 9530.6655,~~ (c) An individual  
 63.28 may choose to obtain a comprehensive assessment as provided in section 245G.05.  
 63.29 Individuals obtaining a comprehensive assessment may access any enrolled provider that  
 63.30 is licensed to provide the level of service authorized pursuant to section 254A.19, subdivision  
 63.31 3, ~~paragraph (d).~~ If the individual is enrolled in a prepaid health plan, the individual must  
 63.32 comply with any provider network requirements or limitations.

64.1 ~~(e)~~ (d) Beginning July 1, 2022, local agencies shall not make placement location  
64.2 determinations.

64.3 Sec. 27. Minnesota Statutes 2022, section 254B.03, subdivision 2, is amended to read:

64.4 Subd. 2. **Behavioral health fund payment.** (a) Payment from the behavioral health  
64.5 fund is limited to payments for services identified in section 254B.05, other than  
64.6 detoxification licensed under Minnesota Rules, parts 9530.6510 to 9530.6590, and  
64.7 detoxification provided in another state that would be required to be licensed as a substance  
64.8 use disorder program if the program were in the state. Out of state vendors must also provide  
64.9 the commissioner with assurances that the program complies substantially with state licensing  
64.10 requirements and possesses all licenses and certifications required by the host state to provide  
64.11 substance use disorder treatment. Vendors receiving payments from the behavioral health  
64.12 fund must not require co-payment from a recipient of benefits for services provided under  
64.13 this subdivision. The vendor is prohibited from using the client's public benefits to offset  
64.14 the cost of services paid under this section. The vendor shall not require the client to use  
64.15 public benefits for room or board costs. This includes but is not limited to cash assistance  
64.16 benefits under chapters 119B, 256D, and 256J, or SNAP benefits. Retention of SNAP  
64.17 benefits is a right of a client receiving services through the behavioral health fund or through  
64.18 state contracted managed care entities. Payment from the behavioral health fund shall be  
64.19 made for necessary room and board costs provided by vendors meeting the criteria under  
64.20 section 254B.05, subdivision 1a, or in a community hospital licensed by the commissioner  
64.21 of health according to sections 144.50 to 144.56 to a client who is:

64.22 (1) determined to meet the criteria for placement in a residential substance use disorder  
64.23 treatment program according to rules adopted under section 254A.03, subdivision 3; and

64.24 (2) concurrently receiving a substance use disorder treatment service in a program  
64.25 licensed by the commissioner and reimbursed by the behavioral health fund.

64.26 ~~(b) A county may, from its own resources, provide substance use disorder services for~~  
64.27 ~~which state payments are not made. A county may elect to use the same invoice procedures~~  
64.28 ~~and obtain the same state payment services as are used for substance use disorder services~~  
64.29 ~~for which state payments are made under this section if county payments are made to the~~  
64.30 ~~state in advance of state payments to vendors. When a county uses the state system for~~  
64.31 ~~payment, the commissioner shall make monthly billings to the county using the most recent~~  
64.32 ~~available information to determine the anticipated services for which payments will be made~~  
64.33 ~~in the coming month. Adjustment of any overestimate or underestimate based on actual~~



65.1 ~~expenditures shall be made by the state agency by adjusting the estimate for any succeeding~~  
 65.2 ~~month.~~

65.3 ~~(e)~~ (b) The commissioner shall coordinate substance use disorder services and determine  
 65.4 whether there is a need for any proposed expansion of substance use disorder treatment  
 65.5 services. The commissioner shall deny vendor certification to any provider that has not  
 65.6 received prior approval from the commissioner for the creation of new programs or the  
 65.7 expansion of existing program capacity. The commissioner shall consider the provider's  
 65.8 capacity to obtain clients from outside the state based on plans, agreements, and previous  
 65.9 utilization history, when determining the need for new treatment services.

65.10 ~~(d)~~ (c) At least 60 days prior to submitting an application for new licensure under chapter  
 65.11 245G, the applicant must notify the county human services director in writing of the  
 65.12 applicant's intent to open a new treatment program. The written notification must include,  
 65.13 at a minimum:

65.14 (1) a description of the proposed treatment program; and

65.15 (2) a description of the target population to be served by the treatment program.

65.16 ~~(e)~~ (d) The county human services director may submit a written statement to the  
 65.17 commissioner, within 60 days of receiving notice from the applicant, regarding the county's  
 65.18 support of or opposition to the opening of the new treatment program. The written statement  
 65.19 must include documentation of the rationale for the county's determination. The commissioner  
 65.20 shall consider the county's written statement when determining whether there is a need for  
 65.21 the treatment program as required by paragraph (c).

65.22 Sec. 28. Minnesota Statutes 2022, section 254B.03, subdivision 5, is amended to read:

65.23 Subd. 5. **Rules; appeal.** The commissioner shall adopt rules as necessary to implement  
 65.24 this chapter. ~~The commissioner shall establish an appeals process for use by recipients when~~  
 65.25 ~~services certified by the county are disputed. The commissioner shall adopt rules and~~  
 65.26 ~~standards for the appeal process to assure adequate redress for persons referred to~~  
 65.27 ~~inappropriate services.~~

65.28 Sec. 29. Minnesota Statutes 2022, section 254B.04, subdivision 1, is amended to read:

65.29 Subdivision 1. **Eligibility. Scope and applicability.** ~~(a) Persons eligible for benefits~~  
 65.30 ~~under Code of Federal Regulations, title 25, part 20, who meet the income standards of~~  
 65.31 ~~section 256B.056, subdivision 4, and are not enrolled in medical assistance, are entitled to~~

66.1 ~~behavioral health fund services. State money appropriated for this paragraph must be placed~~  
66.2 ~~in a separate account established for this purpose.~~

66.3 ~~(b) Persons with dependent children who are determined to be in need of chemical~~  
66.4 ~~dependency treatment pursuant to an assessment under section 260E.20, subdivision 1, or~~  
66.5 ~~a case plan under section 260C.201, subdivision 6, or 260C.212, shall be assisted by the~~  
66.6 ~~local agency to access needed treatment services. Treatment services must be appropriate~~  
66.7 ~~for the individual or family, which may include long-term care treatment or treatment in a~~  
66.8 ~~facility that allows the dependent children to stay in the treatment facility. The county shall~~  
66.9 ~~pay for out-of-home placement costs, if applicable.~~

66.10 ~~(e) Notwithstanding paragraph (a), persons enrolled in medical assistance are eligible~~  
66.11 ~~for room and board services under section 254B.05, subdivision 5, paragraph (b), clause~~  
66.12 ~~(12).~~

66.13 This section governs the administration of the behavioral health fund, establishes the  
66.14 criteria to be applied by local agencies to determine a client's financial eligibility under the  
66.15 behavioral health fund, and determines a client's obligation to pay for substance use disorder  
66.16 treatment services.

66.17 Sec. 30. Minnesota Statutes 2022, section 254B.04, is amended by adding a subdivision  
66.18 to read:

66.19 Subd. 1a. **Client eligibility.** (a) Persons eligible for benefits under Code of Federal  
66.20 Regulations, title 25, part 20, who meet the income standards of section 256B.056,  
66.21 subdivision 4, and are not enrolled in medical assistance, are entitled to behavioral health  
66.22 fund services. State money appropriated for this paragraph must be placed in a separate  
66.23 account established for this purpose.

66.24 (b) Persons with dependent children who are determined to be in need of chemical  
66.25 dependency treatment pursuant to an assessment under section 260E.20, subdivision 1, or  
66.26 a case plan under section 260C.201, subdivision 6, or 260C.212, shall be assisted by the  
66.27 local agency to access needed treatment services. Treatment services must be appropriate  
66.28 for the individual or family, which may include long-term care treatment or treatment in a  
66.29 facility that allows the dependent children to stay in the treatment facility. The county shall  
66.30 pay for out-of-home placement costs, if applicable.

66.31 (c) Notwithstanding paragraph (a), persons enrolled in medical assistance are eligible  
66.32 for room and board services under section 254B.05, subdivision 5, paragraph (b), clause  
66.33 (12).

67.1 (d) A client is eligible to have substance use disorder treatment paid for with funds from  
67.2 the behavioral health fund when the client:

67.3 (1) is eligible for MFIP as determined under chapter 256J;

67.4 (2) is eligible for medical assistance as determined under Minnesota Rules, parts  
67.5 9505.0010 to 9505.0150;

67.6 (3) is eligible for general assistance, general assistance medical care, or work readiness  
67.7 as determined under Minnesota Rules, parts 9500.1200 to 9500.1318; or

67.8 (4) has income that is within current household size and income guidelines for entitled  
67.9 persons, as defined in this subdivision and subdivision 7.

67.10 (e) Clients who meet the financial eligibility requirement in paragraph (a) and who have  
67.11 a third-party payment source are eligible for the behavioral health fund if the third-party  
67.12 payment source pays less than 100 percent of the cost of treatment services for eligible  
67.13 clients.

67.14 (f) A client is ineligible to have substance use disorder treatment services paid for with  
67.15 behavioral health fund money if the client:

67.16 (1) has an income that exceeds current household size and income guidelines for entitled  
67.17 persons as defined in this subdivision and subdivision 7; or

67.18 (2) has an available third-party payment source that will pay the total cost of the client's  
67.19 treatment.

67.20 (g) A client who is disenrolled from a state prepaid health plan during a treatment episode  
67.21 is eligible for continued treatment service that is paid for by the behavioral health fund until  
67.22 the treatment episode is completed or the client is re-enrolled in a state prepaid health plan  
67.23 if the client:

67.24 (1) continues to be enrolled in MinnesotaCare, medical assistance, or general assistance  
67.25 medical care; or

67.26 (2) is eligible according to paragraphs (a) and (b) and is determined eligible by a local  
67.27 agency under section 254B.04.

67.28 (h) When a county commits a client under chapter 253B to a regional treatment center  
67.29 for substance use disorder services and the client is ineligible for the behavioral health fund,  
67.30 the county is responsible for the payment to the regional treatment center according to  
67.31 section 254B.05, subdivision 4.

68.1 Sec. 31. Minnesota Statutes 2022, section 254B.04, subdivision 2a, is amended to read:

68.2 Subd. 2a. **Eligibility for treatment in residential settings room and board services**  
68.3 **for persons in outpatient substance use disorder treatment.** ~~Notwithstanding provisions~~  
68.4 ~~of Minnesota Rules, part 9530.6622, subparts 5 and 6, related to an assessor's discretion in~~  
68.5 ~~making placements to residential treatment settings,~~ A person eligible for room and board  
68.6 services under this section 254B.05, subdivision 5, paragraph (b), clause (12), must score  
68.7 at level 4 on assessment dimensions related to readiness to change, relapse, continued use,  
68.8 or recovery environment in order to be assigned to services with a room and board component  
68.9 reimbursed under this section. Whether a treatment facility has been designated an institution  
68.10 for mental diseases under United States Code, title 42, section 1396d, shall not be a factor  
68.11 in making placements.

68.12 Sec. 32. Minnesota Statutes 2022, section 254B.04, is amended by adding a subdivision  
68.13 to read:

68.14 **Subd. 4. Assessment criteria and risk descriptions.** (a) The level of care determination  
68.15 must follow criteria approved by the commissioner.

68.16 (b) Dimension 1: Acute intoxication/withdrawal potential. A vendor must use the criteria  
68.17 in Dimension 1 to determine a client's acute intoxication and withdrawal potential, the  
68.18 client's ability to cope with withdrawal symptoms, and the client's current state of  
68.19 intoxication.

68.20 "0" The client displays full functioning with good ability to tolerate and cope with  
68.21 withdrawal discomfort, and the client shows no signs or symptoms of intoxication or  
68.22 withdrawal or diminishing signs or symptoms.

68.23 "1" The client can tolerate and cope with withdrawal discomfort. The client displays  
68.24 mild to moderate intoxication or signs and symptoms interfering with daily functioning but  
68.25 does not immediately endanger self or others. The client poses a minimal risk of severe  
68.26 withdrawal.

68.27 "2" The client has some difficulty tolerating and coping with withdrawal discomfort.  
68.28 The client's intoxication may be severe but responds to support and treatment such that the  
68.29 client does not immediately endanger self or others. The client displays moderate signs and  
68.30 symptoms of withdrawal with moderate risk of severe withdrawal.

68.31 "3" The client tolerates and copes with withdrawal discomfort poorly. The client has  
68.32 severe intoxication, such that the client endangers self or others, or intoxication has not  
68.33 abated with less intensive services. The client displays severe signs and symptoms of

69.1 withdrawal, has a risk of severe but manageable withdrawal, or has worsening withdrawal  
69.2 despite detoxification at less intensive level.

69.3 "4" The client is incapacitated with severe signs and symptoms. The client displays  
69.4 severe withdrawal and is a danger to self or others.

69.5 (c) Dimension 2: biomedical conditions and complications. The vendor must use the  
69.6 criteria in Dimension 2 to determine a client's biomedical conditions and complications, the  
69.7 degree to which any physical disorder of the client would interfere with treatment for  
69.8 substance use, and the client's ability to tolerate any related discomfort. If the client is  
69.9 pregnant, the provider must determine the impact of continued substance use on the unborn  
69.10 child.

69.11 "0" The client displays full functioning with good ability to cope with physical discomfort.

69.12 "1" The client tolerates and copes with physical discomfort and is able to get the services  
69.13 that the client needs.

69.14 "2" The client has difficulty tolerating and coping with physical problems or has other  
69.15 biomedical problems that interfere with recovery and treatment. The client neglects or does  
69.16 not seek care for serious biomedical problems.

69.17 "3" The client tolerates and copes poorly with physical problems or has poor general  
69.18 health. The client neglects the client's medical problems without active assistance.

69.19 "4" The client is unable to participate in substance use disorder treatment and has severe  
69.20 medical problems, a condition that requires immediate intervention, or is incapacitated.

69.21 (d) Dimension 3: Emotional, behavioral, and cognitive conditions and complications.  
69.22 The vendor must use the criteria in Dimension 3 to determine a client's: emotional, behavioral,  
69.23 and cognitive conditions and complications; the degree to which any condition or  
69.24 complication is likely to interfere with treatment for substance use or with functioning in  
69.25 significant life areas; and the likelihood of harm to self or others.

69.26 "0" The client has good impulse control and coping skills and presents no risk of harm  
69.27 to self or others. The client functions in all life areas and displays no emotional, behavioral,  
69.28 or cognitive problems or the problems are stable.

69.29 "1" The client has impulse control and coping skills. The client presents a mild to  
69.30 moderate risk of harm to self or others or displays symptoms of emotional, behavioral, or  
69.31 cognitive problems. The client has a mental health diagnosis and is stable. The client  
69.32 functions adequately in significant life areas.

70.1 "2" The client has difficulty with impulse control and lacks coping skills. The client has  
70.2 thoughts of suicide or harm to others without means; however, the thoughts may interfere  
70.3 with participation in some activities. The client has difficulty functioning in significant life  
70.4 areas. The client has moderate symptoms of emotional, behavioral, or cognitive problems.  
70.5 The client is able to participate in most treatment activities.

70.6 "3" The client has a severe lack of impulse control and coping skills. The client also has  
70.7 frequent thoughts of suicide or harm to others including a plan and the means to carry out  
70.8 the plan. In addition, the client is severely impaired in significant life areas and has severe  
70.9 symptoms of emotional, behavioral, or cognitive problems that interfere with the client's  
70.10 participation in treatment activities.

70.11 "4" The client has severe emotional or behavioral symptoms that place the client or  
70.12 others at acute risk of harm. The client also has intrusive thoughts of harming self or others.  
70.13 The client is unable to participate in treatment activities.

70.14 (e) Dimension 4: Readiness for change. The vendor must use the criteria in Dimension  
70.15 4 to determine a client's readiness for change and the support necessary to keep the client  
70.16 involved in treatment services.

70.17 "0" The client is cooperative, motivated, ready to change, admits problems, committed  
70.18 to change, and engaged in treatment as a responsible participant.

70.19 "1" The client is motivated with active reinforcement to explore treatment and strategies  
70.20 for change but ambivalent about illness or need for change.

70.21 "2" The client displays verbal compliance, but lacks consistent behaviors; has low  
70.22 motivation for change; and is passively involved in treatment.

70.23 "3" The client displays inconsistent compliance, minimal awareness of either the client's  
70.24 addiction or mental disorder, and is minimally cooperative.

70.25 "4" The client is:

70.26 (i) noncompliant with treatment and has no awareness of addiction or mental disorder  
70.27 and does not want or is unwilling to explore change or is in total denial of the client's illness  
70.28 and its implications; or

70.29 (ii) the client is dangerously oppositional to the extent that the client is a threat of  
70.30 imminent harm to self and others.

70.31 (f) Dimension 5: Relapse, continued use, and continued problem potential. The vendor  
70.32 must use the criteria in Dimension 5 to determine a client's relapse, continued use, and

71.1 continued problem potential and the degree to which the client recognizes relapse issues  
71.2 and has the skills to prevent relapse of either substance use or mental health problems.

71.3 "0" The client recognizes risk well and is able to manage potential problems.

71.4 "1" The client recognizes relapse issues and prevention strategies but displays some  
71.5 vulnerability for further substance use or mental health problems.

71.6 "2" The client has:

71.7 (i) minimal recognition and understanding of relapse and recidivism issues and displays  
71.8 moderate vulnerability for further substance use or mental health problems; or

71.9 (ii) some coping skills inconsistently applied.

71.10 "3" The client has poor recognition and understanding of relapse and recidivism issues  
71.11 and displays moderately high vulnerability for further substance use or mental health  
71.12 problems. The client has few coping skills and rarely applies coping skills.

71.13 "4" The client has no coping skills to arrest mental health or addiction illnesses or prevent  
71.14 relapse. The client has no recognition or understanding of relapse and recidivism issues and  
71.15 displays high vulnerability for further substance use disorder or mental health problems.

71.16 (g) Dimension 6: Recovery environment. The vendor must use the criteria in Dimension  
71.17 6 to determine a client's recovery environment, whether the areas of the client's life are  
71.18 supportive of or antagonistic to treatment participation and recovery.

71.19 "0" The client is engaged in structured meaningful activity and has a supportive significant  
71.20 other, family, and living environment.

71.21 "1" The client has passive social network support, or family and significant other are  
71.22 not interested in the client's recovery. The client is engaged in structured meaningful activity.

71.23 "2" The client is engaged in structured, meaningful activity, but peers, family, significant  
71.24 other, and living environment are unsupportive, or there is criminal justice involvement by  
71.25 the client or among the client's peers, significant other, or in the client's living environment.

71.26 "3" The client is not engaged in structured meaningful activity and the client's peers,  
71.27 family, significant other, and living environment are unsupportive, or there is significant  
71.28 criminal justice system involvement.

71.29 "4" The client has:

72.1 (i) a chronically antagonistic significant other, living environment, family, peer group,  
 72.2 or long-term criminal justice involvement that is harmful to recovery or treatment progress;  
 72.3 or

72.4 (ii) the client has an actively antagonistic significant other, family, work, or living  
 72.5 environment that poses an immediate threat to the client's safety and well-being.

72.6 Sec. 33. Minnesota Statutes 2022, section 254B.04, is amended by adding a subdivision  
 72.7 to read:

72.8 Subd. 5. Local agency responsibility to provide services. The local agency may employ  
 72.9 individuals to conduct administrative activities and facilitate access to substance use disorder  
 72.10 treatment services.

72.11 Sec. 34. Minnesota Statutes 2022, section 254B.04, is amended by adding a subdivision  
 72.12 to read:

72.13 Subd. 6. Local agency to determine client financial eligibility. (a) The local agency  
 72.14 shall determine a client's financial eligibility for the behavioral health fund according to  
 72.15 section 254B.04, subdivision 1, with the income calculated prospectively for one year from  
 72.16 the date of comprehensive assessment. The local agency shall pay for eligible clients  
 72.17 according to chapter 256G. The local agency shall enter the financial eligibility span within  
 72.18 ten calendar days of request. Client eligibility must be determined using forms prescribed  
 72.19 by the department. To determine a client's eligibility, the local agency must determine the  
 72.20 client's income, the size of the client's household, the availability of a third-party payment  
 72.21 source, and a responsible relative's ability to pay for the client's substance use disorder  
 72.22 treatment.

72.23 (b) A client who is a minor child must not be deemed to have income available to pay  
 72.24 for substance use disorder treatment, unless the minor child is responsible for payment under  
 72.25 section 144.347 for substance use disorder treatment services sought under section 144.343,  
 72.26 subdivision 1.

72.27 (c) The local agency must determine the client's household size as follows:

72.28 (1) if the client is a minor child, the household size includes the following persons living  
 72.29 in the same dwelling unit:

72.30 (i) the client;

72.31 (ii) the client's birth or adoptive parents; and



73.1 (iii) the client's siblings who are minors; and

73.2 (2) if the client is an adult, the household size includes the following persons living in  
73.3 the same dwelling unit:

73.4 (i) the client;

73.5 (ii) the client's spouse;

73.6 (iii) the client's minor children; and

73.7 (iv) the client's spouse's minor children.

73.8 For purposes of this paragraph, household size includes a person listed in clauses (1) and  
73.9 (2) who is in an out-of-home placement if a person listed in clause (1) or (2) is contributing  
73.10 to the cost of care of the person in out-of-home placement.

73.11 (d) The local agency must determine the client's current prepaid health plan enrollment,  
73.12 the availability of a third-party payment source, including the availability of total payment,  
73.13 partial payment, and amount of co-payment.

73.14 (e) The local agency must provide the required eligibility information to the department  
73.15 in the manner specified by the department.

73.16 (f) The local agency shall require the client and policyholder to conditionally assign to  
73.17 the department the client and policyholder's rights and the rights of minor children to benefits  
73.18 or services provided to the client if the department is required to collect from a third-party  
73.19 pay source.

73.20 (g) The local agency must redetermine a client's eligibility for the behavioral health fund  
73.21 every 12 months.

73.22 (h) A client, responsible relative, and policyholder must provide income or wage  
73.23 verification, household size verification, and must make an assignment of third-party payment  
73.24 rights under paragraph (f). If a client, responsible relative, or policyholder does not comply  
73.25 with the provisions of this subdivision, the client is ineligible for behavioral health fund  
73.26 payment for substance use disorder treatment, and the client and responsible relative must  
73.27 be obligated to pay for the full cost of substance use disorder treatment services provided  
73.28 to the client.

74.1 Sec. 35. Minnesota Statutes 2022, section 254B.04, is amended by adding a subdivision  
74.2 to read:

74.3 Subd. 7. **Client fees.** A client whose household income is within current household size  
74.4 and income guidelines for entitled persons as defined in section 254B.04, subdivision 1a,  
74.5 must pay no fee for care related to substance use disorder, including drug screens.

74.6 Sec. 36. Minnesota Statutes 2022, section 254B.04, is amended by adding a subdivision  
74.7 to read:

74.8 Subd. 8. **Vendor must participate in DAANES system.** To be eligible for payment  
74.9 under the behavioral health fund, a vendor must participate in the Drug and Alcohol Abuse  
74.10 Normative Evaluation System (DAANES) or submit to the commissioner the information  
74.11 required in the DAANES in the format specified by the commissioner.

74.12 Sec. 37. Minnesota Statutes 2022, section 256D.09, subdivision 2a, is amended to read:

74.13 Subd. 2a. **Vendor payments for drug dependent persons.** If, at the time of application  
74.14 or at any other time, there is a reasonable basis for questioning whether a person applying  
74.15 for or receiving financial assistance is drug dependent, as defined in section 254A.02,  
74.16 subdivision 5, the person shall be referred for a chemical health assessment, and only  
74.17 emergency assistance payments or general assistance vendor payments may be provided  
74.18 until the assessment is complete and the results of the assessment made available to the  
74.19 county agency. A reasonable basis for referring an individual for an assessment exists when:

74.20 (1) the person has required detoxification two or more times in the past 12 months;

74.21 (2) the person appears intoxicated at the county agency as indicated by two or more of  
74.22 the following:

74.23 (i) the odor of alcohol;

74.24 (ii) slurred speech;

74.25 (iii) disconjugate gaze;

74.26 (iv) impaired balance;

74.27 (v) difficulty remaining awake;

74.28 (vi) consumption of alcohol;

74.29 (vii) responding to sights or sounds that are not actually present;

74.30 (viii) extreme restlessness, fast speech, or unusual belligerence;

75.1 (3) the person has been involuntarily committed for drug dependency at least once in  
75.2 the past 12 months; or

75.3 (4) the person has received treatment, including domiciliary care, for drug abuse or  
75.4 dependency at least twice in the past 12 months.

75.5 The assessment and determination of drug dependency, if any, must be made by an  
75.6 assessor qualified under ~~Minnesota Rules, part 9530.6615, subpart 2~~ section 245G.11,  
75.7 subdivisions 1 and 5, to perform an assessment of chemical use. The county shall only  
75.8 provide emergency general assistance or vendor payments to an otherwise eligible applicant  
75.9 or recipient who is determined to be drug dependent, except up to 15 percent of the grant  
75.10 amount the person would otherwise receive may be paid in cash. Notwithstanding subdivision  
75.11 1, the commissioner of human services shall also require county agencies to provide  
75.12 assistance only in the form of vendor payments to all eligible recipients who assert substance  
75.13 use disorder as a basis for eligibility under section 256D.05, subdivision 1, paragraph (a),  
75.14 clauses (1) and (5).

75.15 The determination of drug dependency shall be reviewed at least every 12 months. If  
75.16 the county determines a recipient is no longer drug dependent, the county may cease vendor  
75.17 payments and provide the recipient payments in cash.

75.18 Sec. 38. Minnesota Statutes 2022, section 256L.03, subdivision 2, is amended to read:

75.19 Subd. 2. **Substance use disorder.** Beginning July 1, 1993, covered health services shall  
75.20 include individual outpatient treatment of substance use disorder by a qualified health  
75.21 professional or outpatient program.

75.22 Persons who may need substance use disorder services under the provisions of this  
75.23 chapter ~~shall be assessed by a local agency as defined under section 254B.01~~ must be  
75.24 assessed by a qualified professional as defined in section 245G.11, subdivisions 1 and 5,  
75.25 and under the assessment provisions of section 254A.03, subdivision 3. A local agency or  
75.26 managed care plan under contract with the Department of Human Services must ~~place~~ offer  
75.27 services to a person in need of substance use disorder services ~~as provided in Minnesota~~  
75.28 ~~Rules, parts 9530.6600 to 9530.6655~~ based on the recommendations of section 245G.05.  
75.29 Persons who are recipients of medical benefits under the provisions of this chapter and who  
75.30 are financially eligible for behavioral health fund services provided under the provisions of  
75.31 chapter 254B shall receive substance use disorder treatment services under the provisions  
75.32 of chapter 254B only if:

76.1 (1) they have exhausted the substance use disorder benefits offered under this chapter;  
 76.2 or  
 76.3 (2) an assessment indicates that they need a level of care not provided under the provisions  
 76.4 of this chapter.

76.5 Recipients of covered health services under the children's health plan, as provided in  
 76.6 Minnesota Statutes 1990, section 256.936, and as amended by Laws 1991, chapter 292,  
 76.7 article 4, section 17, and recipients of covered health services enrolled in the children's  
 76.8 health plan or the MinnesotaCare program after October 1, 1992, pursuant to Laws 1992,  
 76.9 chapter 549, article 4, sections 5 and 17, are eligible to receive substance use disorder  
 76.10 benefits under this subdivision.

76.11 Sec. 39. Minnesota Statutes 2022, section 256L.12, subdivision 8, is amended to read:

76.12 Subd. 8. **Substance use disorder assessments.** The managed care plan shall be  
 76.13 responsible for assessing the need and ~~placement for~~ provision of substance use disorder  
 76.14 services according to criteria set forth in ~~Minnesota Rules, parts 9530.6600 to 9530.6655~~  
 76.15 section 245G.05.

76.16 Sec. 40. Minnesota Statutes 2022, section 260B.157, subdivision 1, is amended to read:

76.17 Subdivision 1. **Investigation.** Upon request of the court the local social services agency  
 76.18 or probation officer shall investigate the personal and family history and environment of  
 76.19 any minor coming within the jurisdiction of the court under section 260B.101 and shall  
 76.20 report its findings to the court. The court may order any minor coming within its jurisdiction  
 76.21 to be examined by a duly qualified physician, psychiatrist, or psychologist appointed by the  
 76.22 court.

76.23 The court shall order a chemical use assessment conducted when a child is (1) found to  
 76.24 be delinquent for violating a provision of chapter 152, or for committing a felony-level  
 76.25 violation of a provision of chapter 609 if the probation officer determines that alcohol or  
 76.26 drug use was a contributing factor in the commission of the offense, or (2) alleged to be  
 76.27 delinquent for violating a provision of chapter 152, if the child is being held in custody  
 76.28 under a detention order. The assessor's qualifications must comply with section 245G.11,  
 76.29 subdivisions 1 and 5, and the assessment criteria ~~shall~~ must comply with ~~Minnesota Rules,~~  
 76.30 ~~parts 9530.6600 to 9530.6655~~ section 245G.05. If funds under chapter 254B are to be used  
 76.31 to pay for the recommended treatment, the assessment ~~and placement~~ must comply with all  
 76.32 provisions of ~~Minnesota Rules, parts 9530.6600 to 9530.6655 and 9530.7000 to 9530.7030~~

77.1 sections 245G.05 and 254B.04. The commissioner of human services shall reimburse the  
77.2 court for the cost of the chemical use assessment, up to a maximum of \$100.

77.3 The court shall order a children's mental health screening conducted when a child is  
77.4 found to be delinquent. The screening shall be conducted with a screening instrument  
77.5 approved by the commissioner of human services and shall be conducted by a mental health  
77.6 practitioner as defined in section 245.4871, subdivision 26, or a probation officer who is  
77.7 trained in the use of the screening instrument. If the screening indicates a need for assessment,  
77.8 the local social services agency, in consultation with the child's family, shall have a diagnostic  
77.9 assessment conducted, including a functional assessment, as defined in section 245.4871.

77.10 With the consent of the commissioner of corrections and agreement of the county to pay  
77.11 the costs thereof, the court may, by order, place a minor coming within its jurisdiction in  
77.12 an institution maintained by the commissioner for the detention, diagnosis, custody and  
77.13 treatment of persons adjudicated to be delinquent, in order that the condition of the minor  
77.14 be given due consideration in the disposition of the case. Any funds received under the  
77.15 provisions of this subdivision shall not cancel until the end of the fiscal year immediately  
77.16 following the fiscal year in which the funds were received. The funds are available for use  
77.17 by the commissioner of corrections during that period and are hereby appropriated annually  
77.18 to the commissioner of corrections as reimbursement of the costs of providing these services  
77.19 to the juvenile courts.

77.20 Sec. 41. Minnesota Statutes 2022, section 260B.157, subdivision 3, is amended to read:

77.21 Subd. 3. **Juvenile treatment screening team.** (a) The local social services agency shall  
77.22 establish a juvenile treatment screening team to conduct screenings and prepare case plans  
77.23 under this subdivision. The team, which may be the team constituted under section 245.4885  
77.24 or 256B.092 or ~~Minnesota Rules, parts 9530.6600 to 9530.6655~~ chapter 254B, shall consist  
77.25 of social workers, juvenile justice professionals, and persons with expertise in the treatment  
77.26 of juveniles who are emotionally disabled, chemically dependent, or have a developmental  
77.27 disability. The team shall involve parents or guardians in the screening process as appropriate.  
77.28 The team may be the same team as defined in section 260C.157, subdivision 3.

77.29 (b) If the court, prior to, or as part of, a final disposition, proposes to place a child:

77.30 (1) for the primary purpose of treatment for an emotional disturbance, and residential  
77.31 placement is consistent with section 260.012, a developmental disability, or chemical  
77.32 dependency in a residential treatment facility out of state or in one which is within the state  
77.33 and licensed by the commissioner of human services under chapter 245A; or

78.1 (2) in any out-of-home setting potentially exceeding 30 days in duration, including a  
78.2 post-dispositional placement in a facility licensed by the commissioner of corrections or  
78.3 human services, the court shall notify the county welfare agency. The county's juvenile  
78.4 treatment screening team must either:

78.5 (i) screen and evaluate the child and file its recommendations with the court within 14  
78.6 days of receipt of the notice; or

78.7 (ii) elect not to screen a given case, and notify the court of that decision within three  
78.8 working days.

78.9 (c) If the screening team has elected to screen and evaluate the child, the child may not  
78.10 be placed for the primary purpose of treatment for an emotional disturbance, a developmental  
78.11 disability, or chemical dependency, in a residential treatment facility out of state nor in a  
78.12 residential treatment facility within the state that is licensed under chapter 245A, unless one  
78.13 of the following conditions applies:

78.14 (1) a treatment professional certifies that an emergency requires the placement of the  
78.15 child in a facility within the state;

78.16 (2) the screening team has evaluated the child and recommended that a residential  
78.17 placement is necessary to meet the child's treatment needs and the safety needs of the  
78.18 community, that it is a cost-effective means of meeting the treatment needs, and that it will  
78.19 be of therapeutic value to the child; or

78.20 (3) the court, having reviewed a screening team recommendation against placement,  
78.21 determines to the contrary that a residential placement is necessary. The court shall state  
78.22 the reasons for its determination in writing, on the record, and shall respond specifically to  
78.23 the findings and recommendation of the screening team in explaining why the  
78.24 recommendation was rejected. The attorney representing the child and the prosecuting  
78.25 attorney shall be afforded an opportunity to be heard on the matter.

78.26 Sec. 42. Minnesota Statutes 2022, section 260C.157, subdivision 3, is amended to read:

78.27 Subd. 3. **Juvenile treatment screening team.** (a) The responsible social services agency  
78.28 shall establish a juvenile treatment screening team to conduct screenings under this chapter  
78.29 and chapter 260D, for a child to receive treatment for an emotional disturbance, a  
78.30 developmental disability, or related condition in a residential treatment facility licensed by  
78.31 the commissioner of human services under chapter 245A, or licensed or approved by a tribe.  
78.32 A screening team is not required for a child to be in: (1) a residential facility specializing  
78.33 in prenatal, postpartum, or parenting support; (2) a facility specializing in high-quality

79.1 residential care and supportive services to children and youth who have been or are at risk  
79.2 of becoming victims of sex trafficking or commercial sexual exploitation; (3) supervised  
79.3 settings for youth who are 18 years of age or older and living independently; or (4) a licensed  
79.4 residential family-based treatment facility for substance abuse consistent with section  
79.5 260C.190. Screenings are also not required when a child must be placed in a facility due to  
79.6 an emotional crisis or other mental health emergency.

79.7 (b) The responsible social services agency shall conduct screenings within 15 days of a  
79.8 request for a screening, unless the screening is for the purpose of residential treatment and  
79.9 the child is enrolled in a prepaid health program under section 256B.69, in which case the  
79.10 agency shall conduct the screening within ten working days of a request. The responsible  
79.11 social services agency shall convene the juvenile treatment screening team, which may be  
79.12 constituted under section 245.4885, 254B.05, or 256B.092 ~~or Minnesota Rules, parts~~  
79.13 ~~9530.6600 to 9530.6655~~. The team shall consist of social workers; persons with expertise  
79.14 in the treatment of juveniles who are emotionally disturbed, chemically dependent, or have  
79.15 a developmental disability; and the child's parent, guardian, or permanent legal custodian.  
79.16 The team may include the child's relatives as defined in section 260C.007, subdivisions 26b  
79.17 and 27, the child's foster care provider, and professionals who are a resource to the child's  
79.18 family such as teachers, medical or mental health providers, and clergy, as appropriate,  
79.19 consistent with the family and permanency team as defined in section 260C.007, subdivision  
79.20 16a. Prior to forming the team, the responsible social services agency must consult with the  
79.21 child's parents, the child if the child is age 14 or older, and, if applicable, the child's tribe  
79.22 to obtain recommendations regarding which individuals to include on the team and to ensure  
79.23 that the team is family-centered and will act in the child's best interests. If the child, child's  
79.24 parents, or legal guardians raise concerns about specific relatives or professionals, the team  
79.25 should not include those individuals. This provision does not apply to paragraph (c).

79.26 (c) If the agency provides notice to tribes under section 260.761, and the child screened  
79.27 is an Indian child, the responsible social services agency must make a rigorous and concerted  
79.28 effort to include a designated representative of the Indian child's tribe on the juvenile  
79.29 treatment screening team, unless the child's tribal authority declines to appoint a  
79.30 representative. The Indian child's tribe may delegate its authority to represent the child to  
79.31 any other federally recognized Indian tribe, as defined in section 260.755, subdivision 12.  
79.32 The provisions of the Indian Child Welfare Act of 1978, United States Code, title 25, sections  
79.33 1901 to 1963, and the Minnesota Indian Family Preservation Act, sections 260.751 to  
79.34 260.835, apply to this section.

80.1 (d) If the court, prior to, or as part of, a final disposition or other court order, proposes  
80.2 to place a child with an emotional disturbance or developmental disability or related condition  
80.3 in residential treatment, the responsible social services agency must conduct a screening.  
80.4 If the team recommends treating the child in a qualified residential treatment program, the  
80.5 agency must follow the requirements of sections 260C.70 to 260C.714.

80.6 The court shall ascertain whether the child is an Indian child and shall notify the  
80.7 responsible social services agency and, if the child is an Indian child, shall notify the Indian  
80.8 child's tribe as paragraph (c) requires.

80.9 (e) When the responsible social services agency is responsible for placing and caring  
80.10 for the child and the screening team recommends placing a child in a qualified residential  
80.11 treatment program as defined in section 260C.007, subdivision 26d, the agency must: (1)  
80.12 begin the assessment and processes required in section 260C.704 without delay; and (2)  
80.13 conduct a relative search according to section 260C.221 to assemble the child's family and  
80.14 permanency team under section 260C.706. Prior to notifying relatives regarding the family  
80.15 and permanency team, the responsible social services agency must consult with the child's  
80.16 parent or legal guardian, the child if the child is age 14 or older, and, if applicable, the child's  
80.17 tribe to ensure that the agency is providing notice to individuals who will act in the child's  
80.18 best interests. The child and the child's parents may identify a culturally competent qualified  
80.19 individual to complete the child's assessment. The agency shall make efforts to refer the  
80.20 assessment to the identified qualified individual. The assessment may not be delayed for  
80.21 the purpose of having the assessment completed by a specific qualified individual.

80.22 (f) When a screening team determines that a child does not need treatment in a qualified  
80.23 residential treatment program, the screening team must:

80.24 (1) document the services and supports that will prevent the child's foster care placement  
80.25 and will support the child remaining at home;

80.26 (2) document the services and supports that the agency will arrange to place the child  
80.27 in a family foster home; or

80.28 (3) document the services and supports that the agency has provided in any other setting.

80.29 (g) When the Indian child's tribe or tribal health care services provider or Indian Health  
80.30 Services provider proposes to place a child for the primary purpose of treatment for an  
80.31 emotional disturbance, a developmental disability, or co-occurring emotional disturbance  
80.32 and chemical dependency, the Indian child's tribe or the tribe delegated by the child's tribe  
80.33 shall submit necessary documentation to the county juvenile treatment screening team,  
80.34 which must invite the Indian child's tribe to designate a representative to the screening team.



81.1 (h) The responsible social services agency must conduct and document the screening in  
81.2 a format approved by the commissioner of human services.

81.3 Sec. 43. Minnesota Statutes 2022, section 260E.20, subdivision 1, is amended to read:

81.4 Subdivision 1. **General duties.** (a) The local welfare agency shall offer services to  
81.5 prevent future maltreatment, safeguarding and enhancing the welfare of the maltreated child,  
81.6 and supporting and preserving family life whenever possible.

81.7 (b) If the report alleges a violation of a criminal statute involving maltreatment or child  
81.8 endangerment under section 609.378, the local law enforcement agency and local welfare  
81.9 agency shall coordinate the planning and execution of their respective investigation and  
81.10 assessment efforts to avoid a duplication of fact-finding efforts and multiple interviews.  
81.11 Each agency shall prepare a separate report of the results of the agency's investigation or  
81.12 assessment.

81.13 (c) In cases of alleged child maltreatment resulting in death, the local agency may rely  
81.14 on the fact-finding efforts of a law enforcement investigation to make a determination of  
81.15 whether or not maltreatment occurred.

81.16 (d) When necessary, the local welfare agency shall seek authority to remove the child  
81.17 from the custody of a parent, guardian, or adult with whom the child is living.

81.18 (e) In performing any of these duties, the local welfare agency shall maintain an  
81.19 appropriate record.

81.20 (f) In conducting a family assessment or investigation, the local welfare agency shall  
81.21 gather information on the existence of substance abuse and domestic violence.

81.22 (g) If the family assessment or investigation indicates there is a potential for abuse of  
81.23 alcohol or other drugs by the parent, guardian, or person responsible for the child's care,  
81.24 the local welfare agency ~~shall conduct~~ must coordinate a chemical use comprehensive  
81.25 assessment pursuant to Minnesota Rules, part 9530.6615 section 245G.05.

81.26 (h) The agency may use either a family assessment or investigation to determine whether  
81.27 the child is safe when responding to a report resulting from birth match data under section  
81.28 260E.03, subdivision 23, paragraph (c). If the child subject of birth match data is determined  
81.29 to be safe, the agency shall consult with the county attorney to determine the appropriateness  
81.30 of filing a petition alleging the child is in need of protection or services under section  
81.31 260C.007, subdivision 6, clause (16), in order to deliver needed services. If the child is  
81.32 determined not to be safe, the agency and the county attorney shall take appropriate action  
81.33 as required under section 260C.503, subdivision 2.

82.1 Sec. 44. Minnesota Statutes 2022, section 299A.299, subdivision 1, is amended to read:

82.2 Subdivision 1. **Establishment of team.** A county, a multicounty organization of counties  
 82.3 formed by an agreement under section 471.59, or a city with a population of no more than  
 82.4 50,000, may establish a multidisciplinary chemical abuse prevention team. The chemical  
 82.5 abuse prevention team may include, but not be limited to, representatives of health, mental  
 82.6 health, public health, law enforcement, educational, social service, court service, community  
 82.7 education, religious, and other appropriate agencies, and parent and youth groups. For  
 82.8 purposes of this section, "chemical abuse" has the meaning given in ~~Minnesota Rules, part~~  
 82.9 ~~9530.6605, subpart 6~~ section 254A.02, subdivision 6a. When possible the team must  
 82.10 coordinate its activities with existing local groups, organizations, and teams dealing with  
 82.11 the same issues the team is addressing.

82.12 Sec. 45. **REVISOR INSTRUCTION.**

82.13 The revisor of statutes shall renumber the subdivisions in Minnesota Statutes, section  
 82.14 254B.01, in alphabetical order and correct any cross-reference changes that result.

82.15 Sec. 46. **REPEALER.**

82.16 Minnesota Statutes 2022, sections 169A.70, subdivision 6; 245G.22, subdivision 19;  
 82.17 254A.02, subdivision 8a; 254A.16, subdivision 6; 254A.19, subdivisions 1a, 2, and 5;  
 82.18 254B.04, subdivisions 2b and 2c; and 254B.041, subdivision 2, are repealed.

### 82.19 ARTICLE 3

### 82.20 HOUSING AND ECONOMIC ASSISTANCE

82.21 Section 1. Minnesota Statutes 2022, section 256D.02, is amended by adding a subdivision  
 82.22 to read:

82.23 Subd. 20. **Date of application.** "Date of application" has the meaning given in section  
 82.24 256P.01, subdivision 2b.

82.25 Sec. 2. Minnesota Statutes 2022, section 256D.07, is amended to read:

82.26 **256D.07 TIME OF PAYMENT OF ASSISTANCE.**

82.27 An applicant for general assistance shall be deemed eligible if the application and the  
 82.28 verification of the statement on that application demonstrate that the applicant is within the  
 82.29 eligibility criteria established by sections 256D.01 to 256D.21 and any applicable rules of  
 82.30 the commissioner. Any person requesting general assistance shall be permitted by the county

83.1 agency to make an application for assistance as soon as administratively possible and in no  
 83.2 event later than the fourth day following the date on which assistance is first requested, and  
 83.3 no county agency shall require that a person requesting assistance appear at the offices of  
 83.4 the county agency more than once prior to the date on which the person is permitted to make  
 83.5 the application. ~~The application shall be in writing in the manner and upon the form~~  
 83.6 ~~prescribed by the commissioner and attested to by the oath of the applicant or in lieu thereof~~  
 83.7 ~~shall contain the following declaration which shall be signed by the applicant: "I declare~~  
 83.8 ~~that this application has been examined by me and to the best of my knowledge and belief~~  
 83.9 ~~is a true and correct statement of every material point."~~ Applications must be submitted  
 83.10 according to section 256P.04, subdivision 1a. On the date that general assistance is first  
 83.11 requested, the county agency shall inquire and determine whether the person requesting  
 83.12 assistance is in immediate need of food, shelter, clothing, assistance for necessary  
 83.13 transportation, or other emergency assistance pursuant to section 256D.06, subdivision 2.  
 83.14 A person in need of emergency assistance shall be granted emergency assistance immediately,  
 83.15 and necessary emergency assistance shall continue for up to 30 days following the date of  
 83.16 application. A determination of an applicant's eligibility for general assistance shall be made  
 83.17 by the county agency as soon as the required verifications are received by the county agency  
 83.18 and in no event later than 30 days following the date that the application is made. Any  
 83.19 verifications required of the applicant shall be reasonable, and the commissioner shall by  
 83.20 rule establish reasonable verifications. General assistance shall be granted to an eligible  
 83.21 applicant without the necessity of first securing action by the board of the county agency.  
 83.22 The first month's grant must be computed to cover the time period starting with the date a  
 83.23 ~~signed application form is received by the county agency~~ of application, as defined by  
 83.24 section 256P.01, subdivision 2b, or from the date that the applicant meets all eligibility  
 83.25 factors, whichever occurs later.

83.26 If upon verification and due investigation it appears that the applicant provided false  
 83.27 information and the false information materially affected the applicant's eligibility for general  
 83.28 assistance or the amount of the applicant's general assistance grant, the county agency may  
 83.29 refer the matter to the county attorney. The county attorney may commence a criminal  
 83.30 prosecution or a civil action for the recovery of any general assistance wrongfully received,  
 83.31 or both.

83.32 Sec. 3. Minnesota Statutes 2022, section 256I.03, subdivision 15, is amended to read:

83.33 Subd. 15. **Supportive housing.** "Supportive housing" means housing that is not  
 83.34 time-limited ~~and~~, provides or coordinates services necessary for a resident to maintain  
 83.35 housing stability, and is not assisted living licensed under chapter 144G.

84.1 Sec. 4. Minnesota Statutes 2022, section 256I.03, is amended by adding a subdivision to  
84.2 read:

84.3 Subd. 16. **Date of application.** "Date of application" has the meaning given in section  
84.4 256P.01, subdivision 2b.

84.5 Sec. 5. Minnesota Statutes 2022, section 256I.04, subdivision 2, is amended to read:

84.6 Subd. 2. **Date of eligibility.** An individual who has met the eligibility requirements of  
84.7 subdivision 1, shall have a housing support payment made on the individual's behalf from  
84.8 the first day of the month ~~in which a signed~~ of the date of application form is received by  
84.9 ~~a county agency,~~ as defined by section 256P.01, subdivision 2b, or the first day of the month  
84.10 in which all eligibility factors have been met, whichever is later.

84.11 Sec. 6. Minnesota Statutes 2022, section 256I.06, subdivision 3, is amended to read:

84.12 Subd. 3. **Filing of application.** ~~The county agency must immediately provide an~~  
84.13 ~~application form to any person requesting housing support. Application for housing support~~  
84.14 ~~must be in writing on a form prescribed by the commissioner.~~ Applications must be submitted  
84.15 according to section 256P.04, subdivision 1a. The county agency must determine an  
84.16 applicant's eligibility for housing support as soon as the required verifications are received  
84.17 by the county agency and within 30 days after a signed application is received by the county  
84.18 agency for the aged or blind or within 60 days for people with a disability.

84.19 Sec. 7. Minnesota Statutes 2022, section 256I.09, is amended to read:

84.20 **256I.09 COMMUNITY LIVING INFRASTRUCTURE.**

84.21 The commissioner shall award grants to agencies and multi-Tribal collaboratives through  
84.22 an annual competitive process. Grants awarded under this section may be used for: (1)  
84.23 outreach to locate and engage people who are homeless or residing in segregated settings  
84.24 to screen for basic needs and assist with referral to community living resources; (2) building  
84.25 capacity to provide technical assistance and consultation on housing and related support  
84.26 service resources for persons with both disabilities and low income; or (3) streamlining the  
84.27 administration and monitoring activities related to housing support funds. Agencies may  
84.28 collaborate and submit a joint application for funding under this section.

84.29 Sec. 8. Minnesota Statutes 2022, section 256J.08, subdivision 21, is amended to read:

84.30 Subd. 21. **Date of application.** "Date of application" ~~means the date on which the county~~  
84.31 ~~agency receives an applicant's application as a signed written application, an application~~

85.1 ~~submitted by telephone, or an application submitted through Internet telepresence~~ has the  
 85.2 meaning given in section 256P.01, subdivision 2b.

85.3 Sec. 9. Minnesota Statutes 2022, section 256J.09, subdivision 3, is amended to read:

85.4 Subd. 3. **Submitting application form.** (a) A county agency must offer, in person or  
 85.5 by mail, the application forms prescribed by the commissioner as soon as a person makes  
 85.6 a written or oral inquiry. At that time, the county agency must:

85.7 (1) inform the person that assistance begins on the date ~~that the~~ of application is received  
 85.8 ~~by the county agency either as a signed written application; an application submitted by~~  
 85.9 ~~telephone; or an application submitted through Internet telepresence;~~ as defined in section  
 85.10 256P.01, subdivision 2b, or on the date that all eligibility criteria are met, whichever is later;

85.11 (2) inform a person that the person may submit the application by telephone or through  
 85.12 Internet telepresence;

85.13 (3) inform a person ~~that when the person submits the application by telephone or through~~  
 85.14 ~~Internet telepresence, the county agency must receive a signed written application within~~  
 85.15 ~~30 days of the date that the person submitted the application by telephone or through Internet~~  
 85.16 ~~telepresence~~ of the application submission requirements in section 256P.04, subdivision  
 85.17 1a;

85.18 (4) inform the person that any delay in submitting the application will reduce the amount  
 85.19 of assistance paid for the month of application;

85.20 (5) inform a person that the person may submit the application before an interview;

85.21 (6) explain the information that will be verified during the application process by the  
 85.22 county agency as provided in section 256J.32;

85.23 (7) inform a person about the county agency's average application processing time and  
 85.24 explain how the application will be processed under subdivision 5;

85.25 (8) explain how to contact the county agency if a person's application information changes  
 85.26 and how to withdraw the application;

85.27 (9) inform a person that the next step in the application process is an interview and what  
 85.28 a person must do if the application is approved including, but not limited to, attending  
 85.29 orientation under section 256J.45 and complying with employment and training services  
 85.30 requirements in sections 256J.515 to 256J.57;

86.1 (10) inform the person that an interview must be conducted. The interview may be  
 86.2 conducted face-to-face in the county office or at a location mutually agreed upon, through  
 86.3 Internet telepresence, or by telephone;

86.4 (11) explain the child care and transportation services that are available under paragraph  
 86.5 (c) to enable caregivers to attend the interview, screening, and orientation; and

86.6 (12) identify any language barriers and arrange for translation assistance during  
 86.7 appointments, including, but not limited to, screening under subdivision 3a, orientation  
 86.8 under section 256J.45, and assessment under section 256J.521.

86.9 (b) Upon receipt of a signed application, the county agency must stamp the date of receipt  
 86.10 on the face of the application. The county agency must process the application within the  
 86.11 time period required under subdivision 5. An applicant may withdraw the application at  
 86.12 any time by giving written or oral notice to the county agency. The county agency must  
 86.13 issue a written notice confirming the withdrawal. The notice must inform the applicant of  
 86.14 the county agency's understanding that the applicant has withdrawn the application and no  
 86.15 longer wants to pursue it. When, within ten days of the date of the agency's notice, an  
 86.16 applicant informs a county agency, in writing, that the applicant does not wish to withdraw  
 86.17 the application, the county agency must reinstate the application and finish processing the  
 86.18 application.

86.19 (c) Upon a participant's request, the county agency must arrange for transportation and  
 86.20 child care or reimburse the participant for transportation and child care expenses necessary  
 86.21 to enable participants to attend the screening under subdivision 3a and orientation under  
 86.22 section 256J.45.

86.23 Sec. 10. Minnesota Statutes 2022, section 256J.95, subdivision 5, is amended to read:

86.24 Subd. 5. **Submitting application form.** The eligibility date for the diversionary work  
 86.25 program begins on the date ~~that the combined~~ of application form (CAF) is received by the  
 86.26 ~~county agency either as a signed written application; an application submitted by telephone;~~  
 86.27 ~~or an application submitted through Internet telepresence;~~ as defined in section 256P.01,  
 86.28 subdivision 2b, or on the date that diversionary work program eligibility criteria are met,  
 86.29 whichever is later. The county agency must inform an applicant ~~that when the applicant~~  
 86.30 ~~submits the application by telephone or through Internet telepresence, the county agency~~  
 86.31 ~~must receive a signed written application within 30 days of the date that the applicant~~  
 86.32 ~~submitted the application by telephone or through Internet telepresence~~ of the application  
 86.33 submission requirements in section 256P.04, subdivision 1a. The county agency must inform  
 86.34 the applicant that any delay in submitting the application will reduce the benefits paid for

87.1 the month of application. The county agency must inform a person that an application may  
 87.2 be submitted before the person has an interview appointment. Upon receipt of a signed  
 87.3 application, the county agency must stamp the date of receipt on the face of the application.  
 87.4 The applicant may withdraw the application at any time prior to approval by giving written  
 87.5 or oral notice to the county agency. The county agency must follow the notice requirements  
 87.6 in section 256J.09, subdivision 3, when issuing a notice confirming the withdrawal.

87.7 Sec. 11. Minnesota Statutes 2022, section 256P.01, is amended by adding a subdivision  
 87.8 to read:

87.9 Subd. 2b. **Date of application.** "Date of application" means the date on which the agency  
 87.10 receives an applicant's application as a signed written application, an application submitted  
 87.11 by telephone, or an application submitted through Internet telepresence. The child care  
 87.12 assistance program under chapter 119B is exempt from this definition.

87.13 Sec. 12. Minnesota Statutes 2022, section 256P.04, is amended by adding a subdivision  
 87.14 to read:

87.15 Subd. 1a. **Application submission.** An agency must offer, in person or by mail, the  
 87.16 application forms prescribed by the commissioner as soon as a person makes a written or  
 87.17 oral inquiry about assistance. Applications must be received by the agency as a signed  
 87.18 written application, an application submitted by telephone, or an application submitted  
 87.19 through Internet telepresence. When a person submits an application by telephone or through  
 87.20 Internet telepresence, the agency must receive a signed written application within 30 days  
 87.21 of the date that the person submitted the application by telephone or through Internet  
 87.22 telepresence.

87.23 Sec. 13. **REVISOR INSTRUCTION.**

87.24 The revisor of statutes shall renumber the subdivisions in Minnesota Statutes, sections  
 87.25 256D.02 and 256I.03, in alphabetical order, excluding the first subdivision in each section,  
 87.26 and correct any cross-reference changes that result.

## 87.27 **ARTICLE 4**

### 87.28 **CHILDREN AND FAMILY SERVICES**

87.29 Section 1. Minnesota Statutes 2022, section 256N.24, subdivision 12, is amended to read:

87.30 Subd. 12. **Approval of initial assessments, special assessments, and reassessments.** (a)  
 87.31 Any agency completing initial assessments, special assessments, or reassessments must

88.1 designate one or more supervisors or other staff to examine and approve assessments  
 88.2 completed by others in the agency under subdivision 2. The person approving an assessment  
 88.3 must not be the case manager or staff member completing that assessment.

88.4 (b) In cases where a special assessment or reassessment for Northstar kinship assistance  
 88.5 and adoption assistance is required under subdivision 8 or 11, the commissioner shall review  
 88.6 and approve the assessment as part of the eligibility determination process outlined in section  
 88.7 256N.22, subdivision 7, for Northstar kinship assistance, or section 256N.23, subdivision  
 88.8 7, for adoption assistance. The assessment determines the maximum of the negotiated  
 88.9 agreement amount under section 256N.25.

88.10 (c) The effective date of the new rate is effective the calendar month that the assessment  
 88.11 is approved, or the effective date of the agreement, whichever is later. determined as follows:

88.12 (1) for initial assessments of children in foster care, the new rate is effective based on  
 88.13 the emergency foster care rate for initial placement pursuant to section 256N.26, subdivision  
 88.14 6;

88.15 (2) for special assessments, the new rate is effective the date of the finalized adoption  
 88.16 decree or the date of the court order that transfers permanent legal and physical custody to  
 88.17 a relative;

88.18 (3) for postpermanency reassessments, the new rate is effective the date that the  
 88.19 commissioner signs the amendment to the Northstar Adoption Assistance or Northstar  
 88.20 Kinship Assistance benefit agreement.

88.21 Sec. 2. Minnesota Statutes 2022, section 260C.221, subdivision 1, is amended to read:

88.22 Subdivision 1. **Relative search requirements.** (a) The responsible social services agency  
 88.23 shall exercise due diligence to identify and notify adult relatives, as defined in section  
 88.24 260C.007, subdivision 27, and current caregivers of a child's sibling, prior to placement or  
 88.25 within 30 days after the child's removal from the parent, regardless of whether a child is  
 88.26 placed in a relative's home, as required under subdivision 2. The relative search required  
 88.27 by this section shall be comprehensive in scope.

88.28 (b) The relative search required by this section shall include both maternal and paternal  
 88.29 adult relatives of the child; all adult grandparents; all legal parents, guardians, or custodians  
 88.30 of the child's siblings; and any other adult relatives suggested by the child's parents, subject  
 88.31 to the exceptions due to family violence in subdivision 5, paragraph (b). The search shall  
 88.32 also include getting information from the child in an age-appropriate manner about who the  
 88.33 child considers to be family members and important friends with whom the child has resided



89.1 or had significant contact. The relative search required under this section must fulfill the  
89.2 agency's duties under the Indian Child Welfare Act regarding active efforts to prevent the  
89.3 breakup of the Indian family under United States Code, title 25, section 1912(d), and to  
89.4 meet placement preferences under United States Code, title 25, section 1915.

89.5 (c) The responsible social services agency has a continuing responsibility to search for  
89.6 and identify relatives of a child and send the notice to relatives that is required under  
89.7 subdivision 2, unless the court has relieved the agency of this duty under subdivision 5,  
89.8 paragraph (e).

89.9 Sec. 3. Minnesota Statutes 2022, section 260C.317, subdivision 3, is amended to read:

89.10 Subd. 3. **Order; retention of jurisdiction.** (a) A certified copy of the findings and the  
89.11 order terminating parental rights, and a summary of the court's information concerning the  
89.12 child shall be furnished by the court to the commissioner or the agency to which guardianship  
89.13 is transferred.

89.14 (b) The orders shall be on a document separate from the findings. The court shall furnish  
89.15 the guardian a copy of the order terminating parental rights.

89.16 (c) When the court orders guardianship pursuant to this section, the guardian ad litem  
89.17 and counsel for the child shall continue on the case until an adoption decree is entered. An  
89.18 in-court appearance hearing must be held every 90 days following termination of parental  
89.19 rights for the court to review progress toward an adoptive placement and the specific  
89.20 recruitment efforts the agency has taken to find an adoptive family for the child and to  
89.21 finalize the adoption or other permanency plan. Review of the progress toward adoption of  
89.22 a child under guardianship of the commissioner of human services shall be conducted  
89.23 according to section 260C.607.

89.24 (d) Upon terminating parental rights or upon a parent's consent to adoption under  
89.25 ~~Minnesota Statutes 2010, section 260C.201, subdivision 11, or section 260C.515, subdivision~~  
89.26 ~~5 3~~, resulting in an order for guardianship to the commissioner of human services, the court  
89.27 shall retain jurisdiction:

89.28 (1) until the child is adopted;

89.29 (2) through the child's minority; or

89.30 (3) as long as the child continues in or reenters foster care, until the individual becomes  
89.31 21 years of age according to sections 260C.193, subdivision 6, and 260C.451.

90.1 Sec. 4. Minnesota Statutes 2022, section 518A.43, subdivision 1b, is amended to read:

90.2 Subd. 1b. **Increase in income of custodial parent.** In a modification of support under  
 90.3 section 518A.39, the court may deviate from the presumptive child support obligation under  
 90.4 section 518A.34 when the only change in circumstances is an increase to the custodial  
 90.5 parent's income ~~and~~;

90.6 ~~(1)~~ the basic support increases; and:

90.7 ~~(2)~~ (1) the parties' combined gross income is \$6,000 or less; or

90.8 ~~(3)~~ (2) the obligor's income is \$2,000 or less.

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

90.10 Sec. 5. **REPEALER.**

90.11 Subdivision 1. Minnesota Statutes 2022, section 518A.59, is repealed.

90.12 Subd. 2. Minnesota Statutes 2022, section 256D.63, subdivision 1, is repealed.

90.13 **EFFECTIVE DATE.** The repeal of the section in subdivision 1 is effective the day  
 90.14 following final enactment.

## 90.15 ARTICLE 5

### 90.16 HEALTH CARE

90.17 Section 1. Minnesota Statutes 2022, section 256B.056, is amended by adding a subdivision  
 90.18 to read:

90.19 Subd. 5d. **Medical assistance room and board rate.** "Medical assistance room and  
 90.20 board rate" means an amount equal to 81 percent of the federal poverty guideline for a single  
 90.21 individual living alone in the community less the medical assistance personal needs allowance  
 90.22 under section 256B.35. The amount of the room and board rate, as defined in section 256I.03,  
 90.23 subdivision 2, that exceeds the medical assistance room and board rate is considered a  
 90.24 remedial care cost. A remedial care cost may be used to meet a spenddown obligation under  
 90.25 this section. The medical assistance room and board rate is to be adjusted on January 1 of  
 90.26 each year.

90.27 Sec. 2. Minnesota Statutes 2022, section 256B.0622, subdivision 8, is amended to read:

90.28 Subd. 8. **Medical assistance payment for assertive community treatment and**  
 90.29 **intensive residential treatment services.** (a) Payment for intensive residential treatment  
 90.30 services and assertive community treatment in this section shall be based on one daily rate

91.1 per provider inclusive of the following services received by an eligible client in a given  
91.2 calendar day: all rehabilitative services under this section, staff travel time to provide  
91.3 rehabilitative services under this section, and nonresidential crisis stabilization services  
91.4 under section 256B.0624.

91.5 (b) Except as indicated in paragraph (c), payment will not be made to more than one  
91.6 entity for each client for services provided under this section on a given day. If services  
91.7 under this section are provided by a team that includes staff from more than one entity, the  
91.8 team must determine how to distribute the payment among the members.

91.9 (c) The commissioner shall determine one rate for each provider that will bill medical  
91.10 assistance for residential services under this section and one rate for each assertive community  
91.11 treatment provider. If a single entity provides both services, one rate is established for the  
91.12 entity's residential services and another rate for the entity's nonresidential services under  
91.13 this section. A provider is not eligible for payment under this section without authorization  
91.14 from the commissioner. The commissioner shall develop rates using the following criteria:

91.15 (1) the provider's cost for services shall include direct services costs, other program  
91.16 costs, and other costs determined as follows:

91.17 (i) the direct services costs must be determined using actual costs of salaries, benefits,  
91.18 payroll taxes, and training of direct service staff and service-related transportation;

91.19 (ii) other program costs not included in item (i) must be determined as a specified  
91.20 percentage of the direct services costs as determined by item (i). The percentage used shall  
91.21 be determined by the commissioner based upon the average of percentages that represent  
91.22 the relationship of other program costs to direct services costs among the entities that provide  
91.23 similar services;

91.24 (iii) physical plant costs calculated based on the percentage of space within the program  
91.25 that is entirely devoted to treatment and programming. This does not include administrative  
91.26 or residential space;

91.27 (iv) assertive community treatment physical plant costs must be reimbursed as part of  
91.28 the costs described in item (ii); and

91.29 (v) subject to federal approval, up to an additional five percent of the total rate may be  
91.30 added to the program rate as a quality incentive based upon the entity meeting performance  
91.31 criteria specified by the commissioner;

91.32 (2) actual cost is defined as costs which are allowable, allocable, and reasonable, and  
91.33 consistent with federal reimbursement requirements under Code of Federal Regulations,

92.1 title 48, chapter 1, part 31, relating to for-profit entities, and Office of Management and  
92.2 Budget Circular Number A-122, relating to nonprofit entities;

92.3 (3) the number of service units;

92.4 (4) the degree to which clients will receive services other than services under this section;

92.5 and

92.6 (5) the costs of other services that will be separately reimbursed.

92.7 (d) The rate for intensive residential treatment services and assertive community treatment  
92.8 must exclude the medical assistance room and board rate, as defined in section ~~256I.03~~,  
92.9 ~~subdivision 6~~ 256B.056, subdivision 5d, and services not covered under this section, such  
92.10 as partial hospitalization, home care, and inpatient services.

92.11 (e) Physician services that are not separately billed may be included in the rate to the  
92.12 extent that a psychiatrist, or other health care professional providing physician services  
92.13 within their scope of practice, is a member of the intensive residential treatment services  
92.14 treatment team. Physician services, whether billed separately or included in the rate, may  
92.15 be delivered by telehealth. For purposes of this paragraph, "telehealth" has the meaning  
92.16 given to "mental health telehealth" in section 256B.0625, subdivision 46, when telehealth  
92.17 is used to provide intensive residential treatment services.

92.18 (f) When services under this section are provided by an assertive community treatment  
92.19 provider, case management functions must be an integral part of the team.

92.20 (g) The rate for a provider must not exceed the rate charged by that provider for the  
92.21 same service to other payors.

92.22 (h) The rates for existing programs must be established prospectively based upon the  
92.23 expenditures and utilization over a prior 12-month period using the criteria established in  
92.24 paragraph (c). The rates for new programs must be established based upon estimated  
92.25 expenditures and estimated utilization using the criteria established in paragraph (c).

92.26 (i) Entities who discontinue providing services must be subject to a settle-up process  
92.27 whereby actual costs and reimbursement for the previous 12 months are compared. In the  
92.28 event that the entity was paid more than the entity's actual costs plus any applicable  
92.29 performance-related funding due the provider, the excess payment must be reimbursed to  
92.30 the department. If a provider's revenue is less than actual allowed costs due to lower  
92.31 utilization than projected, the commissioner may reimburse the provider to recover its actual  
92.32 allowable costs. The resulting adjustments by the commissioner must be proportional to the

93.1 percent of total units of service reimbursed by the commissioner and must reflect a difference  
93.2 of greater than five percent.

93.3 (j) A provider may request of the commissioner a review of any rate-setting decision  
93.4 made under this subdivision.

93.5 Sec. 3. Minnesota Statutes 2022, section 256B.0625, subdivision 3a, is amended to read:

93.6 Subd. 3a. ~~Sex reassignment surgery~~ Gender confirmation services. ~~Sex reassignment~~  
93.7 ~~surgery is not covered~~ Medical Assistance covers gender confirmation services.

93.8 Sec. 4. Minnesota Statutes 2022, section 256B.0625, subdivision 16, is amended to read:

93.9 Subd. 16. **Abortion services.** Medical assistance covers abortion services, but only if  
93.10 one of the following conditions is met:

93.11 ~~(a) The abortion is a medical necessity. "Medical necessity" means (1) the signed written~~  
93.12 ~~statement of two physicians indicating the abortion is medically necessary to prevent the~~  
93.13 ~~death of the mother, and (2) the patient has given her consent to the abortion in writing~~  
93.14 ~~unless the patient is physically or legally incapable of providing informed consent to the~~  
93.15 ~~procedure, in which case consent will be given as otherwise provided by law;~~

93.16 ~~(b) The pregnancy is the result of criminal sexual conduct as defined in section 609.342,~~  
93.17 ~~subdivision 1, clauses (a), (b), (c)(i) and (ii), and (e), and subdivision 1a, clauses (a), (b),~~  
93.18 ~~(c)(i) and (ii), and (d), and the incident is reported within 48 hours after the incident occurs~~  
93.19 ~~to a valid law enforcement agency for investigation, unless the victim is physically unable~~  
93.20 ~~to report the criminal sexual conduct, in which case the report shall be made within 48 hours~~  
93.21 ~~after the victim becomes physically able to report the criminal sexual conduct; or~~

93.22 ~~(c) The pregnancy is the result of incest, but only if the incident and relative are reported~~  
93.23 ~~to a valid law enforcement agency for investigation prior to the abortion.~~

93.24 (1) the person suffers from a physical disorder, physical injury, or physical illness,  
93.25 including a life-endangering physical condition caused by or arising from the pregnancy  
93.26 itself that would, as certified by a physician, place the person in danger of death unless the  
93.27 abortion is performed;

93.28 (2) the pregnancy resulted from rape;

93.29 (3) the pregnancy resulted from incest; or

93.30 (4) the abortion is being done for other health or therapeutic reasons.

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

94.1 Sec. 5. Minnesota Statutes 2022, section 256B.0946, subdivision 6, is amended to read:

94.2 Subd. 6. **Excluded services.** (a) Services in clauses (1) to (7) are not covered under this  
94.3 section and are not eligible for medical assistance payment as components of children's  
94.4 intensive behavioral health services, but may be billed separately:

94.5 (1) inpatient psychiatric hospital treatment;

94.6 (2) mental health targeted case management;

94.7 (3) partial hospitalization;

94.8 (4) medication management;

94.9 (5) children's mental health day treatment services;

94.10 (6) crisis response services under section 256B.0624;

94.11 (7) transportation; and

94.12 (8) mental health certified family peer specialist services under section 256B.0616.

94.13 (b) Children receiving intensive behavioral health services are not eligible for medical  
94.14 assistance reimbursement for the following services while receiving children's intensive  
94.15 behavioral health services:

94.16 (1) psychotherapy and skills training components of children's therapeutic services and  
94.17 supports under section 256B.0943;

94.18 (2) mental health behavioral aide services as defined in section 256B.0943, subdivision  
94.19 1, paragraph (1);

94.20 (3) home and community-based waiver services;

94.21 (4) mental health residential treatment; and

94.22 (5) medical assistance room and board costs rate, as defined in section ~~256I.03,~~

94.23 ~~subdivision 6~~ 256B.056, subdivision 5d.

94.24 Sec. 6. Minnesota Statutes 2022, section 256B.0947, subdivision 7a, is amended to read:

94.25 Subd. 7a. **Noncovered services.** (a) The rate for intensive rehabilitative mental health  
94.26 services does not include medical assistance payment for services in clauses (1) to (7).

94.27 Services not covered under this paragraph may be billed separately:

94.28 (1) inpatient psychiatric hospital treatment;

94.29 (2) partial hospitalization;

95.1 (3) children's mental health day treatment services;

95.2 (4) physician services outside of care provided by a psychiatrist serving as a member of  
95.3 the treatment team;

95.4 (5) medical assistance room and board costs rate, as defined in section ~~256L.03~~,  
95.5 ~~subdivision 6~~ 256B.056, subdivision 5d;

95.6 (6) home and community-based waiver services; and

95.7 (7) other mental health services identified in the child's individualized education program.

95.8 (b) The following services are not covered under this section and are not eligible for  
95.9 medical assistance payment while youth are receiving intensive rehabilitative mental health  
95.10 services:

95.11 (1) mental health residential treatment; and

95.12 (2) mental health behavioral aide services, as defined in section 256B.0943, subdivision  
95.13 1, paragraph (l).

95.14 Sec. 7. Minnesota Statutes 2022, section 256L.03, subdivision 1, is amended to read:

95.15 Subdivision 1. **Covered health services.** (a) "Covered health services" means the health  
95.16 services reimbursed under chapter 256B, with the exception of special education services,  
95.17 home care nursing services, adult dental care services other than services covered under  
95.18 section 256B.0625, subdivision 9, orthodontic services, nonemergency medical transportation  
95.19 services, personal care assistance and case management services, community first services  
95.20 and supports under section 256B.85, behavioral health home services under section  
95.21 256B.0757, housing stabilization services under section 256B.051, and nursing home or  
95.22 intermediate care facilities services.

95.23 ~~(b) No public funds shall be used for coverage of abortion under MinnesotaCare except~~  
95.24 ~~where the life of the female would be endangered or substantial and irreversible impairment~~  
95.25 ~~of a major bodily function would result if the fetus were carried to term; or where the~~  
95.26 ~~pregnancy is the result of rape or incest.~~

95.27 ~~(e)~~ (b) Covered health services shall be expanded as provided in this section.

95.28 ~~(d)~~ (c) For the purposes of covered health services under this section, "child" means an  
95.29 individual younger than 19 years of age.

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

96.1 Sec. 8. **REPEALER.**96.2 Subdivision 1. Minnesota Statutes 2022, section 256I.03, subdivision 6, is repealed.96.3 Subd. 2. Minnesota Rules, part 9505.0235, is repealed.96.4 **EFFECTIVE DATE.** The repeal of the subdivision in subdivision 2 is effective the  
96.5 day following final enactment.96.6 **ARTICLE 6**96.7 **HUMAN SERVICES LICENSING AND OFFICE OF INSPECTOR GENERAL**

96.8 Section 1. Minnesota Statutes 2022, section 13.46, subdivision 4, is amended to read:

96.9 Subd. 4. **Licensing data.** (a) As used in this subdivision:96.10 (1) "licensing data" are all data collected, maintained, used, or disseminated by the  
96.11 welfare system pertaining to persons licensed or registered or who apply for licensure or  
96.12 registration or who formerly were licensed or registered under the authority of the  
96.13 commissioner of human services. "Licensing data" includes data pertaining to persons or  
96.14 government entities certified under chapter 245H or section 245I.20. "License holder"  
96.15 includes "certification holder" under section 245H.01, subdivision 4, and a person or  
96.16 government entity issued a certification under section 245I.20;96.17 (2) "client" means a person who is receiving services from a licensee or from an applicant  
96.18 for licensure; and96.19 (3) "personal and personal financial data" are Social Security numbers, identity of and  
96.20 letters of reference, insurance information, reports from the Bureau of Criminal  
96.21 Apprehension, health examination reports, and social/home studies.96.22 (b)(1)(i) Except as provided in paragraph (c), the following data on applicants, license  
96.23 holders, and former licensees are public: name, address, telephone number of licensees, the  
96.24 public email address provided by nonfamily foster care license holder, date of receipt of a  
96.25 completed application, dates of licensure, licensed capacity, type of client preferred, variances  
96.26 granted, record of training and education in child care and child development, type of  
96.27 dwelling, name and relationship of other family members, previous license history, class  
96.28 of license, the existence and status of complaints, and the number of serious injuries to or  
96.29 deaths of individuals in the licensed program as reported to the commissioner of human  
96.30 services, the local social services agency, or any other county welfare agency. For purposes  
96.31 of this clause, a serious injury is one that is treated by a physician.



97.1 (ii) Except as provided in item (v), when a correction order, an order to forfeit a fine,  
97.2 an order of license suspension, an order of temporary immediate suspension, an order of  
97.3 license revocation, an order of license denial, or an order of conditional license has been  
97.4 issued, or a complaint is resolved, the following data on current and former licensees and  
97.5 applicants are public: the general nature of the complaint or allegations leading to the  
97.6 temporary immediate suspension; the substance and investigative findings of the licensing  
97.7 or maltreatment complaint, licensing violation, or substantiated maltreatment; the existence  
97.8 of settlement negotiations; the record of informal resolution of a licensing violation; orders  
97.9 of hearing; findings of fact; conclusions of law; specifications of the final correction order,  
97.10 fine, suspension, temporary immediate suspension, revocation, denial, or conditional license  
97.11 contained in the record of licensing action; whether a fine has been paid; and the status of  
97.12 any appeal of these actions.

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

97.18 (iv) When a license denial under section 245A.05 or a sanction under section 245A.07  
97.19 is based on a determination that a license holder, applicant, or controlling individual is  
97.20 disqualified under chapter 245C, the identity of the license holder, applicant, or controlling  
97.21 individual as the disqualified individual and the reason for the disqualification are public  
97.22 data at the time of the issuance of the licensing sanction or denial. If the applicant, license  
97.23 holder, or controlling individual requests reconsideration of the disqualification and the  
97.24 disqualification is affirmed, the reason for the disqualification and the reason to not set aside  
97.25 the disqualification are public data.

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

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

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

98.8 (4) When maltreatment is substantiated under section 626.557 or chapter 260E and the  
98.9 victim and the substantiated perpetrator are affiliated with a program licensed under chapter  
98.10 245A, the commissioner of human services, local social services agency, or county welfare  
98.11 agency may inform the license holder where the maltreatment occurred of the identity of  
98.12 the substantiated perpetrator and the victim.

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

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

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

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

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

99.1 (g) Data that are not public data collected, maintained, used, or disseminated under this  
99.2 subdivision that relate to or are derived from a report as defined in section 260E.03, or  
99.3 626.5572, subdivision 18, are subject to the destruction provisions of sections 260E.35,  
99.4 subdivision 6, and 626.557, subdivision 12b.

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

99.11 (i) Data on individuals collected according to licensing activities under chapters 245A  
99.12 and 245C, data on individuals collected by the commissioner of human services according  
99.13 to investigations under section 626.557 and chapters 245A, 245B, 245C, 245D, and 260E  
99.14 may be shared with the Department of Human Rights, the Department of Health, the  
99.15 Department of Corrections, the ombudsman for mental health and developmental disabilities,  
99.16 and the individual's professional regulatory board when there is reason to believe that laws  
99.17 or standards under the jurisdiction of those agencies may have been violated or the  
99.18 information may otherwise be relevant to the board's regulatory jurisdiction. Background  
99.19 study data on an individual who is the subject of a background study under chapter 245C  
99.20 for a licensed service for which the commissioner of human services is the license holder  
99.21 may be shared with the commissioner and the commissioner's delegate by the licensing  
99.22 division. Unless otherwise specified in this chapter, the identity of a reporter of alleged  
99.23 maltreatment or licensing violations may not be disclosed.

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

100.1 (k) All not public data collected, maintained, used, or disseminated under this subdivision  
 100.2 and subdivision 3 may be exchanged between the Department of Human Services, Licensing  
 100.3 Division, and the Department of Corrections for purposes of regulating services for which  
 100.4 the Department of Human Services and the Department of Corrections have regulatory  
 100.5 authority.

100.6 Sec. 2. Minnesota Statutes 2022, section 62V.05, subdivision 4a, is amended to read:

100.7 Subd. 4a. **Background study required.** (a) The board must initiate background studies  
 100.8 under section 245C.031 of:

100.9 (1) each navigator;

100.10 (2) each in-person assister; and

100.11 (3) each certified application counselor.

100.12 (b) The board may initiate the background studies required by paragraph (a) using the  
 100.13 online NETStudy 2.0 system operated by the commissioner of human services.

100.14 (c) The board shall not permit any individual to provide any service or function listed  
 100.15 in paragraph (a) until ~~the board has received notification from the commissioner of human~~  
 100.16 ~~services indicating that the individual:~~

100.17 (1) the board has evaluated any notification received from the commissioner of human  
 100.18 services indicating the individual's potential disqualifications and has determined that the  
 100.19 individual is not disqualified under chapter 245C; or

100.20 (2) the board has determined that the individual is disqualified; but has received granted  
 100.21 a set aside from the board of that disqualification according to sections 245C.22 and 245C.23.

100.22 (d) The board or its delegate shall review a reconsideration request of an individual in  
 100.23 paragraph (a), including granting a set aside, according to the procedures and criteria in  
 100.24 chapter 245C. The board shall notify the individual and the Department of Human Services  
 100.25 of the board's decision.

100.26 Sec. 3. **[119B.162] RECONSIDERATION OF CORRECTION ORDERS.**

100.27 (a) If a provider believes that the contents of the commissioner's correction order are in  
 100.28 error, the provider may ask the Department of Human Services to reconsider the parts of  
 100.29 the correction order that are alleged to be in error. The request for reconsideration must be  
 100.30 made in writing and must be postmarked and sent to the commissioner within 30 calendar  
 100.31 days from the date the correction order was mailed to the provider, and:

101.1 (1) specify the parts of the correction order that are alleged to be in error;

101.2 (2) explain why they are in error; and

101.3 (3) include documentation to support the allegation of error.

101.4 (b) A request for reconsideration does not stay any provisions or requirements of the  
 101.5 correction order. The commissioner's disposition of a request for reconsideration is final  
 101.6 and not subject to appeal under chapter 14. The commissioner's decision is appealable by  
 101.7 petition for writ of certiorari under chapter 606.

101.8 Sec. 4. Minnesota Statutes 2022, section 122A.18, subdivision 8, is amended to read:

101.9 Subd. 8. **Background studies.** (a) The Professional Educator Licensing and Standards  
 101.10 Board and the Board of School Administrators must initiate criminal history background  
 101.11 studies of all first-time applicants for educator and administrator licenses under their  
 101.12 jurisdiction. Applicants must include with their licensure applications:

101.13 (1) an executed criminal history consent form, including fingerprints; and

101.14 (2) payment to conduct the background study. The Professional Educator Licensing and  
 101.15 Standards Board must deposit payments received under this subdivision in an account in  
 101.16 the special revenue fund. Amounts in the account are annually appropriated to the  
 101.17 Professional Educator Licensing and Standards Board to pay for the costs of background  
 101.18 studies on applicants for licensure.

101.19 (b) The background study for all first-time ~~teaching~~ applicants for educator licenses  
 101.20 must include a review of information from the Bureau of Criminal Apprehension, including  
 101.21 criminal history data as defined in section 13.87, and must also include a review of the  
 101.22 national criminal records repository. The superintendent of the Bureau of Criminal  
 101.23 Apprehension is authorized to exchange fingerprints with the Federal Bureau of Investigation  
 101.24 for purposes of the criminal history check.

101.25 (c) The Professional Educator Licensing and Standards Board may initiate criminal  
 101.26 history background studies through the commissioner of human services according to section  
 101.27 245C.031 to obtain background study data required under this chapter.

101.28 Sec. 5. Minnesota Statutes 2022, section 245A.02, subdivision 5a, is amended to read:

101.29 Subd. 5a. **Controlling individual.** (a) "Controlling individual" means an owner of a  
 101.30 program or service provider licensed under this chapter and the following individuals, if  
 101.31 applicable:

102.1 (1) each officer of the organization, including the chief executive officer and chief  
102.2 financial officer;

102.3 (2) the individual designated as the authorized agent under section 245A.04, subdivision  
102.4 1, paragraph (b);

102.5 (3) the individual designated as the compliance officer under section 256B.04, subdivision  
102.6 21, paragraph (g);

102.7 (4) each managerial official whose responsibilities include the direction of the  
102.8 management or policies of a program; ~~and~~

102.9 (5) the individual designated as the primary provider of care for a special family child  
102.10 care program under section 245A.14, subdivision 4, paragraph (i); and

102.11 (6) the president and treasurer of the board of directors of a nonprofit corporation.

102.12 (b) Controlling individual does not include:

102.13 (1) a bank, savings bank, trust company, savings association, credit union, industrial  
102.14 loan and thrift company, investment banking firm, or insurance company unless the entity  
102.15 operates a program directly or through a subsidiary;

102.16 (2) an individual who is a state or federal official, or state or federal employee, or a  
102.17 member or employee of the governing body of a political subdivision of the state or federal  
102.18 government that operates one or more programs, unless the individual is also an officer,  
102.19 owner, or managerial official of the program, receives remuneration from the program, or  
102.20 owns any of the beneficial interests not excluded in this subdivision;

102.21 (3) an individual who owns less than five percent of the outstanding common shares of  
102.22 a corporation:

102.23 (i) whose securities are exempt under section 80A.45, clause (6); or

102.24 (ii) whose transactions are exempt under section 80A.46, clause (2);

102.25 (4) an individual who is a member of an organization exempt from taxation under section  
102.26 290.05, unless the individual is also an officer, owner, or managerial official of the program  
102.27 or owns any of the beneficial interests not excluded in this subdivision. This clause does  
102.28 not exclude from the definition of controlling individual an organization that is exempt from  
102.29 taxation; or

102.30 (5) an employee stock ownership plan trust, or a participant or board member of an  
102.31 employee stock ownership plan, unless the participant or board member is a controlling  
102.32 individual according to paragraph (a).

103.1 (c) For purposes of this subdivision, "managerial official" means an individual who has  
 103.2 the decision-making authority related to the operation of the program, and the responsibility  
 103.3 for the ongoing management of or direction of the policies, services, or employees of the  
 103.4 program. A site director who has no ownership interest in the program is not considered to  
 103.5 be a managerial official for purposes of this definition.

103.6 Sec. 6. Minnesota Statutes 2022, section 245A.02, subdivision 10b, is amended to read:

103.7 Subd. 10b. **Owner.** "Owner" means an individual or organization that has a direct or  
 103.8 indirect ownership interest of five percent or more in a program licensed under this chapter.  
 103.9 For purposes of this subdivision, "direct ownership interest" means the possession of equity  
 103.10 in capital, stock, or profits of an organization, and "indirect ownership interest" means a  
 103.11 direct ownership interest in an entity that has a direct or indirect ownership interest in a  
 103.12 licensed program. For purposes of this chapter, "owner of a ~~nonprofit corporation~~" means  
 103.13 ~~the president and treasurer of the board of directors or, for an entity owned by an employee~~  
 103.14 ~~stock ownership plan,~~" means the president and treasurer of the entity. A government entity  
 103.15 or nonprofit corporation that is issued a license under this chapter shall be designated the  
 103.16 owner.

103.17 Sec. 7. Minnesota Statutes 2022, section 245A.04, subdivision 1, is amended to read:

103.18 Subdivision 1. **Application for licensure.** (a) An individual, organization, or government  
 103.19 entity that is subject to licensure under section 245A.03 must apply for a license. The  
 103.20 application must be made on the forms and in the manner prescribed by the commissioner.  
 103.21 The commissioner shall provide the applicant with instruction in completing the application  
 103.22 and provide information about the rules and requirements of other state agencies that affect  
 103.23 the applicant. An applicant seeking licensure in Minnesota with headquarters outside of  
 103.24 Minnesota must have a program office located within 30 miles of the Minnesota border.  
 103.25 An applicant who intends to buy or otherwise acquire a program or services licensed under  
 103.26 this chapter that is owned by another license holder must apply for a license under this  
 103.27 chapter and comply with the application procedures in this section and section ~~245A.03~~  
 103.28 245A.043.

103.29 The commissioner shall act on the application within 90 working days after a complete  
 103.30 application and any required reports have been received from other state agencies or  
 103.31 departments, counties, municipalities, or other political subdivisions. The commissioner  
 103.32 shall not consider an application to be complete until the commissioner receives all of the  
 103.33 required information.

104.1 When the commissioner receives an application for initial licensure that is incomplete  
104.2 because the applicant failed to submit required documents or that is substantially deficient  
104.3 because the documents submitted do not meet licensing requirements, the commissioner  
104.4 shall provide the applicant written notice that the application is incomplete or substantially  
104.5 deficient. In the written notice to the applicant the commissioner shall identify documents  
104.6 that are missing or deficient and give the applicant 45 days to resubmit a second application  
104.7 that is substantially complete. An applicant's failure to submit a substantially complete  
104.8 application after receiving notice from the commissioner is a basis for license denial under  
104.9 section 245A.05.

104.10 (b) An application for licensure must identify all controlling individuals as defined in  
104.11 section 245A.02, subdivision 5a, and must designate one individual to be the authorized  
104.12 agent. The application must be signed by the authorized agent and must include the authorized  
104.13 agent's first, middle, and last name; mailing address; and email address. By submitting an  
104.14 application for licensure, the authorized agent consents to electronic communication with  
104.15 the commissioner throughout the application process. The authorized agent must be  
104.16 authorized to accept service on behalf of all of the controlling individuals. A government  
104.17 entity that holds multiple licenses under this chapter may designate one authorized agent  
104.18 for all licenses issued under this chapter or may designate a different authorized agent for  
104.19 each license. Service on the authorized agent is service on all of the controlling individuals.  
104.20 It is not a defense to any action arising under this chapter that service was not made on each  
104.21 controlling individual. The designation of a controlling individual as the authorized agent  
104.22 under this paragraph does not affect the legal responsibility of any other controlling individual  
104.23 under this chapter.

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

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

104.33 (e) The commissioner may limit communication during the application process to the  
104.34 authorized agent or the controlling individuals identified on the license application and for  
104.35 whom a background study was initiated under chapter 245C. The commissioner may require



105.1 the applicant, except for child foster care, to demonstrate competence in the applicable  
105.2 licensing requirements by successfully completing a written examination. The commissioner  
105.3 may develop a prescribed written examination format.

105.4 (f) When an applicant is an individual, the applicant must provide:

105.5 (1) the applicant's taxpayer identification numbers including the Social Security number  
105.6 or Minnesota tax identification number, and federal employer identification number if the  
105.7 applicant has employees;

105.8 (2) at the request of the commissioner, a copy of the most recent filing with the secretary  
105.9 of state that includes the complete business name, if any;

105.10 (3) if doing business under a different name, the doing business as (DBA) name, as  
105.11 registered with the secretary of state;

105.12 (4) if applicable, the applicant's National Provider Identifier (NPI) number and Unique  
105.13 Minnesota Provider Identifier (UMPI) number; and

105.14 (5) at the request of the commissioner, the notarized signature of the applicant or  
105.15 authorized agent; and

105.16 (6) except for family foster care providers, an email address that will be made public  
105.17 subject to the requirements under section 13.46, subdivision 4, paragraph (b), clause (1),  
105.18 item (i).

105.19 (g) When an applicant is an organization, the applicant must provide:

105.20 (1) the applicant's taxpayer identification numbers including the Minnesota tax  
105.21 identification number and federal employer identification number;

105.22 (2) at the request of the commissioner, a copy of the most recent filing with the secretary  
105.23 of state that includes the complete business name, and if doing business under a different  
105.24 name, the doing business as (DBA) name, as registered with the secretary of state;

105.25 (3) the first, middle, and last name, and address for all individuals who will be controlling  
105.26 individuals, including all officers, owners, and managerial officials as defined in section  
105.27 245A.02, subdivision 5a, and the date that the background study was initiated by the applicant  
105.28 for each controlling individual;

105.29 (4) if applicable, the applicant's NPI number and UMPI number;

105.30 (5) the documents that created the organization and that determine the organization's  
105.31 internal governance and the relations among the persons that own the organization, have  
105.32 an interest in the organization, or are members of the organization, in each case as provided

106.1 or authorized by the organization's governing statute, which may include a partnership  
106.2 agreement, bylaws, articles of organization, organizational chart, and operating agreement,  
106.3 or comparable documents as provided in the organization's governing statute; ~~and~~

106.4 (6) the notarized signature of the applicant or authorized agent; and

106.5 (7) an email address that will be made public subject to the requirements under section  
106.6 13.46, subdivision 4, paragraph (b), clause (1), item (i).

106.7 (h) When the applicant is a government entity, the applicant must provide:

106.8 (1) the name of the government agency, political subdivision, or other unit of government  
106.9 seeking the license and the name of the program or services that will be licensed;

106.10 (2) the applicant's taxpayer identification numbers including the Minnesota tax  
106.11 identification number and federal employer identification number;

106.12 (3) a letter signed by the manager, administrator, or other executive of the government  
106.13 entity authorizing the submission of the license application; and

106.14 (4) if applicable, the applicant's NPI number and UMPI number; and

106.15 (5) an email address that will be made public subject to the requirements under section  
106.16 13.46, subdivision 4, paragraph (b), clause (1), item (i).

106.17 (i) At the time of application for licensure or renewal of a license under this chapter, the  
106.18 applicant or license holder must acknowledge on the form provided by the commissioner  
106.19 if the applicant or license holder elects to receive any public funding reimbursement from  
106.20 the commissioner for services provided under the license that:

106.21 (1) the applicant's or license holder's compliance with the provider enrollment agreement  
106.22 or registration requirements for receipt of public funding may be monitored by the  
106.23 commissioner as part of a licensing investigation or licensing inspection; and

106.24 (2) noncompliance with the provider enrollment agreement or registration requirements  
106.25 for receipt of public funding that is identified through a licensing investigation or licensing  
106.26 inspection, or noncompliance with a licensing requirement that is a basis of enrollment for  
106.27 reimbursement for a service, may result in:

106.28 (i) a correction order or a conditional license under section 245A.06, or sanctions under  
106.29 section 245A.07;

106.30 (ii) nonpayment of claims submitted by the license holder for public program  
106.31 reimbursement;

- 107.1 (iii) recovery of payments made for the service;
- 107.2 (iv) disenrollment in the public payment program; or
- 107.3 (v) other administrative, civil, or criminal penalties as provided by law.

107.4 **EFFECTIVE DATE.** The change to paragraph (a) is effective the day following final

107.5 enactment.

107.6 Sec. 8. Minnesota Statutes 2022, section 245A.04, subdivision 4, is amended to read:

107.7 Subd. 4. **Inspections; waiver.** (a) Before issuing a license under this chapter, the

107.8 commissioner shall conduct an inspection of the program. The inspection must include but

107.9 is not limited to:

107.10 (1) an inspection of the physical plant;

107.11 (2) an inspection of records and documents;

107.12 (3) observation of the program in operation; and

107.13 (4) an inspection for the health, safety, and fire standards in licensing requirements for

107.14 a child care license holder.

107.15 (b) The observation in paragraph (a), clause (3), is not required prior to issuing a license

107.16 under subdivision 7. If the commissioner issues a license under this chapter, these

107.17 requirements must be completed within one year after the issuance of the license.

107.18 (c) Before completing a licensing inspection in a family child care program or child care

107.19 center, the licensing agency must offer the license holder an exit interview to discuss

107.20 violations or potential violations of law or rule observed during the inspection and offer

107.21 technical assistance on how to comply with applicable laws and rules. The commissioner

107.22 shall not issue a correction order or negative licensing action for violations of law or rule

107.23 not discussed in an exit interview, unless a license holder chooses not to participate in an

107.24 exit interview or not to complete the exit interview. If the license holder is unable to complete

107.25 the exit interview, the licensing agency must offer an alternate time for the license holder

107.26 to complete the exit interview.

107.27 (d) If a family child care license holder disputes a county licensor's interpretation of a

107.28 licensing requirement during a licensing inspection or exit interview, the license holder

107.29 may, within five business days after the exit interview or licensing inspection, request

107.30 clarification from the commissioner, in writing, in a manner prescribed by the commissioner.

107.31 The license holder's request must describe the county licensor's interpretation of the licensing

107.32 requirement at issue, and explain why the license holder believes the county licensor's

108.1 interpretation is inaccurate. The commissioner and the county must include the license  
 108.2 holder in all correspondence regarding the disputed interpretation, and must provide an  
 108.3 opportunity for the license holder to contribute relevant information that may impact the  
 108.4 commissioner's decision. The county licenser must not issue a correction order related to  
 108.5 the disputed licensing requirement until the commissioner has provided clarification to the  
 108.6 license holder about the licensing requirement.

108.7 (e) The commissioner or the county shall inspect at least ~~annually~~ once each calendar  
 108.8 year a child care provider licensed under this chapter and Minnesota Rules, chapter 9502  
 108.9 or 9503, for compliance with applicable licensing standards.

108.10 (f) No later than November 19, 2017, the commissioner shall make publicly available  
 108.11 on the department's website the results of inspection reports of all child care providers  
 108.12 licensed under this chapter and under Minnesota Rules, chapter 9502 or 9503, and the  
 108.13 number of deaths, serious injuries, and instances of substantiated child maltreatment that  
 108.14 occurred in licensed child care settings each year.

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

108.16 Sec. 9. Minnesota Statutes 2022, section 245A.04, subdivision 7, is amended to read:

108.17 Subd. 7. **Grant of license; license extension.** (a) If the commissioner determines that  
 108.18 the program complies with all applicable rules and laws, the commissioner shall issue a  
 108.19 license consistent with this section or, if applicable, a temporary change of ownership license  
 108.20 under section 245A.043. At minimum, the license shall state:

108.21 (1) the name of the license holder;

108.22 (2) the address of the program;

108.23 (3) the effective date and expiration date of the license;

108.24 (4) the type of license;

108.25 (5) the maximum number and ages of persons that may receive services from the program;

108.26 ~~and~~

108.27 (6) any special conditions of licensure; and

108.28 (7) the public email address of the program.

108.29 (b) The commissioner may issue a license for a period not to exceed two years if:

108.30 (1) the commissioner is unable to conduct the ~~evaluation or~~ observation required by  
 108.31 subdivision 4, paragraph (a), clause ~~(4)~~ (3), because the program is not yet operational;

109.1 (2) certain records and documents are not available because persons are not yet receiving  
109.2 services from the program; and

109.3 (3) the applicant complies with applicable laws and rules in all other respects.

109.4 (c) A decision by the commissioner to issue a license does not guarantee that any person  
109.5 or persons will be placed or cared for in the licensed program.

109.6 (d) Except as provided in paragraphs (f) and (g), the commissioner shall not issue or  
109.7 reissue a license if the applicant, license holder, or controlling individual has:

109.8 (1) been disqualified and the disqualification was not set aside and no variance has been  
109.9 granted;

109.10 (2) been denied a license under this chapter, within the past two years;

109.11 (3) had a license issued under this chapter revoked within the past five years;

109.12 (4) an outstanding debt related to a license fee, licensing fine, or settlement agreement  
109.13 for which payment is delinquent; or

109.14 (5) failed to submit the information required of an applicant under subdivision 1,  
109.15 paragraph (f) ~~or~~ (g), or (h), after being requested by the commissioner.

109.16 When a license issued under this chapter is revoked under clause (1) or (3), the license  
109.17 holder and controlling individual may not hold any license under chapter 245A for five  
109.18 years following the revocation, and other licenses held by the applicant, license holder, or  
109.19 controlling individual shall also be revoked.

109.20 (e) The commissioner shall not issue or reissue a license under this chapter if an individual  
109.21 living in the household where the services will be provided as specified under section  
109.22 245C.03, subdivision 1, has been disqualified and the disqualification has not been set aside  
109.23 and no variance has been granted.

109.24 (f) Pursuant to section 245A.07, subdivision 1, paragraph (b), when a license issued  
109.25 under this chapter has been suspended or revoked and the suspension or revocation is under  
109.26 appeal, the program may continue to operate pending a final order from the commissioner.  
109.27 If the license under suspension or revocation will expire before a final order is issued, a  
109.28 temporary provisional license may be issued provided any applicable license fee is paid  
109.29 before the temporary provisional license is issued.

109.30 (g) Notwithstanding paragraph (f), when a revocation is based on the disqualification  
109.31 of a controlling individual or license holder, and the controlling individual or license holder  
109.32 is ordered under section 245C.17 to be immediately removed from direct contact with

110.1 persons receiving services or is ordered to be under continuous, direct supervision when  
110.2 providing direct contact services, the program may continue to operate only if the program  
110.3 complies with the order and submits documentation demonstrating compliance with the  
110.4 order. If the disqualified individual fails to submit a timely request for reconsideration, or  
110.5 if the disqualification is not set aside and no variance is granted, the order to immediately  
110.6 remove the individual from direct contact or to be under continuous, direct supervision  
110.7 remains in effect pending the outcome of a hearing and final order from the commissioner.

110.8 (h) For purposes of reimbursement for meals only, under the Child and Adult Care Food  
110.9 Program, Code of Federal Regulations, title 7, subtitle B, chapter II, subchapter A, part 226,  
110.10 relocation within the same county by a licensed family day care provider, shall be considered  
110.11 an extension of the license for a period of no more than 30 calendar days or until the new  
110.12 license is issued, whichever occurs first, provided the county agency has determined the  
110.13 family day care provider meets licensure requirements at the new location.

110.14 (i) Unless otherwise specified by statute, all licenses issued under this chapter expire at  
110.15 12:01 a.m. on the day after the expiration date stated on the license. A license holder must  
110.16 apply for and be granted a new license to operate the program or the program must not be  
110.17 operated after the expiration date.

110.18 (j) The commissioner shall not issue or reissue a license under this chapter if it has been  
110.19 determined that a tribal licensing authority has established jurisdiction to license the program  
110.20 or service.

110.21 **EFFECTIVE DATE.** The changes to paragraphs (b) and (d) are effective the day  
110.22 following final enactment.

110.23 Sec. 10. Minnesota Statutes 2022, section 245A.041, is amended by adding a subdivision  
110.24 to read:

110.25 **Subd. 6. First date of direct contact; documentation requirements.** Except for family  
110.26 child care, family foster care for children, and family adult day services that the license  
110.27 holder provides in the license holder's residence, license holders must document the first  
110.28 date that a background study subject has direct contact, as defined in section 245C.02,  
110.29 subdivision 11, with a person served by the license holder's program. Unless this chapter  
110.30 otherwise requires, if the license holder does not maintain the documentation required by  
110.31 this subdivision in the license holder's personnel files, the license holder must provide the  
110.32 documentation to the commissioner upon the commissioner's request.

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

111.1 Sec. 11. Minnesota Statutes 2022, section 245A.05, is amended to read:

111.2 **245A.05 DENIAL OF APPLICATION.**

111.3 (a) The commissioner may deny a license if an applicant or controlling individual:

111.4 (1) fails to submit a substantially complete application after receiving notice from the  
111.5 commissioner under section 245A.04, subdivision 1;

111.6 (2) fails to comply with applicable laws or rules;

111.7 (3) knowingly withholds relevant information from or gives false or misleading  
111.8 information to the commissioner in connection with an application for a license or during  
111.9 an investigation;

111.10 (4) has a disqualification that has not been set aside under section 245C.22 and no  
111.11 variance has been granted;

111.12 (5) has an individual living in the household who received a background study under  
111.13 section 245C.03, subdivision 1, paragraph (a), clause (2), who has a disqualification that  
111.14 has not been set aside under section 245C.22, and no variance has been granted;

111.15 (6) is associated with an individual who received a background study under section  
111.16 245C.03, subdivision 1, paragraph (a), clause (6), who may have unsupervised access to  
111.17 children or vulnerable adults, and who has a disqualification that has not been set aside  
111.18 under section 245C.22, and no variance has been granted;

111.19 (7) fails to comply with section 245A.04, subdivision 1, paragraph (f) or (g);

111.20 (8) fails to demonstrate competent knowledge as required by section 245A.04, subdivision  
111.21 6;

111.22 (9) has a history of noncompliance as a license holder or controlling individual with  
111.23 applicable laws or rules, including but not limited to this chapter and chapters 119B and  
111.24 245C;

111.25 (10) is prohibited from holding a license according to section 245.095; or

111.26 (11) for a family foster setting, has or has an individual who is living in the household  
111.27 where the licensed services are provided or is otherwise subject to a background study who  
111.28 has nondisqualifying background study information, as described in section 245C.05,  
111.29 subdivision 4, that reflects on the individual's applicant's ability to safely provide care to  
111.30 foster children.

112.1 (b) An applicant whose application has been denied by the commissioner must be given  
 112.2 notice of the denial, which must state the reasons for the denial in plain language. Notice  
 112.3 must be given by certified mail or personal service. The notice must state the reasons the  
 112.4 application was denied and must inform the applicant of the right to a contested case hearing  
 112.5 under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The applicant may  
 112.6 appeal the denial by notifying the commissioner in writing by certified mail or personal  
 112.7 service. If mailed, the appeal must be postmarked and sent to the commissioner within 20  
 112.8 calendar days after the applicant received the notice of denial. If an appeal request is made  
 112.9 by personal service, it must be received by the commissioner within 20 calendar days after  
 112.10 the applicant received the notice of denial. Section 245A.08 applies to hearings held to  
 112.11 appeal the commissioner's denial of an application.

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

112.13 Sec. 12. Minnesota Statutes 2022, section 245A.07, subdivision 1, is amended to read:

112.14 Subdivision 1. **Sanctions; appeals; license.** (a) In addition to making a license conditional  
 112.15 under section 245A.06, the commissioner may suspend or revoke the license, impose a fine,  
 112.16 or secure an injunction against the continuing operation of the program of a license holder  
 112.17 who:

112.18 (1) does not comply with applicable law or rule, ~~or who;~~

112.19 (2) has nondisqualifying background study information, as described in section 245C.05,  
 112.20 subdivision 4, that reflects on the license holder's ability to safely provide care to foster  
 112.21 children; or

112.22 (3) has an individual living in the household where the licensed services are provided  
 112.23 or is otherwise subject to a background study and the individual has nondisqualifying  
 112.24 background study information, as described in section 245C.05, subdivision 4, that reflects  
 112.25 on the license holder's ability to safely provide care to foster children.

112.26 When applying sanctions authorized under this section, the commissioner shall consider  
 112.27 the nature, chronicity, or severity of the violation of law or rule and the effect of the violation  
 112.28 on the health, safety, or rights of persons served by the program.

112.29 (b) If a license holder appeals the suspension or revocation of a license and the license  
 112.30 holder continues to operate the program pending a final order on the appeal, the commissioner  
 112.31 shall issue the license holder a temporary provisional license. Unless otherwise specified  
 112.32 by the commissioner, variances in effect on the date of the license sanction under appeal  
 112.33 continue under the temporary provisional license. If a license holder fails to comply with



113.1 applicable law or rule while operating under a temporary provisional license, the  
113.2 commissioner may impose additional sanctions under this section and section 245A.06, and  
113.3 may terminate any prior variance. If a temporary provisional license is set to expire, a new  
113.4 temporary provisional license shall be issued to the license holder upon payment of any fee  
113.5 required under section 245A.10. The temporary provisional license shall expire on the date  
113.6 the final order is issued. If the license holder prevails on the appeal, a new nonprovisional  
113.7 license shall be issued for the remainder of the current license period.

113.8 (c) If a license holder is under investigation and the license issued under this chapter is  
113.9 due to expire before completion of the investigation, the program shall be issued a new  
113.10 license upon completion of the reapplication requirements and payment of any applicable  
113.11 license fee. Upon completion of the investigation, a licensing sanction may be imposed  
113.12 against the new license under this section, section 245A.06, or 245A.08.

113.13 (d) Failure to reapply or closure of a license issued under this chapter by the license  
113.14 holder prior to the completion of any investigation shall not preclude the commissioner  
113.15 from issuing a licensing sanction under this section or section 245A.06 at the conclusion  
113.16 of the investigation.

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

113.18 Sec. 13. Minnesota Statutes 2022, section 245A.07, subdivision 2a, is amended to read:

113.19 Subd. 2a. **Immediate suspension expedited hearing.** (a) Within five working days of  
113.20 receipt of the license holder's timely appeal, the commissioner shall request assignment of  
113.21 an administrative law judge. The request must include a proposed date, time, and place of  
113.22 a hearing. A hearing must be conducted by an administrative law judge within 30 calendar  
113.23 days of the request for assignment, unless an extension is requested by either party and  
113.24 granted by the administrative law judge for good cause. The commissioner shall issue a  
113.25 notice of hearing by certified mail or personal service at least ten working days before the  
113.26 hearing. The scope of the hearing shall be limited solely to the issue of whether the temporary  
113.27 immediate suspension should remain in effect pending the commissioner's final order under  
113.28 section 245A.08, regarding a licensing sanction issued under subdivision 3 following the  
113.29 immediate suspension. For suspensions under subdivision 2, paragraph (a), clause (1), the  
113.30 burden of proof in expedited hearings under this subdivision shall be limited to the  
113.31 commissioner's demonstration that reasonable cause exists to believe that the license holder's  
113.32 actions or failure to comply with applicable law or rule poses, or the actions of other  
113.33 individuals or conditions in the program poses an imminent risk of harm to the health, safety,  
113.34 or rights of persons served by the program. "Reasonable cause" means there exist specific

114.1 articulable facts or circumstances which provide the commissioner with a reasonable  
114.2 suspicion that there is an imminent risk of harm to the health, safety, or rights of persons  
114.3 served by the program. When the commissioner has determined there is reasonable cause  
114.4 to order the temporary immediate suspension of a license based on a violation of safe sleep  
114.5 requirements, as defined in section 245A.1435, the commissioner is not required to  
114.6 demonstrate that an infant died or was injured as a result of the safe sleep violations. For  
114.7 suspensions under subdivision 2, paragraph (a), clause (2), the burden of proof in expedited  
114.8 hearings under this subdivision shall be limited to the commissioner's demonstration by a  
114.9 preponderance of the evidence that, since the license was revoked, the license holder  
114.10 committed additional violations of law or rule which may adversely affect the health or  
114.11 safety of persons served by the program.

114.12 (b) The administrative law judge shall issue findings of fact, conclusions, and a  
114.13 recommendation within ten working days from the date of hearing. The parties shall have  
114.14 ten calendar days to submit exceptions to the administrative law judge's report. The record  
114.15 shall close at the end of the ten-day period for submission of exceptions. The commissioner's  
114.16 final order shall be issued within ten working days from the close of the record. When an  
114.17 appeal of a temporary immediate suspension is withdrawn or dismissed, the commissioner  
114.18 shall issue a final order affirming the temporary immediate suspension within ten calendar  
114.19 days of the commissioner's receipt of the withdrawal or dismissal. Within 90 calendar days  
114.20 after an immediate suspension has been issued and the license holder has not submitted a  
114.21 timely appeal under subdivision 2, paragraph (b), or within 90 calendar days after a final  
114.22 order affirming an immediate suspension, the commissioner shall ~~make a determination~~  
114.23 regarding determine:

114.24 (1) whether a final licensing sanction shall be issued under subdivision 3, paragraph (a),  
114.25 clauses (1) to (5). The license holder shall continue to be prohibited from operation of the  
114.26 program during this 90-day period; or

114.27 (2) whether the outcome of related, ongoing investigations or judicial proceedings are  
114.28 necessary to determine if a final licensing sanction under subdivision 3, paragraph (a),  
114.29 clauses (1) to (5), will be issued, and persons served by the program remain at an imminent  
114.30 risk of harm during the investigation period or proceedings. If so, the commissioner shall  
114.31 issue a suspension order under subdivision 3, paragraph (a), clause (6).

114.32 (c) When the final order under paragraph (b) affirms an immediate suspension or the  
114.33 license holder does not submit a timely appeal of the immediate suspension, and a final  
114.34 licensing sanction is issued under subdivision 3 and the license holder appeals that sanction,  
114.35 the license holder continues to be prohibited from operation of the program pending a final

115.1 commissioner's order under section 245A.08, subdivision 5, regarding the final licensing  
115.2 sanction.

115.3 (d) The license holder shall continue to be prohibited from operation of the program  
115.4 while a suspension order issued under paragraph (b), clause (2), remains in effect.

115.5 ~~(d)~~ (e) For suspensions under subdivision 2, paragraph (a), clause (3), the burden of  
115.6 proof in expedited hearings under this subdivision shall be limited to the commissioner's  
115.7 demonstration by a preponderance of the evidence that a criminal complaint and warrant  
115.8 or summons was issued for the license holder that was not dismissed, and that the criminal  
115.9 charge is an offense that involves fraud or theft against a program administered by the  
115.10 commissioner.

115.11 Sec. 14. Minnesota Statutes 2022, section 245A.07, subdivision 3, is amended to read:

115.12 Subd. 3. **License suspension, revocation, or fine.** (a) The commissioner may suspend  
115.13 or revoke a license, or impose a fine if:

115.14 (1) a license holder fails to comply fully with applicable laws or rules including but not  
115.15 limited to the requirements of this chapter and chapter 245C;

115.16 (2) a license holder, a controlling individual, or an individual living in the household  
115.17 where the licensed services are provided or is otherwise subject to a background study has  
115.18 been disqualified and the disqualification was not set aside and no variance has been granted;

115.19 (3) a license holder knowingly withholds relevant information from or gives false or  
115.20 misleading information to the commissioner in connection with an application for a license,  
115.21 in connection with the background study status of an individual, during an investigation,  
115.22 or regarding compliance with applicable laws or rules;

115.23 (4) a license holder is excluded from any program administered by the commissioner  
115.24 under section 245.095; ~~or~~

115.25 (5) revocation is required under section 245A.04, subdivision 7, paragraph (d);<sub>2</sub>

115.26 (6) suspension is necessary under subdivision 2a, paragraph (b), clause (2); or

115.27 (7) for a family foster setting, a license holder, or an individual living in the household  
115.28 where the licensed services are provided or who is otherwise subject to a background study  
115.29 has nondisqualifying background study information, as described in section 245C.05,  
115.30 subdivision 4, that reflects on the license holder's ability to safely provide care to foster  
115.31 children.

116.1 A license holder who has had a license issued under this chapter suspended, revoked,  
116.2 or has been ordered to pay a fine must be given notice of the action by certified mail or  
116.3 personal service. If mailed, the notice must be mailed to the address shown on the application  
116.4 or the last known address of the license holder. The notice must state in plain language the  
116.5 reasons the license was suspended or revoked, or a fine was ordered.

116.6 (b) If the license was suspended or revoked, the notice must inform the license holder  
116.7 of the right to a contested case hearing under chapter 14 and Minnesota Rules, parts  
116.8 1400.8505 to 1400.8612. The license holder may appeal an order suspending or revoking  
116.9 a license. The appeal of an order suspending or revoking a license must be made in writing  
116.10 by certified mail or personal service. If mailed, the appeal must be postmarked and sent to  
116.11 the commissioner within ten calendar days after the license holder receives notice that the  
116.12 license has been suspended or revoked. If a request is made by personal service, it must be  
116.13 received by the commissioner within ten calendar days after the license holder received the  
116.14 order. Except as provided in subdivision 2a, paragraph (c), if a license holder submits a  
116.15 timely appeal of an order suspending or revoking a license, the license holder may continue  
116.16 to operate the program as provided in section 245A.04, subdivision 7, paragraphs (f) and  
116.17 (g), until the commissioner issues a final order on the suspension or revocation.

116.18 (c)(1) If the license holder was ordered to pay a fine, the notice must inform the license  
116.19 holder of the responsibility for payment of fines and the right to a contested case hearing  
116.20 under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The appeal of an  
116.21 order to pay a fine must be made in writing by certified mail or personal service. If mailed,  
116.22 the appeal must be postmarked and sent to the commissioner within ten calendar days after  
116.23 the license holder receives notice that the fine has been ordered. If a request is made by  
116.24 personal service, it must be received by the commissioner within ten calendar days after  
116.25 the license holder received the order.

116.26 (2) The license holder shall pay the fines assessed on or before the payment date specified.  
116.27 If the license holder fails to fully comply with the order, the commissioner may issue a  
116.28 second fine or suspend the license until the license holder complies. If the license holder  
116.29 receives state funds, the state, county, or municipal agencies or departments responsible for  
116.30 administering the funds shall withhold payments and recover any payments made while the  
116.31 license is suspended for failure to pay a fine. A timely appeal shall stay payment of the fine  
116.32 until the commissioner issues a final order.

116.33 (3) A license holder shall promptly notify the commissioner of human services, in writing,  
116.34 when a violation specified in the order to forfeit a fine is corrected. If upon reinspection the  
116.35 commissioner determines that a violation has not been corrected as indicated by the order

117.1 to forfeit a fine, the commissioner may issue a second fine. The commissioner shall notify  
117.2 the license holder by certified mail or personal service that a second fine has been assessed.  
117.3 The license holder may appeal the second fine as provided under this subdivision.

117.4 (4) Fines shall be assessed as follows:

117.5 (i) the license holder shall forfeit \$1,000 for each determination of maltreatment of a  
117.6 child under chapter 260E or the maltreatment of a vulnerable adult under section 626.557  
117.7 for which the license holder is determined responsible for the maltreatment under section  
117.8 260E.30, subdivision 4, paragraphs (a) and (b), or 626.557, subdivision 9c, paragraph (c);

117.9 (ii) if the commissioner determines that a determination of maltreatment for which the  
117.10 license holder is responsible is the result of maltreatment that meets the definition of serious  
117.11 maltreatment as defined in section 245C.02, subdivision 18, the license holder shall forfeit  
117.12 \$5,000;

117.13 (iii) for a program that operates out of the license holder's home and a program licensed  
117.14 under Minnesota Rules, parts 9502.0300 to 9502.0445, the fine assessed against the license  
117.15 holder shall not exceed \$1,000 for each determination of maltreatment;

117.16 (iv) the license holder shall forfeit \$200 for each occurrence of a violation of law or rule  
117.17 governing matters of health, safety, or supervision, including but not limited to the provision  
117.18 of adequate staff-to-child or adult ratios, and failure to comply with background study  
117.19 requirements under chapter 245C; and

117.20 (v) the license holder shall forfeit \$100 for each occurrence of a violation of law or rule  
117.21 other than those subject to a \$5,000, \$1,000, or \$200 fine in items (i) to (iv).

117.22 For purposes of this section, "occurrence" means each violation identified in the  
117.23 commissioner's fine order. Fines assessed against a license holder that holds a license to  
117.24 provide home and community-based services, as identified in section 245D.03, subdivision  
117.25 1, and a community residential setting or day services facility license under chapter 245D  
117.26 where the services are provided, may be assessed against both licenses for the same  
117.27 occurrence, but the combined amount of the fines shall not exceed the amount specified in  
117.28 this clause for that occurrence.

117.29 (5) When a fine has been assessed, the license holder may not avoid payment by closing,  
117.30 selling, or otherwise transferring the licensed program to a third party. In such an event, the  
117.31 license holder will be personally liable for payment. In the case of a corporation, each  
117.32 controlling individual is personally and jointly liable for payment.

118.1 (d) Except for background study violations involving the failure to comply with an order  
 118.2 to immediately remove an individual or an order to provide continuous, direct supervision,  
 118.3 the commissioner shall not issue a fine under paragraph (c) relating to a background study  
 118.4 violation to a license holder who self-corrects a background study violation before the  
 118.5 commissioner discovers the violation. A license holder who has previously exercised the  
 118.6 provisions of this paragraph to avoid a fine for a background study violation may not avoid  
 118.7 a fine for a subsequent background study violation unless at least 365 days have passed  
 118.8 since the license holder self-corrected the earlier background study violation.

118.9 **EFFECTIVE DATE.** Paragraph (a), clause (7), is effective the day following final  
 118.10 enactment.

118.11 Sec. 15. Minnesota Statutes 2022, section 245A.10, subdivision 3, is amended to read:

118.12 **Subd. 3. Application fee for initial license or certification.** (a) For fees required under  
 118.13 subdivision 1, an applicant for an initial license or certification issued by the commissioner  
 118.14 shall submit a \$500 application fee with each new application required under this subdivision.  
 118.15 An applicant for an initial day services facility license under chapter 245D shall submit a  
 118.16 \$250 application fee with each new application. The application fee shall not be prorated,  
 118.17 is nonrefundable, and is in lieu of the annual license or certification fee that expires on  
 118.18 December 31. The commissioner shall not process an application until the application fee  
 118.19 is paid.

118.20 (b) Except as provided in clauses (1) ~~to (3)~~ and (2), an applicant shall apply for a license  
 118.21 to provide services at a specific location.

118.22 (1) For a license to provide home and community-based services to persons with  
 118.23 disabilities or age 65 and older under chapter 245D, an applicant shall submit an application  
 118.24 to provide services statewide. Notwithstanding paragraph (a), applications received by the  
 118.25 commissioner between July 1, 2013, and December 31, 2013, for licensure of services  
 118.26 provided under chapter 245D must include an application fee that is equal to the annual  
 118.27 license renewal fee under subdivision 4, paragraph (b), or \$500, whichever is less.  
 118.28 Applications received by the commissioner after January 1, 2014, must include the application  
 118.29 fee required under paragraph (a). Applicants who meet the modified application criteria  
 118.30 identified in section 245A.042, subdivision 2, are exempt from paying an application fee.

118.31 ~~(2) For a license to provide independent living assistance for youth under section 245A.22,~~  
 118.32 ~~an applicant shall submit a single application to provide services statewide.~~

119.1 ~~(3)~~(2) For a license for a private agency to provide foster care or adoption services under  
 119.2 Minnesota Rules, parts 9545.0755 to 9545.0845, an applicant shall submit a single application  
 119.3 to provide services statewide.

119.4 (c) The initial application fee charged under this subdivision does not include the  
 119.5 temporary license surcharge under section 16E.22.

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

119.7 Sec. 16. Minnesota Statutes 2022, section 245A.10, subdivision 4, is amended to read:

119.8 **Subd. 4. License or certification fee for certain programs.** (a) Child care centers shall  
 119.9 pay an annual nonrefundable license fee based on the following schedule:

119.10		Child Care Center
119.11	Licensed Capacity	License Fee
119.12	1 to 24 persons	\$200
119.13	25 to 49 persons	\$300
119.14	50 to 74 persons	\$400
119.15	75 to 99 persons	\$500
119.16	100 to 124 persons	\$600
119.17	125 to 149 persons	\$700
119.18	150 to 174 persons	\$800
119.19	175 to 199 persons	\$900
119.20	200 to 224 persons	\$1,000
119.21	225 or more persons	\$1,100

119.22 (b)(1) A program licensed to provide one or more of the home and community-based  
 119.23 services and supports identified under chapter 245D to persons with disabilities or age 65  
 119.24 and older, shall pay an annual nonrefundable license fee based on revenues derived from  
 119.25 the provision of services that would require licensure under chapter 245D during the calendar  
 119.26 year immediately preceding the year in which the license fee is paid, according to the  
 119.27 following schedule:

119.28	License Holder Annual Revenue	License Fee
119.29	less than or equal to \$10,000	\$200
119.30	greater than \$10,000 but less than or	
119.31	equal to \$25,000	\$300
119.32	greater than \$25,000 but less than or	
119.33	equal to \$50,000	\$400
119.34	greater than \$50,000 but less than or	
119.35	equal to \$100,000	\$500

120.1	greater than \$100,000 but less than or	
120.2	equal to \$150,000	\$600
120.3	greater than \$150,000 but less than or	
120.4	equal to \$200,000	\$800
120.5	greater than \$200,000 but less than or	
120.6	equal to \$250,000	\$1,000
120.7	greater than \$250,000 but less than or	
120.8	equal to \$300,000	\$1,200
120.9	greater than \$300,000 but less than or	
120.10	equal to \$350,000	\$1,400
120.11	greater than \$350,000 but less than or	
120.12	equal to \$400,000	\$1,600
120.13	greater than \$400,000 but less than or	
120.14	equal to \$450,000	\$1,800
120.15	greater than \$450,000 but less than or	
120.16	equal to \$500,000	\$2,000
120.17	greater than \$500,000 but less than or	
120.18	equal to \$600,000	\$2,250
120.19	greater than \$600,000 but less than or	
120.20	equal to \$700,000	\$2,500
120.21	greater than \$700,000 but less than or	
120.22	equal to \$800,000	\$2,750
120.23	greater than \$800,000 but less than or	
120.24	equal to \$900,000	\$3,000
120.25	greater than \$900,000 but less than or	
120.26	equal to \$1,000,000	\$3,250
120.27	greater than \$1,000,000 but less than or	
120.28	equal to \$1,250,000	\$3,500
120.29	greater than \$1,250,000 but less than or	
120.30	equal to \$1,500,000	\$3,750
120.31	greater than \$1,500,000 but less than or	
120.32	equal to \$1,750,000	\$4,000
120.33	greater than \$1,750,000 but less than or	
120.34	equal to \$2,000,000	\$4,250
120.35	greater than \$2,000,000 but less than or	
120.36	equal to \$2,500,000	\$4,500
120.37	greater than \$2,500,000 but less than or	
120.38	equal to \$3,000,000	\$4,750
120.39	greater than \$3,000,000 but less than or	
120.40	equal to \$3,500,000	\$5,000
120.41	greater than \$3,500,000 but less than or	
120.42	equal to \$4,000,000	\$5,500
120.43	greater than \$4,000,000 but less than or	
120.44	equal to \$4,500,000	\$6,000
120.45	greater than \$4,500,000 but less than or	
120.46	equal to \$5,000,000	\$6,500



121.1	greater than \$5,000,000 but less than or	
121.2	equal to \$7,500,000	\$7,000
121.3	greater than \$7,500,000 but less than or	
121.4	equal to \$10,000,000	\$8,500
121.5	greater than \$10,000,000 but less than or	
121.6	equal to \$12,500,000	\$10,000
121.7	greater than \$12,500,000 but less than or	
121.8	equal to \$15,000,000	\$14,000
121.9	greater than \$15,000,000	\$18,000

121.10 (2) If requested, the license holder shall provide the commissioner information to verify  
 121.11 the license holder's annual revenues or other information as needed, including copies of  
 121.12 documents submitted to the Department of Revenue.

121.13 (3) At each annual renewal, a license holder may elect to pay the highest renewal fee,  
 121.14 and not provide annual revenue information to the commissioner.

121.15 (4) A license holder that knowingly provides the commissioner incorrect revenue amounts  
 121.16 for the purpose of paying a lower license fee shall be subject to a civil penalty in the amount  
 121.17 of double the fee the provider should have paid.

121.18 (5) Notwithstanding clause (1), a license holder providing services under one or more  
 121.19 licenses under chapter 245B that are in effect on May 15, 2013, shall pay an annual license  
 121.20 fee for calendar years 2014, 2015, and 2016, equal to the total license fees paid by the license  
 121.21 holder for all licenses held under chapter 245B for calendar year 2013. For calendar year  
 121.22 2017 and thereafter, the license holder shall pay an annual license fee according to clause  
 121.23 (1).

121.24 (c) A substance use disorder treatment program licensed under chapter 245G, to provide  
 121.25 substance use disorder treatment shall pay an annual nonrefundable license fee based on  
 121.26 the following schedule:

121.27	Licensed Capacity	License Fee
121.28	1 to 24 persons	\$600
121.29	25 to 49 persons	\$800
121.30	50 to 74 persons	\$1,000
121.31	75 to 99 persons	\$1,200
121.32	100 or more persons	\$1,400

121.33 (d) A detoxification program licensed under Minnesota Rules, parts 9530.6510 to  
 121.34 9530.6590, or a withdrawal management program licensed under chapter 245F shall pay  
 121.35 an annual nonrefundable license fee based on the following schedule:

122.1	Licensed Capacity	License Fee
122.2	1 to 24 persons	\$760
122.3	25 to 49 persons	\$960
122.4	50 or more persons	\$1,160

122.5 A detoxification program that also operates a withdrawal management program at the same  
 122.6 location shall only pay one fee based upon the licensed capacity of the program with the  
 122.7 higher overall capacity.

122.8 (e) Except for child foster care, a residential facility licensed under Minnesota Rules,  
 122.9 chapter 2960, to serve children shall pay an annual nonrefundable license fee based on the  
 122.10 following schedule:

122.11	Licensed Capacity	License Fee
122.12	1 to 24 persons	\$1,000
122.13	25 to 49 persons	\$1,100
122.14	50 to 74 persons	\$1,200
122.15	75 to 99 persons	\$1,300
122.16	100 or more persons	\$1,400

122.17 (f) A residential facility licensed under section 245I.23 or Minnesota Rules, parts  
 122.18 9520.0500 to 9520.0670, to serve persons with mental illness shall pay an annual  
 122.19 nonrefundable license fee based on the following schedule:

122.20	Licensed Capacity	License Fee
122.21	1 to 24 persons	\$2,525
122.22	25 or more persons	\$2,725

122.23 (g) A residential facility licensed under Minnesota Rules, parts 9570.2000 to 9570.3400,  
 122.24 to serve persons with physical disabilities shall pay an annual nonrefundable license fee  
 122.25 based on the following schedule:

122.26	Licensed Capacity	License Fee
122.27	1 to 24 persons	\$450
122.28	25 to 49 persons	\$650
122.29	50 to 74 persons	\$850
122.30	75 to 99 persons	\$1,050
122.31	100 or more persons	\$1,250

122.32 ~~(h) A program licensed to provide independent living assistance for youth under section~~  
 122.33 ~~245A.22 shall pay an annual nonrefundable license fee of \$1,500.~~

123.1 ~~(h)~~ (h) A private agency licensed to provide foster care and adoption services under  
 123.2 Minnesota Rules, parts 9545.0755 to 9545.0845, shall pay an annual nonrefundable license  
 123.3 fee of \$875.

123.4 ~~(i)~~ (i) A program licensed as an adult day care center licensed under Minnesota Rules,  
 123.5 parts 9555.9600 to 9555.9730, shall pay an annual nonrefundable license fee based on the  
 123.6 following schedule:

123.7	Licensed Capacity	License Fee
123.8	1 to 24 persons	\$500
123.9	25 to 49 persons	\$700
123.10	50 to 74 persons	\$900
123.11	75 to 99 persons	\$1,100
123.12	100 or more persons	\$1,300

123.13 ~~(j)~~ (j) A program licensed to provide treatment services to persons with sexual  
 123.14 psychopathic personalities or sexually dangerous persons under Minnesota Rules, parts  
 123.15 9515.3000 to 9515.3110, shall pay an annual nonrefundable license fee of \$20,000.

123.16 ~~(k)~~ (k) A mental health clinic certified under section 245I.20 shall pay an annual  
 123.17 nonrefundable certification fee of \$1,550. If the mental health clinic provides services at a  
 123.18 primary location with satellite facilities, the satellite facilities shall be certified with the  
 123.19 primary location without an additional charge.

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

123.21 Sec. 17. Minnesota Statutes 2022, section 245A.11, is amended by adding a subdivision  
 123.22 to read:

123.23 **Subd. 12. License holder qualifications for child foster care.** (a) Child foster care  
 123.24 license holders must maintain the ability to care for a foster child and ensure a safe home  
 123.25 environment for children placed in their care. License holders must immediately notify the  
 123.26 licensing agency of:

123.27 (1) any changes to the license holder or household member's physical or behavioral  
 123.28 health that may affect the license holder's ability to care for a foster child or pose a risk to  
 123.29 a foster child's health; or

123.30 (2) changes related to the care of a child or vulnerable adult for whom the license holder  
 123.31 is a parent or legally responsible, including living out of the home for treatment for physical  
 123.32 or behavioral health, modified parenting time arrangements, legal custody, or placement in  
 123.33 foster care.

124.1 (b) The licensing agency may request a license holder or household member to undergo  
 124.2 an evaluation by a specialist in areas such as physical or behavioral health to evaluate the  
 124.3 license holder's ability to provide a safe environment for a foster child.

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

124.5 Sec. 18. Minnesota Statutes 2022, section 245A.14, subdivision 4, is amended to read:

124.6 Subd. 4. **Special family child care homes.** (a) Nonresidential child care programs  
 124.7 serving 14 or fewer children that are conducted at a location other than the license holder's  
 124.8 own residence shall be licensed under this section and the rules governing family child care  
 124.9 or group family child care if:

124.10 ~~(a)~~ (1) the license holder is the primary provider of care and the nonresidential child  
 124.11 care program is conducted in a dwelling that is located on a residential lot;

124.12 ~~(b)~~ (2) the license holder is an employer who may or may not be the primary provider  
 124.13 of care, and the purpose for the child care program is to provide child care services to  
 124.14 children of the license holder's employees;

124.15 ~~(c)~~ (3) the license holder is a church or religious organization;

124.16 ~~(d)~~ (4) the license holder is a community collaborative child care provider. For purposes  
 124.17 of this subdivision, a community collaborative child care provider is a provider participating  
 124.18 in a cooperative agreement with a community action agency as defined in section 256E.31;

124.19 ~~(e)~~ (5) the license holder is a not-for-profit agency that provides child care in a dwelling  
 124.20 located on a residential lot and the license holder maintains two or more contracts with  
 124.21 community employers or other community organizations to provide child care services.  
 124.22 The county licensing agency may grant a capacity variance to a license holder licensed  
 124.23 under this ~~paragraph~~ clause to exceed the licensed capacity of 14 children by no more than  
 124.24 five children during transition periods related to the work schedules of parents, if the license  
 124.25 holder meets the following requirements:

124.26 ~~(1)~~ (i) the program does not exceed a capacity of 14 children more than a cumulative  
 124.27 total of four hours per day;

124.28 ~~(2)~~ (ii) the program meets a one to seven staff-to-child ratio during the variance period;

124.29 ~~(3)~~ (iii) all employees receive at least an extra four hours of training per year than required  
 124.30 in the rules governing family child care each year;

124.31 ~~(4)~~ (iv) the facility has square footage required per child under Minnesota Rules, part  
 124.32 9502.0425;

125.1 ~~(5)~~ (v) the program is in compliance with local zoning regulations;

125.2 ~~(6)~~ (vi) the program is in compliance with the applicable fire code as follows:

125.3 ~~(i)~~ (A) if the program serves more than five children older than 2-1/2 years of age, but  
 125.4 no more than five children 2-1/2 years of age or less, the applicable fire code is educational  
 125.5 occupancy, as provided in Group E Occupancy under the Minnesota State Fire Code ~~2015~~  
 125.6 2020, Section 202; or

125.7 ~~(ii)~~ (B) if the program serves more than five children 2-1/2 years of age or less, the  
 125.8 applicable fire code is Group I-4 ~~Occupancies~~ Occupancy, as provided in the Minnesota  
 125.9 State Fire Code ~~2015~~ 2020, Section 202, unless the rooms in which the children 2-1/2 years  
 125.10 of age or younger are cared for are located on a level of exit discharge and each of these  
 125.11 child care rooms has an exit door directly to the exterior, then the applicable fire code is  
 125.12 Group E ~~occupancies~~ Occupancy, as provided in the Minnesota State Fire Code ~~2015~~ 2020,  
 125.13 Section 202; and

125.14 ~~(7)~~ (vii) any age and capacity limitations required by the fire code inspection and square  
 125.15 footage determinations shall be printed on the license; or

125.16 ~~(8)~~ (6) the license holder is the primary provider of care and has located the licensed  
 125.17 child care program in a commercial space, if the license holder meets the following  
 125.18 requirements:

125.19 ~~(1)~~ (i) the program is in compliance with local zoning regulations;

125.20 ~~(2)~~ (ii) the program is in compliance with the applicable fire code as follows:

125.21 ~~(i)~~ (A) if the program serves more than five children older than 2-1/2 years of age, but  
 125.22 no more than five children 2-1/2 years of age or less, the applicable fire code is educational  
 125.23 occupancy, as provided in Group E Occupancy under the Minnesota State Fire Code ~~2015~~  
 125.24 2020, Section 202; or

125.25 ~~(ii)~~ (B) if the program serves more than five children 2-1/2 years of age or less, the  
 125.26 applicable fire code is Group I-4 ~~Occupancies~~ Occupancy, as provided under the Minnesota  
 125.27 State Fire Code ~~2015~~ 2020, Section 202, unless the rooms in which the children 2-1/2 years  
 125.28 of age or younger are cared for are located on a level of exit discharge and each of these  
 125.29 child care rooms has an exit door directly to the exterior, then the applicable fire code is  
 125.30 Group E Occupancy, as provided in the Minnesota State Fire Code 2020, Section 202;

125.31 ~~(3)~~ (iii) any age and capacity limitations required by the fire code inspection and square  
 125.32 footage determinations are printed on the license; and

126.1 ~~(4)~~ (iv) the license holder prominently displays the license issued by the commissioner  
 126.2 which contains the statement "This special family child care provider is not licensed as a  
 126.3 child care center."

126.4 ~~(g)~~ (b) Notwithstanding Minnesota Rules, part 9502.0335, subpart 12, the commissioner  
 126.5 may issue up to four licenses to an organization licensed under paragraph ~~(b)~~, ~~(c)~~, or ~~(e)~~ (a),  
 126.6 clause (2), (3), or (5). Each license must have its own primary provider of care as required  
 126.7 under paragraph ~~(i)~~ (d). Each license must operate as a distinct and separate program in  
 126.8 compliance with all applicable laws and regulations.

126.9 ~~(h)~~ (c) For licenses issued under paragraph ~~(b)~~, ~~(c)~~, ~~(d)~~, ~~(e)~~, or ~~(f)~~ (a), clause (2), (3),  
 126.10 (4), (5), or (6), the commissioner may approve up to four licenses at the same location or  
 126.11 under one contiguous roof if each license holder is able to demonstrate compliance with all  
 126.12 applicable rules and laws. Each licensed program must operate as a distinct program and  
 126.13 within the capacity, age, and ratio distributions of each license.

126.14 ~~(i)~~ (d) For a license issued under paragraph ~~(b)~~, ~~(c)~~, or ~~(e)~~ (a), clause (2), (3), or (5), the  
 126.15 license holder must designate a person to be the primary provider of care at the licensed  
 126.16 location on a form and in a manner prescribed by the commissioner. The license holder  
 126.17 shall notify the commissioner in writing before there is a change of the person designated  
 126.18 to be the primary provider of care. The primary provider of care:

126.19 (1) must be the person who will be the provider of care at the program and present during  
 126.20 the hours of operation;

126.21 (2) must operate the program in compliance with applicable laws and regulations under  
 126.22 chapter 245A and Minnesota Rules, chapter 9502;

126.23 (3) is considered a child care background study subject as defined in section 245C.02,  
 126.24 subdivision 6a, and must comply with background study requirements in chapter 245C;

126.25 (4) must complete the training that is required of license holders in section 245A.50;  
 126.26 and

126.27 (5) is authorized to communicate with the county licensing agency and the department  
 126.28 on matters related to licensing.

126.29 ~~(j)~~ (e) For any license issued under this subdivision, the license holder must ensure that  
 126.30 any other caregiver, substitute, or helper who assists in the care of children meets the training  
 126.31 requirements in section 245A.50 and background study requirements under chapter 245C.

127.1 Sec. 19. Minnesota Statutes 2022, section 245A.1435, is amended to read:

127.2 **245A.1435 REDUCTION OF RISK OF SUDDEN UNEXPECTED INFANT DEATH**  
127.3 **IN LICENSED PROGRAMS.**

127.4 (a) When a license holder is placing an infant to sleep, the license holder must place the  
127.5 infant on the infant's back, unless the license holder has documentation from the infant's  
127.6 physician, advanced practice registered nurse, or physician assistant directing an alternative  
127.7 sleeping position for the infant. The physician, advanced practice registered nurse, or  
127.8 physician assistant directive must be on a form ~~approved~~ developed by the commissioner  
127.9 and must remain on file at the licensed location. An infant who independently rolls onto its  
127.10 stomach after being placed to sleep on its back may be allowed to remain sleeping on its  
127.11 stomach if the infant is at least six months of age or the license holder has a signed statement  
127.12 from the parent indicating that the infant regularly rolls over at home.

127.13 (b) The license holder must place the infant in a crib directly on a firm mattress with a  
127.14 fitted sheet that is appropriate to the mattress size, that fits tightly on the mattress, and  
127.15 overlaps the underside of the mattress so it cannot be dislodged by pulling on the corner of  
127.16 the sheet with reasonable effort. The license holder must not place anything in the crib with  
127.17 the infant except for the infant's pacifier, as defined in Code of Federal Regulations, title  
127.18 16, part 1511. The pacifier must be free from any sort of attachment. The requirements of  
127.19 this section apply to license holders serving infants younger than one year of age. Licensed  
127.20 child care providers must meet the crib requirements under section 245A.146. A correction  
127.21 order shall not be issued under this paragraph unless there is evidence that a violation  
127.22 occurred when an infant was present in the license holder's care.

127.23 (c) If an infant falls asleep before being placed in a crib, the license holder must move  
127.24 the infant to a crib as soon as practicable, and must keep the infant within sight of the license  
127.25 holder until the infant is placed in a crib. When an infant falls asleep while being held, the  
127.26 license holder must consider the supervision needs of other children in care when determining  
127.27 how long to hold the infant before placing the infant in a crib to sleep. The sleeping infant  
127.28 must not be in a position where the airway may be blocked or with anything covering the  
127.29 infant's face.

127.30 (d) When a license holder places an infant under one year of age down to sleep, the  
127.31 infant's clothing or sleepwear must not have weighted materials, a hood, or a bib.

127.32 (e) A license holder may place an infant under one year of age down to sleep wearing  
127.33 a helmet if the license holder has signed documentation by a physician, advanced practice

128.1 registered nurse, physician assistant, licensed occupational therapist, or licensed physical  
 128.2 therapist on a form developed by the commissioner.

128.3 ~~(d)~~ (f) Placing a swaddled infant down to sleep in a licensed setting is not recommended  
 128.4 for an infant of any age and is prohibited for any infant who has begun to roll over  
 128.5 independently. However, with the written consent of a parent or guardian according to this  
 128.6 paragraph, a license holder may place the infant who has not yet begun to roll over on its  
 128.7 own down to sleep in a ~~one-piece sleeper equipped with an attached system that fastens~~  
 128.8 ~~securely only across the upper torso, with no constriction of the hips or legs, to create a~~  
 128.9 swaddle. A swaddle is defined as a one-piece sleepwear that wraps over the infant's arms,  
 128.10 fastens securely only across the infant's upper torso, and does not constrict the infant's hips  
 128.11 or legs. If a swaddle is used by a license holder, the license holder must ensure that it meets  
 128.12 the requirements of paragraph (d) and is not so tight that it restricts the infant's ability to  
 128.13 breathe or so loose that the fabric could cover the infant's nose and mouth. Prior to any use  
 128.14 of swaddling for sleep by a provider licensed under this chapter, the license holder must  
 128.15 obtain informed written consent for the use of swaddling from the parent or guardian of the  
 128.16 infant on a form ~~provided~~ developed by the commissioner ~~and prepared in partnership with~~  
 128.17 ~~the Minnesota Sudden Infant Death Center.~~

128.18 (g) A license holder may request a variance to this section to permit the use of a  
 128.19 cradleboard when requested by a parent or guardian for a cultural accommodation. A variance  
 128.20 for the use of a cradleboard may be issued only by the commissioner. The variance request  
 128.21 must be submitted on a form developed by the commissioner in partnership with Tribal  
 128.22 welfare agencies and the Department of Health.

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

128.24 Sec. 20. Minnesota Statutes 2022, section 245A.146, subdivision 3, is amended to read:

128.25 Subd. 3. **License holder documentation of cribs.** (a) Annually, from the date printed  
 128.26 on the license, all license holders shall check all their cribs' brand names and model numbers  
 128.27 against the United States Consumer Product Safety Commission website listing of unsafe  
 128.28 cribs.

128.29 (b) The license holder shall maintain written documentation to be reviewed on site for  
 128.30 each crib showing that the review required in paragraph (a) has been completed, and which  
 128.31 of the following conditions applies:

128.32 (1) the crib was not identified as unsafe on the United States Consumer Product Safety  
 128.33 Commission website;



129.1 (2) the crib was identified as unsafe on the United States Consumer Product Safety  
129.2 Commission website, but the license holder has taken the action directed by the United  
129.3 States Consumer Product Safety Commission to make the crib safe; or

129.4 (3) the crib was identified as unsafe on the United States Consumer Product Safety  
129.5 Commission website, and the license holder has removed the crib so that it is no longer  
129.6 used by or accessible to children in care.

129.7 (c) Documentation of the review completed under this subdivision shall be maintained  
129.8 by the license holder on site and made available to parents or guardians of children in care  
129.9 and the commissioner.

129.10 (d) Notwithstanding Minnesota Rules, part 9502.0425, a family child care provider that  
129.11 complies with this section may use a mesh-sided or fabric-sided play yard, pack and play,  
129.12 or playpen or crib that has not been identified as unsafe on the United States Consumer  
129.13 Product Safety Commission website for the care or sleeping of infants.

129.14 (e) On at least a monthly basis, the family child care license holder shall perform safety  
129.15 inspections of every mesh-sided or fabric-sided play yard, pack and play, or playpen used  
129.16 by or that is accessible to any child in care, and must document the following:

129.17 (1) there are no tears, holes, or loose or unraveling threads in mesh or fabric sides of  
129.18 crib;

129.19 (2) the weave of the mesh on the crib is no larger than one-fourth of an inch;

129.20 (3) no mesh fabric is unsecure or unattached to top rail and floor plate of crib;

129.21 (4) no tears or holes to top rail of crib;

129.22 (5) the mattress floor board is not soft and does not exceed one inch thick;

129.23 (6) the mattress floor board has no rips or tears in covering;

129.24 (7) the mattress floor board in use is a ~~waterproof~~ an original mattress or replacement  
129.25 mattress provided by the manufacturer of the crib;

129.26 (8) there are no protruding or loose rivets, metal nuts, or bolts on the crib;

129.27 (9) there are no knobs or wing nuts on outside crib legs;

129.28 (10) there are no missing, loose, or exposed staples; and

129.29 (11) the latches on top and side rails used to collapse crib are secure, they lock properly,  
129.30 and are not loose.

130.1 (f) If a cradleboard is used in a licensed setting, the license holder must check the  
 130.2 cradleboard not less than monthly to ensure the cradleboard is structurally sound and there  
 130.3 are no loose or protruding parts. The license holder shall maintain written documentation  
 130.4 of this review.

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

130.6 Sec. 21. Minnesota Statutes 2022, section 245A.16, subdivision 1, is amended to read:

130.7 Subdivision 1. **Delegation of authority to agencies.** (a) County agencies and private  
 130.8 agencies that have been designated or licensed by the commissioner to perform licensing  
 130.9 functions and activities under section 245A.04 and ~~background studies for family child care~~  
 130.10 ~~under chapter 245C~~; to recommend denial of applicants under section 245A.05; to issue  
 130.11 correction orders, to issue variances, and recommend a conditional license under section  
 130.12 245A.06; or to recommend suspending or revoking a license or issuing a fine under section  
 130.13 245A.07, shall comply with rules and directives of the commissioner governing those  
 130.14 functions and with this section. The following variances are excluded from the delegation  
 130.15 of variance authority and may be issued only by the commissioner:

130.16 (1) dual licensure of family child care and child foster care, dual licensure of child and  
 130.17 adult foster care, and adult foster care and family child care;

130.18 (2) adult foster care maximum capacity;

130.19 (3) adult foster care minimum age requirement;

130.20 (4) child foster care maximum age requirement;

130.21 (5) variances regarding disqualified individuals ~~except that, before the implementation~~  
 130.22 ~~of NETStudy 2.0, county agencies may issue variances under section 245C.30 regarding~~  
 130.23 ~~disqualified individuals when the county is responsible for conducting a consolidated~~  
 130.24 ~~reconsideration according to sections 245C.25 and 245C.27, subdivision 2, clauses (a) and~~  
 130.25 ~~(b), of a county maltreatment determination and a disqualification based on serious or~~  
 130.26 ~~recurring maltreatment;~~

130.27 (6) the required presence of a caregiver in the adult foster care residence during normal  
 130.28 sleeping hours;

130.29 (7) variances to requirements relating to chemical use problems of a license holder or a  
 130.30 household member of a license holder; ~~and~~

131.1 (8) variances to section 245A.53 for a time-limited period. If the commissioner grants  
 131.2 a variance under this clause, the license holder must provide notice of the variance to all  
 131.3 parents and guardians of the children in care; and

131.4 (9) variances to section 245A.1435 for the use of a cradleboard for a cultural  
 131.5 accommodation.

131.6 Except as provided in section 245A.14, subdivision 4, paragraph (e), a county agency must  
 131.7 not grant a license holder a variance to exceed the maximum allowable family child care  
 131.8 license capacity of 14 children.

131.9 (b) A county agency that has been designated by the commissioner to issue family child  
 131.10 care variances must:

131.11 (1) publish the county agency's policies and criteria for issuing variances on the county's  
 131.12 public website and update the policies as necessary; and

131.13 (2) annually distribute the county agency's policies and criteria for issuing variances to  
 131.14 all family child care license holders in the county.

131.15 ~~(e) Before the implementation of NETStudy 2.0, county agencies must report information~~  
 131.16 ~~about disqualification reconsiderations under sections 245C.25 and 245C.27, subdivision~~  
 131.17 ~~2, paragraphs (a) and (b), and variances granted under paragraph (a), clause (5), to the~~  
 131.18 ~~commissioner at least monthly in a format prescribed by the commissioner.~~

131.19 ~~(d)~~ (c) For family child care programs, the commissioner shall require a county agency  
 131.20 to conduct one unannounced licensing review at least annually.

131.21 ~~(e)~~ (d) For family adult day services programs, the commissioner may authorize licensing  
 131.22 reviews every two years after a licensee has had at least one annual review.

131.23 ~~(f)~~ (e) A license issued under this section may be issued for up to two years.

131.24 ~~(g)~~ (f) During implementation of chapter 245D, the commissioner shall consider:

131.25 (1) the role of counties in quality assurance;

131.26 (2) the duties of county licensing staff; and

131.27 (3) the possible use of joint powers agreements, according to section 471.59, with counties  
 131.28 through which some licensing duties under chapter 245D may be delegated by the  
 131.29 commissioner to the counties.

131.30 Any consideration related to this paragraph must meet all of the requirements of the corrective  
 131.31 action plan ordered by the federal Centers for Medicare and Medicaid Services.

132.1 ~~(h)~~ (g) Licensing authority specific to section 245D.06, subdivisions 5, 6, 7, and 8, or  
 132.2 successor provisions; and section 245D.061 or successor provisions, for family child foster  
 132.3 care programs providing out-of-home respite, as identified in section 245D.03, subdivision  
 132.4 1, paragraph (b), clause (1), is excluded from the delegation of authority to county and  
 132.5 private agencies.

132.6 ~~(i)~~ (h) A county agency shall report to the commissioner, in a manner prescribed by the  
 132.7 commissioner, the following information for a licensed family child care program:

132.8 (1) the results of each licensing review completed, including the date of the review, and  
 132.9 any licensing correction order issued;

132.10 (2) any death, serious injury, or determination of substantiated maltreatment; and

132.11 (3) any fires that require the service of a fire department within 48 hours of the fire. The  
 132.12 information under this clause must also be reported to the state fire marshal within two  
 132.13 business days of receiving notice from a licensed family child care provider.

132.14 **EFFECTIVE DATE.** This section is effective the day following final enactment, except  
 132.15 for the changes to paragraph (a), clauses (7) to (9), which are effective January 1, 2024.

132.16 Sec. 22. Minnesota Statutes 2022, section 245A.16, subdivision 9, is amended to read:

132.17 **Subd. 9. Licensed family foster settings.** (a) Before recommending to grant a license,  
 132.18 deny a license under section 245A.05, or revoke a license under section 245A.07 for  
 132.19 nondisqualifying background study information received under section 245C.05, subdivision  
 132.20 4, paragraph (a), clause (3), for a licensed family foster setting, a county agency or private  
 132.21 agency that has been designated or licensed by the commissioner must review the following  
 132.22 for the license holder, applicant, or an individual living in the household where the licensed  
 132.23 services are provided or who is otherwise subject to a background study:

132.24 (1) the type of offenses;

132.25 (2) the number of offenses;

132.26 (3) the nature of the offenses;

132.27 (4) the age of the individual at the time of the offenses;

132.28 (5) the length of time that has elapsed since the last offense;

132.29 (6) the relationship of the offenses and the capacity to care for a child;

132.30 (7) evidence of rehabilitation;

133.1 (8) information or knowledge from community members regarding the individual's  
133.2 capacity to provide foster care;

133.3 (9) any available information regarding child maltreatment reports or child in need of  
133.4 protection or services petitions, or related cases, in which the individual has been involved  
133.5 or implicated, and documentation that the individual has remedied issues or conditions  
133.6 identified in child protection or court records that are relevant to safely caring for a child;

133.7 (10) a statement from the study subject;

133.8 (11) a statement from the license holder; and

133.9 (12) other aggravating and mitigating factors.

133.10 (b) For purposes of this section, "evidence of rehabilitation" includes but is not limited  
133.11 to the following:

133.12 (1) maintaining a safe and stable residence;

133.13 (2) continuous, regular, or stable employment;

133.14 (3) successful participation in an education or job training program;

133.15 (4) positive involvement with the community or extended family;

133.16 (5) compliance with the terms and conditions of probation or parole following the  
133.17 individual's most recent conviction;

133.18 (6) if the individual has had a substance use disorder, successful completion of a substance  
133.19 use disorder assessment, substance use disorder treatment, and recommended continuing  
133.20 care, if applicable, demonstrated abstinence from controlled substances, as defined in section  
133.21 152.01, subdivision 4, or the establishment of a sober network;

133.22 (7) if the individual has had a mental illness or documented mental health issues,  
133.23 demonstrated completion of a mental health evaluation, participation in therapy or other  
133.24 recommended mental health treatment, or appropriate medication management, if applicable;

133.25 (8) if the individual's offense or conduct involved domestic violence, demonstrated  
133.26 completion of a domestic violence or anger management program, and the absence of any  
133.27 orders for protection or harassment restraining orders against the individual since the previous  
133.28 offense or conduct;

133.29 (9) written letters of support from individuals of good repute, including but not limited  
133.30 to employers, members of the clergy, probation or parole officers, volunteer supervisors,  
133.31 or social services workers;

134.1 (10) demonstrated remorse for convictions or conduct, or demonstrated positive behavior  
134.2 changes; and

134.3 (11) absence of convictions or arrests since the previous offense or conduct, including  
134.4 any convictions that were expunged or pardoned.

134.5 (c) An applicant for a family foster setting license must sign all releases of information  
134.6 requested by the county or private licensing agency.

134.7 (d) When licensing a relative for a family foster setting, the commissioner shall also  
134.8 consider the importance of maintaining the child's relationship with relatives as an additional  
134.9 significant factor in determining whether an application will be denied.

134.10 (e) When recommending that the commissioner deny or revoke a license, the county or  
134.11 private licensing agency must send a summary of the review completed according to  
134.12 paragraph (a), on a form developed by the commissioner, to the commissioner and include  
134.13 any recommendation for licensing action.

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

134.15 Sec. 23. Minnesota Statutes 2022, section 245A.16, is amended by adding a subdivision  
134.16 to read:

134.17 **Subd. 10. Electronic checklist use by family child care licensors.** County staff who  
134.18 perform family child care licensing functions must use the commissioner's electronic licensing  
134.19 checklist in the manner prescribed by the commissioner.

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

134.21 Sec. 24. Minnesota Statutes 2022, section 245A.18, subdivision 2, is amended to read:

134.22 **Subd. 2. Child passenger restraint systems; training requirement.** (a) Programs  
134.23 licensed by the Department of Human Services under this chapter and Minnesota Rules,  
134.24 chapter 2960, that serve a child or children under eight years of age must document training  
134.25 that fulfills the requirements in this subdivision. Sections 245A.60, subdivision 4, and  
134.26 245A.61, subdivision 4, describe training requirements for family foster care and foster  
134.27 residence settings.

134.28 (b) Before a license holder, staff person, or caregiver transports a child or children under  
134.29 age eight in a motor vehicle, the person transporting the child must satisfactorily complete  
134.30 training on the proper use and installation of child restraint systems in motor vehicles.

135.1 ~~Training completed under this section may be used to meet initial or ongoing training under~~  
135.2 ~~Minnesota Rules, part 2960.3070, subparts 1 and 2.~~

135.3 (c) Training required under this section must be completed at orientation or initial training  
135.4 and repeated at least once every five years. At a minimum, the training must address the  
135.5 proper use of child restraint systems based on the child's size, weight, and age, and the  
135.6 proper installation of a car seat or booster seat in the motor vehicle used by the license  
135.7 holder to transport the child or children.

135.8 (d) Training under paragraph (c) must be provided by individuals who are certified and  
135.9 approved by the ~~Department of Public Safety~~, Office of Traffic Safety within the Department  
135.10 of Public Safety. License holders may obtain a list of certified and approved trainers through  
135.11 the Department of Public Safety website or by contacting the agency.

135.12 ~~(e) Notwithstanding paragraph (a), for an emergency relative placement under section~~  
135.13 ~~245A.035, the commissioner may grant a variance to the training required by this subdivision~~  
135.14 ~~for a relative who completes a child seat safety check up. The child seat safety check up~~  
135.15 ~~trainer must be approved by the Department of Public Safety, Office of Traffic Safety, and~~  
135.16 ~~must provide one-on-one instruction on placing a child of a specific age in the exact child~~  
135.17 ~~passenger restraint in the motor vehicle in which the child will be transported. Once granted~~  
135.18 ~~a variance, and if all other licensing requirements are met, the relative applicant may receive~~  
135.19 ~~a license and may transport a relative foster child younger than eight years of age. A child~~  
135.20 ~~seat safety check up must be completed each time a child requires a different size car seat~~  
135.21 ~~according to car seat and vehicle manufacturer guidelines. A relative license holder must~~  
135.22 ~~complete training that meets the other requirements of this subdivision prior to placement~~  
135.23 ~~of another foster child younger than eight years of age in the home or prior to the renewal~~  
135.24 ~~of the child foster care license.~~

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

135.26 Sec. 25. **[245A.211] PRONE RESTRAINT PROHIBITION.**

135.27 Subdivision 1. **Applicability.** This section applies to all programs licensed or certified  
135.28 under this chapter, chapters 245D, 245F, 245G, 245H, and sections 245I.20 and 245I.23.  
135.29 The requirements in this section are in addition to any applicable requirements for the use  
135.30 of holds or restraints for each license or certification type.

135.31 Subd. 2. **Definitions.** (a) "Mechanical restraint" means a restraint device that limits the  
135.32 voluntary movement of a person or the person's limbs.

136.1 (b) "Prone restraint" means a restraint that places a person in a face-down position with  
136.2 the person's chest in contact with the floor or other surface.

136.3 (c) "Restraint" means a physical hold, physical restraint, manual restraint, restraint  
136.4 equipment, or mechanical restraint that holds a person immobile or limits the voluntary  
136.5 movement of a person or the person's limbs.

136.6 Subd. 3. **Prone restraint prohibition.** (a) A license or certification holder must not use  
136.7 a prone restraint on any person receiving services in a program, except in the instances  
136.8 allowed by paragraphs (b) to (d).

136.9 (b) If a person rolls into a prone position during the use of a restraint, the person must  
136.10 be restored to a nonprone position as quickly as possible.

136.11 (c) If the applicable licensing requirements allow a program to use mechanical restraints,  
136.12 a person may be briefly held in a prone restraint for the purpose of applying mechanical  
136.13 restraints if the person is restored to a nonprone position as quickly as possible.

136.14 (d) If the applicable licensing requirements allow a program to use seclusion, a person  
136.15 may be briefly held in a prone restraint to allow staff to safely exit a seclusion room.

136.16 Subd. 4. **Contraindicated physical restraints.** A license or certification holder must  
136.17 not implement a restraint on a person receiving services in a program in a way that is  
136.18 contraindicated for any of the person's known medical or psychological conditions. Prior  
136.19 to using restraints on a person, the license or certification holder must assess and document  
136.20 a determination of any medical or psychological conditions that restraints are contraindicated  
136.21 for and the type of restraints that will not be used on the person based on this determination.

136.22 Sec. 26. Minnesota Statutes 2022, section 245A.52, subdivision 1, is amended to read:

136.23 Subdivision 1. **Means of escape.** (a)(1) At least one emergency escape route separate  
136.24 from the main exit from the space must be available in each room used for sleeping by  
136.25 anyone receiving licensed care, and (2) a basement used for child care. One means of escape  
136.26 must be a stairway or door leading to the floor of exit discharge. The other must be a door  
136.27 or window leading directly outside. A window used as an emergency escape route must be  
136.28 openable without special knowledge.

136.29 (b) In homes with construction that began before ~~May 2, 2016~~ March 31, 2020, the  
136.30 interior of the window leading directly outside must have a net clear opening area of not  
136.31 less than 4.5 square feet or 648 square inches and have minimum clear opening dimensions  
136.32 of 20 inches wide and 20 inches high. The net clear opening dimensions shall be the result  
136.33 of normal operation of the opening. The opening must be no higher than 48 inches from the



137.1 floor. The height to the window may be measured from a platform if a platform is located  
 137.2 below the window.

137.3 (c) In homes with construction that began on or after ~~May 2, 2016~~ March 31, 2020, the  
 137.4 interior of the window leading directly outside must have minimum clear opening dimensions  
 137.5 of 20 inches wide and 24 inches high. The net clear opening dimensions shall be the result  
 137.6 of normal operation of the opening. The opening must be no higher than 44 inches from the  
 137.7 floor.

137.8 ~~(d)~~ Additional requirements are dependent on the distance of the openings from the ground  
 137.9 outside the window: (1) windows or other openings with a sill height not more than 44  
 137.10 inches above or below the finished ground level adjacent to the opening (grade-floor  
 137.11 emergency escape and rescue openings) must have a minimum opening of five square feet;  
 137.12 and (2) non-grade-floor emergency escape and rescue openings must have a minimum  
 137.13 opening of 5.7 square feet.

137.14 Sec. 27. Minnesota Statutes 2022, section 245A.52, subdivision 2, is amended to read:

137.15 Subd. 2. **Door to attached garage.** ~~Notwithstanding Minnesota Rules, part 9502.0425,~~  
 137.16 ~~subpart 5, day care residences with an attached garage are not required to have a self-closing~~  
 137.17 ~~door to the residence. The door to the residence may be~~ If there is an opening between an  
 137.18 attached garage and a day care residence, there must be a door that is:

137.19 (1) a solid wood bonded-core door at least 1-3/8 inches thick;

137.20 (2) a steel insulated door if the door is at least 1-3/8 inches thick; or

137.21 (3) a door with a fire protection rating of 20 minutes.

137.22 The separation wall on the garage side between the residence and garage must consist of  
 137.23 1/2 inch thick gypsum wallboard or its equivalent.

137.24 Sec. 28. Minnesota Statutes 2022, section 245A.52, subdivision 3, is amended to read:

137.25 Subd. 3. **Heating and venting systems.** (a) Notwithstanding Minnesota Rules, part  
 137.26 9502.0425, subpart 7, item C, items that can be ignited and support combustion, including  
 137.27 but not limited to plastic, fabric, and wood products must not be located within:

137.28 (1) 18 inches of a gas or fuel-oil heater or furnace; or

137.29 (2) 36 inches of a solid-fuel-burning appliance.

138.1 (b) If a license holder produces manufacturer instructions listing a smaller distance, then  
138.2 the manufacturer instructions control the distance combustible items must be from gas,  
138.3 fuel-oil, or solid-fuel burning heaters or furnaces.

138.4 Sec. 29. Minnesota Statutes 2022, section 245A.52, subdivision 5, is amended to read:

138.5 Subd. 5. **Carbon monoxide and smoke alarms.** (a) All homes must have an approved  
138.6 and operational carbon monoxide alarm installed within ten feet of each room used for  
138.7 sleeping children in care.

138.8 (b) Smoke alarms that have been listed by the Underwriter Laboratory must be properly  
138.9 installed and maintained ~~on all levels including basements, but not including crawl spaces~~  
138.10 ~~and uninhabitable attics, and in hallways outside rooms used for sleeping children in care.~~  
138.11 in hallways outside of rooms used for sleeping children and on all levels, including basements  
138.12 but not including crawl spaces and uninhabitable attics.

138.13 (c) In homes with construction that began on or after ~~May 2, 2016~~ March 31, 2020,  
138.14 smoke alarms must be installed and maintained in each room used for sleeping children in  
138.15 care.

138.16 Sec. 30. Minnesota Statutes 2022, section 245A.52, is amended by adding a subdivision  
138.17 to read:

138.18 Subd. 7. **Stairways.** All stairways must meet the following conditions.

138.19 (1) Stairways of four or more steps must have handrails on at least one side.

138.20 (2) Any open area between the handrail and stair tread must be enclosed with a protective  
138.21 guardrail as specified in the State Building Code. At open risers, openings located more  
138.22 than 30 inches (762 mm), as measured vertically, to the floor or grade below shall not permit  
138.23 the passage of a sphere four inches (102 mm) in diameter.

138.24 (3) Gates or barriers must be used when children between the ages of six and 18 months  
138.25 are in care.

138.26 (4) Stairways must be well lit, in good repair, and free of clutter and obstructions.

138.27 Sec. 31. Minnesota Statutes 2022, section 245A.52, is amended by adding a subdivision  
138.28 to read:

138.29 Subd. 8. **Fire code variances.** When a variance is requested of the standards contained  
138.30 in subdivision 1, 2, 3, 4, or 5, an applicant or provider must submit written approval from

139.1 the state fire marshal of the variance requested and the alternative measures identified to  
139.2 ensure the safety of children in care.

139.3 **Sec. 32. [245A.60] FAMILY CHILD FOSTER CARE TRAINING REQUIREMENTS.**

139.4 Subdivision 1. **Applicability.** This section applies to programs licensed to provide foster  
139.5 care for children in the license holder's residence. For the purposes of this section, "foster  
139.6 parent" means a license holder under this chapter. For the purposes of this section, "caregiver"  
139.7 means a person who provides services to a child according to the child's case plan in a setting  
139.8 licensed under Minnesota Rules, parts 2960.3000 to 2960.3340.

139.9 Subd. 2. **Orientation.** (a) Each foster parent applicant must complete a minimum of six  
139.10 hours of orientation before the commissioner will license the applicant. An applicant's  
139.11 orientation training hours do not count toward yearly training hours. The commissioner  
139.12 may grant a variance to the applicant regarding the number of orientation hours that this  
139.13 subdivision requires.

139.14 (b) The foster parent's orientation must include training about the following:

139.15 (1) emergency procedures, including evacuation routes, emergency telephone numbers,  
139.16 severe storm and tornado procedures, and the location of alarms and equipment;

139.17 (2) all relevant laws and rules, including this chapter; chapters 260, 260C, 260D, and  
139.18 260E; Minnesota Rules, chapter 9560; and related legal issues and reporting requirements;

139.19 (3) cultural diversity, gender sensitivity, culturally specific services, cultural competence,  
139.20 and information about discrimination and racial bias to ensure that caregivers are culturally  
139.21 competent to care for foster children according to section 260C.212, subdivision 11;

139.22 (4) the foster parent's roles and responsibilities in developing and implementing the  
139.23 child's case plan and involvement in court and administrative reviews of the child's placement;

139.24 (5) the licensing agency's requirements;

139.25 (6) one hour relating to reasonable and prudent parenting standards for the child's  
139.26 participation in age-appropriate or developmentally appropriate extracurricular, social, or  
139.27 cultural activities according to section 260C.212, subdivision 14;

139.28 (7) two hours relating to children's mental health issues according to subdivision 3;

139.29 (8) if subdivision 4 requires, the proper use and installation of child passenger restraint  
139.30 systems in motor vehicles;

140.1 (9) if subdivision 5 requires, at least one hour about reducing the risk of sudden  
140.2 unexpected infant death and abusive head trauma from shaking infants and young children;  
140.3 and

140.4 (10) if subdivision 6 requires, operating medical equipment.

140.5 Subd. 3. **Mental health training.** Each foster parent prior to licensure and each caregiver  
140.6 prior to caring for a foster child must complete two hours of training that addresses the  
140.7 causes, symptoms, and key warning signs of children's mental health disorders; cultural  
140.8 considerations; and effective approaches to manage a child's behaviors. Each year, each  
140.9 foster parent and caregiver must complete at least one hour of training about children's  
140.10 mental health issues and treatment. A short-term substitute caregiver is exempt from this  
140.11 subdivision. The commissioner of human services shall approve of a mental health training  
140.12 curriculum that satisfies the requirements of this subdivision.

140.13 Subd. 4. **Child passenger restraint systems.** (a) Each foster parent and caregiver must  
140.14 satisfactorily complete training about the proper use and installation of child passenger  
140.15 restraint systems in motor vehicles before transporting a child younger than eight years of  
140.16 age in a motor vehicle.

140.17 (b) An individual who is certified and approved by the Office of Traffic Safety within  
140.18 the Department of Public Safety must provide training about the proper use and installation  
140.19 of child passenger restraint systems in motor vehicles to each foster parent and caregiver  
140.20 who transports a child. At a minimum, the training must address the proper use of child  
140.21 passenger restraint systems based on a child's size, weight, and age, and the proper installation  
140.22 of a car seat or booster seat in the motor vehicle that will be transporting the child. A foster  
140.23 parent or caregiver who transports a child must repeat the training in this subdivision at  
140.24 least once every five years.

140.25 (c) Notwithstanding paragraph (a), for an emergency relative placement under section  
140.26 245A.035, the commissioner may grant a variance to the training required by this subdivision  
140.27 to a child's relative who completes a child seat safety checkup. The Office of Traffic Safety  
140.28 within the Department of Public Safety must approve of the child seat safety checkup trainer  
140.29 and must provide one-on-one instruction to the child's relative applicant about placing a  
140.30 child of a specific age in the exact child passenger restraint in the motor vehicle that will  
140.31 be used to transport the child. Once the commissioner grants a variance to the child's relative,  
140.32 the child's relative may transport a relative foster child younger than eight years of age, and  
140.33 once the child's relative meets all other licensing requirements, the commissioner may  
140.34 license the child's relative applicant. The child's relative must complete a child seat safety

141.1 checkup each time that the child requires a different sized car seat according to car seat and  
141.2 vehicle manufacturer guidelines. A relative license holder must complete training that meets  
141.3 the other requirements of this subdivision prior to placement of another foster child younger  
141.4 than eight years of age in the relative license holder's home or prior to the renewal of the  
141.5 relative license holder's child foster care license.

141.6 **Subd. 5. Training about the risk of sudden unexpected infant death and abusive**  
141.7 **head trauma.** (a) Each foster parent and caregiver who cares for an infant or a child five  
141.8 years of age or younger must satisfactorily complete at least one hour of training about  
141.9 reducing the risk of sudden unexpected infant death pursuant to section 245A.1435 and  
141.10 abusive head trauma from shaking infants and young children. Each foster parent and  
141.11 caregiver must complete this training prior to caring for an infant or a child five years of  
141.12 age or younger. The county or private licensing agency monitoring the foster care provider  
141.13 under section 245A.16 must approve of the training about reducing the risk of sudden  
141.14 unexpected infant death and abusive head trauma from shaking infants and young children.

141.15 (b) At a minimum, the training must address the risk factors related to sudden unexpected  
141.16 infant death and abusive head trauma, means of reducing the risk of sudden unexpected  
141.17 infant death and abusive head trauma, and license holder communication with parents  
141.18 regarding reducing the risk of sudden unexpected infant death and abusive head trauma.

141.19 (c) For emergency relative placements under section 245A.035, this training must be  
141.20 completed before a license is issued. Each foster parent and caregiver must complete the  
141.21 training in this subdivision at least once every five years.

141.22 **Subd. 6. Training on use of medical equipment.** (a) If caring for a child who relies on  
141.23 medical equipment to sustain the child's life or monitor the child's medical condition, each  
141.24 foster parent and caregiver must satisfactorily complete training to operate the child's  
141.25 equipment with a health care professional or an individual who provides training on the  
141.26 child's equipment.

141.27 (b) A foster parent or caregiver is exempt from this subdivision if:

141.28 (1) the foster parent or caregiver is currently caring for an individual who is using the  
141.29 same equipment in the foster home; or

141.30 (2) the foster parent or caregiver has written documentation that the foster parent or  
141.31 caregiver has cared for an individual who relied on the same equipment within the past six  
141.32 months.

142.1 Subd. 7. **Fetal alcohol spectrum disorders training.** Each foster parent and caregiver  
142.2 must complete at least one hour of training yearly on fetal alcohol spectrum disorders. A  
142.3 provider who is also licensed to provide home and community-based services under chapter  
142.4 245D and the provider's staff are exempt from this subdivision. A short-term substitute  
142.5 caregiver is exempt from this subdivision. The commissioner of human services shall approve  
142.6 a fetal alcohol spectrum disorders training curriculum that satisfies the requirements of this  
142.7 subdivision.

142.8 Subd. 8. **Yearly training requirement.** (a) Each foster parent must complete a minimum  
142.9 of 12 hours of training per year. If a foster parent fails to complete the required yearly  
142.10 training and does not show good cause why the foster parent did not complete the training,  
142.11 the foster parent is prohibited from accepting a new foster child placement until the foster  
142.12 parent completes the training. The commissioner may grant a variance to the required number  
142.13 of yearly training hours.

142.14 (b) Each year, each foster parent and caregiver must complete one hour of training about  
142.15 children's mental health issues according to subdivision 3, and one hour of training about  
142.16 fetal alcohol spectrum disorders, if required by subdivision 7.

142.17 (c) Each year, each foster parent and caregiver must complete training about the reporting  
142.18 requirements and definitions in chapter 260E, as section 245A.66 requires. Foster parents  
142.19 and caregivers caring for youth 18 and older in extended foster care must complete training  
142.20 about the reporting requirements and definitions in section 626.557, as section 245A.65,  
142.21 subdivision 3 requires.

142.22 (d) At least once every five years, each foster parent and caregiver must complete one  
142.23 hour of training about reducing the risk of sudden unexpected infant death and abusive head  
142.24 trauma, if required by subdivision 5.

142.25 (e) At least once every five years, each foster parent and caregiver must complete training  
142.26 regarding child passenger restraint systems, if required by subdivision 4.

142.27 (f) The commissioner may provide each foster parent with a nonexclusive list of eligible  
142.28 training topics and resources that fulfill the remaining hours of required yearly training.

142.29 Subd. 9. **Documentation of training.** (a) The licensing agency must document the  
142.30 trainings that this section requires on a form that the commissioner has developed.

142.31 (b) For training required under subdivision 6, the agency must retain a training and skills  
142.32 form on file and update the form each year for each foster care provider who completes  
142.33 training about caring for a child who relies on medical equipment to sustain the child's life

143.1 or monitor the child's medical condition. The agency placing the child must obtain a copy  
 143.2 of the training and skills form from the foster parent or from the agency supervising the  
 143.3 foster parent. The agency must retain the form and any updated information on file for the  
 143.4 placement's duration. The form must be available to the parent or guardian and the child's  
 143.5 social worker for the social worker to make an informed placement decision. The agency  
 143.6 must use the training and skills form that the commissioner has developed.

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

143.8 Sec. 33. **[245A.61] FOSTER RESIDENCE SETTING STAFF TRAINING**  
 143.9 **REQUIREMENTS.**

143.10 Subdivision 1. **Applicability.** This section applies to foster residence settings, which is  
 143.11 defined as foster care that a license holder licensed under this chapter provides in a home  
 143.12 in which the license holder does not reside. Foster residence setting does not include any  
 143.13 program licensed or certified under Minnesota Rules, parts 2960.0010 to 2960.0710. For  
 143.14 the purposes of this section, "caregiver" means a person who provides services to a child  
 143.15 according to the child's case plan in a setting licensed under Minnesota Rules, parts  
 143.16 2960.3000 to 2960.3340.

143.17 Subd. 2. **Orientation.** The license holder must ensure that each staff person attends and  
 143.18 successfully completes at least six hours of orientation training before the staff person has  
 143.19 unsupervised contact with a foster child. Orientation training hours are not counted toward  
 143.20 the hours of yearly training. Orientation must include training about the following:

143.21 (1) emergency procedures including evacuation routes, emergency telephone numbers,  
 143.22 severe storm and tornado procedures, and the location of facility alarms and equipment;

143.23 (2) all relevant laws, rules, and legal issues, including reporting requirements for  
 143.24 maltreatment, abuse, and neglect specified in chapter 260E and section 626.557 and other  
 143.25 reporting requirements based on the children's ages;

143.26 (3) cultural diversity, gender sensitivity, culturally specific services, and information  
 143.27 about discrimination and racial bias to ensure that caregivers are culturally sensitive and  
 143.28 culturally competent to care for foster children according to section 260C.212, subdivision  
 143.29 11;

143.30 (4) general and special needs, including disability needs, of children and families served;

143.31 (5) operational policies and procedures of the license holder;

143.32 (6) data practices requirements and issues;

144.1 (7) two hours of training about children's mental health disorders according to subdivision  
144.2 3;

144.3 (8) if required by subdivision 4, the proper use and installation of child passenger restraint  
144.4 systems in motor vehicles;

144.5 (9) if required by subdivision 5, at least one hour of training about reducing the risk of  
144.6 sudden unexpected infant death and abusive head trauma from shaking infants and young  
144.7 children; and

144.8 (10) if required by subdivision 6, caring for a child who relies on medical equipment to  
144.9 sustain the child's life or monitor the child's medical condition.

144.10 Subd. 3. **Mental health training.** Prior to caring for a child, a staff person must complete  
144.11 two hours of training that addresses the causes, symptoms, and key warning signs of mental  
144.12 health disorders; cultural considerations; and effective approaches to manage a child's  
144.13 behaviors. A foster residence staff person must complete at least one hour of the yearly  
144.14 training requirement regarding children's mental health issues and treatment. The  
144.15 commissioner of human services shall approve a mental health training curriculum that  
144.16 satisfies the requirements of this subdivision.

144.17 Subd. 4. **Child passenger restraint systems.** Prior to transporting a child younger than  
144.18 eight years of age in a motor vehicle, a license holder, staff person, or caregiver must  
144.19 satisfactorily complete training about the proper use and installation of child restraint systems  
144.20 in motor vehicles. An individual who is certified and approved by the Office of Traffic  
144.21 Safety within the Department of Public Safety must provide training to a license holder,  
144.22 staff person, or caregiver about the proper use and installation of child restraint systems in  
144.23 motor vehicles.

144.24 At a minimum, the training must address the proper use of child passenger restraint  
144.25 systems based on a child's size, weight, and age and the proper installation of a car seat or  
144.26 booster seat in the motor vehicle transporting the child. Each license holder, staff person,  
144.27 and caregiver transporting a child younger than eight years of age in a motor vehicle must  
144.28 complete the training in this subdivision at least once every five years.

144.29 Subd. 5. **Training about the risk of sudden unexpected infant death and abusive**  
144.30 **head trauma.** (a) A license holder who cares for an infant or a child five years of age or  
144.31 younger must document that each staff person has satisfactorily completed at least one hour  
144.32 of training about reducing the risk of sudden unexpected infant death pursuant to section  
144.33 245A.1435 and abusive head trauma from shaking infants and young children. Each staff  
144.34 person must complete the training in this subdivision prior to caring for an infant or a child



145.1 five years of age or younger. The county or private licensing agency responsible for  
145.2 monitoring the child foster care provider under section 245A.16 must approve of the training  
145.3 about reducing the risk of sudden unexpected infant death and abusive head trauma from  
145.4 shaking infants and young children.

145.5 (b) At a minimum, the training must address the risk factors related to sudden unexpected  
145.6 infant death and abusive head trauma, means of reducing the risk of sudden unexpected  
145.7 infant death and abusive head trauma, and license holder communication with parents  
145.8 regarding reducing the risk of sudden unexpected infant death and abusive head trauma  
145.9 from shaking infants and young children.

145.10 (c) Each staff person caring for an infant or a child five years of age or younger must  
145.11 complete the training in this subdivision at least once every five years.

145.12 Subd. 6. **Training on use of medical equipment.** (a) If caring for a child who relies on  
145.13 medical equipment to sustain the child's life or monitor a child's medical condition, the  
145.14 license holder or staff person must complete training to operate the child's equipment. A  
145.15 health care professional or an individual who provides training on the equipment must train  
145.16 the license holder or staff person about how to operate the child's equipment.

145.17 (b) A license holder is exempt from this subdivision if:

145.18 (1) the license holder is currently caring for an individual who is using the same  
145.19 equipment in the foster home and each staff person has received training to use the  
145.20 equipment; or

145.21 (2) the license holder has written documentation that, within the past six months, the  
145.22 license holder has cared for an individual who relied on the same equipment and each current  
145.23 staff person has received training to use the same equipment.

145.24 Subd. 7. **Fetal alcohol spectrum disorders training.** (a) For each staff person, at least  
145.25 one hour of their yearly training requirement in subdivision 9 must be about fetal alcohol  
145.26 spectrum disorders. The commissioner of human services shall approve of a fetal alcohol  
145.27 spectrum disorders training curriculum that satisfies the requirements of this subdivision.

145.28 (b) A provider who is also licensed to provide home and community-based services  
145.29 under chapter 245D and the provider's staff are exempt from this subdivision.

145.30 Subd. 8. **Prudent parenting standards training.** The license holder must have at least  
145.31 one on-site staff person who is trained regarding the reasonable and prudent parenting  
145.32 standards in section 260C.212, subdivision 14, and authorized to apply the reasonable and  
145.33 prudent parenting standards to decisions involving the approval of a foster child's

146.1 participation in age-appropriate and developmentally appropriate extracurricular, social, or  
146.2 cultural activities. The trained on-site staff person is not required to be available 24 hours  
146.3 per day.

146.4 Subd. 9. **Yearly training plan and hours.** (a) A license holder must develop a yearly  
146.5 training plan for staff and volunteers. The license holder must modify training for staff and  
146.6 volunteers each year to meet each person's current needs and provide sufficient training to  
146.7 accomplish each staff person's duties. To determine the type and amount of training for  
146.8 each person, the license holder must consider the foster care program's target population,  
146.9 the program's services, and expected outcomes from the services, as well as the employee's  
146.10 job description, tasks, and the position's performance indicators.

146.11 (b) A full-time staff person who has direct contact with children must complete at least  
146.12 18 hours of in-service training per year, including nine hours of skill development training.

146.13 (c) A part-time direct care staff person must complete sufficient training to competently  
146.14 care for children. The amount of training must be at least one hour of training for each 60  
146.15 hours that the part-time direct care staff person has worked, up to 18 hours of training per  
146.16 part-time employee per year.

146.17 (d) Other foster residence staff and volunteers must complete in-service training  
146.18 requirements each year that are consistent with the foster residence staff and volunteers'  
146.19 duties.

146.20 (e) Section 245A.66 requires a license holder to ensure that all staff and volunteers have  
146.21 training yearly about the reporting requirements and definitions in chapter 260E.

146.22 Subd. 10. **Documentation of training.** (a) For each staff person and volunteer, the  
146.23 license holder must document the date, the number of training hours, and the name of the  
146.24 entity that provided the training.

146.25 (b) For training required under subdivision 6, the agency supervising the foster care  
146.26 provider must retain a training and skills form on file and update the form each year for  
146.27 each staff person who completes training about caring for a child who relies on medical  
146.28 equipment to sustain the child's life or monitor a child's medical condition. The agency  
146.29 placing the child must obtain a copy of the training and skills form from the foster care  
146.30 provider or the agency supervising the foster care provider. The placing agency must retain  
146.31 the form and any updated information on file for the placement's duration. The form must  
146.32 be available to the child's parent or the child's primary caregiver and the child's social worker  
146.33 to make an informed placement decision. The agency must use the training and skills form  
146.34 that the commissioner has developed.

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

147.2 Sec. 34. Minnesota Statutes 2022, section 245A.66, is amended by adding a subdivision  
147.3 to read:

147.4 **Subd. 4. Ongoing training requirement.** (a) In addition to the orientation training  
147.5 required by the applicable licensing rules and statutes, children's residential facility, and  
147.6 private child-placing agency, license holders must provide a training annually on the  
147.7 maltreatment of minors reporting requirements and definitions in chapter 260E to each  
147.8 mandatory reporter, as described in section 260E.06, subdivision 1.

147.9 (b) In addition to the orientation training required by the applicable licensing rules and  
147.10 statutes, all family child foster care license holders and caregivers and foster residence  
147.11 setting staff and volunteers that are mandatory reporters as described in section 260E.06,  
147.12 subdivision 1, must complete training each year on the maltreatment of minors reporting  
147.13 requirements and definitions in chapter 260E.

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

147.15 Sec. 35. Minnesota Statutes 2022, section 245C.02, subdivision 6a, is amended to read:

147.16 **Subd. 6a. Child care background study subject.** (a) "Child care background study  
147.17 subject" means an individual who is affiliated with a licensed child care center, certified  
147.18 license-exempt child care center, licensed family child care program, or legal nonlicensed  
147.19 child care provider authorized under chapter 119B, and who is:

147.20 (1) employed by a child care provider for compensation;

147.21 (2) assisting in the care of a child for a child care provider;

147.22 (3) a person applying for licensure, certification, or enrollment;

147.23 (4) a controlling individual as defined in section 245A.02, subdivision 5a;

147.24 (5) an individual 13 years of age or older who lives in the household where the licensed  
147.25 program will be provided and who is not receiving licensed services from the program;

147.26 (6) an individual ten to 12 years of age who lives in the household where the licensed  
147.27 services will be provided when the commissioner has reasonable cause as defined in section  
147.28 245C.02, subdivision 15;

147.29 (7) an individual who, without providing direct contact services at a licensed program,  
147.30 certified program, or program authorized under chapter 119B, may have unsupervised access

148.1 to a child receiving services from a program when the commissioner has reasonable cause  
148.2 as defined in section 245C.02, subdivision 15; or

148.3 (8) a volunteer, contractor providing services for hire in the program, prospective  
148.4 employee, or other individual who has unsupervised physical access to a child served by a  
148.5 program and who is not under supervision by an individual listed in clause (1) or (5),  
148.6 regardless of whether the individual provides program services.

148.7 (b) Notwithstanding paragraph (a), an individual who is providing services that are not  
148.8 part of the child care program is not required to have a background study if:

148.9 (1) the child receiving services is signed out of the child care program for the duration  
148.10 that the services are provided;

148.11 (2) the licensed child care center, certified license-exempt child care center, licensed  
148.12 family child care program, or legal nonlicensed child care provider authorized under chapter  
148.13 119B has obtained advanced written permission from the parent authorizing the child to  
148.14 receive the services, which is maintained in the child's record;

148.15 (3) the licensed child care center, certified license-exempt child care center, licensed  
148.16 family child care program, or legal nonlicensed child care provider authorized under chapter  
148.17 119B maintains documentation on site that identifies the individual service provider and  
148.18 the services being provided; and

148.19 (4) the licensed child care center, certified license-exempt child care center, licensed  
148.20 family child care program, or legal nonlicensed child care provider authorized under chapter  
148.21 119B ensures that the service provider does not have unsupervised access to a child not  
148.22 receiving the provider's services.

148.23 Sec. 36. Minnesota Statutes 2022, section 245C.02, subdivision 11c, is amended to read:

148.24 Subd. 11c. **Entity.** "Entity" means any program, organization, license holder, government  
148.25 agency, or agency initiating required to initiate a background study.

148.26 Sec. 37. Minnesota Statutes 2022, section 245C.02, is amended by adding a subdivision  
148.27 to read:

148.28 Subd. 11f. **Employee.** "Employee" means an individual who provides services or seeks  
148.29 to provide services for the entity with which they are required to be affiliated in NETStudy  
148.30 2.0 and who is subject to oversight by the entity, which includes but is not limited to  
148.31 continuous, direct supervision by the entity and being subject to immediate removal from  
148.32 providing direct care services by the entity when required.

149.1 Sec. 38. Minnesota Statutes 2022, section 245C.02, is amended by adding a subdivision  
149.2 to read:

149.3 Subd. 22. **Volunteer.** "Volunteer" means an individual who provides or seeks to provide  
149.4 services for an entity without direct compensation for services provided, is required to be  
149.5 affiliated in NETStudy 2.0 and is subject to oversight by the entity, including but not limited  
149.6 to continuous, direct supervision and immediate removal from providing direct care services  
149.7 when required.

149.8 Sec. 39. Minnesota Statutes 2022, section 245C.03, subdivision 1, is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

150.7 (1) adult foster care;

150.8 (2) child foster care;

150.9 (3) children's residential facilities;

150.10 (4) family child care;

150.11 (5) licensed child care centers;

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

150.13 (7) residential mental health programs for adults;

150.14 (8) substance use disorder treatment programs under chapter 245G;

150.15 (9) withdrawal management programs under chapter 245F;

150.16 (10) adult day care centers;

150.17 (11) family adult day services;

150.18 ~~(12) independent living assistance for youth;~~

150.19 ~~(13)~~ (12) detoxification programs;

150.20 ~~(14)~~ (13) community residential settings; and

150.21 ~~(15)~~ (14) intensive residential treatment services and residential crisis stabilization under  
 150.22 chapter 245I.

150.23 **EFFECTIVE DATE.** This section is effective the day following final enactment, except  
 150.24 for the change to paragraph (a), clause (3), which is effective August 1, 2023.

150.25 Sec. 40. Minnesota Statutes 2022, section 245C.03, subdivision 1, is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

151.27 (1) adult foster care;

151.28 (2) child foster care;

151.29 (3) children's residential facilities;

151.30 (4) family child care;

151.31 (5) licensed child care centers;

- 152.1 (6) licensed home and community-based services under chapter 245D;
- 152.2 (7) residential mental health programs for adults;
- 152.3 (8) substance use disorder treatment programs under chapter 245G;
- 152.4 (9) withdrawal management programs under chapter 245F;
- 152.5 (10) adult day care centers;
- 152.6 (11) family adult day services;
- 152.7 (12) independent living assistance for youth;
- 152.8 (13) detoxification programs;
- 152.9 (14) community residential settings; and
- 152.10 (15) intensive residential treatment services and residential crisis stabilization under
- 152.11 chapter 245I.

152.12 Sec. 41. Minnesota Statutes 2022, section 245C.03, subdivision 1a, is amended to read:

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

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

152.15 chapter.

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

152.17 299C.60 to 299C.64, including the consent and self-disclosure required in section 299C.62,

152.18 subdivision 2. This requirement does not apply to subdivisions 1, paragraph (c), clauses (2)

152.19 to (5), and 6a.

152.20 Sec. 42. Minnesota Statutes 2022, section 245C.03, subdivision 4, is amended to read:

152.21 Subd. 4. **Personnel pool agencies; temporary personnel agencies; educational**

152.22 **programs; professional services agencies.** (a) The commissioner also may conduct studies

152.23 on individuals specified in subdivision 1, paragraph (a), clauses (3) and (4), when the studies

152.24 are initiated by:

152.25 (1) personnel pool agencies;

152.26 (2) temporary personnel agencies;

152.27 (3) educational programs that train individuals by providing direct contact services in

152.28 licensed programs; and



153.1 (4) professional services agencies that are not licensed and ~~which contract~~ that work  
 153.2 with licensed programs to provide direct contact services or individuals who provide direct  
 153.3 contact services.

153.4 (b) Personnel pool agencies, temporary personnel agencies, and professional services  
 153.5 agencies must employ the individuals providing direct care services for children, people  
 153.6 with disabilities, or the elderly. Individuals must be affiliated in NETStudy 2.0 and subject  
 153.7 to oversight by the entity, which includes but is not limited to continuous, direct supervision  
 153.8 by the entity and being subject to immediate removal from providing direct care services  
 153.9 by the entity when required.

153.10 Sec. 43. Minnesota Statutes 2022, section 245C.03, subdivision 5, is amended to read:

153.11 Subd. 5. **Other state agencies.** The commissioner shall conduct background studies on  
 153.12 applicants and license holders under the jurisdiction of other state agencies who are required  
 153.13 in other statutory sections to initiate background studies under this chapter, including the  
 153.14 applicant's or license holder's employees, ~~contractors,~~ and volunteers when required under  
 153.15 other statutory sections.

153.16 Sec. 44. Minnesota Statutes 2022, section 245C.03, subdivision 5a, is amended to read:

153.17 Subd. 5a. **Facilities serving children or adults licensed or regulated by the**  
 153.18 **Department of Health.** (a) Except as specified in paragraph (b), the commissioner shall  
 153.19 conduct background studies of:

153.20 (1) individuals providing services who have direct contact, as defined under section  
 153.21 245C.02, subdivision 11, with patients and residents in hospitals, boarding care homes,  
 153.22 outpatient surgical centers licensed under sections 144.50 to 144.58; nursing homes and  
 153.23 home care agencies licensed under chapter 144A; assisted living facilities and assisted living  
 153.24 facilities with dementia care licensed under chapter 144G; and board and lodging  
 153.25 establishments that are registered to provide supportive or health supervision services under  
 153.26 section 157.17;

153.27 (2) individuals specified in subdivision 2 who provide direct contact services in a nursing  
 153.28 home or a home care agency licensed under chapter 144A; an assisted living facility or  
 153.29 assisted living facility with dementia care licensed under chapter 144G; or a boarding care  
 153.30 home licensed under sections 144.50 to 144.58. If the individual undergoing a study resides  
 153.31 outside of Minnesota, the study must include a check for substantiated findings of  
 153.32 maltreatment of adults and children in the individual's state of residence when the state  
 153.33 makes the information available;

154.1 (3) all other employees in assisted living facilities or assisted living facilities with  
154.2 dementia care licensed under chapter 144G, nursing homes licensed under chapter 144A,  
154.3 and boarding care homes licensed under sections 144.50 to 144.58. A disqualification of  
154.4 an individual in this section shall disqualify the individual from positions allowing direct  
154.5 contact with or access to patients or residents receiving services. "Access" means physical  
154.6 access to a client or the client's personal property without continuous, direct supervision as  
154.7 defined in section 245C.02, subdivision 8, when the employee's employment responsibilities  
154.8 do not include providing direct contact services;

154.9 (4) individuals employed by a supplemental nursing services agency, as defined under  
154.10 section 144A.70, who are providing services in health care facilities;

154.11 (5) controlling persons of a supplemental nursing services agency, as defined by section  
154.12 144A.70; and

154.13 (6) license applicants, owners, managerial officials, and controlling individuals who are  
154.14 required under section 144A.476, subdivision 1, or 144G.13, subdivision 1, to undergo a  
154.15 background study under this chapter, regardless of the licensure status of the license applicant,  
154.16 owner, managerial official, or controlling individual.

154.17 (b) ~~The commissioner of human services shall not conduct~~ An entity shall not initiate a  
154.18 background study on any individual identified in paragraph (a), clauses (1) to (5), if the  
154.19 individual has a valid license issued by a health-related licensing board as defined in section  
154.20 214.01, subdivision 2, and has completed the criminal background check as required in  
154.21 section 214.075. An entity that is affiliated with individuals who meet the requirements of  
154.22 this paragraph must separate those individuals from the entity's roster for NETStudy 2.0.  
154.23 The Department of Human Services is not liable for conducting background studies that  
154.24 have been submitted or not removed from the roster in violation of this provision.

154.25 (c) If a facility or program is licensed by the Department of Human Services and the  
154.26 Department of Health and is subject to the background study provisions of this chapter, the  
154.27 Department of Human Services is solely responsible for the background studies of individuals  
154.28 in the jointly licensed program.

154.29 (d) The commissioner of health shall review and make decisions regarding reconsideration  
154.30 requests, including whether to grant variances, according to the procedures and criteria in  
154.31 this chapter. The commissioner of health shall inform the requesting individual and the  
154.32 Department of Human Services of the commissioner of health's decision regarding the  
154.33 reconsideration. The commissioner of health's decision to grant or deny a reconsideration  
154.34 of a disqualification is a final administrative agency action.

155.1 Sec. 45. Minnesota Statutes 2022, section 245C.031, subdivision 1, is amended to read:

155.2 Subdivision 1. **Alternative background studies.** (a) The commissioner shall conduct  
155.3 an alternative background study of individuals listed in this section.

155.4 (b) Notwithstanding other sections of this chapter, all alternative background studies  
155.5 except subdivision 12 shall be conducted according to this section and with sections 299C.60  
155.6 to 299C.64, including the consent and self-disclosure required in section 299C.62, subdivision  
155.7 2.

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

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

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

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

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

155.18 Sec. 46. Minnesota Statutes 2022, section 245C.031, subdivision 4, is amended to read:

155.19 Subd. 4. **Applicants, licensees, and other occupations regulated by the commissioner**  
155.20 **of health.** The commissioner shall conduct an alternative background study, including a  
155.21 check of state data, and a national criminal history records check of the following individuals.  
155.22 For studies under this section, the following persons shall complete a consent form and  
155.23 criminal history disclosure form:

155.24 (1) An applicant for initial licensure, temporary licensure, or relicensure after a lapse in  
155.25 licensure as an audiologist or speech-language pathologist or an applicant for initial  
155.26 certification as a hearing instrument dispenser who must submit to a background study  
155.27 under section 144.0572.

155.28 (2) An applicant for a renewal license or certificate as an audiologist, speech-language  
155.29 pathologist, or hearing instrument dispenser who was licensed or obtained a certificate  
155.30 before January 1, 2018.

156.1 Sec. 47. Minnesota Statutes 2022, section 245C.05, subdivision 1, is amended to read:

156.2 Subdivision 1. **Individual studied.** (a) The individual who is the subject of the  
156.3 background study must provide the applicant, license holder, or other entity under section  
156.4 245C.04 with sufficient information to ensure an accurate study, including:

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

156.7 (2) current home address, city, and state of residence;

156.8 (3) current zip code;

156.9 (4) sex;

156.10 (5) date of birth;

156.11 (6) driver's license number or state identification number or, for those without a driver's  
156.12 license or state identification card, an acceptable form of identification as determined by  
156.13 the commissioner; and

156.14 (7) upon implementation of NETStudy 2.0, the home address, city, county, and state of  
156.15 residence for the past five years.

156.16 (b) Every subject of a background study conducted or initiated by counties or private  
156.17 agencies under this chapter must also provide the home address, city, county, and state of  
156.18 residence for the past five years.

156.19 (c) Every subject of a background study related to private agency adoptions or related  
156.20 to child foster care licensed through a private agency, who is 18 years of age or older, shall  
156.21 also provide the commissioner a signed consent for the release of any information received  
156.22 from national crime information databases to the private agency that initiated the background  
156.23 study.

156.24 (d) The subject of a background study who is 18 years of age or older shall provide  
156.25 fingerprints and a photograph as required in subdivision 5. The subject of a background  
156.26 study who is 17 years of age or younger shall provide fingerprints and a photograph only  
156.27 as required in subdivision 5a.

156.28 (e) The subject of a background study shall submit a completed criminal and maltreatment  
156.29 history records check consent form and criminal history disclosure form for applicable  
156.30 national and state level record checks.

157.1 Sec. 48. Minnesota Statutes 2022, section 245C.05, subdivision 5a, is amended to read:

157.2 Subd. 5a. **Background study requirements for minors.** (a) A background study  
157.3 completed under this chapter on a subject who is required to be studied under section  
157.4 245C.03, subdivision 1, and is 17 years of age or younger shall be completed by the  
157.5 commissioner for:

157.6 (1) a legal nonlicensed child care provider authorized under chapter 119B;

157.7 (2) a licensed family child care program; or

157.8 (3) a licensed foster care home.

157.9 (b) The subject shall submit to the commissioner only the information under subdivision  
157.10 1, paragraph (a).

157.11 (c) Notwithstanding paragraph (b), a subject who is 17 years of age or younger is required  
157.12 to submit fingerprints and a photograph, and the commissioner shall conduct a national  
157.13 criminal history record check must provide the commissioner with a set of the background  
157.14 study subject's classifiable fingerprints and photograph, if:

157.15 (1) the commissioner has reasonable cause to require a national criminal history record  
157.16 check defined in section 245C.02, subdivision 15a; or

157.17 (2) under paragraph (a), clauses (1) and (2), the subject is employed by the provider or  
157.18 supervises children served by the program.

157.19 ~~(d) A subject who is 17 years of age or younger is required to submit~~  
157.20 ~~non-fingerprint-based data according to section 245C.08, subdivision 1, paragraph (a),~~  
157.21 ~~clause (6), item (iii), and the commissioner shall conduct the check if:~~

157.22 ~~(1) the commissioner has reasonable cause to require a national criminal history record~~  
157.23 ~~check defined in section 245C.02, subdivision 15a; or~~

157.24 ~~(2) the subject is employed by the provider or supervises children served by the program~~  
157.25 ~~under paragraph (a), clauses (1) and (2).~~

157.26 Sec. 49. Minnesota Statutes 2022, section 245C.05, is amended by adding a subdivision  
157.27 to read:

157.28 Subd. 8. **Study submitted.** The entity with which the background study subject is seeking  
157.29 affiliation shall initiate the background study in the NETStudy 2.0 system.

158.1 Sec. 50. Minnesota Statutes 2022, section 245C.07, is amended to read:

158.2 **245C.07 STUDY SUBJECT AFFILIATED WITH MULTIPLE FACILITIES.**

158.3 (a) Subject to the conditions in paragraph (d), when a license holder, applicant, or other  
158.4 entity owns multiple programs or services that are licensed by the Department of Human  
158.5 Services, Department of Health, or Department of Corrections, only one background study  
158.6 is required for an individual who provides direct contact services in one or more of the  
158.7 licensed programs or services if:

158.8 (1) the license holder designates one individual with one address and telephone number  
158.9 as the person to receive sensitive background study information for the multiple licensed  
158.10 programs or services that depend on the same background study; and

158.11 (2) the individual designated to receive the sensitive background study information is  
158.12 capable of determining, upon request of the department, whether a background study subject  
158.13 is providing direct contact services in one or more of the license holder's programs or services  
158.14 and, if so, at which location or locations.

158.15 (b) When a license holder maintains background study compliance for multiple licensed  
158.16 programs according to paragraph (a), and one or more of the licensed programs closes, the  
158.17 license holder shall immediately notify the commissioner which staff must be transferred  
158.18 to an active license so that the background studies can be electronically paired with the  
158.19 license holder's active program.

158.20 (c) When a background study is being initiated by a licensed program or service or a  
158.21 foster care provider that is also licensed under chapter 144G, a study subject affiliated with  
158.22 multiple licensed programs or services may attach to the background study form a cover  
158.23 letter indicating the additional names of the programs or services, addresses, and background  
158.24 study identification numbers.

158.25 When the commissioner receives a notice, the commissioner shall notify each program  
158.26 or service identified by the background study subject of the study results.

158.27 The background study notice the commissioner sends to the subsequent agencies shall  
158.28 satisfy those programs' or services' responsibilities for initiating a background study on that  
158.29 individual.

158.30 (d) If a background study was conducted on an individual related to child foster care  
158.31 and the requirements under paragraph (a) are met, the background study is transferable  
158.32 across all licensed programs. If a background study was conducted on an individual under

159.1 a license other than child foster care and the requirements under paragraph (a) are met, the  
159.2 background study is transferable to all licensed programs except child foster care.

159.3 (e) The provisions of this section that allow a single background study in one or more  
159.4 licensed programs or services do not apply to background studies submitted by adoption  
159.5 agencies, supplemental nursing services agencies, personnel pool agencies, educational  
159.6 programs, professional services agencies, temporary personnel agencies, and unlicensed  
159.7 personal care provider organizations.

159.8 (f) For an entity operating under NETStudy 2.0, the entity's active roster must be the  
159.9 system used to document when a background study subject is affiliated with multiple entities.  
159.10 For a background study to be transferable:

159.11 (1) the background study subject must be on and moving to a roster for which the person  
159.12 designated to receive sensitive background study information is the same; and

159.13 (2) the same entity must own or legally control both the roster from which the transfer  
159.14 is occurring and the roster to which the transfer is occurring. For an entity that holds or  
159.15 controls multiple licenses, or unlicensed personal care provider organizations, there must  
159.16 be a common highest level entity that has a legally identifiable structure that can be verified  
159.17 through records available from the secretary of state.

159.18 Sec. 51. Minnesota Statutes 2022, section 245C.08, subdivision 1, is amended to read:

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

159.22 (1) information related to names of substantiated perpetrators of maltreatment of  
159.23 vulnerable adults that has been received by the commissioner as required under section  
159.24 626.557, subdivision 9c, paragraph (j);

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

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

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

160.1 (5) except as provided in clause (6), information received as a result of submission of  
160.2 fingerprints for a national criminal history record check, as defined in section 245C.02,  
160.3 subdivision 13c, when the commissioner has reasonable cause for a national criminal history  
160.4 record check as defined under section 245C.02, subdivision 15a, or as required under section  
160.5 144.057, subdivision 1, clause (2);

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

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

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

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

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

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

160.32 (c) The commissioner shall also review criminal case information received according  
160.33 to section 245C.04, subdivision 4a, from the Minnesota court information system that relates



161.1 to individuals who have already been studied under this chapter and who remain affiliated  
161.2 with the agency that initiated the background study.

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

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

161.11 Sec. 52. Minnesota Statutes 2022, section 245C.10, subdivision 4, is amended to read:

161.12 Subd. 4. **Temporary personnel agencies, personnel pool agencies, educational**  
161.13 **programs, and professional services agencies.** The commissioner shall recover the cost  
161.14 of the background studies initiated by temporary personnel agencies, personnel pool agencies,  
161.15 educational programs, and professional services agencies that initiate background studies  
161.16 under section 245C.03, subdivision 4, through a fee of no more than \$42 per study charged  
161.17 to the agency. The fees collected under this subdivision are appropriated to the commissioner  
161.18 for the purpose of conducting background studies.

161.19 Sec. 53. Minnesota Statutes 2022, section 245C.15, subdivision 4a, is amended to read:

161.20 Subd. 4a. **Licensed family foster setting disqualifications.** (a) Notwithstanding  
161.21 subdivisions 1 to 4, for a background study affiliated with a licensed family foster setting,  
161.22 regardless of how much time has passed, an individual is disqualified under section 245C.14  
161.23 if the individual committed an act that resulted in a felony-level conviction for sections:  
161.24 609.185 (murder in the first degree); 609.19 (murder in the second degree); 609.195 (murder  
161.25 in the third degree); 609.20 (manslaughter in the first degree); 609.205 (manslaughter in  
161.26 the second degree); 609.2112 (criminal vehicular homicide); 609.221 (assault in the first  
161.27 degree); 609.223, subdivision 2 (assault in the third degree, past pattern of child abuse);  
161.28 609.223, subdivision 3 (assault in the third degree, victim under four); a felony offense  
161.29 under sections 609.2242 and 609.2243 (domestic assault, spousal abuse, child abuse or  
161.30 neglect, or a crime against children); 609.2247 (domestic assault by strangulation); 609.2325  
161.31 (criminal abuse of a vulnerable adult resulting in the death of a vulnerable adult); 609.245  
161.32 (aggravated robbery); 609.25 (kidnapping); 609.255 (false imprisonment); 609.2661 (murder  
161.33 of an unborn child in the first degree); 609.2662 (murder of an unborn child in the second

162.1 degree); 609.2663 (murder of an unborn child in the third degree); 609.2664 (manslaughter  
162.2 of an unborn child in the first degree); 609.2665 (manslaughter of an unborn child in the  
162.3 second degree); 609.267 (assault of an unborn child in the first degree); 609.2671 (assault  
162.4 of an unborn child in the second degree); 609.268 (injury or death of an unborn child in the  
162.5 commission of a crime); 609.322, subdivision 1 (solicitation, inducement, and promotion  
162.6 of prostitution; sex trafficking in the first degree); 609.324, subdivision 1 (other prohibited  
162.7 acts; engaging in, hiring, or agreeing to hire minor to engage in prostitution); 609.342  
162.8 (criminal sexual conduct in the first degree); 609.343 (criminal sexual conduct in the second  
162.9 degree); 609.344 (criminal sexual conduct in the third degree); 609.345 (criminal sexual  
162.10 conduct in the fourth degree); 609.3451 (criminal sexual conduct in the fifth degree);  
162.11 609.3453 (criminal sexual predatory conduct); 609.352 (solicitation of children to engage  
162.12 in sexual conduct); 609.377 (malicious punishment of a child); 609.378 (neglect or  
162.13 endangerment of a child); 609.561 (arson in the first degree); 609.582, subdivision 1 (burglary  
162.14 in the first degree); 609.746 (interference with privacy); 617.23 (indecent exposure); 617.246  
162.15 (use of minors in sexual performance prohibited); or 617.247 (possession of pictorial  
162.16 representations of minors).

162.17 (b) Notwithstanding subdivisions 1 to 4, for the purposes of a background study affiliated  
162.18 with a licensed family foster setting, an individual is disqualified under section 245C.14,  
162.19 regardless of how much time has passed, if the individual:

162.20 (1) committed an action under paragraph (e) that resulted in death or involved sexual  
162.21 abuse, as defined in section 260E.03, subdivision 20; or 626.5572, subdivision 2, paragraph  
162.22 (a), clause (4), or paragraph (c);

162.23 (2) committed an act that resulted in a gross misdemeanor-level conviction for section  
162.24 609.3451 (criminal sexual conduct in the fifth degree);

162.25 (3) committed an act against or involving a minor that resulted in a felony-level conviction  
162.26 for: section 609.222 (assault in the second degree); 609.223, subdivision 1 (assault in the  
162.27 third degree); 609.2231 (assault in the fourth degree); or 609.224 (assault in the fifth degree);  
162.28 or

162.29 (4) committed an act that resulted in a misdemeanor or gross misdemeanor-level  
162.30 conviction for section 617.293 (dissemination and display of harmful materials to minors).

162.31 (c) Notwithstanding subdivisions 1 to 4, for a background study affiliated with a licensed  
162.32 family foster setting, an individual is disqualified under section 245C.14 if fewer than 20  
162.33 years have passed since the termination of the individual's parental rights under section  
162.34 260C.301, subdivision 1, paragraph (b), or if the individual consented to a termination of

163.1 parental rights under section 260C.301, subdivision 1, paragraph (a), to settle a petition to  
163.2 involuntarily terminate parental rights. An individual is disqualified under section 245C.14  
163.3 if fewer than 20 years have passed since the termination of the individual's parental rights  
163.4 in any other state or country, where the conditions for the individual's termination of parental  
163.5 rights are substantially similar to the conditions in section 260C.301, subdivision 1, paragraph  
163.6 (b).

163.7 (d) Notwithstanding subdivisions 1 to 4, for a background study affiliated with a licensed  
163.8 family foster setting, an individual is disqualified under section 245C.14 if fewer than five  
163.9 years have passed since a felony-level violation for sections: 152.021 (controlled substance  
163.10 crime in the first degree); 152.022 (controlled substance crime in the second degree); 152.023  
163.11 (controlled substance crime in the third degree); 152.024 (controlled substance crime in the  
163.12 fourth degree); 152.025 (controlled substance crime in the fifth degree); 152.0261 (importing  
163.13 controlled substances across state borders); 152.0262, subdivision 1, paragraph (b)  
163.14 (possession of substance with intent to manufacture methamphetamine); 152.027, subdivision  
163.15 6, paragraph (c) (sale or possession of synthetic cannabinoids); 152.096 (conspiracies  
163.16 prohibited); 152.097 (simulated controlled substances); 152.136 (anhydrous ammonia;  
163.17 prohibited conduct; criminal penalties; civil liabilities); 152.137 (methamphetamine-related  
163.18 crimes involving children or vulnerable adults); 169A.24 (felony first-degree driving while  
163.19 impaired); 243.166 (violation of predatory offender registration requirements); 609.2113  
163.20 (criminal vehicular operation; bodily harm); 609.2114 (criminal vehicular operation; unborn  
163.21 child); 609.228 (great bodily harm caused by distribution of drugs); 609.2325 (criminal  
163.22 abuse of a vulnerable adult not resulting in the death of a vulnerable adult); 609.233 (criminal  
163.23 neglect); 609.235 (use of drugs to injure or facilitate a crime); 609.24 (simple robbery);  
163.24 609.322, subdivision 1a (solicitation, inducement, and promotion of prostitution; sex  
163.25 trafficking in the second degree); 609.498, subdivision 1 (tampering with a witness in the  
163.26 first degree); 609.498, subdivision 1b (aggravated first-degree witness tampering); 609.562  
163.27 (arson in the second degree); 609.563 (arson in the third degree); 609.582, subdivision 2  
163.28 (burglary in the second degree); 609.66 (felony dangerous weapons); 609.687 (adulteration);  
163.29 609.713 (terroristic threats); 609.749, subdivision 3, 4, or 5 (felony-level harassment or  
163.30 stalking); 609.855, subdivision 5 (shooting at or in a public transit vehicle or facility); or  
163.31 624.713 (certain people not to possess firearms).

163.32 (e) Notwithstanding subdivisions 1 to 4, except as provided in paragraph (a), for a  
163.33 background study affiliated with a licensed family child foster care license, an individual  
163.34 is disqualified under section 245C.14 if fewer than five years have passed since:

164.1 (1) a felony-level violation for an act not against or involving a minor that constitutes:  
164.2 section 609.222 (assault in the second degree); 609.223, subdivision 1 (assault in the third  
164.3 degree); 609.2231 (assault in the fourth degree); or 609.224, subdivision 4 (assault in the  
164.4 fifth degree);

164.5 (2) a violation of an order for protection under section 518B.01, subdivision 14;

164.6 (3) a determination or disposition of the individual's failure to make required reports  
164.7 under section 260E.06 or 626.557, subdivision 3, for incidents in which the final disposition  
164.8 under chapter 260E or section 626.557 was substantiated maltreatment and the maltreatment  
164.9 was recurring or serious;

164.10 (4) a determination or disposition of the individual's substantiated serious or recurring  
164.11 maltreatment of a minor under chapter 260E, a vulnerable adult under section 626.557, or  
164.12 serious or recurring maltreatment in any other state, the elements of which are substantially  
164.13 similar to the elements of maltreatment under chapter 260E or section 626.557 and meet  
164.14 the definition of serious maltreatment or recurring maltreatment;

164.15 (5) a gross misdemeanor-level violation for sections: 609.224, subdivision 2 (assault in  
164.16 the fifth degree); 609.2242 and 609.2243 (domestic assault); 609.233 (criminal neglect);  
164.17 609.377 (malicious punishment of a child); 609.378 (neglect or endangerment of a child);  
164.18 609.746 (interference with privacy); 609.749 (stalking); or 617.23 (indecent exposure); or

164.19 (6) committing an act against or involving a minor that resulted in a misdemeanor-level  
164.20 violation of section 609.224, subdivision 1 (assault in the fifth degree).

164.21 (f) For purposes of this subdivision, the disqualification begins from:

164.22 (1) the date of the alleged violation, if the individual was not convicted;

164.23 (2) the date of conviction, if the individual was convicted of the violation but not  
164.24 committed to the custody of the commissioner of corrections; or

164.25 (3) the date of release from prison, if the individual was convicted of the violation and  
164.26 committed to the custody of the commissioner of corrections.

164.27 Notwithstanding clause (3), if the individual is subsequently reincarcerated for a violation  
164.28 of the individual's supervised release, the disqualification begins from the date of release  
164.29 from the subsequent incarceration.

164.30 (g) An individual's aiding and abetting, attempt, or conspiracy to commit any of the  
164.31 offenses listed in paragraphs (a) and (b), as each of these offenses is defined in Minnesota  
164.32 Statutes, permanently disqualifies the individual under section 245C.14. An individual is

165.1 disqualified under section 245C.14 if fewer than five years have passed since the individual's  
165.2 aiding and abetting, attempt, or conspiracy to commit any of the offenses listed in paragraphs  
165.3 (d) and (e).

165.4 (h) An individual's offense in any other state or country, where the elements of the  
165.5 offense are substantially similar to any of the offenses listed in paragraphs (a) and (b),  
165.6 permanently disqualifies the individual under section 245C.14. An individual is disqualified  
165.7 under section 245C.14 if fewer than five years have passed since an offense in any other  
165.8 state or country, the elements of which are substantially similar to the elements of any  
165.9 offense listed in paragraphs (d) and (e).

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

165.11 Sec. 54. Minnesota Statutes 2022, section 245C.30, subdivision 2, is amended to read:

165.12 Subd. 2. **Disclosure of reason for disqualification.** (a) The commissioner may not grant  
165.13 a variance for a disqualified individual unless the applicant, license-exempt child care center  
165.14 certification holder, or license holder requests the variance and the disqualified individual  
165.15 provides written consent for the commissioner to disclose to the applicant, license-exempt  
165.16 child care center certification holder, or license holder the reason for the disqualification.

165.17 (b) This subdivision does not apply to programs licensed to provide family child care  
165.18 for children, foster care for children in the provider's own home, or foster care or day care  
165.19 services for adults in the provider's own home. ~~When the commissioner grants a variance~~  
165.20 ~~for a disqualified individual in connection with a license to provide the services specified~~  
165.21 ~~in this paragraph, the disqualified individual's consent is not required to disclose the reason~~  
165.22 ~~for the disqualification to the license holder in the variance issued under subdivision 1,~~  
165.23 ~~provided that the commissioner may not disclose the reason for the disqualification if the~~  
165.24 ~~disqualification is based on a felony-level conviction for a drug-related offense within the~~  
165.25 ~~past five years.~~

165.26 Sec. 55. Minnesota Statutes 2022, section 245C.31, subdivision 1, is amended to read:

165.27 Subdivision 1. **Board determines disciplinary or corrective action.** ~~(a)~~ The  
165.28 commissioner shall notify a health-related licensing board as defined in section 214.01,  
165.29 subdivision 2, if the commissioner determines that an individual who is licensed by the  
165.30 health-related licensing board and who is included on the board's roster list provided in  
165.31 accordance with subdivision 3a is responsible for substantiated maltreatment under section  
165.32 626.557 or chapter 260E, in accordance with subdivision 2. Upon receiving notification,

166.1 the health-related licensing board shall make a determination as to whether to impose  
 166.2 disciplinary or corrective action under chapter 214.

166.3 ~~(b) This section does not apply to a background study of an individual regulated by a~~  
 166.4 ~~health-related licensing board if the individual's study is related to child foster care, adult~~  
 166.5 ~~foster care, or family child care licensure.~~

166.6 Sec. 56. Minnesota Statutes 2022, section 245C.33, subdivision 4, is amended to read:

166.7 Subd. 4. **Information commissioner reviews.** (a) The commissioner shall review the  
 166.8 following information regarding the background study subject:

166.9 (1) the information under section 245C.08, subdivisions 1, 3, and 4;

166.10 (2) information from the child abuse and neglect registry for any state in which the  
 166.11 subject has resided for the past five years; and

166.12 (3) information from national crime information databases, when required under section  
 166.13 245C.08.

166.14 (b) The commissioner shall provide any information collected under this subdivision to  
 166.15 the county or private agency that initiated the background study. The commissioner shall  
 166.16 also provide the agency:

166.17 ~~(1) with a notice~~ whether the information collected shows that the subject of the  
 166.18 background study has a conviction listed in United States Code, title 42, section  
 166.19 671(a)(20)(A); ~~and,~~

166.20 ~~(2) for background studies conducted under subdivision 1, paragraph (a), the date of all~~  
 166.21 ~~adoption-related background studies completed on the subject by the commissioner after~~  
 166.22 ~~June 30, 2007, and the name of the county or private agency that initiated the adoption-related~~  
 166.23 ~~background study.~~

166.24 Sec. 57. Minnesota Statutes 2022, section 245E.06, subdivision 3, is amended to read:

166.25 Subd. 3. **Appeal of department action.** A provider's rights related to the department's  
 166.26 action taken under this chapter against a provider are established in sections 119B.16 ~~and,~~  
 166.27 119B.161, and 119B.162.

167.1 Sec. 58. Minnesota Statutes 2022, section 245E.08, is amended to read:

167.2 **245E.08 REPORTING OF SUSPECTED FRAUDULENT ACTIVITY.**

167.3 (a) A person who, in good faith, makes a report of or testifies in any action or proceeding  
167.4 in which financial misconduct is alleged, and who is not involved in, has not participated  
167.5 in, or has not aided and abetted, conspired, or colluded in the financial misconduct, shall  
167.6 have immunity from any liability, civil or criminal, that results by reason of the person's  
167.7 report or testimony. For the purpose of any proceeding, the good faith of any person reporting  
167.8 or testifying under this provision shall be presumed.

167.9 (b) If a person that is or has been involved in, participated in, aided and abetted, conspired,  
167.10 or colluded in the financial misconduct reports the financial misconduct, the department  
167.11 may consider that person's report and assistance in investigating the misconduct as a  
167.12 mitigating factor in the department's pursuit of civil, criminal, or administrative remedies.

167.13 (c) After an investigation is complete, the reporter's name must be kept confidential.  
167.14 The subject of the report may compel disclosure of the reporter's name only with the consent  
167.15 of the reporter or upon a written finding by a district court that the report was false and there  
167.16 is evidence that the report was made in bad faith. This paragraph does not alter disclosure  
167.17 responsibilities or obligations under the Rules of Criminal Procedure, except that when the  
167.18 identity of the reporter is relevant to a criminal prosecution the district court shall conduct  
167.19 an in-camera review before determining whether to order disclosure of the reporter's identity.

167.20 Sec. 59. Minnesota Statutes 2022, section 245G.13, subdivision 2, is amended to read:

167.21 **Subd. 2. Staff development.** (a) A license holder must ensure that each staff member  
167.22 has the training described in this subdivision.

167.23 (b) Each staff member must be trained every two years in:

167.24 (1) client confidentiality rules and regulations and client ethical boundaries; and

167.25 (2) emergency procedures and client rights as specified in sections 144.651, 148F.165,  
167.26 and 253B.03.

167.27 (c) Annually each staff member with direct contact must be trained on mandatory  
167.28 reporting as specified in sections 245A.65, 626.557, and 626.5572, and chapter 260E,  
167.29 including specific training covering the license holder's policies for obtaining a release of  
167.30 client information.

167.31 (d) Upon employment and annually thereafter, each staff member with direct contact  
167.32 must receive training on HIV minimum standards according to section 245A.19.

168.1 (e) The license holder must ensure that each mandatory reporter, as described in section  
 168.2 260E.06, subdivision 1, is trained on the maltreatment of minors reporting requirements  
 168.3 and definitions in chapter 260E before the mandatory reporter has direct contact, as defined  
 168.4 in section 245C.02, subdivision 11, with a person served by the program.

168.5 ~~(e)~~ (f) A treatment director, supervisor, nurse, or counselor must have a minimum of 12  
 168.6 hours of training in co-occurring disorders that includes competencies related to philosophy,  
 168.7 trauma-informed care, screening, assessment, diagnosis and person-centered treatment  
 168.8 planning, documentation, programming, medication, collaboration, mental health  
 168.9 consultation, and discharge planning. A new staff member who has not obtained the training  
 168.10 must complete the training within six months of employment. A staff member may request,  
 168.11 and the license holder may grant, credit for relevant training obtained before employment,  
 168.12 which must be documented in the staff member's personnel file.

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

168.14 Sec. 60. Minnesota Statutes 2022, section 245H.03, is amended by adding a subdivision  
 168.15 to read:

168.16 **Subd. 5. Notification required.** (a) A certification holder must notify the commissioner,  
 168.17 in a manner prescribed by the commissioner, and obtain the commissioner's approval before  
 168.18 making any changes:

168.19 (1) to the certification holder as defined in section 245H.01, subdivision 4;

168.20 (2) to the certification holder contact person as defined in section 245H.01, subdivision  
 168.21 4a;

168.22 (3) to the certification holder information on file with the secretary of state or Department  
 168.23 of Revenue;

168.24 (4) in the location of the program certified under this chapter;

168.25 (5) to the ages of children served by the program; or

168.26 (6) to the certified center's schedule including its:

168.27 (i) yearly schedule;

168.28 (ii) hours of operation; or

168.29 (iii) days of the week it is open.

168.30 (b) When, for reasons beyond the certification holder's control, a certification holder  
 168.31 cannot provide the commissioner with prior notice of the changes in paragraph (a), the



169.1 certification holder must notify the commissioner by the tenth business day after the change  
169.2 and must provide any additional information requested by the commissioner.

169.3 (c) When a certification holder notifies the commissioner of a change to the certification  
169.4 holder information on file with the secretary of state, the certification holder must provide  
169.5 documentation of the change.

169.6 (d) Upon implementation of the provider licensing and reporting hub, certification holders  
169.7 must enter and update information in the hub in a manner prescribed by the commissioner.

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

169.9 Sec. 61. Minnesota Statutes 2022, section 245H.05, is amended to read:

169.10 **245H.05 MONITORING AND INSPECTIONS.**

169.11 (a) The commissioner must conduct an on-site inspection of a certified license-exempt  
169.12 child care center at least ~~annually~~ once each calendar year to determine compliance with  
169.13 the health, safety, and fire standards specific to a certified license-exempt child care center.

169.14 (b) No later than November 19, 2017, the commissioner shall make publicly available  
169.15 on the department's website the results of inspection reports for all certified centers including  
169.16 the number of deaths, serious injuries, and instances of substantiated child maltreatment  
169.17 that occurred in certified centers each year.

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

169.19 Sec. 62. Minnesota Statutes 2022, section 245H.08, subdivision 4, is amended to read:

169.20 Subd. 4. **Maximum group size.** (a) For a child six weeks old through 16 months old,  
169.21 the maximum group size shall be no more than eight children.

169.22 (b) For a child 16 months old through 33 months old, the maximum group size shall be  
169.23 no more than 14 children.

169.24 (c) For a child 33 months old through prekindergarten, a maximum group size shall be  
169.25 no more than 20 children.

169.26 (d) For a child in kindergarten through 13 years old, a maximum group size shall be no  
169.27 more than 30 children.

169.28 (e) The maximum group size applies at all times except during group activity coordination  
169.29 time not exceeding 15 minutes, during a meal, outdoor activity, field trip, nap and rest, and

170.1 special activity including a film, guest speaker, indoor large muscle activity, or holiday  
170.2 program.

170.3 (f) Notwithstanding paragraph (d), a certified center may continue to serve a child 14  
170.4 years of age or older if one of the following conditions is true:

170.5 (1) the child remains eligible for child care assistance under section 119B.09, subdivision  
170.6 1, paragraph (e); or

170.7 (2) the certified center serves only school-age children in a setting that has students  
170.8 enrolled in no grade higher than 8th grade.

170.9 Sec. 63. Minnesota Statutes 2022, section 245H.08, subdivision 5, is amended to read:

170.10 Subd. 5. **Ratios.** (a) The minimally acceptable staff-to-child ratios are:

170.11	six weeks old through 16 months old	1:4
170.12	16 months old through 33 months old	1:7
170.13	33 months old through prekindergarten	1:10
170.14	kindergarten through 13 years old	1:15

170.15 (b) Kindergarten includes a child of sufficient age to have attended the first day of  
170.16 kindergarten or who is eligible to enter kindergarten within the next four months.

170.17 (c) For mixed groups, the ratio for the age group of the youngest child applies.

170.18 (d) Notwithstanding paragraph (a), a certified center may continue to serve a child 14  
170.19 years of age or older if one of the following conditions is true:

170.20 (1) the child remains eligible for child care assistance under section 119B.09, subdivision  
170.21 1, paragraph (e); or

170.22 (2) the certified center serves only school-age children in a setting that has students  
170.23 enrolled in no grade higher than 8th grade.

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

170.25 Sec. 64. Minnesota Statutes 2022, section 245H.13, subdivision 3, is amended to read:

170.26 Subd. 3. **Administration of medication.** (a) A certified center that chooses to administer  
170.27 medicine must meet the requirements in this subdivision.

170.28 (b) The certified center must obtain written permission from the child's parent or legal  
170.29 guardian before administering prescription medicine, nonprescription medicine, diapering  
170.30 product, sunscreen lotion, and insect repellent.

171.1 (c) The certified center must administer nonprescription medicine, diapering product,  
171.2 sunscreen lotion, and insect repellent according to the manufacturer's instructions unless  
171.3 provided written instructions by a licensed health professional to use a product differently.

171.4 (d) The certified center must obtain and follow written instructions from the prescribing  
171.5 health professional before administering prescription medicine. Medicine with the child's  
171.6 first and last name and current prescription information on the label is considered written  
171.7 instructions.

171.8 (e) The certified center must ensure all prescription and nonprescription medicine is:

171.9 (1) kept in the medicine's original container with a legible label stating the child's first  
171.10 and last name;

171.11 (2) given only to the child whose name is on the label;

171.12 (3) not given after an expiration date on the label; and

171.13 (4) returned to the child's parent or legal guardian or destroyed, if unused.

171.14 (f) The certified center must document in the child's record the administration of  
171.15 prescription and nonprescription medication, including the child's first and last name; the  
171.16 name of the medication or prescription number; the date, time, and dosage; and the name  
171.17 and signature of the person who administered the medicine. This documentation must be  
171.18 available to the child's parent or legal guardian.

171.19 (g) The certified center must store prescription and nonprescription medicines, insect  
171.20 repellents, and diapering products according to directions on the original container.

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

171.22 Sec. 65. Minnesota Statutes 2022, section 245H.13, subdivision 7, is amended to read:

171.23 Subd. 7. **Risk reduction plan.** (a) The certified center must develop a risk reduction  
171.24 plan that identifies risks to children served by the child care center. The assessment of risk  
171.25 must include risks presented by (1) the physical plant where the certified services are  
171.26 provided, including electrical hazards; and (2) the environment, including the proximity to  
171.27 busy roads and bodies of water.

171.28 (b) The certification holder must establish policies and procedures to minimize identified  
171.29 risks. After any change to the risk reduction plan, the certification holder must inform staff  
171.30 of the change in the risk reduction plan and document that staff were informed of the change.

172.1 (c) If middle-school-age children are enrolled in the center and combined with elementary  
 172.2 children, the certification holder must establish policies and procedures to ensure adequate  
 172.3 supervision as defined in subdivision 10 when children are grouped together.

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

172.5 Sec. 66. Minnesota Statutes 2022, section 245H.13, subdivision 9, is amended to read:

172.6 Subd. 9. **Behavior guidance.** The certified center must ensure that staff and volunteers  
 172.7 use positive behavior guidance and do not subject children to:

172.8 (1) corporal punishment, including but not limited to rough handling, shoving, hair  
 172.9 pulling, ear pulling, shaking, slapping, kicking, biting, pinching, hitting, and spanking;

172.10 (2) humiliation;

172.11 (3) abusive language;

172.12 (4) the use of mechanical restraints, including tying;

172.13 (5) the use of physical restraints other than to physically hold a child when containment  
 172.14 is necessary to protect a child or others from harm; ~~or~~

172.15 (6) prone restraints, as prohibited by section 245A.211; or

172.16 ~~(6)~~ (7) the withholding or forcing of food and other basic needs.

172.17 Sec. 67. Minnesota Statutes 2022, section 245I.20, subdivision 10, is amended to read:

172.18 Subd. 10. **Application procedures.** (a) The applicant for certification must submit any  
 172.19 documents that the commissioner requires on forms approved by the commissioner.

172.20 (b) Upon submitting an application for certification, an applicant must pay the application  
 172.21 fee required by section 245A.10, subdivision 3.

172.22 (c) The commissioner must act on an application within 90 working days of receiving  
 172.23 a completed application.

172.24 (d) When the commissioner receives an application for initial certification that is  
 172.25 incomplete because the applicant failed to submit required documents or is deficient because  
 172.26 the submitted documents do not meet certification requirements, the commissioner must  
 172.27 provide the applicant with written notice that the application is incomplete or deficient. In  
 172.28 the notice, the commissioner must identify the particular documents that are missing or  
 172.29 deficient and give the applicant 45 days to submit a second application that is complete. An

173.1 applicant's failure to submit a complete application within 45 days after receiving notice  
173.2 from the commissioner is a basis for certification denial.

173.3 (e) The commissioner must give notice of a denial to an applicant when the commissioner  
173.4 has made the decision to deny the certification application. In the notice of denial, the  
173.5 commissioner must state the reasons for the denial in plain language. The commissioner  
173.6 must send or deliver the notice of denial to an applicant by certified mail or personal service.  
173.7 In the notice of denial, the commissioner must state the reasons that the commissioner denied  
173.8 the application and must inform the applicant of the applicant's right to request a contested  
173.9 case hearing under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The  
173.10 applicant may appeal the denial by notifying the commissioner in writing by certified mail  
173.11 or personal service. If mailed, the appeal must be postmarked and sent to the commissioner  
173.12 within 20 calendar days after the applicant received the notice of denial. If an applicant  
173.13 delivers an appeal by personal service, the commissioner must receive the appeal within 20  
173.14 calendar days after the applicant received the notice of denial.

173.15 (f) The commissioner may require the applicant or certification holder to provide an  
173.16 email address for the certification holder that will be made public subject to the requirements  
173.17 under section 13.46, subdivision 4, paragraph (b), clause (1), item (i).

173.18 Sec. 68. Minnesota Statutes 2022, section 256.9685, subdivision 1a, is amended to read:

173.19 Subd. 1a. **Administrative reconsideration.** Notwithstanding section 256B.04,  
173.20 subdivision 15, the commissioner shall establish an administrative reconsideration process  
173.21 for appeals of inpatient hospital services determined to be medically unnecessary. A  
173.22 physician, advanced practice registered nurse, physician assistant, or hospital may request  
173.23 a reconsideration of the decision that inpatient hospital services are not medically necessary  
173.24 by submitting a written request for review to the commissioner within 30 calendar days  
173.25 after receiving the date of the notice of the decision was mailed. The request for  
173.26 reconsideration ~~process shall take place prior to the procedures of subdivision 1b and shall~~  
173.27 ~~be conducted~~ be reviewed by the at least one medical review agent that is independent of  
173.28 the case under reconsideration. The medical review agent shall make a recommendation to  
173.29 the commissioner. The commissioner's decision on reconsideration is final and not subject  
173.30 to appeal under chapter 14.

173.31 Sec. 69. Minnesota Statutes 2022, section 256.9685, subdivision 1b, is amended to read:

173.32 Subd. 1b. **Appeal of reconsideration.** ~~Notwithstanding section 256B.72, the~~  
173.33 ~~commissioner may recover inpatient hospital payments for services that have been determined~~

174.1 ~~to be medically unnecessary after the reconsideration and determinations. A physician,~~  
174.2 ~~advanced practice registered nurse, physician assistant, or hospital may appeal the result of~~  
174.3 ~~the reconsideration process by submitting a written request for review to the commissioner~~  
174.4 ~~within 30 days after receiving notice of the action. The commissioner shall review the~~  
174.5 ~~medical record and information submitted during the reconsideration process and the medical~~  
174.6 ~~review agent's basis for the determination that the services were not medically necessary~~  
174.7 ~~for inpatient hospital services. The commissioner shall issue an order upholding or reversing~~  
174.8 ~~the decision of the reconsideration process based on the review. The commissioner's decision~~  
174.9 ~~under subdivision 1a is appealable by petition for writ of certiorari under chapter 606.~~

174.10 Sec. 70. Minnesota Statutes 2022, section 256.9686, is amended by adding a subdivision  
174.11 to read:

174.12 Subd. 7a. **Medical review agent.** "Medical review agent" means the representative of  
174.13 the commissioner who is authorized by the commissioner to administer medical record  
174.14 reviews; conduct administrative reconsiderations as defined by section 256.9685, subdivision  
174.15 1a; and perform other functions as stipulated in the terms of the agent's contract with the  
174.16 department. Medical records reviews and administrative reconsiderations will be performed  
174.17 by medical professionals within their scope of expertise, including but not limited to  
174.18 physicians, physician assistants, advanced practice registered nurses, and registered nurses.  
174.19 The medical professional performing the review or reconsideration must be on staff with  
174.20 the medical review agent, in good standing, and licensed to practice in the state where the  
174.21 medical professional resides.

174.22 Sec. 71. Minnesota Statutes 2022, section 256B.04, subdivision 15, is amended to read:

174.23 Subd. 15. **Utilization review.** (a) Establish on a statewide basis a new program to  
174.24 safeguard against unnecessary or inappropriate use of medical assistance services, against  
174.25 excess payments, against unnecessary or inappropriate hospital admissions or lengths of  
174.26 stay, and against underutilization of services in prepaid health plans, long-term care facilities  
174.27 or any health care delivery system subject to fixed rate reimbursement. In implementing  
174.28 the program, the state agency shall utilize both prepayment and postpayment review systems  
174.29 to determine if utilization is reasonable and necessary. The determination of whether services  
174.30 are reasonable and necessary shall be made by the commissioner in consultation with a  
174.31 professional services advisory group or health care consultant appointed by the commissioner.

174.32 (b) Contracts entered into for purposes of meeting the requirements of this subdivision  
174.33 shall not be subject to the set-aside provisions of chapter 16C.

175.1 (c) A recipient aggrieved by the commissioner's termination of services or denial of  
 175.2 future services may appeal pursuant to section 256.045. Unless otherwise provided by law,  
 175.3 a vendor aggrieved by the commissioner's determination that services provided were not  
 175.4 reasonable or necessary may appeal pursuant to the contested case procedures of chapter  
 175.5 14. To appeal, the vendor shall notify the commissioner in writing within 30 days of receiving  
 175.6 the commissioner's notice. The appeal request shall specify each disputed item, the reason  
 175.7 for the dispute, an estimate of the dollar amount involved for each disputed item, the  
 175.8 computation that the vendor believes is correct, the authority in statute or rule upon which  
 175.9 the vendor relies for each disputed item, the name and address of the person or firm with  
 175.10 whom contacts may be made regarding the appeal, and other information required by the  
 175.11 commissioner.

175.12 (d) The commissioner may select providers to provide case management services to  
 175.13 recipients who use health care services inappropriately or to recipients who are eligible for  
 175.14 other managed care projects. The providers shall be selected based upon criteria that may  
 175.15 include a comparison with a peer group of providers related to the quality, quantity, or cost  
 175.16 of health care services delivered or a review of sanctions previously imposed by health care  
 175.17 services programs or the provider's professional licensing board.

175.18 Sec. 72. Minnesota Statutes 2022, section 256B.064, is amended to read:

175.19 **256B.064 SANCTIONS; MONETARY RECOVERY.**

175.20 Subdivision 1. **Terminating payments to ineligible vendors individuals or entities.** The  
 175.21 commissioner may terminate payments under this chapter to any person or facility that,  
 175.22 under applicable federal law or regulation, has been determined to be ineligible for payments  
 175.23 under title XIX of the Social Security Act.

175.24 Subd. 1a. **Grounds for sanctions ~~against vendors.~~** (a) The commissioner may impose  
 175.25 sanctions against ~~a vendor of medical care~~ any individual or entity that receives payments  
 175.26 from medical assistance or provides goods or services for which payment is made from  
 175.27 medical assistance for any of the following: (1) fraud, theft, or abuse in connection with the  
 175.28 provision of ~~medical care~~ goods and services to recipients of public assistance for which  
 175.29 payment is made from medical assistance; (2) a pattern of presentment of false or duplicate  
 175.30 claims or claims for services not medically necessary; (3) a pattern of making false statements  
 175.31 of material facts for the purpose of obtaining greater compensation than that to which the  
 175.32 ~~vendor~~ individual or entity is legally entitled; (4) suspension or termination as a Medicare  
 175.33 vendor; (5) refusal to grant the state agency access during regular business hours to examine  
 175.34 all records necessary to disclose the extent of services provided to program recipients and

176.1 appropriateness of claims for payment; (6) failure to repay an overpayment or a fine finally  
176.2 established under this section; (7) failure to correct errors in the maintenance of health  
176.3 service or financial records for which a fine was imposed or after issuance of a warning by  
176.4 the commissioner; and (8) any reason for which a ~~vendor~~ an individual or entity could be  
176.5 excluded from participation in the Medicare program under section 1128, 1128A, or  
176.6 1866(b)(2) of the Social Security Act. For the purposes of this section, goods or services  
176.7 for which payment is made from medical assistance includes but is not limited to care and  
176.8 services identified in section 256B.0625 or provided pursuant to any federally approved  
176.9 waiver.

176.10 (b) The commissioner may impose sanctions against a pharmacy provider for failure to  
176.11 respond to a cost of dispensing survey under section 256B.0625, subdivision 13e, paragraph  
176.12 (h).

176.13 Subd. 1b. **Sanctions available.** The commissioner may impose the following sanctions  
176.14 for the conduct described in subdivision 1a: suspension or withholding of payments to a  
176.15 ~~vendor~~ an individual or entity and suspending or terminating participation in the program,  
176.16 or imposition of a fine under subdivision 2, paragraph (f). When imposing sanctions under  
176.17 this section, the commissioner shall consider the nature, chronicity, or severity of the conduct  
176.18 and the effect of the conduct on the health and safety of persons served by the ~~vendor~~  
176.19 individual or entity. The commissioner shall suspend a ~~vendor's~~ an individual's or entity's  
176.20 participation in the program for a minimum of five years if the ~~vendor~~ individual or entity  
176.21 is convicted of a crime, received a stay of adjudication, or entered a court-ordered diversion  
176.22 program for an offense related to a provision of a health service under medical assistance,  
176.23 including a federally approved waiver, or health care fraud. Regardless of imposition of  
176.24 sanctions, the commissioner may make a referral to the appropriate state licensing board.

176.25 Subd. 1c. **Grounds for and methods of monetary recovery.** (a) The commissioner  
176.26 may obtain monetary recovery from a ~~vendor who~~ an individual or entity that has been  
176.27 improperly paid by the department either as a result of conduct described in subdivision 1a  
176.28 or as a result of a ~~vendor or department~~ an error by the individual or entity submitting the  
176.29 claim or by the department, regardless of whether the error was intentional. Patterns need  
176.30 not be proven as a precondition to monetary recovery of erroneous or false claims, duplicate  
176.31 claims, claims for services not medically necessary, or claims based on false statements.

176.32 (b) The commissioner may obtain monetary recovery using methods including but not  
176.33 limited to the following: assessing and recovering money improperly paid and debiting from  
176.34 future payments any money improperly paid. The commissioner shall charge interest on  
176.35 money to be recovered if the recovery is to be made by installment payments or debits,



177.1 except when the monetary recovery is of an overpayment that resulted from a department  
 177.2 error. The interest charged shall be the rate established by the commissioner of revenue  
 177.3 under section 270C.40.

177.4 Subd. 1d. **Investigative costs.** The commissioner may seek recovery of investigative  
 177.5 costs from any ~~vendor of medical care or services who~~ individual or entity that willfully  
 177.6 submits a claim for reimbursement for services that the ~~vendor~~ individual or entity knows,  
 177.7 or reasonably should have known, is a false representation and that results in the payment  
 177.8 of public funds for which the ~~vendor~~ individual or entity is ineligible. Billing errors that  
 177.9 result in unintentional overcharges shall not be grounds for investigative cost recoupment.

177.10 Subd. 2. **Imposition of monetary recovery and sanctions.** (a) The commissioner shall  
 177.11 determine any monetary amounts to be recovered and sanctions to be imposed upon ~~a vendor~~  
 177.12 ~~of medical care~~ an individual or entity under this section. Except as provided in paragraphs  
 177.13 (b) and (d), neither a monetary recovery nor a sanction will be imposed by the commissioner  
 177.14 without prior notice and an opportunity for a hearing, according to chapter 14, on the  
 177.15 commissioner's proposed action, provided that the commissioner may suspend or reduce  
 177.16 payment to ~~a vendor of medical care~~ an individual or entity, except a nursing home or  
 177.17 convalescent care facility, after notice and prior to the hearing if in the commissioner's  
 177.18 opinion that action is necessary to protect the public welfare and the interests of the program.

177.19 (b) Except when the commissioner finds good cause not to suspend payments under  
 177.20 Code of Federal Regulations, title 42, section 455.23 (e) or (f), the commissioner shall  
 177.21 withhold or reduce payments to ~~a vendor of medical care~~ an individual or entity without  
 177.22 providing advance notice of such withholding or reduction if either of the following occurs:

177.23 (1) the ~~vendor~~ individual or entity is convicted of a crime involving the conduct described  
 177.24 in subdivision 1a; or

177.25 (2) the commissioner determines there is a credible allegation of fraud for which an  
 177.26 investigation is pending under the program. Allegations are considered credible when they  
 177.27 have an indicium of reliability and the state agency has reviewed all allegations, facts, and  
 177.28 evidence carefully and acts judiciously on a case-by-case basis. A credible allegation of  
 177.29 fraud is an allegation which has been verified by the state, from any source, including but  
 177.30 not limited to:

177.31 (i) fraud hotline complaints;

177.32 (ii) claims data mining; and

178.1 (iii) patterns identified through provider audits, civil false claims cases, and law  
178.2 enforcement investigations.

178.3 ~~Allegations are considered to be credible when they have an indicia of reliability and~~  
178.4 ~~the state agency has reviewed all allegations, facts, and evidence carefully and acts~~  
178.5 ~~judiciously on a case-by-case basis.~~

178.6 (c) The commissioner must send notice of the withholding or reduction of payments  
178.7 under paragraph (b) within five days of taking such action unless requested in writing by a  
178.8 law enforcement agency to temporarily withhold the notice. The notice must:

178.9 (1) state that payments are being withheld according to paragraph (b);

178.10 (2) set forth the general allegations as to the nature of the withholding action, but need  
178.11 not disclose any specific information concerning an ongoing investigation;

178.12 (3) except in the case of a conviction for conduct described in subdivision 1a, state that  
178.13 the withholding is for a temporary period and cite the circumstances under which withholding  
178.14 will be terminated;

178.15 (4) identify the types of claims to which the withholding applies; and

178.16 (5) inform the ~~vendor~~ individual or entity of the right to submit written evidence for  
178.17 consideration by the commissioner.

178.18 (d) The withholding or reduction of payments will not continue after the commissioner  
178.19 determines there is insufficient evidence of fraud by the ~~vendor~~ individual or entity, or after  
178.20 legal proceedings relating to the alleged fraud are completed, unless the commissioner has  
178.21 sent notice of intention to impose monetary recovery or sanctions under paragraph (a). Upon  
178.22 conviction for a crime related to the provision, management, or administration of a health  
178.23 service under medical assistance, a payment held pursuant to this section by the commissioner  
178.24 or a managed care organization that contracts with the commissioner under section 256B.035  
178.25 is forfeited to the commissioner or managed care organization, regardless of the amount  
178.26 charged in the criminal complaint or the amount of criminal restitution ordered.

178.27 ~~(d)~~ (e) The commissioner shall suspend or terminate a ~~vendor's~~ an individual's or entity's  
178.28 participation in the program without providing advance notice and an opportunity for a  
178.29 hearing when the suspension or termination is required because of the ~~vendor's~~ individual's  
178.30 or entity's exclusion from participation in Medicare. Within five days of taking such action,  
178.31 the commissioner must send notice of the suspension or termination. The notice must:

178.32 (1) state that suspension or termination is the result of the ~~vendor's~~ individual's or entity's  
178.33 exclusion from Medicare;

179.1 (2) identify the effective date of the suspension or termination; and

179.2 (3) inform the ~~vendor~~ individual or entity of the need to be reinstated to Medicare before  
179.3 reapplying for participation in the program.

179.4 ~~(e)~~ (f) Upon receipt of a notice under paragraph (a) that a monetary recovery or sanction  
179.5 is to be imposed, a ~~vendor~~ an individual or entity may request a contested case, as defined  
179.6 in section 14.02, subdivision 3, by filing with the commissioner a written request of appeal.  
179.7 The appeal request must be received by the commissioner no later than 30 days after the  
179.8 date the notification of monetary recovery or sanction was mailed to the ~~vendor~~ individual  
179.9 or entity. The appeal request must specify:

179.10 (1) each disputed item, the reason for the dispute, and an estimate of the dollar amount  
179.11 involved for each disputed item;

179.12 (2) the computation that the ~~vendor~~ individual or entity believes is correct;

179.13 (3) the authority in statute or rule upon which the ~~vendor~~ individual or entity relies for  
179.14 each disputed item;

179.15 (4) the name and address of the person or entity with whom contacts may be made  
179.16 regarding the appeal; and

179.17 (5) other information required by the commissioner.

179.18 ~~(f)~~ (g) The commissioner may order a ~~vendor~~ an individual or entity to forfeit a fine for  
179.19 failure to fully document services according to standards in this chapter and Minnesota  
179.20 Rules, chapter 9505. The commissioner may assess fines if specific required components  
179.21 of documentation are missing. The fine for incomplete documentation shall equal 20 percent  
179.22 of the amount paid on the claims for reimbursement submitted by the ~~vendor~~ individual or  
179.23 entity, or up to \$5,000, whichever is less. If the commissioner determines that a ~~vendor~~ an  
179.24 individual or entity repeatedly violated this chapter, chapter 254B or 245G, or Minnesota  
179.25 Rules, chapter 9505, related to the provision of services to program recipients and the  
179.26 submission of claims for payment, the commissioner may order a ~~vendor~~ an individual or  
179.27 entity to forfeit a fine based on the nature, severity, and chronicity of the violations, in an  
179.28 amount of up to \$5,000 or 20 percent of the value of the claims, whichever is greater. The  
179.29 commissioner may issue fines under this paragraph in place of or in addition to full monetary  
179.30 recovery of the value of the claims submitted under subdivision 1c.

179.31 ~~(g)~~ (h) The ~~vendor~~ individual or entity shall pay the fine assessed on or before the  
179.32 payment date specified. If the ~~vendor~~ individual or entity fails to pay the fine, the

180.1 commissioner may withhold or reduce payments and recover the amount of the fine. A  
180.2 timely appeal shall stay payment of the fine until the commissioner issues a final order.

180.3 Subd. 3. **Vendor Mandates on prohibited payments.** (a) The commissioner shall  
180.4 maintain and publish a list of each excluded individual and entity that was convicted of a  
180.5 crime related to the provision, management, or administration of a medical assistance health  
180.6 service, or suspended or terminated under subdivision 2. Medical assistance payments cannot  
180.7 be made by ~~a vendor~~ an individual or entity for items or services furnished either directly  
180.8 or indirectly by an excluded individual or entity, or at the direction of excluded individuals  
180.9 or entities.

180.10 (b) The ~~vendor~~ entity must check the exclusion list on a monthly basis and document  
180.11 the date and time the exclusion list was checked and the name and title of the person who  
180.12 checked the exclusion list. The ~~vendor~~ entity must immediately terminate payments to an  
180.13 individual or entity on the exclusion list.

180.14 (c) ~~A vendor's~~ An entity's requirement to check the exclusion list and to terminate  
180.15 payments to individuals or entities on the exclusion list applies to each individual or entity  
180.16 on the exclusion list, even if the named individual or entity is not responsible for direct  
180.17 patient care or direct submission of a claim to medical assistance.

180.18 (d) ~~A vendor~~ An entity that pays medical assistance program funds to an individual or  
180.19 entity on the exclusion list must refund any payment related to either items or services  
180.20 rendered by an individual or entity on the exclusion list from the date the individual or entity  
180.21 is first paid or the date the individual or entity is placed on the exclusion list, whichever is  
180.22 later, and ~~a vendor~~ an entity may be subject to:

180.23 (1) sanctions under subdivision 2;

180.24 (2) a civil monetary penalty of up to \$25,000 for each determination by the department  
180.25 that the vendor employed or contracted with an individual or entity on the exclusion list;  
180.26 and

180.27 (3) other fines or penalties allowed by law.

180.28 Subd. 4. **Notice.** (a) The department shall serve the notice required under subdivision 2  
180.29 ~~shall be served~~ by certified mail at the address submitted to the department by the ~~vendor~~  
180.30 individual or entity. Service is complete upon mailing. ~~The commissioner shall place an~~  
180.31 ~~affidavit of the certified mailing in the vendor's file as an indication of the address and the~~  
180.32 ~~date of mailing.~~

181.1 (b) The department shall give notice in writing to a recipient placed in the Minnesota  
 181.2 restricted recipient program under section 256B.0646 and Minnesota Rules, part 9505.2200.  
 181.3 The department shall send the notice ~~shall be sent~~ by first class mail to the recipient's current  
 181.4 address on file with the department. A recipient placed in the Minnesota restricted recipient  
 181.5 program may contest the placement by submitting a written request for a hearing to the  
 181.6 department within 90 days of the notice being mailed.

181.7 Subd. 5. **Immunity; good faith reporters.** (a) A person who makes a good faith report  
 181.8 is immune from any civil or criminal liability that might otherwise arise from reporting or  
 181.9 participating in the investigation. Nothing in this subdivision affects ~~a vendor's~~ an individual's  
 181.10 or entity's responsibility for an overpayment established under this subdivision.

181.11 (b) A person employed by a lead investigative agency who is conducting or supervising  
 181.12 an investigation or enforcing the law according to the applicable law or rule is immune from  
 181.13 any civil or criminal liability that might otherwise arise from the person's actions, if the  
 181.14 person is acting in good faith and exercising due care.

181.15 (c) For purposes of this subdivision, "person" includes a natural person or any form of  
 181.16 a business or legal entity.

181.17 (d) After an investigation is complete, the reporter's name must be kept confidential.  
 181.18 The subject of the report may compel disclosure of the reporter's name only with the consent  
 181.19 of the reporter or upon a written finding by a district court that the report was false and there  
 181.20 is evidence that the report was made in bad faith. This subdivision does not alter disclosure  
 181.21 responsibilities or obligations under the Rules of Criminal Procedure, except that when the  
 181.22 identity of the reporter is relevant to a criminal prosecution the district court shall conduct  
 181.23 an in-camera review before determining whether to order disclosure of the reporter's identity.

181.24 Sec. 73. Minnesota Statutes 2022, section 256B.27, subdivision 3, is amended to read:

181.25 Subd. 3. **Access to medical records.** The commissioner of human services, with the  
 181.26 written consent of the recipient, on file with the local welfare agency, shall be allowed  
 181.27 access in the manner and within the time prescribed by the commissioner to all personal  
 181.28 medical records of medical assistance recipients solely for the purposes of investigating  
 181.29 whether or not: (a) a vendor of medical care has submitted a claim for reimbursement, a  
 181.30 cost report or a rate application which is duplicative, erroneous, or false in whole or in part,  
 181.31 or which results in the vendor obtaining greater compensation than the vendor is legally  
 181.32 entitled to; or (b) the medical care was medically necessary. When the commissioner is  
 181.33 investigating a possible overpayment of Medicaid funds, the commissioner must be given  
 181.34 immediate access without prior notice to the vendor's office during regular business hours

182.1 and to documentation and records related to services provided and submission of claims  
 182.2 for services provided. The department shall document in writing the need for immediate  
 182.3 access to records related to a specific investigation. Denying the commissioner access to  
 182.4 records is cause for the vendor's immediate suspension of payment or termination according  
 182.5 to section 256B.064. All providers receiving medical assistance payments must make those  
 182.6 records available immediately to the commissioner upon request. Any records not provided  
 182.7 to the commissioner at the date and time of the request are inadmissible if offered as evidence  
 182.8 by the provider in any proceeding to contest sanctions against or monetary recovery from  
 182.9 the provider. The determination of provision of services not medically necessary shall be  
 182.10 made by the commissioner. Notwithstanding any other law to the contrary, a vendor of  
 182.11 medical care shall not be subject to any civil or criminal liability for providing access to  
 182.12 medical records to the commissioner of human services pursuant to this section.

182.13 Sec. 74. Minnesota Statutes 2022, section 524.5-118, subdivision 2a, is amended to read:

182.14 Subd. 2a. **Procedure; state licensing agency data.** (a) The court shall request the  
 182.15 commissioner of human services to provide the court within 25 working days of receipt of  
 182.16 the request with licensing agency data for licenses directly related to the responsibilities of  
 182.17 a professional fiduciary if the study subject indicates current or prior affiliation from the  
 182.18 following agencies in Minnesota:

182.19 (1) Lawyers Responsibility Board;

182.20 (2) State Board of Accountancy;

182.21 (3) Board of Social Work;

182.22 (4) Board of Psychology;

182.23 (5) Board of Nursing;

182.24 (6) Board of Medical Practice;

182.25 ~~(7) Department of Education;~~

182.26 ~~(8)~~ (7) Department of Commerce;

182.27 ~~(9)~~ (8) Board of Chiropractic Examiners;

182.28 ~~(10)~~ (9) Board of Dentistry;

182.29 ~~(11)~~ (10) Board of Marriage and Family Therapy;

182.30 ~~(12)~~ (11) Department of Human Services;

182.31 ~~(13)~~ (12) Peace Officer Standards and Training (POST) Board; and

183.1 ~~(14)~~ (13) Professional Educator Licensing and Standards Board.

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

183.5 (c) The commissioner shall provide to the court the electronically available data  
183.6 maintained in the agency's database, including whether the proposed guardian or conservator  
183.7 is or has been licensed by the agency, and if the licensing agency database indicates a  
183.8 disciplinary action or a sanction against the individual's license, including a condition,  
183.9 suspension, revocation, or cancellation.

183.10 (d) If the proposed guardian or conservator has resided in a state other than Minnesota  
183.11 in the previous ten years, licensing agency data under this section shall also include the  
183.12 licensing agency data from any other state where the proposed guardian or conservator  
183.13 reported to have resided during the previous ten years if the study subject indicates current  
183.14 or prior affiliation. If the proposed guardian or conservator has or has had a professional  
183.15 license in another state that is directly related to the responsibilities of a professional fiduciary  
183.16 from one of the agencies listed under paragraph (a), state licensing agency data shall also  
183.17 include data from the relevant licensing agency of that state.

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

183.21 (f) The commissioner shall review the information in paragraph (c) at least once every  
183.22 four months to determine if an individual who has been studied within the previous five  
183.23 years:

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

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

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

183.28 Sec. 75. **REVISOR INSTRUCTION.**

183.29 The revisor of statutes shall renumber the subdivisions in Minnesota Statutes, section  
183.30 245C.02, in alphabetical order and correct any cross-reference changes that result.

184.1 **Sec. 76. REPEALER.**

184.2 Subdivision 1. (a) Minnesota Statutes 2022, sections 245A.144; and 245A.175, are  
184.3 repealed.

184.4 (b) Minnesota Rules, parts 2960.3070; and 2960.3210, are repealed.

184.5 (c) Minnesota Rules, part 9502.0425, subparts 5 and 10, are repealed.

184.6 Subd. 2. Minnesota Statutes 2022, section 245A.22, is repealed.

184.7 Subd. 3. (a) Minnesota Statutes 2022, sections 245C.02, subdivision 9; and 245C.301,  
184.8 are repealed.

184.9 (b) Minnesota Statutes 2022, section 256.9685, subdivisions 1c and 1d, and Minnesota  
184.10 Rules, parts 9505.0505, subpart 18; and 9505.0520, subpart 9b, are repealed.

184.11 **EFFECTIVE DATE.** Subdivision 1 is effective January 1, 2024; subdivision 2 is  
184.12 effective the day following final enactment; and subdivision 3 is effective August 1, 2023.

184.13

**ARTICLE 7**

184.14

**MISCELLANEOUS**

184.15 Section 1. Minnesota Statutes 2022, section 245.50, subdivision 5, is amended to read:

184.16 **Subd. 5. Special contracts; bordering states.** (a) An individual who is detained,  
184.17 committed, or placed on an involuntary basis under chapter 253B may be confined or treated  
184.18 in a bordering state pursuant to a contract under this section. An individual who is detained,  
184.19 committed, or placed on an involuntary basis under the civil law of a bordering state may  
184.20 be confined or treated in Minnesota pursuant to a contract under this section. A peace or  
184.21 health officer who is acting under the authority of the sending state may transport an  
184.22 individual to a receiving agency that provides services pursuant to a contract under this  
184.23 section and may transport the individual back to the sending state under the laws of the  
184.24 sending state. Court orders valid under the law of the sending state are granted recognition  
184.25 and reciprocity in the receiving state for individuals covered by a contract under this section  
184.26 to the extent that the court orders relate to confinement for treatment or care of mental  
184.27 illness, chemical dependency, or detoxification. Such treatment or care may address other  
184.28 conditions that may be co-occurring with the mental illness or chemical dependency. These  
184.29 court orders are not subject to legal challenge in the courts of the receiving state. Individuals  
184.30 who are detained, committed, or placed under the law of a sending state and who are  
184.31 transferred to a receiving state under this section continue to be in the legal custody of the  
184.32 authority responsible for them under the law of the sending state. Except in emergencies,



185.1 those individuals may not be transferred, removed, or furloughed from a receiving agency  
185.2 without the specific approval of the authority responsible for them under the law of the  
185.3 sending state.

185.4 (b) While in the receiving state pursuant to a contract under this section, an individual  
185.5 shall be subject to the sending state's laws and rules relating to length of confinement,  
185.6 reexaminations, and extensions of confinement. No individual may be sent to another state  
185.7 pursuant to a contract under this section until the receiving state has enacted a law recognizing  
185.8 the validity and applicability of this section.

185.9 (c) If an individual receiving services pursuant to a contract under this section leaves  
185.10 the receiving agency without permission and the individual is subject to involuntary  
185.11 confinement under the law of the sending state, the receiving agency shall use all reasonable  
185.12 means to return the individual to the receiving agency. The receiving agency shall  
185.13 immediately report the absence to the sending agency. The receiving state has the primary  
185.14 responsibility for, and the authority to direct, the return of these individuals within its borders  
185.15 and is liable for the cost of the action to the extent that it would be liable for costs of its  
185.16 own resident.

185.17 (d) Responsibility for payment for the cost of care remains with the sending agency.

185.18 (e) This subdivision also applies to county contracts under subdivision 2 which include  
185.19 emergency care and treatment provided to a county resident in a bordering state.

185.20 (f) If a Minnesota resident is admitted to a facility in a bordering state under this chapter,  
185.21 ~~a physician, a licensed psychologist who has a doctoral degree in psychology, or an advanced~~  
185.22 ~~practice registered nurse certified in mental health,~~ an individual who is licensed in the  
185.23 bordering state, may act as a court examiner under sections 253B.07, 253B.08, 253B.092,  
185.24 253B.12, and 253B.17 subject to the same requirements and limitations in section 253B.02,  
185.25 ~~subdivision~~ subdivisions 4d and 7. An examiner under section 253B.02, subdivision 7, may  
185.26 initiate an emergency hold under section 253B.051 on a Minnesota resident who is in a  
185.27 hospital that is under contract with a Minnesota governmental entity under this section  
185.28 provided the resident, in the opinion of the examiner, meets the criteria in section 253B.051.

185.29 (g) This section shall apply to detoxification services that are unrelated to treatment  
185.30 whether the services are provided on a voluntary or involuntary basis.

185.31 Sec. 2. Minnesota Statutes 2022, section 254A.035, subdivision 2, is amended to read:

185.32 Subd. 2. **Membership terms, compensation, removal and expiration.** The membership  
185.33 of this council shall be composed of 17 persons who are American Indians and who are

186.1 appointed by the commissioner. The commissioner shall appoint one representative from  
186.2 each of the following groups: Red Lake Band of Chippewa Indians; Fond du Lac Band,  
186.3 Minnesota Chippewa Tribe; Grand Portage Band, Minnesota Chippewa Tribe; Leech Lake  
186.4 Band, Minnesota Chippewa Tribe; Mille Lacs Band, Minnesota Chippewa Tribe; Bois Forte  
186.5 Band, Minnesota Chippewa Tribe; White Earth Band, Minnesota Chippewa Tribe; Lower  
186.6 Sioux Indian Reservation; Prairie Island Sioux Indian Reservation; Shakopee Mdewakanton  
186.7 Sioux Indian Reservation; Upper Sioux Indian Reservation; International Falls Northern  
186.8 Range; Duluth Urban Indian Community; and two representatives from the Minneapolis  
186.9 Urban Indian Community and two from the St. Paul Urban Indian Community. The terms,  
186.10 compensation, and removal of American Indian Advisory Council members shall be as  
186.11 provided in section 15.059. ~~The council expires June 30, 2023.~~

186.12 Sec. 3. Minnesota Statutes 2022, section 256B.093, subdivision 1, is amended to read:

186.13 Subdivision 1. **State traumatic brain injury program.** (a) The commissioner of human  
186.14 services shall:

186.15 (1) maintain a statewide traumatic brain injury program;

186.16 (2) supervise and coordinate services and policies for persons with traumatic brain  
186.17 injuries;

186.18 (3) contract with qualified agencies or employ staff to provide statewide administrative  
186.19 case management and consultation;

186.20 (4) maintain an advisory committee to provide recommendations in reports to the  
186.21 commissioner regarding program and service needs of persons with brain injuries;

186.22 (5) investigate the need for the development of rules or statutes for the brain injury home  
186.23 and community-based services waiver; and

186.24 (6) investigate present and potential models of service coordination which can be  
186.25 delivered at the local level.

186.26 (b) The advisory committee required by paragraph (a), clause (4), must consist of no  
186.27 fewer than ten members and no more than 30 members. The commissioner shall appoint  
186.28 all advisory committee members to one- or two-year terms and appoint one member as  
186.29 chair. ~~The advisory committee expires on June 30, 2023.~~

187.1 Sec. 4. Laws 2021, First Special Session chapter 7, article 2, section 17, the effective date,  
187.2 is amended to read:

187.3 **EFFECTIVE DATE.** This section is effective July 1, 2021, except ~~subdivision 6,~~  
187.4 ~~paragraph (b), is effective upon federal approval and~~ subdivision 15 is effective the day  
187.5 following final enactment. ~~The commissioner of human services shall notify the revisor of~~  
187.6 ~~statutes when federal approval is obtained.~~

187.7 Sec. 5. Laws 2021, First Special Session chapter 7, article 6, section 12, the effective date,  
187.8 is amended to read:

187.9 **EFFECTIVE DATE.** This section is effective July 1, 2021, ~~or upon federal approval,~~  
187.10 ~~whichever is later. The commissioner of human services shall notify the revisor of statutes~~  
187.11 ~~when federal approval is obtained.~~

187.12 Sec. 6. Laws 2021, First Special Session chapter 7, article 11, section 18, the effective  
187.13 date, is amended to read:

187.14 **EFFECTIVE DATE.** This section is effective July 1, 2021, ~~or upon federal approval,~~  
187.15 ~~whichever is later,~~ except paragraph (f) is effective the day following final enactment. ~~The~~  
187.16 ~~commissioner shall notify the revisor of statutes when federal approval is obtained.~~

187.17 Sec. 7. Laws 2021, First Special Session chapter 7, article 13, section 43, the effective  
187.18 date, is amended to read:

187.19 **EFFECTIVE DATE.** This section is effective January 1, 2022, ~~or upon federal approval,~~  
187.20 ~~whichever is later, except the fifth sentence in paragraph (d) is effective January 1, 2022.~~  
187.21 ~~The commissioner of human services shall notify the revisor of statutes when federal approval~~  
187.22 ~~is obtained.~~

187.23 Sec. 8. Laws 2022, chapter 98, article 4, section 37, the effective date, is amended to read:

187.24 **EFFECTIVE DATE.** This section is effective July 1, 2022, ~~or upon federal approval,~~  
187.25 ~~whichever is later. The commissioner of human services shall notify the revisor of statutes~~  
187.26 ~~when federal approval is obtained.~~

187.27 Sec. 9. **REPEALER.**

187.28 Minnesota Statutes 2022, section 260.835, subdivision 2, is repealed.

188.1 **ARTICLE 8**188.2 **PROHIBITION ON CONVERSION THERAPY**188.3 Section 1. **[214.078] PROTECTION FROM CONVERSION THERAPY.**

188.4 Subdivision 1. **Definition.** "Conversion therapy" means any practice by a mental health  
188.5 practitioner as defined in section 245I.04, subdivision 4, or mental health professional as  
188.6 defined in section 245I.04, subdivision 2, that seeks to change an individual's sexual  
188.7 orientation or gender identity, including efforts to change behaviors or gender expressions  
188.8 or to eliminate or reduce sexual or romantic attractions or feelings toward individuals of  
188.9 the same gender. Conversion therapy does not include counseling that provides assistance  
188.10 to an individual undergoing gender transition, or counseling that provides acceptance,  
188.11 support, and understanding of an individual or facilitates an individual's coping, social  
188.12 support, and identity exploration and development, including sexual-orientation-neutral  
188.13 interventions to prevent or address unlawful conduct or unsafe sexual practices, as long as  
188.14 the counseling does not seek to change an individual's sexual orientation or gender identity.

188.15 Subd. 2. **Prohibition.** (a) No mental health practitioner or mental health professional  
188.16 shall engage in conversion therapy with a client younger than 18 years of age or with a  
188.17 vulnerable adult as defined in section 626.5572, subdivision 21.

188.18 (b) Conversion therapy attempted by a mental health practitioner or mental health  
188.19 professional with a client younger than 18 years of age or with a vulnerable adult shall be  
188.20 considered unprofessional conduct that may subject the mental health practitioner or mental  
188.21 health professional to disciplinary action by the licensing board of the mental health  
188.22 practitioner or mental health professional.

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

188.24 Sec. 2. Minnesota Statutes 2022, section 256B.0625, is amended by adding a subdivision  
188.25 to read:

188.26 Subd. 5n. **Conversion therapy.** Conversion therapy, as defined in section 214.078,  
188.27 subdivision 1, is not covered.

188.28 Sec. 3. Minnesota Statutes 2022, section 325F.69, is amended by adding a subdivision to  
188.29 read:

188.30 Subd. 7. **Advertisement and sales; misrepresentation of conversion therapy.** (a) For  
188.31 purposes of this subdivision, "conversion therapy" means services or products that are  
188.32 intended to change an individual's sexual orientation or gender identity, including efforts

189.1 to change behaviors and gender expressions or to eliminate or reduce sexual or romantic  
189.2 attractions or feelings toward individuals of the same gender.

189.3 (b) No person or entity shall, while conducting any trade or commerce, use or employ  
189.4 any fraud, false pretense, false promise, false guarantee, misrepresentation, false or  
189.5 misleading statements, or deceptive practice by advertising or otherwise offering conversion  
189.6 therapy services that could reasonably be interpreted or inferred as representing  
189.7 homosexuality as a mental disease, disorder, or illness, or guaranteeing to change an  
189.8 individual's sexual orientation or gender identity.

**169A.70 ALCOHOL SAFETY PROGRAMS; CHEMICAL USE ASSESSMENTS.**

Subd. 6. **Method of assessment.** (a) As used in this subdivision, "collateral contact" means an oral or written communication initiated by an assessor for the purpose of gathering information from an individual or agency, other than the offender, to verify or supplement information provided by the offender during an assessment under this section. The term includes contacts with family members and criminal justice agencies.

(b) An assessment conducted under this section must include at least one personal interview with the offender designed to make a determination about the extent of the offender's past and present chemical and alcohol use or abuse. It must also include collateral contacts and a review of relevant records or reports regarding the offender including, but not limited to, police reports, arrest reports, driving records, chemical testing records, and test refusal records. If the offender has a probation officer, the officer must be the subject of a collateral contact under this subdivision. If an assessor is unable to make collateral contacts, the assessor shall specify why collateral contacts were not made.

**245A.144 TRAINING ON RISK OF SUDDEN UNEXPECTED INFANT DEATH AND ABUSIVE HEAD TRAUMA FOR CHILD FOSTER CARE PROVIDERS.**

(a) Licensed child foster care providers that care for infants or children through five years of age must document that before staff persons and caregivers assist in the care of infants or children through five years of age, they are instructed on the standards in section 245A.1435 and receive training on reducing the risk of sudden unexpected infant death and abusive head trauma from shaking infants and young children. This section does not apply to emergency relative placement under section 245A.035. The training on reducing the risk of sudden unexpected infant death and abusive head trauma may be provided as:

(1) orientation training to child foster care providers, who care for infants or children through five years of age, under Minnesota Rules, part 2960.3070, subpart 1; or

(2) in-service training to child foster care providers, who care for infants or children through five years of age, under Minnesota Rules, part 2960.3070, subpart 2.

(b) Training required under this section must be at least one hour in length and must be completed at least once every five years. At a minimum, the training must address the risk factors related to sudden unexpected infant death and abusive head trauma, means of reducing the risk of sudden unexpected infant death and abusive head trauma, and license holder communication with parents regarding reducing the risk of sudden unexpected infant death and abusive head trauma.

(c) Training for child foster care providers must be approved by the county or private licensing agency that is responsible for monitoring the child foster care provider under section 245A.16. The approved training fulfills, in part, training required under Minnesota Rules, part 2960.3070.

**245A.175 CHILD FOSTER CARE TRAINING REQUIREMENT; MENTAL HEALTH TRAINING; FETAL ALCOHOL SPECTRUM DISORDERS TRAINING.**

Prior to a nonemergency placement of a child in a foster care home, the child foster care license holder and caregivers in foster family and treatment foster care settings, and all staff providing care in foster residence settings must complete two hours of training that addresses the causes, symptoms, and key warning signs of mental health disorders; cultural considerations; and effective approaches for dealing with a child's behaviors. At least one hour of the annual training requirement for the foster family license holder and caregivers, and foster residence staff must be on children's mental health issues and treatment. Except for providers and services under chapter 245D, the annual training must also include at least one hour of training on fetal alcohol spectrum disorders, which must be counted toward the 12 hours of required in-service training per year. Short-term substitute caregivers are exempt from these requirements. Training curriculum shall be approved by the commissioner of human services.

**245A.22 INDEPENDENT LIVING ASSISTANCE FOR YOUTH.**

Subdivision 1. **Independent living assistance for youth.** "Independent living assistance for youth" means a nonresidential program that provides a system of services that includes training, counseling, instruction, supervision, and assistance provided to youth according to the youth's independent living plan, when the placements in the program are made by the county agency. Services may include assistance in locating housing, budgeting, meal preparation, shopping, personal appearance, counseling, and related social support services needed to meet the youth's needs and improve the youth's ability to conduct such tasks independently. Such services shall not extend to

APPENDIX  
Repealed Minnesota Statutes: 23-00276

youths needing 24-hour per day supervision and services. Youths needing a 24-hour per day program of supervision and services shall not be accepted or retained in an independent living assistance program.

Subd. 2. **Admission.** (a) The license holder shall accept as clients in the independent living assistance program only youth ages 16 to 21 who are in out-of-home placement, leaving out-of-home placement, at risk of becoming homeless, or homeless.

(b) Youth who have current drug or alcohol problems, a recent history of violent behaviors, or a mental health disorder or issue that is not being resolved through counseling or treatment are not eligible to receive the services described in subdivision 1.

(c) Youth who are not employed, participating in employment training, or enrolled in an academic program are not eligible to receive transitional housing or independent living assistance.

(d) The commissioner may grant a variance under section 245A.04, subdivision 9, to requirements in this section.

Subd. 3. **Independent living plan.** (a) Unless an independent living plan has been developed by the local agency, the license holder shall develop a plan based on the client's individual needs that specifies objectives for the client. The services provided shall include those specified in this section. The plan shall identify the persons responsible for implementation of each part of the plan. The plan shall be reviewed as necessary, but at least annually.

(b) The following services, or adequate access to referrals for the following services, must be made available to the targeted youth participating in the programs described in subdivision 1:

(1) counseling services for the youth and their families, if appropriate, on site, to help with problems that contributed to the homelessness or could impede making the transition to independent living;

(2) educational, vocational, or employment services;

(3) health care;

(4) transportation services including, where appropriate, assisting the child in obtaining a driver's license;

(5) money management skills training;

(6) planning for ongoing housing;

(7) social and recreational skills training; and

(8) assistance establishing and maintaining connections with the child's family and community.

Subd. 4. **Records.** (a) The license holder shall maintain a record for each client.

(b) For each client the record maintained by the license holder shall document the following:

(1) admission information;

(2) the independent living plan;

(3) delivery of the services required of the license holder in the independent living plan;

(4) the client's progress toward obtaining the objectives identified in the independent living plan; and

(5) a termination summary after service is terminated.

(c) If the license holder manages the client's money, the record maintained by the license holder shall also include the following:

(1) written permission from the client or the client's legal guardian to manage the client's money;

(2) the reasons the license holder is to manage the client's money; and

(3) a complete record of the use of the client's money and reconciliation of the account.

Subd. 5. **Service termination plan.** The license holder, in conjunction with the county agency, shall establish a service termination plan that specifies how independent living assistance services will be terminated and the actions to be performed by the involved agencies, including necessary referrals for other ongoing services.

Subd. 6. **Place of residence provided by program.** When a client's place of residence is provided by the license holder as part of the independent living assistance program, the place of residence is not subject to separate licensure.

Subd. 7. **General licensing requirements apply.** In addition to the requirements of this section, providers of independent living assistance are subject to general licensing requirements of this chapter.

#### **245C.02 DEFINITIONS.**

Subd. 9. **Contractor.** "Contractor" means any individual, regardless of employer, who is providing program services for hire under the control of the provider.

#### **245C.301 NOTIFICATION OF SET-ASIDE OR VARIANCE.**

(a) Except as provided under paragraphs (b) and (c), if required by the commissioner, family child care providers and child care centers must provide a written notification to parents considering enrollment of a child or parents of a child attending the family child care or child care center if the program employs or has living in the home any individual who is the subject of either a set-aside or variance.

(b) Notwithstanding paragraph (a), family child care license holders are not required to disclose that the program has an individual living in the home who is the subject of a set-aside or variance if:

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

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

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

(c) The notice specified in paragraph (a) is not required when the period of disqualification in section 245C.15, subdivisions 2 to 4, has been exceeded.

#### **245G.22 OPIOID TREATMENT PROGRAMS.**

Subd. 19. **Placing authorities.** A program must provide certain notification and client-specific updates to placing authorities for a client who is enrolled in Minnesota health care programs. At the request of the placing authority, the program must provide client-specific updates, including but not limited to informing the placing authority of positive drug testings and changes in medications used for the treatment of opioid use disorder ordered for the client.

#### **254A.02 DEFINITIONS.**

Subd. 8a. **Placing authority.** "Placing authority" means a county, prepaid health plan, or tribal governing board governed by Minnesota Rules, parts 9530.6600 to 9530.6655.

#### **254A.16 RESPONSIBILITIES OF THE COMMISSIONER.**

Subd. 6. **Monitoring.** The commissioner shall gather and placing authorities shall provide information to measure compliance with Minnesota Rules, parts 9530.6600 to 9530.6655. The commissioner shall specify the format for data collection to facilitate tracking, aggregating, and using the information.

#### **254A.19 CHEMICAL USE ASSESSMENTS.**

Subd. 1a. **Emergency room patients.** A county may enter into a contract with a hospital to provide chemical use assessments under Minnesota Rules, parts 9530.6600 to 9530.6655, for patients admitted to an emergency room or inpatient hospital when:

(1) an assessor is not available; and

(2) detoxification services in the county are at full capacity.

Subd. 2. **Probation officer as contact.** When a chemical use assessment is required under Minnesota Rules, parts 9530.6600 to 9530.6655, for a person who is on probation or under other correctional supervision, the assessor, either orally or in writing, shall contact the person's probation officer to verify or supplement the information provided by the person.



Subd. 5. **Assessment via telehealth.** Notwithstanding Minnesota Rules, part 9530.6615, subpart 3, item A, a chemical use assessment may be conducted via telehealth as defined in section 256B.0625, subdivision 3b.

#### **254B.04 ELIGIBILITY FOR BEHAVIORAL HEALTH FUND SERVICES.**

Subd. 2b. **Eligibility for placement in opioid treatment programs.** Prior to placement of an individual who is determined by the assessor to require treatment for opioid addiction, the assessor must provide educational information concerning treatment options for opioid addiction, including the use of a medication for the use of opioid addiction. The commissioner shall develop educational materials supported by research and updated periodically that must be used by assessors to comply with this requirement.

Subd. 2c. **Eligibility to receive peer recovery support and treatment service coordination.** Notwithstanding Minnesota Rules, part 9530.6620, subpart 6, a placing authority may authorize peer recovery support and treatment service coordination for a person who scores a severity of one or more in dimension 4, 5, or 6, under Minnesota Rules, part 9530.6622. Authorization for peer recovery support and treatment service coordination under this subdivision does not need to be provided in conjunction with treatment services under Minnesota Rules, part 9530.6622, subpart 4, 5, or 6.

#### **254B.041 SUBSTANCE USE DISORDER RULES.**

Subd. 2. **Vendor collections; rule amendment.** The commissioner may amend Minnesota Rules, parts 9530.7000 to 9530.7025, to require a vendor of substance use disorder transitional and extended care rehabilitation services to collect the cost of care received under a program from an eligible person who has been determined to be partially responsible for treatment costs, and to remit the collections to the commissioner. The commissioner shall pay to a vendor, for the collections, an amount equal to five percent of the collections remitted to the commissioner by the vendor.

#### **254B.13 PILOT PROJECTS; CHEMICAL HEALTH CARE.**

Subdivision 1. **Authorization for navigator pilot projects.** The commissioner may approve and implement navigator pilot projects developed under the planning process required under Laws 2009, chapter 79, article 7, section 26, to provide alternatives to and enhance coordination of the delivery of chemical health services required under section 254B.03.

Subd. 2. **Program design and implementation.** (a) The commissioner and counties participating in the navigator pilot projects shall continue to work in partnership to refine and implement the navigator pilot projects initiated under Laws 2009, chapter 79, article 7, section 26.

(b) The commissioner and counties participating in the navigator pilot projects shall complete the planning phase and, if approved by the commissioner for implementation, enter into agreements governing the operation of the navigator pilot projects.

Subd. 2a. **Eligibility for navigator pilot program.** (a) To be considered for participation in a navigator pilot program, an individual must:

- (1) be a resident of a county with an approved navigator program;
- (2) be eligible for behavioral health fund services;
- (3) be a voluntary participant in the navigator program;
- (4) satisfy one of the following items:

(i) have at least one severity rating of three or above in dimension four, five, or six in a comprehensive assessment under section 245G.05, subdivision 2, paragraph (c), clauses (4) to (6);  
or

(ii) have at least one severity rating of two or above in dimension four, five, or six in a comprehensive assessment under section 245G.05, subdivision 2, paragraph (c), clauses (4) to (6), and be currently participating in a Rule 31 treatment program under chapter 245G or be within 60 days following discharge after participation in a Rule 31 treatment program; and

(5) have had at least two treatment episodes in the past two years, not limited to episodes reimbursed by the behavioral health fund. An admission to an emergency room, a detoxification program, or a hospital may be substituted for one treatment episode if it resulted from the individual's substance use disorder.

(b) New eligibility criteria may be added as mutually agreed upon by the commissioner and participating navigator programs.

Subd. 4. **Notice of navigator pilot project discontinuation.** Each county's participation in the navigator pilot project may be discontinued for any reason by the county or the commissioner of human services after 30 days' written notice to the other party.

Subd. 5. **Duties of commissioner.** (a) Notwithstanding any other provisions in this chapter, the commissioner may authorize navigator pilot projects to use the behavioral health fund to pay for nontreatment navigator pilot services:

(1) in addition to those authorized under section 254B.03, subdivision 2, paragraph (a); and

(2) by vendors in addition to those authorized under section 254B.05 when not providing substance use disorder treatment services.

(b) For purposes of this section, "nontreatment navigator pilot services" include navigator services, peer support, family engagement and support, housing support, rent subsidies, supported employment, and independent living skills.

(c) State expenditures for substance use disorder services and nontreatment navigator pilot services provided by or through the navigator pilot projects must not be greater than the behavioral health fund expected share of forecasted expenditures in the absence of the navigator pilot projects. The commissioner may restructure the schedule of payments between the state and participating counties under the local agency share and division of cost provisions under section 254B.03, subdivisions 3 and 4, as necessary to facilitate the operation of the navigator pilot projects.

(d) The commissioner may waive administrative rule requirements that are incompatible with the implementation of the navigator pilot project, except that any substance use disorder treatment funded under this section must continue to be provided by a licensed treatment provider.

(e) The commissioner shall not approve or enter into any agreement related to navigator pilot projects authorized under this section that puts current or future federal funding at risk.

(f) The commissioner shall provide participating navigator pilot projects with transactional data, reports, provider data, and other data generated by county activity to assess and measure outcomes. This information must be transmitted or made available in an acceptable form to participating navigator pilot projects at least once every six months or within a reasonable time following the commissioner's receipt of information from the counties needed to comply with this paragraph.

Subd. 6. **Duties of county board.** The county board, or other county entity that is approved to administer a navigator pilot project, shall:

(1) administer the navigator pilot project in a manner consistent with the objectives described in subdivision 2 and the planning process in subdivision 5;

(2) ensure that no one is denied substance use disorder treatment services for which they would otherwise be eligible under section 254A.03, subdivision 3; and

(3) provide the commissioner with timely and pertinent information as negotiated in agreements governing operation of the navigator pilot projects.

Subd. 7. **Managed care.** An individual who is eligible for the navigator pilot program under subdivision 2a is excluded from mandatory enrollment in managed care until these services are included in the health plan's benefit set.

Subd. 8. **Authorization for continuation of navigator pilots.** The navigator pilot projects implemented pursuant to subdivision 1 are authorized to continue operation after July 1, 2013, under existing agreements governing operation of the pilot projects.

#### **254B.16 PILOT PROJECTS; TREATMENT FOR PREGNANT AND POSTPARTUM WOMEN WITH SUBSTANCE USE DISORDER.**

Subdivision 1. **Pilot projects established.** (a) Within the limits of federal funds available specifically for this purpose, the commissioner of human services shall establish pilot projects to provide substance use disorder treatment and services to pregnant and postpartum women with a primary diagnosis of substance use disorder, including opioid use disorder. Pilot projects funded under this section must:

(1) promote flexible uses of funds to provide treatment and services to pregnant and postpartum women with substance use disorders;

(2) fund family-based treatment and services for pregnant and postpartum women with substance use disorders;

(3) identify gaps in services along the continuum of care that are provided to pregnant and postpartum women with substance use disorders; and

(4) encourage new approaches to service delivery and service delivery models.

(b) A pilot project funded under this section must provide at least a portion of its treatment and services to women who receive services on an outpatient basis.

Subd. 2. **Federal funds.** The commissioner shall apply for any available grant funds from the federal Center for Substance Abuse Treatment for these pilot projects.

#### **256.9685 ESTABLISHMENT OF INPATIENT HOSPITAL PAYMENT SYSTEM.**

Subd. 1c. **Judicial review.** A hospital, physician, advanced practice registered nurse, or physician assistant aggrieved by an order of the commissioner under subdivision 1b may appeal the order to the district court of the county in which the physician, advanced practice registered nurse, physician assistant, or hospital is located by:

(1) serving a written copy of a notice of appeal upon the commissioner within 30 days after the date the commissioner issued the order; and

(2) filing the original notice of appeal and proof of service with the court administrator of the district court. The appeal shall be treated as a dispositive motion under the Minnesota General Rules of Practice, rule 115. The district court scope of review shall be as set forth in section 14.69.

Subd. 1d. **Transmittal of record.** Within 30 days after being served with the notice of appeal, the commissioner shall transmit to the district court the original or certified copy of the entire record considered by the commissioner in making the final agency decision. The district court shall not consider evidence that was not included in the record before the commissioner.

#### **256B.49 HOME AND COMMUNITY-BASED SERVICE WAIVERS FOR PERSONS WITH DISABILITIES.**

Subd. 23. **Community-living settings.** (a) For the purposes of this chapter, "community-living settings" means a single-family home or multifamily dwelling unit where a service recipient or a service recipient's family owns or rents, and maintains control over the individual unit as demonstrated by a lease agreement. Community-living settings does not include a home or dwelling unit that the service provider owns, operates, or leases or in which the service provider has a direct or indirect financial interest.

(b) To ensure a service recipient or the service recipient's family maintains control over the home or dwelling unit, community-living settings are subject to the following requirements:

(1) service recipients must not be required to receive services or share services;

(2) service recipients must not be required to have a disability or specific diagnosis to live in the community-living setting;

(3) service recipients may hire service providers of their choice;

(4) service recipients may choose whether to share their household and with whom;

(5) the home or multifamily dwelling unit must include living, sleeping, bathing, and cooking areas;

(6) service recipients must have lockable access and egress;

(7) service recipients must be free to receive visitors and leave the settings at times and for durations of their own choosing;

(8) leases must comply with chapter 504B;

(9) landlords must not charge different rents to tenants who are receiving home and community-based services; and

(10) access to the greater community must be easily facilitated based on the service recipient's needs and preferences.

(c) Nothing in this section prohibits a service recipient from having another person or entity not affiliated with the service provider cosign a lease. Nothing in this section prohibits a service

recipient, during any period in which a service provider has cosigned the service recipient's lease, from modifying services with an existing cosigning service provider and, subject to the approval of the landlord, maintaining a lease cosigned by the service provider. Nothing in this section prohibits a service recipient, during any period in which a service provider has cosigned the service recipient's lease, from terminating services with the cosigning service provider, receiving services from a new service provider, and, subject to the approval of the landlord, maintaining a lease cosigned by the new service provider.

(d) A lease cosigned by a service provider meets the requirements of paragraph (a) if the service recipient and service provider develop and implement a transition plan which must provide that, within two years of cosigning the initial lease, the service provider shall transfer the lease to the service recipient and other cosigners, if any.

(e) In the event the landlord has not approved the transfer of the lease within two years of the service provider cosigning the initial lease, the service provider must submit a time-limited extension request to the commissioner of human services to continue the cosigned lease arrangement. The extension request must include:

- (1) the reason the landlord denied the transfer;
- (2) the plan to overcome the denial to transfer the lease;
- (3) the length of time needed to successfully transfer the lease, not to exceed an additional two years;
- (4) a description of how the transition plan was followed, what occurred that led to the landlord denying the transfer, and what changes in circumstances or condition, if any, the service recipient experienced; and
- (5) a revised transition plan to transfer the cosigned lease between the service provider and the service recipient to the service recipient.

The commissioner must approve an extension within sufficient time to ensure the continued occupancy by the service recipient.

#### **256D.63 EXPIRATION OF SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM BENEFITS AND REPORTING REQUIREMENTS.**

Subdivision 1. **Expiration of SNAP benefits.** Supplemental Nutrition Assistance Program (SNAP) benefits shall not be stored off line or expunged from a recipient's account unless the benefits have not been accessed for 12 months after the month they were issued.

#### **256L.03 DEFINITIONS.**

Subd. 6. **Medical assistance room and board rate.** "Medical assistance room and board rate" means an amount equal to 81 percent of the federal poverty guideline for a single individual living alone in the community less the medical assistance personal needs allowance under section 256B.35. For the purposes of this section, the amount of the room and board rate that exceeds the medical assistance room and board rate is considered a remedial care cost. A remedial care cost may be used to meet a spenddown obligation under section 256B.056, subdivision 5. The medical assistance room and board rate is to be adjusted on the first day of January of each year.

#### **260.835 AMERICAN INDIAN CHILD WELFARE ADVISORY COUNCIL.**

Subd. 2. **Expiration.** The American Indian Child Welfare Advisory Council expires June 30, 2023.

#### **518A.59 NOTICE OF INTEREST ON LATE CHILD SUPPORT.**

Any judgment or decree of dissolution or legal separation containing a requirement of child support and any determination of parentage, order under chapter 518C, order under section 256.87, or order under section 260B.331 or 260C.331 must include a notice to the parties that section 548.091, subdivision 1a, provides for interest to begin accruing on a payment or installment of child support whenever the unpaid amount due is greater than the current support due.

**2960.3070 FOSTER PARENT TRAINING.**

Subpart 1. **Orientation.** A nonrelative foster parent must complete a minimum of six hours of orientation before admitting a foster child. Orientation is required for relative foster parents who will be licensed as a child's foster parents. Orientation for relatives must be completed within 30 days following the initial placement. The foster parent's orientation must include items A to E:

A. emergency procedures, including evacuation routes, emergency telephone numbers, severe storm and tornado procedures, and location of alarms and equipment;

B. relevant laws and rules, including, but not limited to, chapter 9560 and Minnesota Statutes, chapters 245A, 260, 260C, and 260E, and legal issues and reporting requirements;

C. cultural diversity, gender sensitivity, culturally specific services, cultural competence, and information about discrimination and racial bias issues to ensure that caregivers will be culturally competent to care for foster children according to Minnesota Statutes, section 260C.212, subdivision 11;

D. information about the role and responsibilities of the foster parent in the development and implementation of the case plan and in court and administrative reviews of the child's placement; and

E. requirements of the licensing agency.

Subp. 2. **In-service training.** Each foster parent must complete a minimum of 12 hours of training per year in one or more of the areas in this subpart or in other areas as agreed upon by the licensing agency and the foster parent. If the foster parent has not completed the required annual training at the time of relicensure and does not show good cause why the training was not completed, the foster parent may not accept new foster children until the training is completed. The nonexclusive list of topics in items A to Z provides examples of in-service training topics that could be useful to a foster parent:

A. cultural competence and transcultural placements;

B. adoption and permanency;

C. crisis intervention, including suicide prevention;

D. sexual offender behaviors;

E. children's psychological, spiritual, cultural, sexual, emotional, intellectual, and social development;

F. legal issues including liability;

G. foster family relationships with placing agencies and other service providers;

H. first aid and life-sustaining treatment such as cardiopulmonary resuscitation;

I. preparing foster children for independent living;

J. parenting children who suffered physical, emotional, or sexual abuse or domestic violence;

K. chemical dependency, and signs or symptoms of alcohol and drug abuse;

L. mental health and emotional disturbance issues;

M. Americans with Disabilities Act and Individuals With Disabilities Education Act;

N. caring for children with disabilities and disability-related issues regarding developmental disabilities, emotional and behavioral disorders, and specific learning disabilities;

- O. privacy issues of foster children;
- P. physical and nonphysical behavior guidance, crisis de-escalation, and discipline techniques, including how to handle aggression for specific age groups and specific issues such as developmental disabilities, chemical dependency, emotional disturbances, learning disabilities, and past abuse;
- Q. birth families and reunification;
- R. effects of foster care on foster families;
- S. home safety;
- T. emergency procedures;
- U. child and family wellness;
- V. sexual orientation;
- W. disability bias and discrimination;
- X. management of sexual perpetration, violence, bullying, and exploitative behaviors;
- Y. medical technology-dependent or medically fragile conditions; and
- Z. separation, loss, and attachment.

Subp. 3. **Medical equipment training.** Foster parents who care for children who rely on medical equipment to sustain life or monitor a medical condition must meet the requirements of Minnesota Statutes, section 245A.155.

#### **2960.3210 STAFF TRAINING REQUIREMENTS.**

Subpart 1. **Orientation.** The license holder must ensure that all staff attend and successfully complete at least six hours of orientation training before having unsupervised contact with foster children. The number of hours of orientation training are not counted as part of the hours of annual training. Orientation training must include at least the topics in items A to F:

- A. emergency procedures, including evacuation routes, emergency telephone numbers, severe storm and tornado procedures, and location of facility alarms and equipment;
- B. relevant statutes and administrative rules and legal issues, including reporting requirements for abuse and neglect specified in Minnesota Statutes, chapter 260E and section 626.557, and other reporting requirements based on the ages of the children;
- C. cultural diversity and gender sensitivity, culturally specific services, and information about discrimination and racial bias issues to ensure that caregivers have cultural sensitivity and will be culturally competent to care for children according to Minnesota Statutes, section 260C.212, subdivision 11;
- D. general and special needs, including disability needs, of children and families served;
- E. operational policies and procedures of the license holder; and
- F. data practices regulations and issues.

Subp. 2. **Personnel training.** The license holder must provide training for staff that is modified annually to meet the current needs of individual staff persons. The license holder must develop an annual training plan for employees that addresses items A to C.

A. Full-time and part-time direct care staff and volunteers must have sufficient training to accomplish their duties. To determine the type and amount of training an employee needs, the license holder must consider the foster care program's target population, services the program delivers, and outcomes expected from the services, as well as the employee's

position description, tasks to be performed, and the performance indicators for the position. The license holder and staff who care for children who rely on medical equipment to sustain life or monitor a medical condition must meet the requirements of Minnesota Statutes, section 245A.155.

B. Full-time staff who have direct contact with children must complete at least 18 hours of in-service training per year. One-half of the training must be skill development training. Other foster home staff and volunteers must complete in-service training requirements consistent with their duties.

C. Part-time direct care staff must receive sufficient training to competently care for children. The amount of training must be provided at least at a ratio of one hour of training for each 60 hours worked, up to 18 hours of training per part-time employee per year.

Subp. 3. **Documentation of training.** The license holder must document the date and number of hours of orientation and in-service training completed by each staff person in each topic area and the name of the entity that provided the training.

#### **9502.0425 PHYSICAL ENVIRONMENT.**

Subp. 5. **Occupancy separations.** Day care residences with an attached garage must have a self-closing, tight fitting solid wood bonded core door at least 1-3/8 inch thick, or door with a fire protection rating of 20 minutes or greater and a separation wall consisting of 5/8 inch thick gypsum wallboard or its equivalent on the garage side between the residence and garage.

Subp. 10. **Stairways.** All stairways must meet the following conditions.

A. Stairways of three or more steps must have handrails.

B. Any open area between the handrail and stair tread must be enclosed with a protective guardrail as specified in the State Building Code. The back of the stair risers must be enclosed.

C. Gates or barriers must be used when children between the ages of 6 and 18 months are in care.

D. Stairways must be well-lighted, in good repair, and free of clutter and obstructions.

#### **9505.0235 ABORTION SERVICES.**

Subpart 1. **Definition.** For purposes of this part, "abortion related services" means services provided in connection with an elective abortion except those services which would otherwise be provided in the course of a pregnancy. Examples of abortion related services include hospitalization when the abortion is performed in an inpatient setting, the use of a facility when the abortion is performed in an outpatient setting, counseling about the abortion, general and local anesthesia provided in connection with the abortion, and antibiotics provided directly after the abortion.

Medically necessary services that are not considered to be abortion related include family planning services as defined in part 9505.0280, subpart 1, history and physical examination, tests for pregnancy and venereal disease, blood tests, rubella titer, ultrasound tests, rhoGAM(TM), pap smear, and laboratory examinations for the purpose of detecting fetal abnormalities.

Treatment for infection or other complications of the abortion are covered services.

Subp. 2. **Payment limitation.** Unless otherwise provided by law, an abortion related service provided to a recipient is eligible for medical assistance payment if the abortion meets the conditions in item A, B, or C.

A. The abortion must be necessary to prevent the death of a pregnant woman who has given her written consent to the abortion. If the pregnant woman is physically or legally incapable of giving her written consent to the procedure, authorization for the abortion must be obtained as specified in Minnesota Statutes, section 144.343. The necessity of the abortion to prevent the death of the pregnant woman must be certified in writing by two physicians before the abortion is performed.

B. The pregnancy is the result of criminal sexual conduct as defined in Minnesota Statutes, section 609.342, paragraphs (c) to (f). The conduct must be reported to a law enforcement agency within 48 hours after its occurrence. If the victim is physically unable to report the criminal sexual conduct within 48 hours after its occurrence, the report must be made within 48 hours after the victim becomes physically able to report the criminal sexual conduct.

C. The pregnancy is the result of incest. Before the abortion, the incest and the name of the relative allegedly committing the incest must be reported to a law enforcement agency.

#### **9505.0505 DEFINITIONS.**

Subp. 18. **Medical review agent.** "Medical review agent" means the representative of the commissioner who is authorized by the commissioner to administer procedures for admission certifications, medical record reviews and reconsideration, and perform other functions as stipulated in the terms of the agent's contract with the department.

#### **9505.0520 INPATIENT ADMISSION CERTIFICATION.**

Subp. 9b. **Reconsideration; physician advisers appointed by medical review agent.** Upon receipt of a request for reconsideration under subpart 9, the medical review agent shall appoint at least three physician advisers who did not take part in the decision to deny or withdraw all or part of the admission certification. Each physician adviser shall determine the medical necessity of the admission or the continued stay or, in the case of a readmission, determine whether the admission and readmission meet the criteria in part 9505.0540. The reconsideration decision must be the majority opinion of the physician advisers. In making the decision, the three physician advisers shall use the criteria of medical necessity set out in part 9505.0530.